

CITY COUNCIL AGENDA

Date: December 13, 2011
TO: City Council
FROM: June Overholt, Administrative Services Director/Deputy City Manager
SUBJECT: Report of Investments for October 2011

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 October 2011. As of October 31, 2011, the City's operating funds totaled \$62,383,437. Included in operating funds is \$1,566,441 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of October 31, 2011 approximately 47% of the City's unrestricted cash balances were invested in investments other than LAIF.

Presented are three months of Investment Reports. October is a first issue, while August and September 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) increased to 0.385 % in October. The average rate for all investments in October was 0.314%.

RECOMMENDED BY:


June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:


Andy Takata
City Manager

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

Amount

2,305

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000%

-

Wells Fargo Bank-Investment Account

0.100%

2,281,036

Bank of America-Airport

0.300%

16,183

Bank of America-Parking Citations

0.300%

4,551

Bank of America-CNG Station

0.300%

5,879

Money Market and Bank Account Sub-Total

2,307,649

Government Pools

Local Agency Investment Fund: Account #1

0.385%

31,513,738

Account #2 Operating Amount

405,894

Account #2 CRA Bond Cash Bal

1,566,441

Local Agency Investment Fund: Account #2

0.385%

1,972,335

Government Pool Sub-Total

33,486,074

Operating Cash Balance**35,796,028**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.000%

995,449

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.240%

25,591,960

Operating Funds Total**62,383,437****Fiscal Agent**

Amount

US Bank

45,333,855

Fiscal Agent Total**45,333,855**

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City of Banning Investment Report

October 31, 2011

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Price	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
-	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	-	n/a	-
2,281,036	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,281,036	n/a	2,281,036
16,183	Bank of America-Airport	n/a	0.30%	daily	varies	16,183	n/a	16,183
4,551	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,551	n/a	4,551
5,879	Bank of America-Parking Citations	n/a	0.30%	daily	varies	5,879	n/a	5,879
Sub-total								2,307,649
<u>Government Pools</u>								
31,513,738	L.A.I.F. account #1	n/a	0.385%	daily	varies	31,513,738	n/a	31,513,738
1,972,335	L.A.I.F. account #2	n/a	0.385%	daily	varies	1,972,335	n/a	1,972,335
								33,486,074
<u>Investments-US Bank/Piper Jaffray</u>								
1,000,000	FHLMC MTN	n/a	0.600%	6/28/2013	6/16/2011	1,000,000		1,000,370
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,003,550
2,000,000	Federal Home Loan Banks	n/a	1.125%	6/30/2014	6/16/2011	2,000,000		2,001,560
2,000,000	FHLMC MTN	n/a	0.650%	7/18/2013	7/18/2011	2,000,000		2,001,420
1,000,000	FHLMC MTN	n/a	1.000%	4/11/2014	7/11/2011	1,000,000		1,000,900
18,584,160	Money Market	n/a	0.000%	daily	varies	18,584,160	0	18,584,160
US Bank/Piper Jaffray Average Rate=								25,591,960
0.240%								

Average Rate All= 0.314%

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 95 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

October 31, 2011

Individual Investments with Fiscal Agent

TRUSTEE		Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Oct-11	10/31/2011 Market Value
US BANK								
1991 Wilson St. Assessment District		2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	0.53	
			US Bank Mmkt 4-Ct	0.070%	daily			
2005 Fair Oaks Ranch Estates								
		2035	US Bank Mmkt 4-Ct	0.500%	daily	188,943	7.90	188,041
2003 CRA Tax Allocation Bonds								
		2028	U S Treasury Bill	75.00%	7/28/2011	971,763		982,540
			US Bank Mmkt 4-Ct	0.500%	daily		0.83	20,301
			US Bank Mmkt 4-Ct	0.300%	daily			29
			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	0.500%	daily		490.31	11,931,351
Reserve Fund			US Bank Mmkt 4-Ct	0.500%	daily	1,880,751	77.07	1,875,414
Special Fund			US Bank Mmkt 4-Ct	0.400%	daily			47
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	0.500%	daily		2.77	196,594
Principal Account			US Bank Mmkt 4-Ct	0.500%	daily		151.56	67,517
			US Bank Mmkt 4-Ct	0.500%	daily			3,688,100
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Interest Account			US Bank Mmkt 4-Ct	0.500%	daily			1,154,072
Principal Account			US Bank Mmkt 4-Ct	0.500%	daily		14.69	357,589
Reserve Fund			US Bank Mmkt 4-Ct	0.500%	daily	2,310,710	94.99	2,311,555
Project Fund			US Bank Mmkt 4-Ct	0.500%	daily		172.49	4,197,449
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
			US Bank Mmkt 4-Ct	0.600%	daily			90
Reserve Fund			Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		2,931,509
			US Bank Mmkt 4-Ct	0.500%	daily		1.17	53,570
Acquisition & Construction			US Bank Mmkt 4-Ct	0.500%	daily		631.95	15,378,070
*Paid Semi-Annually-Deposited into Money Mkt Account							Total	45,333,855
							1,646.26	

