

CITY COUNCIL AGENDA

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

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

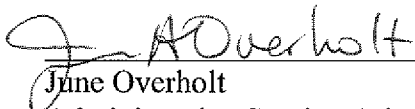
JUSTIFICATION: State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

BACKGROUND: This report includes investments on hand at the end of September 2012. As of September 30, 2012, the City's operating funds totaled \$65,123,865. Included in operating funds is \$783,494 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of September 30, 2012 approximately 47% of the City's unrestricted cash balances were invested in investments other than LAIF.


Presented are three months of Investment Reports. September is a first issue, while July and August 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 0.348% in September. The average rate for all investments in September was 0.271%.

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%	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>

Money Market and Bank Account Sub-Total 4,504,853

Government Pools

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>

Government Pool Sub-Total 34,282,172

Operating Cash Balance 38,789,829

Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.000%	659,452
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.197%	25,674,584
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Operating Funds Total 65,123,865

Fiscal Agent

US Bank

Amount
40,092,174

Fiscal Agent Total 40,092,174

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
	Sub-total							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 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 115 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

September 30, 2012

Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Maturity Date	Minimum Reserve Requirement	Interest Sep-12	Market Value 9/30/2012	
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A								
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.040%	daily	188,943	7.59	188,032	
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003								
2003 CRA Tax Allocation Bonds	2028	US Treasury Bill	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								
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.040%	daily		282.09	8,326,625	
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	1,880,751	63.53	1,875,289	
Special Fund		US Bank Mmkt 4-Ct	0.030%	daily			37	
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			9	
Principal Account		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								
Interest Account		US Bank Mmkt 4-Ct	0.050%	daily		0.00	19	
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily		12.54	370,050	
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	2,310,710	78.30	2,311,202	
Project Fund		US Bank Mmkt 4-Ct	0.040%	daily		142.26	4,199,092	
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
Interest Account		US Bank Mmkt 4-Ct	0.040%	daily			25	
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily	2,672,050	90.54	2,672,517	
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily		521.19	15,384,089	
Project Fund		US Bank Mmkt 4-Ct	0.040%	daily				
Acquisition & Construction		US Bank Mmkt 4-Ct	0.040%	daily				
Total							1,326.11	40,092,174

*Paid Semi-Annually-Deposited into Money Mkt Account

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Summary Schedule of Cash and Investments

Operating Funds

Petty Cash

Amount
2,805

Bank Accounts

	Interest	
	Rate	Amount
Wells Fargo Bank	0.000%	257,966
Wells Fargo Bank-Investment Account	0.100%	2,807,513
Bank of America-Airport	0.300%	5,176
Bank of America-Parking Citations	0.300%	4,137
Bank of America-CNG Station	0.300%	<u>3,801</u>

Money Market and Bank Account Sub-Total 3,078,593

Government Pools

Account #1 Operating Amount	33,188,512	
Account #1 CRA Bond Cash Bal.	1,093,312	
Local Agency Investment Fund: Account #1	0.363%	34,281,824
Account #2 Successor Agency Cash Bal	348	
Local Agency Investment Fund: Account #2	0.363%	<u>348</u>

Government Pool Sub-Total 34,282,172

Operating Cash Balance **37,363,570**

Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.000%	1,075,487
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.307%	25,663,165
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Operating Funds Total **64,102,223**

