

CITY COUNCIL AGENDA

Date: April 12, 2011
TO: City Council
FROM: June Overholt, Administrative Services Director/Deputy City Manager
SUBJECT: Report of Investments for February 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 February 2011. As of February 28, 2011, the City's operating funds totaled \$67,213,818. Included in operating funds is \$2,271,730 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of February 28, 2011 approximately 43% of the City's unrestricted cash balances were invested in investments other than LAIF.

Presented are three months of Investment Reports. February is a first issue, while December and January 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 0.512 % in February. The average rate for all investments in February 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%	-
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

Money Market and Bank Account Sub-Total	1,941,047
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Government Pools

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

BNY Western Trust Company

US Bank

Amount
538,762
43,909,588

Fiscal Agent Total

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
Sub-total								
								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		1,995,700
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	Minimum Reserve Requirement	Interest Feb-11	2/28/2011 Market Value
Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve	Minimum Reserve Requirement	Interest Feb-11	2/28/2011 Market Value	
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	
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.390%	daily		0.00	3	
2003 CRA Tax Allocation Bonds	2028	US Bank Mmkt 4-Ct	0.200%	daily	188,943	32.18	189,489	
		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								
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily		9.38	55,211	
		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		3,016,509	
Acquisition & Construction		US Bank Mmkt 4-Ct	0.250%	daily		0.00	4	
		US Bank Mmkt 4-Ct	0.200%	daily		2,609.91	15,367,667	
*Paid Semi-Annually-Deposited into Money Mkt Account							Total	44,448,350

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Summary Schedule of Cash and Investments

Operating FundsPetty 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

Government Pools

Local Agency Investment Fund: Account #1

0.538% 31,406,941

Account #2 Operating Amount 4,709,858

Account #2 CRA Bond Cash Bal 2,547,134

Local Agency Investment Fund: Account #2

0.538% 7,256,992

Government Pool Sub-Total

38,663,933

Operating Cash Balance

40,035,703

Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.040%

1,264,730

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.629%

25,382,427

Operating Funds Total

66,682,859

Fiscal Agent

Amount

BNY Western Trust Company

538,762

US Bank

44,754,598

Fiscal Agent Total

45,293,360

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
Sub-total								
								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=								
			0.629%					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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City of Banning Investment Report

January 31, 2011

Individual Investments with Fiscal Agent

Bond Maturity Date	Bond Issue Description	TRUSTEE	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Jan-11	1/31/2011 Market Value
2020	1997 Admin Building COPs Refunding	BNY WESTERN TRUST COMPANY	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								
2012	1991 Wilson St. Assessment District		AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.65	265,608
2035	2005 Fair Oaks Ranch Estates		US Bank Mmkt 4-Ct	0.390%	daily		0.00	3
2038	2003 CRA Tax Allocation Bonds		US Bank Mmkt 4-Ct	0.200%	daily	188,943	31.13	189,457
			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
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007								
2037	Redevelop Fund		US Bank Mmkt 4-Ct	0.200%	daily		2,024.63	11,921,255
	Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	318.83	1,876,982
	Special Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.02	608,426
	Surplus Fund		US Bank Mmkt 4-Ct	0.210%	daily			9
BWA - 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		625.83	3,684,979
BWA - 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	392.70	2,312,284
	Project Fund		US Bank Mmkt 4-Ct	0.200%	daily		712.26	4,193,898
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
	Reserve Fund		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
	Acquisition & Construction		US Bank Mmkt 4-Ct	0.250%	daily			4
			US Bank Mmkt 4-Ct	0.200%	daily		2,609.50	15,365,058
*Paid Semi-Annually-Deposited into Money Mkt Account								
Total							11,047.57	45,293,360

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

Amount

2,305

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000%

1,870

Wells Fargo Bank-Investment Account

0.100%

1,737,690

Bank of America-Airport

0.300%

3,681

Bank of America-Parking Citations

0.300%

3,071

Bank of America-CNG Station

0.300%

3,047

Money Market and Bank Account Sub-Total

1,749,359

Government Pools

Local Agency Investment Fund: Account #1

0.462%

31,370,908

Account #2 Operating Amount

3,412,560

Account #2 CRA Bond Cash Bal

2,735,337

Local Agency Investment Fund: Account #2

0.462%

6,147,898

Government Pool Sub-Total

37,518,806

Operating Cash Balance**39,270,470**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.040%

740,510

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.939%

25,334,813

Operating Funds Total**65,345,794****Fiscal Agent**

Amount

BNY Western Trust Company

538,762

US Bank

43,884,626

Fiscal Agent Total**44,423,388**

City of Banning Investment Report

December 31, 2010

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>								
1,870	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	1,870	n/a	1,870
1,737,690	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,737,690	n/a	1,737,690
3,681	Bank of America-Airport	n/a	0.30%	daily	varies	3,681	n/a	3,681
3,071	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,071	n/a	3,071
3,047	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,047	n/a	3,047
Sub-total								
								1,749,359
<u>Government Pools</u>								
31,370,908	L.A.I.F. account #1	n/a	0.462%	daily	varies	31,370,908	n/a	31,370,908
6,147,898	L.A.I.F. account #2	n/a	0.462%	daily	varies	6,147,898	n/a	6,147,898
Sub-total								
								37,518,806
<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		1,990,800
3,000,000	FNMA MTN	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,959,890
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,000,200
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,006,420
4,000,000	FHLMC MTN	n/a	1.150%	4/26/2013	7/26/2010	4,000,000		4,001,600
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		3,990,360
3,000,000	FHLMC MTN	n/a	1.100%	12/9/2013	12/9/2010	3,000,000		2,980,800
4,404,743	Money Market	n/a	0.000%	daily	varies	4,404,743	0	4,404,743
US Bank/Piper Jaffray Average Rate=								
			0.939%					25,334,813

Average Rate All= 0.640%

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 324 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

December 31, 2010

Individual Investments with Fiscal Agent

COMPANY	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve		Interest Dec-10	12/31/2010 Market Value
				Bond Maturity Date	Minimum Reserve Requirement		
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
District	2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.50	265,603
	2035	US Bank Mmkt 4-Ct	0.390%	daily		0.00	3
	2038	US Bank Mmkt 4-Ct	0.200%	daily	188,943	3.13	189,425
	2028	US Treasury Bill	0.880%	7/29/2010	971,763		988,504
		US Bank Mmkt 4-Ct	0.200%	daily		3.41	20,749
		US Bank Mmkt 4-Ct	0.200%	daily		0.02	99
		US Bank Mmkt 4-Ct	0.025%	daily			8
OPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
	2037	US Bank Mmkt 4-Ct	0.200%	daily		1,958.99	11,919,231
		US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	308.49	1,876,982
		US Bank Mmkt 4-Ct	0.200%	daily		0.02	145
		US Bank Mmkt 4-Ct	0.210%	daily			9
TERPRISE 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		605.54	3,684,353
ISE 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	379.97	2,311,891
		US Bank Mmkt 4-Ct	0.200%	daily		689.17	4,193,186
IREVENUE BONDS 2007 SERIES							
		US Bank Mmkt 4-Ct	0.200%	daily		98.16	55,197
		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		3,016,509
		US Bank Mmkt 4-Ct	0.200%	daily		3.63	0
		US Bank Mmkt 4-Ct	0.200%	daily		1,730.49	15,362,448
		Reliance Trust Co C D #7AMCD49F7	0.500%	11/18/2010			0
posited into Money Mkt Account						Total	5,813.57
							44,423,388