

CITY COUNCIL AGENDA

Date: May 24, 2011

TO: City Council

FROM: June Overholt, Administrative Services Director/Deputy City Manager

SUBJECT: Report of Investments for March 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 March 2011. As of March 31, 2011, the City's operating funds totaled \$67,475,223. Included in operating funds is \$2,142,350 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of March 31, 2011 approximately 43% of the City's unrestricted cash balances were invested in investments other than LAIF.

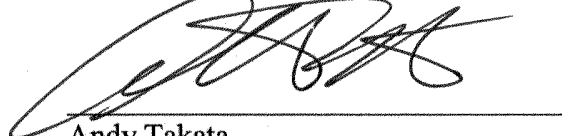
Presented are three months of Investment Reports. March is a first issue, while January and February are included to provide multiple months of statements for comparison.

FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) decreased to 0.500 % in March. The average rate for all investments in March was 0.618%.

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%	153,692
Wells Fargo Bank-Investment Account	0.100%	2,116,263
Bank of America-Airport	0.300%	5,281
Bank of America-Parking Citations	0.300%	3,274
Bank of America-CNG Station	0.300%	3,713

<i>Money Market and Bank Account Sub-Total</i>	2,282,224
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Government Pools

Local Agency Investment Fund: Account #1	0.500%	31,406,941
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Account #2 Operating Amount	5,114,643
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Account #2 CRA Bond Cash Bal	2,142,350
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Local Agency Investment Fund: Account #2	0.500%	7,256,992
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<i>Government Pool Sub-Total</i>	38,663,933
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Operating Cash Balance	40,948,462
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Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.040%	1,183,245
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.844%	25,343,517
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<i>Operating Funds Total</i>	<u>67,475,223</u>
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Fiscal Agent

	Amount
BNY Western Trust Company	538,762
US Bank	44,104,405

<i>Fiscal Agent Total</i>	<u>44,643,167</u>
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City of Banning Investment Report

March 31, 2011

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
153,692	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	153,692	n/a	153,692
2,116,263	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,116,263	n/a	2,116,263
5,281	Bank of America-Airport	n/a	0.30%	daily	varies	5,281	n/a	5,281
3,274	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,274	n/a	3,274
3,713	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,713	n/a	3,713
Sub-total								2,282,224
<u>Government Pools</u>								
31,406,941	L.A.I.F. account #1	n/a	0.500%	daily	varies	31,406,941	n/a	31,406,941
7,256,992	L.A.I.F. account #2	n/a	0.500%	daily	varies	7,256,992	n/a	7,256,992
								38,663,933
<u>Investments-US Bank/Piper Jaffray</u>								
2,000,000	FNMA MTN	n/a	0.750%	4/23/2013	10/5/2010	2,000,000		1,989,080
3,000,000	FNMA MTN	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,952,420
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		2,997,150
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		3,981,520
3,000,000	FHLMC MTN	n/a	1.100%	12/9/2013	12/9/2010	3,000,000		2,970,930
4,000,000	FHLMC MTN	n/a	1.375%	2/3/2014	2/3/2014	4,000,000		3,977,840
6,474,577	Money Market	n/a	0.000%	daily	varies	6,474,577	0	6,474,577
US Bank/Piper Jaffray Average Rate=								25,343,517
Average Rate All=								0.618%

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 242 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

March 31, 2011

Individual Investments with Fiscal Agent

TRUSTEE		Bond Maturity Date	Bond Reserve	Bond Reserve	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Mar-11	3/31/2011 Market Value
Bond Issue Description									
BNY WESTERN TRUST COMPANY									
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.000%	11/1/2020 daily	522,375	*	522,562 16,200		
US BANK									
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market US Bank Mmkt 4-Ct	0.200% 0.150%	daily daily	265,580	8.85	265,589 112,500		
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.150%	daily	188,943	29.07	219,222		
2003 CRA Tax Allocation Bonds	2028	US Treasury Bill US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct	0.150% 0.150% 0.150% 0.150% 0.130%	7/29/2010 daily daily daily daily	971,763	3.28 0.01	991,653 21,360 39 8		
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007									
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.150%	daily		1,829.31	11,925,109		
Reserve Fund		US Bank Mmkt 4-Ct	0.150%	daily	1,880,751	287.78	1,876,025		
Special Fund		US Bank Mmkt 4-Ct	0.150%	daily		0.01	93		
Surplus Fund		US Bank Mmkt 4-Ct	0.110%	daily			9		
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES									
Bond Fund		US Bank Mmkt 4-Ct	0.140%	daily			7		
Interest Account		US Bank Mmkt 4-Ct	0.110%	daily			9		
Principal Account		US Bank Mmkt 4-Ct	0.150%	daily		0.01	52		
		US Bank Mmkt 4-Ct	0.150%	daily		565.48	3,686,170		
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES									
Bond Fund		US Bank Mmkt 4-Ct	0.160%	daily		0.01	44		
Interest Account		US Bank Mmkt 4-Ct	0.160%	daily		0.01	38		
Principal Account		US Bank Mmkt 4-Ct	0.150%	daily		0.02	135		
Reserve Fund		US Bank Mmkt 4-Ct	0.150%	daily	2,310,710	354.82	2,313,032		
Project Fund		US Bank Mmkt 4-Ct	0.150%	daily		643.55	4,195,254		
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES									
Reserve Fund		US Bank Mmkt 4-Ct	0.150%	daily		8.47	55,220		
		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500	280.95	2,931,509		
		US Bank Mmkt 4-Ct	0.150%	daily		0.00	141,302		
Acquisition & Construction		US Bank Mmkt 4-Ct	0.150%	daily		2,357.76	15,370,025		
*Paid Semi-Annually-Deposited into Money Mkt Account								Total	44,643,167

