

CITY COUNCIL AGENDA

Date: August 28, 2012
TO: City Council
FROM: June Overholt, Administrative Services Director/Deputy City Manager
SUBJECT: Report of Investments for June 2012

RECOMMENDATION: "The City Council receive and place these required monthly *Reports of Investments* on file."

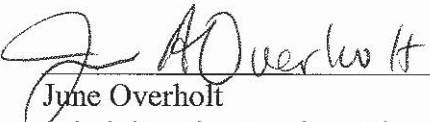
JUSTIFICATION: State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

BACKGROUND: This report includes investments on hand at the end of June 2012. As of June 30, 2012, the City's operating funds totaled \$66,262,148. Included in operating funds is \$1,167,838 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of June 30, 2012 approximately 47% of the City's unrestricted cash balances were invested in investments other than LAIF.

Presented are three months of Investment Reports. June is a first issue, while April and May are included to provide multiple months of statements for comparison.

FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) decreased to 0.358% in June. The average rate for all investments in June was 0.320%.

RECOMMENDED BY:


June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:


Andy Takata
City Manager

Summary Schedule of Cash and Investments**Operating Funds****Petty Cash**

Amount

2,805

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000%

7,992

Wells Fargo Bank-Investment Account

0.100%

4,493,897

Bank of America-Airport

0.300%

3,040

Bank of America-Parking Citations

0.300%

3,010

Bank of America-CNG Station

0.300%

3,705

Money Market and Bank Account Sub-Total

4,511,644

Government Pools

Account #1 Operating Amount

33,881,721

Account #1 CRA Bond Cash Bal.

1,167,838

Local Agency Investment Fund: Account #1

0.358%

35,049,559

Account #2 Successor Agency Cash Bal

347

Local Agency Investment Fund: Account #2

0.358%

347

Government Pool Sub-Total

35,049,907

Operating Cash Balance**39,564,356****Restricted Operating Funds at Riverside Public Utilities**

Highmark U.S. Government Money Market Fund

0.000%

1,058,458

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.307%

25,639,334

Operating Funds Total**66,262,148****Fiscal Agent**

Amount

US Bank

40,106,431

Fiscal Agent Total**40,106,431**

City of Banning Investment Report

June 30, 2012

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Date	Discount or (Premium) Amortization	Market Value
<i>Bank Accounts</i>								
7,992	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	7,992	n/a	7,992
4,493,897	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	4,493,897	n/a	4,493,897
3,040	Bank of America-Airport	n/a	0.30%	daily	varies	3,040	n/a	3,040
3,010	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,010	n/a	3,010
3,705	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,705	n/a	3,705
Sub-total								
<i>Government Pools</i>								
35,049,559	L.A.I.F. account #1	n/a	0.358%	daily	varies	35,049,559	n/a	35,049,559
347	L.A.I.F. account #2	n/a	0.358%	daily	varies	347	n/a	347
35,049,907								
<i>Investments-US Bank/Piper Jaffray</i>								
5,000,000	FHLMC MTN	n/a	0.450%	9/6/2013	12/2/2011	5,000,000		5,001,500
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		2,988,380
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		3,002,550
2,000,000	Federal Home Loan Bks	n/a	0.350%	5/22/2015	5/16/2012	2,000,000		1,999,700
2,000,000	FNMA MTN	n/a	0.550%	12/4/2014	6/27/2012	2,000,000		1,999,560
10,647,644	Money Market	n/a	0.020%	daily	varies	10,647,644	0	10,647,644
US Bank/Piper Jaffray Average Rate= 0.307%								
25,639,334								

Average Rate All= 0.320%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on August 23, 2011. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 193 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

June 30, 2012

Interest Rate X Par Value	Maturity Length *Reduce by 30 Days each Month	Par Value	Maturity Length X Par Value	Duration	
				Full Year Days	Part Year Days
0.00	1	7,992	7992	9/5/2012	12/2/2011
4493.90	1	4,493,897	4493897	5/28/2012	5/16/2012
9.12	1	3,040	3039.79	5/21/2012	5/21/2012
9.03	1	3,010	3009.92	5/21/2012	5/16/2012
11.12	1	3,705	3705.37	12/3/2012	6/27/2012
125477.423	1	35,049,559	35049559.45	9/6/2013	9/5/2012
1.244	1	347	347.41	5/29/2015	5/27/2012
22500.000	458	5,000,000	22900000000	5/22/2015	5/21/2012
18000.000	1061	3,000,000	3183000000	5/22/2015	5/21/2012
18000.000	1055	3,000,000	3165000000	5/22/2015	5/21/2012
7000.000	1055	2,000,000	2110000000	5/22/2015	5/21/2012
11000.000	879	2,000,000	1758000000	12/4/2014	12/3/2012
2129.529	1	10,647,644	#####		159
				Purchase Cost Total =	
				25,647,644	
208.631				192,5527	
0.320% Average Rate				Length/ Par Value	

