



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** December 16, 2014

**TO:** Mayor and Councilmembers

**FROM:** Treasury Division, Finance Department

**SUBJECT:** November 2014 Investment Report

**RECOMMENDATION:**

That Council accept the November 2014 Investment Report.

**DISCUSSION:**

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of November 30, 2014.

**ATTACHMENT:** November 2014 Investment Report

**PREPARED BY:** Genie Wilson, Treasury Manager

**SUBMITTED BY:** Robert Samario, Acting Assistant City Administrator

**APPROVED BY:** City Administrator's Office

**CITY OF SANTA BARBARA**  
**Activity and Interest Report**  
November 30, 2014

**INVESTMENT ACTIVITY****PURCHASES OR DEPOSITS**

11/26 Federal Home Loan Mortgage Corp (FHLMC)	\$ 2,000,000
11/26 Federal Home Loan Bank (FHLB)	2,000,000
<b>Total</b>	<b>\$ 4,000,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

11/17 Federal National Mortgage Association (FNMA) - Maturity	\$ (2,000,000)
11/26 Federal Home Loan Mortgage Corp (FHLMC) - Call	(1,000,000)
11/28 Federal Home Loan Bank (FHLB) - Call	(2,000,000)
<b>Total</b>	<b>\$ (5,000,000)</b>

**ACTIVITY TOTAL**

\$ (1,000,000)

**INVESTMENT INCOME****POOLED INVESTMENTS**

Interest Earned on Investments	\$ 160,540
Amortization	(10,426)
<b>Total</b>	<b>\$ 150,113</b>

**INCOME TOTAL**

\$ 150,113



**CITY OF SANTA BARBARA**

**Investment Portfolio**

**November 30, 2014**

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
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.261	0.261	22,000,000.00	22,000,000.00	22,000,000.00	0.00	
<b>Subtotal, LAIF</b>							22,000,000.00	22,000,000.00	22,000,000.00	0.00	
<b>CERTIFICATES OF DEPOSIT</b>											
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	248,672.50	(1,327.50)	FDIC Certificate 35328
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	248,572.50	(1,427.50)	FDIC Certificate 33954
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	248,640.00	(1,360.00)	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	248,582.50	(1,417.50)	FDIC Certificate 33124
MONTECITO BANK & TRUST	11/18/13	11/18/15	-	-	0.600	0.600	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/15	-	-	1.230	1.247	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
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	
<b>Subtotal, Certificates of deposit</b>							9,000,000.00	9,000,000.00	8,994,467.50	(5,532.50)	
<b>TREASURY SECURITIES - COUPON</b>											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,000,186.57	2,001,720.00	1,533.43	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,015,499.83	2,020,460.00	4,960.17	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,135,088.34	2,141,100.00	6,011.66	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,017,235.86	2,021,400.00	4,164.14	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,011,877.98	2,012,500.00	622.02	
<b>Subtotal, Treasury Securities</b>							10,000,000.00	10,179,888.58	10,197,180.00	17,291.42	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FED AGRICULTURAL MTG CORP	10/03/13	10/03/18	-	-	1.720	1.720	2,000,000.00	2,000,000.00	2,027,420.00	27,420.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,040,860.00	40,860.00	
FEDERAL FARM CREDIT BANK	07/09/14	07/09/18	Aaa	AA+	1.470	1.470	2,000,000.00	2,000,000.00	2,004,900.00	4,900.00	Callable 07/09/15, then continuous
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,997,060.00	(2,940.00)	Callable, continuous
FEDERAL FARM CREDIT BANK	09/18/13	09/18/17	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	2,033,420.00	33,420.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,054,200.00	54,200.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,022,340.00	22,340.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,006,463.09	2,050,560.00	44,096.91	
FEDERAL HOME LOAN BANK	04/17/14	04/17/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,001,840.00	1,840.00	Callable, 04/17/15 once
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,976,320.00	(23,680.00)	Callable 01/16/15, then qtrly
FEDERAL HOME LOAN BANK	01/17/14	04/17/18	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,010,420.00	10,420.00	
FEDERAL HOME LOAN BANK	09/30/14	09/30/19	Aaa	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,002,840.00	2,840.00	Callable 12/30/14, then qtrly
FEDERAL HOME LOAN BANK	06/26/14	06/26/19	Aaa	AA+	1.250	2.062	2,000,000.00	1,999,444.44	2,001,620.00	2,175.56	SU 1.25%-6% Call 12/26/14, then qtrly
FEDERAL HOME LOAN BANK	11/26/14	11/26/19	Aaa	AA+	1.500	2.102	2,000,000.00	2,000,000.00	2,006,500.00	6,500.00	SU 1.5%-5% Call 05/26/15, then qtrly
FEDERAL HOME LOAN BANK	06/27/13	06/27/18	Aaa	AA+	1.250	1.493	2,000,000.00	2,000,000.00	2,001,360.00	1,360.00	SU 1.125%-2.5% Call 12/27/14, then qtrly
FEDERAL HOME LOAN BANK	04/15/14	04/15/19	Aaa	AA+	2.070	2.070	1,000,000.00	1,000,000.00	1,000,100.00	100.00	Callable, continuous
FEDERAL HOME LOAN BANK	05/22/14	05/22/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,998,700.00	(1,300.00)	Callable, continuous
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,005,240.00	5,240.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,018,020.00	18,020.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,007,709.47	2,025,960.00	18,250.53	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,830.44	2,007,420.00	7,589.56	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,009,742.57	2,003,600.00	(6,142.57)	

