

CITY COUNCIL AGENDA

Date: March 08, 2011

TO: City Council

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

SUBJECT: Report of Investments for January 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 January 2011. As of January 31, 2011, the City's operating funds totaled \$66,682,859. Included in operating funds is \$2,547,134 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of January 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. January is a first issue, while November and December are included to provide multiple months of statements for comparison.

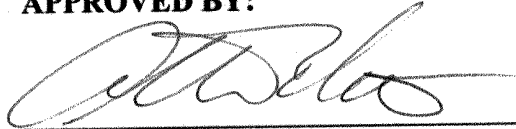
FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) increased to 0.538 % in January. The average rate for all investments in December was 0.564%.

RECOMMENDED BY:



June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:



Andy Takata
City Manager

Summary Schedule of Cash and Investments

Operating Funds		<u>Amount</u>
<u>Petty Cash</u>		2,305
<u>Bank Accounts</u>	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
<i>Money Market and Bank Account Sub-Total</i>		1,369,465
<u>Government Pools</u>		
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
<i>Government Pool Sub-Total</i>		38,663,933
Operating Cash Balance		40,035,703
<u>Restricted Operating Funds at Riverside Public Utilities</u>		
Highmark U.S. Government Money Market Fund	0.040%	1,264,730
<u>Other Investments</u>		
Investments-US Bank/Piper Jaffray - See Page 2	0.629%	25,382,427
Operating Funds Total		<u>66,682,859</u>
Fiscal Agent		<u>Amount</u>
BNY Western Trust Company		538,762
US Bank		44,754,598
Fiscal Agent Total		<u>45,293,360</u>

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 324 days and does not include Bond Reserve Fund Investments.

17

City of Banning Investment Report

January 31, 2011

Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Dec-10	1/31/2011 Market Value
BNY WESTERN TRUST COMPANY							
1997 Admin Building COP's 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	31.13	189,457
2003 CRA Tax Allocation Bonds	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
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		2,024.63	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
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		625.83	3,684,979
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	392.70	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							
		US Bank Mmkt 4-Ct	0.200%	daily		5.45	55,202
Reserve Fund		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		3,016,513
		US Bank Mmkt 4-Ct	0.250%	daily			4
Acquisition & Construction		US Bank Mmkt 4-Ct	0.200%	daily		2,609.50	15,365,058
Total						11,047.57	45,293,360

*Paid Semi-Annually-Deposited into Money Mkt Account

18

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

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
								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=								25,334,813
								0.939%

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.

20

City of Banning Investment Report

December 31, 2010

Individual Investments with Fiscal Agent

Bond		Investment Description	Current Yield	Bond Reserve		Interest Dec-10	Market Value
Maturity Date	Maturity Date			Bond Reserve	Minimum Reserve Requirement		
TRUSTEE							
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% 0.390%	daily daily	265,580	4.50 0.00	265,603 3
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	31.13	189,425
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct	0.880% 0.200% 0.200% 0.200% 0.025%	7/29/2010 daily daily daily daily	971,763	3.41 0.02	988,504 20,749 99 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		1,958.99	11,919,231
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	308.49	1,876,982
Special Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.02	145
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		605.54	3,684,353
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	379.97	2,311,891
Project Fund		US Bank Mmkt 4-Ct	0.200%	daily		689.17	4,193,186
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
Reserve Fund		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
Acquisition & Construction		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
Total						5,813.57	44,423,388
*Paid Semi-Annually-Deposited into Money Mkt Account							

*Paid Semi-Annually-Deposited into Money Mkt Account

2

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

2,305

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000%

209,571

Wells Fargo Bank-Investment Account

0.100%

1,519,846

Bank of America-Airport

0.300%

3,494

Bank of America-Parking Citations

0.300%

3,156

Bank of America-CNG Station

0.300%

3,316

Money Market and Bank Account Sub-Total

1,739,383

Government Pools

Local Agency Investment Fund: Account #1

0.454%

31,370,908

Account #2 Operating Amount

4,154,217

Account #2 CRA Bond Cash Bal

2,943,681

Local Agency Investment Fund: Account #2

0.454%

7,097,898

Government Pool Sub-Total

38,468,806

Operating Cash Balance**40,210,494**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.040%

