

CITY COUNCIL AGENDA

Date: December 11, 2012
TO: City Council
FROM: June Overholt, Administrative Services Director/Deputy City Manager
SUBJECT: Report of Investments for October 2012

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 2012. As of October 31, 2012, the City's operating funds totaled \$64,518,453. Included in operating funds is \$746,138 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of October 31, 2012 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) decreased to 0.340% in October. The average rate for all investments in October was 0.268%.

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
2,805

Bank Accounts

	Interest	
	Rate	Amount
Wells Fargo Bank	0.000%	94,804
Wells Fargo Bank-Investment Account	0.100%	3,792,089
Bank of America-Airport	0.300%	16,977
Bank of America-Parking Citations	0.300%	7,838
Bank of America-CNG Station	0.300%	<u>5,990</u>

Money Market and Bank Account Sub-Total 3,917,699

Government Pools

Account #1 Operating Amount	33,566,425	
Account #1 CRA Bond Cash Bal.	746,138	
Local Agency Investment Fund: Account #1	0.340%	34,312,563
Account #2 Successor Agency Cash Bal	348	
Local Agency Investment Fund: Account #2	0.340%	<u>348</u>

Government Pool Sub-Total 34,312,911

Operating Cash Balance **38,233,415**

Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.000%	611,282
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.197%	25,673,756
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Operating Funds Total **64,518,453**

Fiscal Agent

US Bank

Amount
41,442,677

Fiscal Agent Total **41,442,677**

City of Banning Investment Report

October 31, 2012

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Date	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
94,804	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	94,804	n/a	94,804
3,792,089	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	3,792,089	n/a	3,792,089
16,977	Bank of America-Airport	n/a	0.30%	daily	varies	16,977	n/a	16,977
7,838	Bank of America-Parking Citations	n/a	0.30%	daily	varies	7,838	n/a	7,838
5,990	Bank of America-Parking Citations	n/a	0.30%	daily	varies	5,990	n/a	5,990
	Sub-total							3,917,699
<u>Government Pools</u>								
34,312,563	L.A.I.F. account #1	n/a	0.340%	daily	varies	34,312,563	n/a	34,312,563
348	L.A.I.F. account #2	n/a	0.340%	daily	varies	348	n/a	348
								34,312,911
<u>Investments-US Bank/Piper Jaffray</u>								
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		3,004,200
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/22/2015	5/16/2012	3,000,000		3,006,000
2,000,000	FNMA MTN	n/a	0.550%	12/4/2014	6/27/2012	2,000,000		2,002,260
17,661,296	Money Market	n/a	0.020%	daily	varies	17,661,296	0	17,661,296
	US Bank/Piper Jaffray Average Rate=		0.197%					25,673,756

Average Rate All= 0.268%

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 28, 2012. 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 113 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

October 31, 2012

Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Oct-12	10/31/2012 Market Value	
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A								
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 5-Ct	0.040%	daily	188,943	6.58	188,038	
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003								
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	4.61%	7/28/2011	971,763		984,951	
		US Bank Mmkt 5-Ct	0.040%	daily		0.68	20,707	
		US Bank Mmkt 5-Ct	0.050%	daily			22	
		US Bank Mmkt 5-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 5-Ct	0.040%	daily		273.00	8,326,898	
Reserve Fund		US Bank Mmkt 5-Ct	0.040%	daily	1,880,751	61.48	1,875,350	
Special Fund		US Bank Mmkt 5-Ct	0.030%	daily			37	
Surplus Fund		US Bank Mmkt 5-Ct	0.000%	daily			9	
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Interest Account		US Bank Mmkt 5-Ct	0.040%	daily			196,635	
Principal Account		US Bank Mmkt 5-Ct	0.040%	daily		2.30	70,012	
		US Bank Mmkt 5-Ct	0.040%	daily		120.97	3,689,664	
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Interest Account		US Bank Mmkt 5-Ct	0.040%	daily		0.00	1,152,554	
Principal Account		US Bank Mmkt 5-Ct	0.040%	daily		12.13	370,062	
Reserve Fund		US Bank Mmkt 5-Ct	0.040%	daily	2,310,710	75.78	2,311,278	
Project Fund		US Bank Mmkt 5-Ct	0.040%	daily		137.67	4,199,230	
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
Acquisition & Construction		US Bank Mmkt 5-Ct	0.040%	daily	2,672,050	87.62	2,672,605	
		US Bank Mmkt 5-Ct	0.040%	daily		504.39	15,384,593	
		US Bank Mmkt 5-Ct	0.040%	daily			25	
Total							1,282.60	41,442,677

*Paid Semi-Annually-Deposited into Money Mkt Account

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Summary Schedule of Cash and Investments

