

CITY COUNCIL AGENDA

Date: October 11, 2011
TO: City Council
FROM: June Overholt, Administrative Services Director/Deputy City Manager
SUBJECT: Report of Investments for August 2011

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

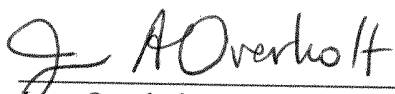
JUSTIFICATION: State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

BACKGROUND: This report includes investments on hand at the end of August 2011. As of August 31, 2011, the City's operating funds totaled \$62,618,982. Included in operating funds is \$1,664,991 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of August 31, 2011 approximately 46% of the City's unrestricted cash balances were invested in investments other than LAIF.

Presented are three months of Investment Reports. August is a first issue, while June and July 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 0.408 % in August. The average rate for all investments in August was 0.313%.

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
2,305

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
Account #2 Operating Amount		804,976
Account #2 CRA Bond Cash Bal		1,664,991
Local Agency Investment Fund: Account #2	0.408%	2,469,967

Government Pool Sub-Total	33,953,520
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Operating Cash Balance**36,312,927**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****Fiscal Agent**

US Bank

Amount
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 Price	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
Investments-US Bank/Piper Jaffray								
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=								
			0.205%					25,595,640

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.

City of Banning Investment Report

August 31, 2011

Individual Investments with Fiscal Agent

Bond Issue Description	TRUSTEE	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Jul-11	8/31/2011 Market Value
BNY WESTERN TRUST COMPANY								
US BANK								
1991 Wilson St. Assessment District		2012	Federated U.S. Treasury Money Mkt	0.000%	daily	0		0

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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%	126,446
Wells Fargo Bank-Investment Account	0.100%	2,239,511
Bank of America-Airport	0.300%	21,211
Bank of America-Parking Citations	0.300%	3,054
Bank of America-CNG Station	0.300%	3,358

<i>Money Market and Bank Account Sub-Total</i>	2,393,581
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Government Pools

Local Agency Investment Fund: Account #1	0.381%	31,483,553
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Account #2 Operating Amount	751,554
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Account #2 CRA Bond Cash Bal	1,718,414
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Local Agency Investment Fund: Account #2	0.381%	2,469,967
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<i>Government Pool Sub-Total</i>	33,953,520
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Operating Cash Balance**36,349,406**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.010%	926,722
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.680%	25,532,973
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Operating Funds Total**62,809,101****Fiscal Agent**

US Bank

Amount
46,135,794

Fiscal Agent Total**46,135,794**

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City of Banning Investment Report

July 31, 2011

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Price	Discount or (Premium) Amortization	7/31/2011 Market Value
<i>Bank Accounts</i>								
126,446	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	126,446	n/a	126,446
2,239,511	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,239,511	n/a	2,239,511
21,211	Bank of America-Airport	n/a	0.30%	daily	varies	21,211	n/a	21,211
3,054	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,054	n/a	3,054
3,358	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,358	n/a	3,358
Sub-total								
								2,393,581
<i>Government Pools</i>								
31,483,553	L.A.I.F. account #1	n/a	0.381%	daily	varies	31,483,553	n/a	31,483,553
2,469,967	L.A.I.F. account #2	n/a	0.381%	daily	varies	2,469,967	n/a	2,469,967
33,953,520								
<i>Investments-US Bank/Piper Jaffray</i>								
3,000,000	Federal Home Loan Banks	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		3,000,060
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,000,270
4,000,000	FHLMC MTN	n/a	1.375%	2/3/2014	2/3/2014	4,000,000		4,000,200
1,000,000	FHLMC MTN	n/a	0.600%	6/28/2013	6/16/2011	1,000,000		998,610
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,003,570
2,000,000	Federal Home Loan Banks	n/a	1.125%	6/30/2014	6/16/2011	2,000,000		2,001,360
2,000,000	FHLMC MTN	n/a	0.650%	7/18/2013	7/18/2011	2,000,000		2,001,160
1,000,000	FHLMC MTN	n/a	0.100%	4/11/2014	7/11/2011	1,000,000		1,000,250
8,527,493	Money Market	n/a	0.000%	daily	varies	8,527,493	0	8,527,493
US Bank/Piper Jaffray Average Rate=								
			0.680%					25,532,973

Average Rate All= 0.493%

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 216 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