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

Amount
2,305

Bank Accounts

	Interest Rate	Amount
Wells Fargo Bank	0.000%	22,110
Wells Fargo Bank-Investment Account	0.100%	3,234,867
Bank of America-Airport	0.300%	4,321
Bank of America-Parking Citations	0.300%	3,099
Bank of America-CNG Station	0.300%	3,502

Money Market and Bank Account Sub-Total	3,267,899
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Government Pools

Local Agency Investment Fund: Account #1	0.378%	31,483,553
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Account #2 Operating Amount	902,628
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Account #2 CRA Bond Cash Bal	1,567,340
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Local Agency Investment Fund: Account #2	0.378%	2,469,967
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Government Pool Sub-Total	33,953,520
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Operating Cash Balance	37,223,725
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Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.000%	797,092
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.240%	25,591,210
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Operating Funds Total	63,612,027
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Fiscal Agent

US Bank

Amount
43,982,139

Fiscal Agent Total	43,982,139
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City of Banning Investment Report

September 30, 2011

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
22,110	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	22,110	n/a	22,110
3,234,867	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	3,234,867	n/a	3,234,867
4,321	Bank of America-Airport	n/a	0.30%	daily	varies	4,321	n/a	4,321
3,099	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,099	n/a	3,099
3,502	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,502	n/a	3,502
Sub-total								3,267,899
<u>Government Pools</u>								
31,483,553	L.A.I.F. account #1	n/a	0.378%	daily	varies	31,483,553	n/a	31,483,553
2,469,967	L.A.I.F. account #2	n/a	0.378%	daily	varies	2,469,967	n/a	2,469,967
								33,953,520
<u>Investments-US Bank/Piper Jaffray</u>								
1,000,000	FHLMC MTN	n/a	0.600%	6/28/2013	6/16/2011	1,000,000		1,000,100
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,003,990
2,000,000	Federal Home Loan Banks	n/a	1.125%	6/30/2014	6/16/2011	2,000,000		2,002,360
2,000,000	FHLMC MTN	n/a	0.650%	7/18/2013	7/18/2011	2,000,000		2,001,740
1,000,000	FHLMC MTN	n/a	1.000%	4/11/2014	7/11/2011	1,000,000		1,001,360
18,581,660	Money Market	n/a	0.000%	daily	varies	18,581,660	0	18,581,660
US Bank/Piper Jaffray Average Rate=								25,591,210
Average Rate All=								0.307%

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 96 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

September 30, 2011

Individual Investments with Fiscal Agent

TRUSTEE		Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Sep-11	9/30/2011 Market Value
Bond Issue Description								
US BANK								
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market	US Bank Mmkt 4-Ct	0.200%	daily	265,580	0.00	0
				0.070%	daily		0.53	14
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct		0.500%	daily	188,943	9.44	188,033
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill		75.00%	7/28/2011	971,763		983,070
		US Bank Mmkt 4-Ct		0.500%	daily		0.86	20,300
		US Bank Mmkt 4-Ct		0.300%	daily			29
Surplus Fund		US Bank Mmkt 4-Ct		0.000%	daily			8
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007								
Redevelop Fund	2037	US Bank Mmkt 4-Ct		0.500%	daily		506.63	11,930,861
Reserve Fund		US Bank Mmkt 4-Ct		0.500%	daily	1,880,751	79.63	1,875,336
Special Fund		US Bank Mmkt 4-Ct		0.400%	daily		47.29	47
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		2.87	8
Principal Account		US Bank Mmkt 4-Ct		0.500%	daily			67,514
		US Bank Mmkt 4-Ct		0.500%	daily		156.60	3,687,948
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Interest Account		US Bank Mmkt 4-Ct		0.400%	daily			44
Principal Account		US Bank Mmkt 4-Ct		0.500%	daily		15.18	357,574
Reserve Fund		US Bank Mmkt 4-Ct		0.500%	daily	2,310,710	98.15	2,311,460
Project Fund		US Bank Mmkt 4-Ct		0.500%	daily		178.23	4,197,277
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
		US Bank Mmkt 4-Ct		0.600%	daily			90
Reserve Fund		Reliance Trust Company # 9AMGGBEZ7		3.650%	11/17/2011	2,961,500		2,931,509
		US Bank Mmkt 4-Ct		0.500%	daily			53,569
Acquisition & Construction		US Bank Mmkt 4-Ct		0.500%	daily		652.99	15,377,438
*Paid Semi-Annually-Deposited into Money Mkt Account							Total	43,982,139
							1,748.40	