Fiscal Agent

US Bank

Amount
41,980,146

Fiscal Agent Total **41,980,146**

City of Banning Investment Report

July 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>								
257,966	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	257,966	n/a	257,966
2,807,513	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,807,513	n/a	2,807,513
5,176	Bank of America-Airport	n/a	0.30%	daily	varies	5,176	n/a	5,176
4,137	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,137	n/a	4,137
3,801	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,801	n/a	3,801
Sub-total								
<u>Government Pools</u>								
34,281,824	L.A.I.F. account #1	n/a	0.363%	daily	varies	34,281,824	n/a	34,281,824
348	L.A.I.F. account #2	n/a	0.363%	daily	varies	348	n/a	348
<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		5,000,950
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		3,005,070
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/22/2015	5/16/2012	3,000,000		3,006,630
2,000,000	Federal Home Loan Bks	n/a	0.350%	5/22/2015	5/16/2012	2,000,000		2,000,040
2,000,000	FNMA MTN	n/a	0.550%	12/4/2014	6/27/2012	2,000,000		2,002,700
10,647,775	Money Market	n/a	0.020%	daily	varies	10,647,775	0	10,647,775
US Bank/Piper Jaffray Average Rate= 0.307%								
Average Rate All= 0.327%								
25,663,165								

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 192 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

July 31, 2012

Individual Investments with Fiscal Agent

Bond Issue Description	Maturity Date	Investment Description	Current Yield	Bond Reserve	Bond Maturity Date	Minimum Reserve Requirement	Interest Jul-12	7/31/2012 Market Value	
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A									
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.040%	daily	188,943	6.17	218,058		
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003									
2003 CRA Tax Allocation Bonds	2028	US Treasury Bill	4.61%	7/28/2011	971,763	22,431.25	1,012,355		
		US Bank Mmkt 4-Ct	0.040%	daily					
		US Bank Mmkt 4-Ct	0.040%	daily					
		US Bank Mmkt 4-Ct	0.000%	daily			684,674		
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007									
2007 Redevelop Fund		US Bank Mmkt 4-Ct	0.040%	daily		272.98	8,326,061		
2007 Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	1,880,751	61.49	1,875,550		
2007 Special Fund		US Bank Mmkt 4-Ct	0.040%	daily		0.00	1,169,820		
2007 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				9	
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily		2.30	70,005		
		US Bank Mmkt 4-Ct	0.040%	daily		120.98	3,689,293		
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES									
Interest Account		US Bank Mmkt 4-Ct	0.050%	daily		0.00		19	
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily		12.13	370,025		
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	2,310,710	75.77	2,311,046		
Project Fund		US Bank Mmkt 4-Ct	0.040%	daily		137.66	4,197,808		
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES									
Acquisition & Construction		US Bank Mmkt 4-Ct	0.040%	daily		25.20		25	
		US Bank Mmkt 4-Ct	0.040%	daily	2,672,050	87.61	2,672,336		
		US Bank Mmkt 4-Ct	0.400%	daily		504.34	15,383,046		
Total							23,737.88	41,980,146	

*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><u>63,491,101</u></u>
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<u>Fiscal Agent</u>		<u>Amount</u>
US Bank		<u>40,213,227</u>
<i>Fiscal Agent Total</i>		<u><u>40,213,227</u></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
<i>Bank Accounts</i>								
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								
<i>Government Pools</i>								
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
Sub-total								
<i>Investments-US Bank/Piper Jaffray</i>								
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
Sub-total								
US Bank/Piper Jaffray Average Rate= 0.281%								

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

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Aug-12	8/31/2012 Market Value
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A							
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.040%	daily	188,943	7.39	311,115
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003							
2003 CRA Tax Allocation Bonds	2028	US 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
Surplus Fund							
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.040%	daily		282.08	8,326,343
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	1,880,751	63.54	1,875,255
Special Fund		US Bank Mmkt 4-Ct	0.030%	daily		37.08	37
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			9
Principal 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
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Interest Account		US Bank Mmkt 4-Ct	0.050%	daily		0.00	19
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily		12.54	370,037
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	2,310,710	78.30	2,311,124
Project Fund		US Bank Mmkt 4-Ct	0.040%	daily		142.25	4,198,808
BFA - ELECTRIC 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
Acquisition & Construction		US Bank Mmkt 4-Ct	0.400%	daily		521.17	15,383,046
Total							40,213,227

*Paid Semi-Annually-Deposited into Money Mkt Account

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