<u>Operating Funds</u>		<u>Amount</u>
<i>Petty Cash</i>		2,805
 <i>Bank Accounts</i>		
	Interest	
	Rate Amount	
Wells Fargo Bank	0.000%	26,741
Wells Fargo Bank-Investment Account	0.100%	4,467,240
Bank of America-Airport	0.300%	4,320
Bank of America-Parking Citations	0.300%	3,134
Bank of America-CNG Station	0.300%	<u>3,418</u>
<i>Money Market and Bank Account Sub-Total</i>		4,504,853
 <i>Government Pools</i>		
Account #1 Operating Amount	33,498,330	
Account #1 CRA Bond Cash Bal.	783,494	
Local Agency Investment Fund: Account #1	0.348%	34,281,824
Account #2 Successor Agency Cash Bal	348	
Local Agency Investment Fund: Account #2	0.348%	<u>348</u>
<i>Government Pool Sub-Total</i>		<u>34,282,172</u>
Operating Cash Balance		38,789,829
 <i>Restricted Operating Funds at Riverside Public Utilities</i>		
Highmark U.S. Government Money Market Fund	0.000%	659,452
 <i>Other Investments</i>		
Investments-US Bank/Piper Jaffray - See Page 2	0.197%	25,674,584
 <i>Operating Funds Total</i>		 <u><u>65,123,865</u></u>

Fiscal Agent

	<u>Amount</u>
US Bank	<u>40,092,174</u>
<i>Fiscal Agent Total</i>	<u><u>40,092,174</u></u>

City of Banning Investment Report

September 30, 2012

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Date	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
26,741	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	26,741	n/a	26,741
4,467,240	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	4,467,240	n/a	4,467,240
4,320	Bank of America-Airport	n/a	0.30%	daily	varies	4,320	n/a	4,320
3,134	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,134	n/a	3,134
3,418	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,418	n/a	3,418
	Sub-total							4,504,853
<u>Government Pools</u>								
34,281,824	L.A.I.F. account #1	n/a	0.348%	daily	varies	34,281,824	n/a	34,281,824
348	L.A.I.F. account #2	n/a	0.348%	daily	varies	348	n/a	348
								34,282,172
<u>Investments-US Bank/Piper Jaffray</u>								
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		3,004,470
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/22/2015	5/16/2012	3,000,000		3,006,420
2,000,000	FNMA MTN	n/a	0.550%	12/4/2014	6/27/2012	2,000,000		2,002,620
17,661,074	Money Market	n/a	0.020%	daily	varies	17,661,074	0	17,661,074
	US Bank/Piper Jaffray Average Rate=		0.197%					25,674,584

Average Rate All= 0.271%

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 115 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

September 30, 2012

Individual Investments with Fiscal Agent

Bond Maturity Date	Bond Description	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Sep-12	Market Value 9/30/2012
2035	US Bank Mmkt 4-Ct	COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A	0.040%	daily	188,943	7.59	188,032
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003							
2028	US Treasury Bill	2003 CRA Tax Allocation Bonds	4.61%	7/28/2011	971,763		984,892
	US Bank Mmkt 4-Ct		0.040%	daily		0.70	20,706
	US Bank Mmkt 4-Ct		0.050%	daily			22
	US Bank Mmkt 4-Ct		0.000%	daily			8
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
2037	US Bank Mmkt 4-Ct		0.040%	daily		282.09	8,326,625
	US Bank Mmkt 4-Ct		0.040%	daily	1,880,751	63.53	1,875,289
	US Bank Mmkt 4-Ct		0.030%	daily			37
	US Bank Mmkt 4-Ct		0.000%	daily			9
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
	US Bank Mmkt 4-Ct		0.000%	daily			9
	US Bank Mmkt 4-Ct		0.040%	daily		2.37	70,009
	US Bank Mmkt 4-Ct		0.040%	daily		125.00	3,689,543
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
	US Bank Mmkt 4-Ct		0.050%	daily		0.00	19
	US Bank Mmkt 4-Ct		0.040%	daily		12.54	370,050
	US Bank Mmkt 4-Ct		0.040%	daily	2,310,710	78.30	2,311,202
	US Bank Mmkt 4-Ct		0.040%	daily		142.26	4,199,092
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
	US Bank Mmkt 4-Ct		0.040%	daily			25
	US Bank Mmkt 4-Ct		0.040%	daily	2,672,050	90.54	2,672,517
	US Bank Mmkt 4-Ct		0.040%	daily		521.19	15,384,089
						Total	40,092,174

*Paid Semi-Annually-Deposited into Money Mkt Account

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Summary Schedule of Cash and Investments