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

Amount
2,305

Bank Accounts

	Interest Rate	Amount
Wells Fargo Bank	0.000%	18,619
Wells Fargo Bank-Investment Account	0.100%	2,316,208
Bank of America-Airport	0.300%	13,735
Bank of America-Parking Citations	0.300%	4,202
Bank of America-CNG Station	0.300%	4,337

Money Market and Bank Account Sub-Total	2,357,102
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Government Pools

Local Agency Investment Fund: Account #1	0.408%	31,483,553
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Account #2 Operating Amount	804,976
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Account #2 CRA Bond Cash Bal	1,664,991
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Local Agency Investment Fund: Account #2	0.408%	2,469,967
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Government Pool Sub-Total	33,953,520
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Operating Cash Balance	36,312,927
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Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.000%	710,415
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.205%	25,595,640
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Operating Funds Total	62,618,982
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Fiscal Agent

Amount
US Bank
44,548,909

Fiscal Agent Total	44,548,909
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City of Banning Investment Report

August 31, 2011

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
18,619	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	18,619	n/a	18,619
2,316,208	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,316,208	n/a	2,316,208
13,735	Bank of America-Airport	n/a	0.30%	daily	varies	13,735	n/a	13,735
4,202	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,202	n/a	4,202
4,337	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,337	n/a	4,337
Sub-total								2,357,102
<u>Government Pools</u>								
31,483,553	L.A.I.F. account #1	n/a	0.408%	daily	varies	31,483,553	n/a	31,483,553
2,469,967	L.A.I.F. account #2	n/a	0.408%	daily	varies	2,469,967	n/a	2,469,967
								33,953,520
<u>Investments-US Bank/Piper Jaffray</u>								
1,000,000	FHLMC MTN	n/a	0.600%	6/28/2013	6/16/2011	1,000,000		1,000,870
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,005,250
2,000,000	Federal Home Loan Banks	n/a	1.125%	6/30/2014	6/16/2011	2,000,000		2,003,740
2,000,000	FHLMC MTN	n/a	0.650%	7/18/2013	7/18/2011	2,000,000		2,002,340
1,000,000	FHLMC MTN	n/a	0.100%	4/11/2014	7/11/2011	1,000,000		1,001,780
18,581,660	Money Market	n/a	0.000%	daily	varies	18,581,660	0	18,581,660
US Bank/Piper Jaffray Average Rate=								25,595,640
0.205%								

Average Rate All= 0.313%

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 101 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

August 31, 2011

Individual Investments with Fiscal Agent

Bond Maturity Date	Investment Description	Current Yield	Bond Reserve	Bond Maturity Date	Minimum Reserve Requirement	Interest Jul-11	Market Value 8/31/2011
IMPANY							
	Federated U.S. Treasury Money Mkt	0.000%	daily		0		0
istrict	2012 AIM U.S. Treasury Money Market	0.200%	daily		265,580	8.85	9
	US Bank Mmkt 4-Ct	0.050%	daily			4.78	497,099
2035	US Bank Mmkt 4-Ct	0.500%	daily		188,943	9.31	312,285
2028	U S Treasury Bill	75.00%	7/28/2011		971,763		983,728
	US Bank Mmkt 4-Ct	0.500%	daily			6.34	20,300
	US Bank Mmkt 4-Ct	0.300%	daily			28.70	29
	US Bank Mmkt 4-Ct	0.000%	daily				8
MPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
2037	US Bank Mmkt 4-Ct	0.500%	daily			506.61	11,930,354
	US Bank Mmkt 4-Ct	0.500%	daily		1,880,751	79.70	1,875,257
	US Bank Mmkt 4-Ct	0.400%	daily			47.29	47
	US Bank Mmkt 4-Ct	0.000%	daily				9
TERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
	US Bank Mmkt 4-Ct	0.000%	daily				8
	US Bank Mmkt 4-Ct	0.500%	daily			2.87	67,511
	US Bank Mmkt 4-Ct	0.500%	daily			156.60	3,687,791
SE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
	US Bank Mmkt 4-Ct	0.400%	daily				44
	US Bank Mmkt 4-Ct	0.500%	daily			15.18	357,559
	US Bank Mmkt 4-Ct	0.500%	daily		2,310,710	98.15	2,311,361
	US Bank Mmkt 4-Ct	0.500%	daily			178.22	4,197,099
REVENUE BONDS 2007 SERIES							
	US Bank Mmkt 4-Ct	0.600%	daily				90
	Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011		2,961,500		2,931,509
	US Bank Mmkt 4-Ct	0.400%	daily				26
	US Bank Mmkt 4-Ct	0.500%	daily			652.96	15,376,785
						Total	44,548,909
osited into Money Mkt Account							