City of Banning Investment Report

Juen 30, 2012

Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Jun-12	6/30/2012 Market Value
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A							
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.040%	daily	188,943	7.39	218,052
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003							
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	4.61%	7/28/2011	971,763		973,482
		US Bank Mmkt 4-Ct	0.040%	daily		0.67	19,923
		US Bank Mmkt 4-Ct	0.000%	daily			7
		US Bank Mmkt 4-Ct	0.000%	daily			8
Surplus Fund							
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.040%	daily		282.07	8,325,788
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	1,880,751	63.54	1,875,489
Special Fund		US Bank Mmkt 4-Ct	0.060%	daily		0.00	18
Surplus Fund		US Bank Mmkt 4-Ct	0.000%	daily			9
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Interest Account		US Bank Mmkt 4-Ct	0.000%	daily			9
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily		2.37	70,000
		US Bank Mmkt 4-Ct	0.040%	daily		124.98	3,689,172
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Interest Account		US Bank Mmkt 4-Ct	0.050%	daily		0.00	19
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily		-	370,000
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	2,310,710	78.29	2,310,970
Project Fund		US Bank Mmkt 4-Ct	0.040%	daily		142.25	4,198,670
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
		US Bank Mmkt 4-Ct	0.040%	daily		25.20	25
		US Bank Mmkt 4-Ct	0.040%	daily	2,672,050	100.73	2,672,248
Acquisition & Construction		US Bank Mmkt 4-Ct	0.400%	daily		521.14	15,382,542
*Paid Semi-Annually-Deposited into Money Mkt Account							
Total						1,348.63	40,106,431

Summary Schedule of Cash and Investments**Operating Funds****Petty Cash**

Amount

2,805

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000%

58,502

Wells Fargo Bank-Investment Account

0.100%

1,512,476

Bank of America-Airport

0.300%

5,662

Bank of America-Parking Citations

0.300%

3,539

Bank of America-CNG Station

0.300%

3,537

Money Market and Bank Account Sub-Total

1,583,716

Government Pools

Account #1 Operating Amount

35,742,180

Account #1 CRA Bond Cash Bal.

1,307,380

Local Agency Investment Fund: Account #1

0.363%

37,049,559

Account #2 Successor Agency Cash Bal

347

Local Agency Investment Fund: Account #2

0.363%

347

Government Pool Sub-Total

37,049,907

Operating Cash Balance**38,636,428****Restricted Operating Funds at Riverside Public Utilities**

Highmark U.S. Government Money Market Fund

0.000%

1,000,240

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.304%

25,637,043

Operating Funds Total**65,273,710****Fiscal Agent**

Amount

US Bank

41,850,918

Fiscal Agent Total**41,850,918**

City of Banning Investment Report

May 31, 2012

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Date	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
58,502	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	58,502	n/a	58,502
1,512,476	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,512,476	n/a	1,512,476
5,662	Bank of America-Airport	n/a	0.30%	daily	varies	5,662	n/a	5,662
3,539	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,539	n/a	3,539
3,537	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,537	n/a	3,537
Sub-total								
								1,583,716
<u>Government Pools</u>								
37,049,559	L.A.I.F. account #1	n/a	0.363%	daily	varies	37,049,559	n/a	37,049,559
347	L.A.I.F. account #2	n/a	0.363%	daily	varies	347	n/a	347
Sub-total								
								37,049,907
<u>Investments-US Bank/Piper Jaffray</u>								
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,000,540
5,000,000	FHLMC MTN	n/a	0.450%	9/6/2013	12/2/2011	5,000,000		5,002,400
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		2,995,920
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		2,996,520
2,000,000	Federal Home Loan Bks	n/a	0.350%	5/22/2015	5/16/2012	2,000,000		1,999,260
11,642,403	Money Market	n/a	0.020%	daily	varies	11,642,403	0	11,642,403
US Bank/Piper Jaffray Average Rate=								
			0.304%					25,637,043
Average Rate All= 0.333%								

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on August 23, 2011. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 186 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