**CITY OF SANTA BARBARA**

**Investment Portfolio**

**November 30, 2014**

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
			MOODY'S	S & P							
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	2,000,520.00	520.00	Callable 12/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	12/18/13	12/18/18	Aaa	AA+	1.500	1.839	1,000,000.00	1,000,000.00	1,000,670.00	670.00	SU 1.5%-2.75% Call 12/18/14, then qtrly
FEDERAL HOME LOAN MTG CORP	12/31/13	12/31/18	Aaa	AA+	1.825	1.825	1,000,000.00	1,000,000.00	1,001,400.00	1,400.00	Callable 12/31/14, once
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,999,744.21	2,002,920.00	3,175.79	
FEDERAL HOME LOAN MTG CORP	06/30/14	06/30/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,005,240.00	5,240.00	Callable 06/30/15, once
FEDERAL HOME LOAN MTG CORP	09/12/12	09/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,993,660.00	(6,340.00)	Callable 12/12/14, then qtrly
FEDERAL HOME LOAN MTG CORP	01/16/13	01/16/18	Aaa	AA+	1.050	1.050	4,000,000.00	4,000,000.00	3,997,920.00	(2,080.00)	Callable 01/16/15, then qtrly
FEDERAL HOME LOAN MTG CORP	11/26/14	11/26/19	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,005,300.00	5,300.00	Callable 02/26/15, then qtrly
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	2,001,620.00	1,620.00	Callable 12/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,164.49	1,000,210.00	1,045.51	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,982,690.00	(17,310.00)	Callable 01/30/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,989,080.00	(10,920.00)	Callable 12/12/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	06/19/13	12/19/16	Aaa	AA+	0.750	0.750	2,000,000.00	2,000,000.00	2,000,560.00	560.00	Callable 12/19/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,989,395.57	1,994,440.00	5,044.43	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,447.26	2,018,620.00	17,172.74	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,990,840.00	(9,160.00)	Callable 02/08/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,990,840.00	(9,160.00)	Callable 02/08/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/26/12	12/26/17	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,986,640.00	(13,360.00)	Callable 12/26/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,029,660.00	29,660.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,992,441.34	2,025,140.00	32,698.66	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,987,320.00	(12,680.00)	Callable 02/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,988,930.08	1,994,440.00	5,509.92	
<b>Subtotal, Federal Agencies</b>							<u>91,000,000.00</u>	<u>90,994,312.96</u>	<u>91,290,430.00</u>	<u>296,117.04</u>	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,998,441.67	2,042,080.00	43,638.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,007,340.00	7,340.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,034,280.00	34,280.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,003,872.28	2,043,340.00	39,467.72	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,013,322.81	2,028,440.00	15,117.19	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,006,810.78	2,044,260.00	37,449.22	
<b>Subtotal, Corporate Securities</b>							<u>12,000,000.00</u>	<u>12,022,447.54</u>	<u>12,199,740.00</u>	<u>177,292.46</u>	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>0.00</u>	
<b>Subtotal, SBA Note</b>							<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>0.00</u>	
<b>CHECKING ACCOUNT</b>											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	<u>20,615,892.22</u>	<u>20,615,892.22</u>	<u>20,615,892.22</u>	<u>0.00</u>	
<b>Subtotal, Checking Account</b>							<u>20,615,892.22</u>	<u>20,615,892.22</u>	<u>20,615,892.22</u>	<u>0.00</u>	
<b>TOTALS</b>							<u>169,952,859.12</u>	<u>170,149,508.20</u>	<u>170,634,676.62</u>	<u>485,168.42</u>	

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.