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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%	1,924,555
Bank of America-Airport	0.300%	9,526
Bank of America-Parking Citations	0.300%	3,596
Bank of America-CNG Station	0.300%	3,370
<i>Money Market and Bank Account Sub-Total</i>		1,941,047

Government Pools

Local Agency Investment Fund: Account #1	0.512%	31,406,941
Account #2 Operating Amount		4,985,263
Account #2 CRA Bond Cash Bal		2,271,730
Local Agency Investment Fund: Account #2	0.512%	7,256,992
<i>Government Pool Sub-Total</i>		38,663,933

Operating Cash Balance**40,607,285**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.040%	1,262,236
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.817%	25,344,297
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Operating Funds Total**67,213,818****Fiscal Agent**

	Amount
BNY Western Trust Company	538,762
US Bank	43,909,588
<i>Fiscal Agent Total</i>	44,448,350

City of Banning Investment Report

February 28, 2011

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
-	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	-	n/a	-
1,924,555	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,924,555	n/a	1,924,555
9,526	Bank of America-Airport	n/a	0.30%	daily	varies	9,526	n/a	9,526
3,596	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,596	n/a	3,596
3,370	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,370	n/a	3,370
Sub-total								
								1,941,047
<u>Government Pools</u>								
31,406,941	L.A.I.F. account #1	n/a	0.512%	daily	varies	31,406,941	n/a	31,406,941
7,256,992	L.A.I.F. account #2	n/a	0.512%	daily	varies	7,256,992	n/a	7,256,992
Investments-US Bank/Piper Jaffray								
2,000,000	FNMA MTN	n/a	0.750%	4/23/2013	10/5/2010	2,000,000		1,995,700
3,000,000	FNMA MTN	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,956,650
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,003,600
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		3,983,240
3,000,000	FHLMC MTN	n/a	1.100%	12/9/2013	12/9/2010	3,000,000		2,973,330
4,000,000	FHLMC MTN	n/a	1.200%	12/3/2014	2/3/2011	4,000,000		3,980,200
6,451,577	Money Market	n/a	0.000%	daily	varies	6,451,577	0	6,451,577
US Bank/Piper Jaffray Average Rate=								
			0.817%					25,344,297

Average Rate All= 0.618%

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 252 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

February 28, 2011

Individual Investments with Fiscal Agent

TRUSTEE		Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Feb-11	2/28/2011 Market Value
BOND ISSUE DESCRIPTION								
BNY WESTERN TRUST COMPANY								
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.000%	11/1/2020 daily	522,375		*	522,562 16,200
US BANK								
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.65		265,608
		US Bank Mmkt 4-Ct	0.390%	daily		0.00		3
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	32.18		189,489
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	0.000%	7/29/2010	971,763			991,395
		US Bank Mmkt 4-Ct	0.210%	daily		8.96		31,357
		US Bank Mmkt 4-Ct	0.210%	daily		38.60		39
Surplus Fund		US Bank Mmkt 4-Ct	0.025%	daily				8
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007								
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.200%	daily		2,024.95		11,923,280
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	318.88		1,875,738
Special Fund		US Bank Mmkt 4-Ct	0.200%	daily		93.35		93
Surplus Fund		US Bank Mmkt 4-Ct	0.210%	daily				9
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund		US Bank Mmkt 4-Ct	0.140%	daily				7
Interest Account		US Bank Mmkt 4-Ct	0.230%	daily				9
Principal Account		US Bank Mmkt 4-Ct	0.190%	daily		0.01		52
		US Bank Mmkt 4-Ct	0.200%	daily		625.93		3,685,605
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.01		44
Interest Account		US Bank Mmkt 4-Ct	0.210%	daily		0.01		38
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		0.02		135
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	392.77		2,312,677
Project Fund		US Bank Mmkt 4-Ct	0.200%	daily		712.38		4,194,610
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
		US Bank Mmkt 4-Ct	0.200%	daily		9.38		55,211
Reserve Fund		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500			3,016,509
		US Bank Mmkt 4-Ct	0.250%	daily		0.00		4
Acquisition & Construction		US Bank Mmkt 4-Ct	0.200%	daily		2,609.91		15,367,667
*Paid Semi-Annually-Deposited into Money Mkt Account								Total
								6,871.99
								44,448.350