1,072,592

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.809%

25,401,673

*Operating Funds Total*66,684,759**Fiscal Agent**Amount

BNY Western Trust Company

538,762

US Bank

44,822,244

*Fiscal Agent Total*45,361,006

City of Banning Investment Report

November 30, 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>								
209,571	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	209,571	n/a	209,571
1,519,846	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,519,846	n/a	1,519,846
3,494	Bank of America-Airport	n/a	0.30%	daily	varies	3,494	n/a	3,494
3,156	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,156	n/a	3,156
3,316	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,316	n/a	3,316
Sub-total								1,739,383
<u>Government Pools</u>								
31,370,908	L.A.I.F. account #1	n/a	0.454%	daily	varies	31,370,908	n/a	31,370,908
7,097,898	L.A.I.F. account #2	n/a	0.454%	daily	varies	7,097,898	n/a	7,097,898
								38,468,806
<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		1,996,260
3,000,000	FNMA MTN	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,978,430
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,002,500
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,012,180
4,000,000	FHLMC MTN	n/a	1.150%	4/26/2013	7/26/2010	4,000,000		4,003,560
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		4,004,000
7,404,743	Money Market	n/a	0.000%	daily	varies	7,404,743	0	7,404,743
US Bank/Piper Jaffray Average Rate=								25,401,673
Average Rate All=								0.582%

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 a period of six months. The weighted average maturity of the pooled investment portfolio is 280 days and does not include Bond Reserve Fund Investments.

23

November 30, 2010

Bond Maturity Date	Investment Description	Current Yield	Bond Reserve		Interest Nov-10	Market Value
			Bond Maturity Date	Minimum Reserve Requirement		
2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.000%	11/1/2020 daily	522,375	16,200.29 *	522,562 16,200
District	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.65	265,599
2035	US Bank Mmkt 4-Ct	0.390%	daily		0.00	3
2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	32.16	189,394
2028	US Treasury Bill	0.870%	7/29/2010	971,763		989,116
	US Bank Mmkt 4-Ct	0.200%	daily		3.52	20,745
	US Bank Mmkt 4-Ct	0.200%	daily		0.02	99
	US Bank Mmkt 4-Ct	0.025%	daily			8
ADJUTANT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007						
2037	US Bank Mmkt 4-Ct	0.200%	daily		2,023.93	11,917,272
	US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	318.72	1,876,673
	US Bank Mmkt 4-Ct	0.200%	daily		0.02	145
	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		7.33	7
	US Bank Mmkt 4-Ct	0.230%	daily		8.75	9
	US Bank Mmkt 4-Ct	0.190%	daily		30.51	52
	US Bank Mmkt 4-Ct	0.200%	daily		625.62	3,683,748
SE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES						
	US Bank Mmkt 4-Ct	0.200%	daily		44.44	44
	US Bank Mmkt 4-Ct	0.210%	daily		37.75	38
	US Bank Mmkt 4-Ct	0.200%	daily		78.86	135
	US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	393.18	2,311,511
	US Bank Mmkt 4-Ct	0.200%	daily		712.02	4,192,496
REVENUE BONDS 2007 SERIES						
	US Bank Mmkt 4-Ct	0.200%	daily		0.03	942,777
	Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		3,016,509
	US Bank Mmkt 4-Ct	0.200%	daily		0.01	55,136
	US Bank Mmkt 4-Ct	0.200%	daily		1,247.34	15,360,718
	Reliance Trust Co C D #7AMCD49F7	0.500%	11/18/2010		39,970.85	0
Total					61,740.00	45,361,006