<u>Operating Funds</u>		<u>Amount</u>
<i>Petty Cash</i>		2,805
<i>Bank Accounts</i>		
	Interest	
	Rate Amount	
Wells Fargo Bank	0.000%	11,189
Wells Fargo Bank-Investment Account	0.100%	2,910,993
Bank of America-Airport	0.300%	3,984
Bank of America-Parking Citations	0.300%	3,435
Bank of America-CNG Station	0.300%	<u>3,424</u>
<i>Money Market and Bank Account Sub-Total</i>		2,933,025
 <i>Government Pools</i>		
Account #1 Operating Amount	33,498,604	
Account #1 CRA Bond Cash Bal.	783,220	
Local Agency Investment Fund: Account #1	0.377%	34,281,824
Account #2 Successor Agency Cash Bal	348	
Local Agency Investment Fund: Account #2	0.377%	<u>348</u>
<i>Government Pool Sub-Total</i>		<u>34,282,172</u>
Operating Cash Balance		37,218,002
 <i>Restricted Operating Funds at Riverside Public Utilities</i>		
Highmark U.S. Government Money Market Fund	0.000%	608,649
 <i>Other Investments</i>		
Investments-US Bank/Piper Jaffray - See Page 2	0.281%	25,664,450
 <i>Operating Funds Total</i>		 <u>63,491,101</u>

Fiscal Agent

	<u>Amount</u>
US Bank	<u>40,213,227</u>
<i>Fiscal Agent Total</i>	<u>40,213,227</u>

City of Banning Investment Report

August 31, 2012

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Date	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
11,189	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	11,189	n/a	11,189
2,910,993	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,910,993	n/a	2,910,993
3,984	Bank of America-Airport	n/a	0.30%	daily	varies	3,984	n/a	3,984
3,435	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,435	n/a	3,435
3,424	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,424	n/a	3,424
Sub-total								
2,933,025								
<u>Government Pools</u>								
34,281,824	L.A.I.F. account #1	n/a	0.377%	daily	varies	34,281,824	n/a	34,281,824
348	L.A.I.F. account #2	n/a	0.377%	daily	varies	348	n/a	348
34,282,172								
<u>Investments-US Bank/Piper Jaffray</u>								
5,000,000	FHLMC MTN	n/a	0.450%	9/6/2013	12/2/2011	5,000,000		5,000,000
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		3,005,010
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/22/2015	5/16/2012	3,000,000		3,006,990
2,000,000	FNMA MTN	n/a	0.550%	12/4/2014	6/27/2012	2,000,000		2,002,780
12,649,670	Money Market	n/a	0.020%	daily	varies	12,649,670	0	12,649,670
US Bank/Piper Jaffray Average Rate= 0.281%								
25,664,450								

Average Rate All= 0.325%

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 154 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

August 31, 2012

Individual Investments with Fiscal Agent

Description	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Aug-12	8/31/2012 Market Value
OVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A							
aks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.040%	daily	188,943	7.39	311,115
ITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003							
ax Allocation Bonds	2028	U S Treasury Bill	4.61%	7/28/2011	971,763		984,813
		US Bank Mmkt 4-Ct	0.040%	daily		1.76	20,705
		US Bank Mmkt 4-Ct	0.050%	daily		21.70	22
		US Bank Mmkt 4-Ct	0.000%	daily			8
ITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
op Fund	2037	US Bank Mmkt 4-Ct	0.040%	daily		282.08	8,326,343
		US Bank Mmkt 4-Ct	0.040%	daily	1,880,751	63.54	1,875,255
		US Bank Mmkt 4-Ct	0.030%	daily		37.08	37
		US Bank Mmkt 4-Ct	0.000%	daily			9
TEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
ccount		US Bank Mmkt 4-Ct	0.000%	daily			9
Account		US Bank Mmkt 4-Ct	0.040%	daily		2.37	70,007
		US Bank Mmkt 4-Ct	0.040%	daily		124.99	3,689,418
ER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
ccount		US Bank Mmkt 4-Ct	0.050%	daily		0.00	19
Account		US Bank Mmkt 4-Ct	0.040%	daily		12.54	370,037
und		US Bank Mmkt 4-Ct	0.040%	daily	2,310,710	78.30	2,311,124
nd		US Bank Mmkt 4-Ct	0.040%	daily		142.25	4,198,808
TRIC SYSTEM REVENUE BONDS 2007 SERIES							
		US Bank Mmkt 4-Ct	0.040%	daily		25.20	25
		US Bank Mmkt 4-Ct	0.040%	daily	2,672,050	90.54	2,672,426
on & Construction		US Bank Mmkt 4-Ct	0.400%	daily		521.17	15,383,046
Total						1,410.91	40,213,227

ini-Annually-Deposited into Money Mkt Account