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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%	222,497
Wells Fargo Bank-Investment Account	0.100%	1,135,383
Bank of America-Airport	0.300%	5,480
Bank of America-Parking Citations	0.300%	3,043
Bank of America-CNG Station	0.300%	3,061

Money Market and Bank Account Sub-Total	1,369,465
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Government Pools

Local Agency Investment Fund: Account #1	0.538%	31,406,941
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Account #2 Operating Amount	4,709,858
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Account #2 CRA Bond Cash Bal	2,547,134
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Local Agency Investment Fund: Account #2	0.538%	7,256,992
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Government Pool Sub-Total	38,663,933
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Operating Cash Balance	40,035,703
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Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.040%	1,264,730
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.629%	25,382,427
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Operating Funds Total	66,682,859
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Fiscal Agent

Amount
BNY Western Trust Company
538,762
US Bank
44,754,598

Fiscal Agent Total	45,293,360
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City of Banning Investment Report

January 31, 2011

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
222,497	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	222,497	n/a	222,497
1,135,383	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,135,383	n/a	1,135,383
5,480	Bank of America-Airport	n/a	0.30%	daily	varies	5,480	n/a	5,480
3,043	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,043	n/a	3,043
3,061	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,061	n/a	3,061
Sub-total								1,369,465
<u>Government Pools</u>								
31,406,941	L.A.I.F. account #1	n/a	0.538%	daily	varies	31,406,941	n/a	31,406,941
7,256,992	L.A.I.F. account #2	n/a	0.538%	daily	varies	7,256,992	n/a	7,256,992
								38,663,933
<u>Investments-US Bank/Piper Jaffray</u>								
2,000,000	FNMA MTN	n/a	0.750%	4/23/2013	10/5/2010	2,000,000		1,998,780
3,000,000	FNMA MTN	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,966,100
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,008,700
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		3,994,680
3,000,000	FHLMC MTN	n/a	1.100%	12/9/2013	12/9/2010	3,000,000		2,980,590
10,433,577	Money Market	n/a	0.000%	daily	varies	10,433,577	0	10,433,577
US Bank/Piper Jaffray Average Rate=								25,382,427
Average Rate All=								0.564%

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 217 days and does not include Bond Reserve Fund Investments.

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January 31, 2011

Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve	Interest Jan-11	1/31/2011
						Market Value
2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.000%	11/1/2020 daily	522,375	*	522,562 16,200
2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.65	265,608
2035	US Bank Mmkt 4-Ct	0.390%	daily		0.00	3
2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	31.13	189,457
2028	US Treasury Bill	0.000%	7/29/2010	971,763	4,322.50	0
	US Bank Mmkt 4-Ct	0.200%	daily			1,013,075
	US Bank Mmkt 4-Ct	0.200%	daily		0.02	251,552
	US Bank Mmkt 4-Ct	0.025%	daily			8
DEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007						
2037	US Bank Mmkt 4-Ct	0.200%	daily		2,024.63	11,921,255
	US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	318.83	1,876,982
	US Bank Mmkt 4-Ct	0.200%	daily		0.02	608,426
	US Bank Mmkt 4-Ct	0.210%	daily			9
ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES						
	US Bank Mmkt 4-Ct	0.140%	daily			7
	US Bank Mmkt 4-Ct	0.230%	daily			9
	US Bank Mmkt 4-Ct	0.190%	daily		0.01	52
	US Bank Mmkt 4-Ct	0.200%	daily		625.83	3,684,979
ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES						
	US Bank Mmkt 4-Ct	0.200%	daily		0.01	44
	US Bank Mmkt 4-Ct	0.210%	daily		0.01	38
	US Bank Mmkt 4-Ct	0.200%	daily		0.02	135
	US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	392.70	2,312,284
	US Bank Mmkt 4-Ct	0.200%	daily		712.26	4,193,898
ENTERPRISE REVENUE BONDS 2007 SERIES						
	US Bank Mmkt 4-Ct	0.200%	daily		5.45	55,202
	Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		3,016,513
	US Bank Mmkt 4-Ct	0.250%	daily			4
	US Bank Mmkt 4-Ct	0.200%	daily		2,609.50	15,365,058
Total					11,047.57	45,293,360