July 31, 2011

Individual Investments with Fiscal Agent

TRUSTEE		Bond Maturity Date	Bond Reserve	Bond Reserve	Minimum Reserve Requirement	Interest Jul-11	7/31/2011 Market Value
Bond Issue Description	Investment Description	Current Yield	Bond Maturity Date	Bond Reserve	Minimum Reserve Requirement	Interest Jul-11	7/31/2011 Market Value
BNY WESTERN TRUST COMPANY							
US BANK							
1991 Wilson St. Assessment District	Federated U.S. Treasury Money Mkt	0.000%	daily	0			0
	AIM U.S. Treasury Money Market	0.200%	daily	265,580		4.50	265,609
	US Bank Mmkt 4-Ct	0.400%	daily			4.62	112,545
2005 Fair Oaks Ranch Estates	US Bank Mmkt 4-Ct	0.500%	daily	188,943		11.55	219,309
2003 CRA Tax Allocation Bonds	U S Treasury Bill	0.500%	7/28/2011	971,763		21,021.68	
	US Bank Mmkt 4-Ct	0.500%	daily			0.88	1,013,368
	US Bank Mmkt 4-Ct	0.500%	daily				675,933
Surplus Fund		0.000%	daily				8
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
Redevelop Fund	US Bank Mmkt 4-Ct	0.500%	daily			490.25	11,929,847
Reserve Fund	US Bank Mmkt 4-Ct	0.500%	daily	1,880,751		77.12	1,876,771
Special Fund	US Bank Mmkt 4-Ct	0.500%	daily			0.00	1,113,714
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				8
Principal Account	US Bank Mmkt 4-Ct	0.500%	daily			2.77	67,508
	US Bank Mmkt 4-Ct	0.500%	daily			151.54	3,687,635
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			14.69	357,544
Reserve Fund	US Bank Mmkt 4-Ct	0.500%	daily	2,310,710		94.98	2,311,263
Project Fund	US Bank Mmkt 4-Ct	0.500%	daily			172.47	4,196,921
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
Reserve Fund	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
Acquisition & Construction	US Bank Mmkt 4-Ct	0.500%	daily			631.87	15,376,132
Total							22,678.92
*Paid Semi-Annually-Deposited into Money Mkt Account							46,135,794

*Paid Semi-Annually-Deposited into Money Mkt Account

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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% 71,357

Wells Fargo Bank-Investment Account

0.100% 6,455,842

Bank of America-Airport

0.300% 19,370

Bank of America-Parking Citations

0.300% 5,302

Bank of America-CNG Station

0.300% 6,110*Money Market and Bank Account Sub-Total*

6,557,981

Government Pools

Local Agency Investment Fund: Account #1

0.448% 31,446,232

Account #2 Operating Amount

680,612

Account #2 CRA Bond Cash Bal

1,784,650

Local Agency Investment Fund: Account #2

0.448% 2,465,262*Government Pool Sub-Total*33,911,494**Operating Cash Balance****40,471,781**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.010%

819,966

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.625%

25,518,593

Operating Funds Total66,810,340**Fiscal Agent**

Amount

US Bank

44,344,599**Fiscal Agent Total**44,344,599

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City of Banning Investment Report

June 30, 2011

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Price	Discount or (Premium) Amortization	6/30/2011 Market Value
<u>Bank Accounts</u>								
71,357	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	71,357	n/a	71,357
6,455,842	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	6,455,842	n/a	6,455,842
19,370	Bank of America-Airport	n/a	0.30%	daily	varies	19,370	n/a	19,370
5,302	Bank of America-Parking Citations	n/a	0.30%	daily	varies	5,302	n/a	5,302
6,110	Bank of America-Parking Citations	n/a	0.30%	daily	varies	6,110	n/a	6,110
Sub-total								
								6,557,981
<u>Government Pools</u>								
31,446,232	L.A.I.F. account #1	n/a	0.448%	daily	varies	31,446,232	n/a	31,446,232
2,465,262	L.A.I.F. account #2	n/a	0.448%	daily	varies	2,465,262	n/a	2,465,262
Sub-total								
								33,911,494
<u>Investments-US Bank/Piper Jaffray</u>								
3,000,000	Federal Home Loan Banks	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,996,430
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,002,730
4,000,000	FHLMC MTN	n/a	1.375%	2/3/2014	2/3/2014	4,000,000		4,003,480
1,000,000	FHLMC MTN	n/a	0.600%	6/28/2013	6/16/2011	1,000,000		997,850
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		999,170
2,000,000	Federal Home Loan Banks	n/a	1.125%	6/30/2014	6/16/2011	2,000,000		1,991,440
11,527,493	Money Market	n/a	0.000%	daily	varies	11,527,493	0	11,527,493
US Bank/Piper Jaffray Average Rate=								
			0.625%					25,518,593

Average Rate All= 0.482%

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 July 27, 2010. 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 171 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

June 30, 2011

Individual Investments with Fiscal Agent

Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Jun-11	6/30/2011 Market Value
MPANY	Federated U.S. Treasury Money Mkt	0.000%	daily	522,375		0
istrict	AIM U.S. Treasury Money Market US Bank Mmkt 4-Ct	0.200% 0.100%	daily daily	265,580	6.33 9.22	265,598 112,540
ids	US Bank Mmkt 4-Ct US Treasury Bill US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct	0.100% 0.020% 0.100% 0.100% 0.130%	daily 7/28/2011 daily daily daily	188,943 971,763	18.62 1.81	219,300 991,990 21,368 39 8
MPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007						
2037	US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct	0.100% 0.100% 0.100% 0.110%	daily daily daily daily	1,880,751	1,013.09 159.38 0.01	11,929,357 1,876,694 93 9
TERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES						
	US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct	0.130% 0.100% 0.100%	daily daily daily		0.54 5.55 313.15	8 67,500 3,687,483
SE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES						
	US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct	0.090% 0.100% 0.100% 0.100%	daily daily daily daily	2,310,710	3.16 29.38 196.28 356.40	41 357,529 2,311,168 4,196,748
TREVENUE BONDS 2007 SERIES						
n	US Bank Mmkt 4-Ct Reliance Trust Company # 9AMGGBEZ7 US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct	0.100% 3.650% 0.110% 0.100%	daily 11/17/2011 daily daily	2,961,500	84.40 0.00 12.00 1,305.74	90 2,931,509 26 15,375,500
osited into Money Mkt Account					Total	3,515.06 44,344,599