May 31, 2012

Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest May-12	5/31/2012 Market Value
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A							
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.040%	daily	188,943	7.15	218,044
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003							
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	4.59%	7/28/2011	971,763		977,197
		US Bank Mmkt 4-Ct	0.040%	daily		0.65	19,922
		US Bank Mmkt 4-Ct	0.000%	daily			7
		US Bank Mmkt 4-Ct	0.000%	daily			8
Surplus Fund							
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.040%	daily		336.06	8,325,506
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	1,880,751	61.49	1,875,425
Special Fund		US Bank Mmkt 4-Ct	0.060%	daily		0.00	18
Surplus Fund		US Bank Mmkt 4-Ct	0.000%	daily			9
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Interest Account		US Bank Mmkt 4-Ct	0.000%	daily		3.22	9
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily			70,000
		US Bank Mmkt 4-Ct	0.040%	daily		120.95	3,689,047
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Interest Account		US Bank Mmkt 4-Ct	0.050%	daily		18.89	19
Principal Account		US Bank Mmkt 4-Ct	0.030%	daily		-	370,000
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	2,310,710	79.78	2,310,892
Project Fund		US Bank Mmkt 4-Ct	0.040%	daily		137.65	4,198,528
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
		US Bank Mmkt 4-Ct	0.040%	daily			1,441,156
		US Bank Mmkt 4-Ct	0.040%	daily	2,672,050	97.48	2,973,111
Acquisition & Construction		US Bank Mmkt 4-Ct	0.400%	daily		504.31	15,382,021
*Paid Semi-Annually-Deposited into Money Mkt Account						Total	41,850,918

Summary Schedule of Cash and Investments**Operating Funds****Petty Cash**

Amount

2,805

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000%

17,748

Wells Fargo Bank-Investment Account

0.100%

5,556,817

Bank of America-Airport

0.300%

5,782

Bank of America-Parking Citations

0.300%

3,241

Bank of America-CNG Station

0.300%

3,363

Money Market and Bank Account Sub-Total

5,586,952

Government Pools

Account #1 Operating Amount

33,172,888

Account #1 CRA Bond Cash Bal.

1,376,672

Local Agency Investment Fund: Account #1

0.367%

34,549,559

Account #2 Successor Agency Cash Bal

347

Local Agency Investment Fund: Account #2

0.367%

347

Government Pool Sub-Total

34,549,907

Operating Cash Balance**40,139,664****Restricted Operating Funds at Riverside Public Utilities**

Highmark U.S. Government Money Market Fund

0.000%

1,167,955

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.142%

25,645,753

Operating Funds Total**66,953,372****Fiscal Agent**

Amount

US Bank

41,321,843

Fiscal Agent Total**41,321,843**

City of Banning Investment Report

April 30, 2012

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Date	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
17,748	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	17,748	n/a	17,748
5,556,817	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	5,556,817	n/a	5,556,817
5,782	Bank of America-Airport	n/a	0.30%	daily	varies	5,782	n/a	5,782
3,241	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,241	n/a	3,241
3,363	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,363	n/a	3,363
Sub-total								
5,586,952								
<u>Government Pools</u>								
34,549,559	L.A.I.F. account #1	n/a	0.367%	daily	varies	34,549,559	n/a	34,549,559
347	L.A.I.F. account #2	n/a	0.367%	daily	varies	347	n/a	347
34,549,907								
<u>Investments-US Bank/Piper Jaffray</u>								
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,001,130
5,000,000	FHLMC MTN	n/a	0.450%	9/6/2013	12/2/2011	5,000,000		5,002,450
19,642,173	Money Market	n/a	0.020%	daily	varies	19,642,173	0	19,642,173
US Bank/Piper Jaffray Average Rate=								
0.142%								
25,645,753								

Average Rate All= 0.257%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on August 23, 2011. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 52 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

April 30, 2012

Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Apr-12	4/30/2012 Market Value
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A							
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.040%	daily	188,943	5.96	218,037
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003							
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	4.57%	7/28/2011	971,763		980,913
		US Bank Mmkt 4-Ct	0.040%	daily		0.67	19,922
		US Bank Mmkt 4-Ct	0.000%	daily		7.16	7
		US Bank Mmkt 4-Ct	0.000%	daily			8
Surplus Fund							
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.040%	daily		404.31	8,325,170
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	1,880,751	63.53	1,875,364
Special Fund		US Bank Mmkt 4-Ct	0.060%	daily		0.00	18
Surplus Fund		US Bank Mmkt 4-Ct	0.000%	daily			9
BUA - WASTE WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Interest Account		US Bank Mmkt 4-Ct	0.040%	daily			196,640
Principal Account		US Bank Mmkt 4-Ct	0.000%	daily			6
		US Bank Mmkt 4-Ct	0.040%	daily		124.98	3,688,926
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Interest Account		US Bank Mmkt 4-Ct	0.040%	daily			1,152,504
Principal Account		US Bank Mmkt 4-Ct	0.030%	daily		-	30
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	2,310,710	78.31	2,311,350
Project Fund		US Bank Mmkt 4-Ct	0.040%	daily		142.24	4,198,390
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
		US Bank Mmkt 4-Ct	0.050%	daily			19
		US Bank Mmkt 4-Ct	0.040%	daily	2,672,050	100.72	2,973,013
Acquisition & Construction		US Bank Mmkt 4-Ct	0.400%	daily		521.10	15,381,517
*Paid Semi-Annually-Deposited into Money Mkt Account						Total	41,321,843