

CITY COUNCIL AGENDA

Date: October 9, 2012
TO: City Council
FROM: June Overholt, Administrative Services Director/Deputy City Manager
SUBJECT: Report of Investments for July 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 July 2012. As of July 31, 2012, the City's operating funds totaled \$64,102,223. Included in operating funds is \$1,093,312 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of July 31, 2012 approximately 46% of the City's unrestricted cash balances were invested in investments other than LAIF.

Presented are three months of Investment Reports. July is a first issue, while May and June are included to provide multiple months of statements for comparison.

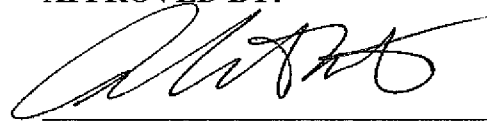
FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) increased to 0.363% in July. The average rate for all investments in July was 0.327%.

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%	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

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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								
3,078,593								
<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
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		5,000,950
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%								
25,663,165								

Average Rate All= 0.327%

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	Bond 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	U S 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	
							8	
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

Operating Funds

Petty Cash

Amount
2,805

Bank Accounts

	Interest Rate	Amount
Wells Fargo Bank	0.000%	58,502
Wells Fargo Bank-Investment Account	0.100%	1,512,476
Bank of America-Airport	0.300%	5,662
Bank of America-Parking Citations	0.300%	3,539
Bank of America-CNG Station	0.300%	<u>3,537</u>

Money Market and Bank Account Sub-Total 1,583,716

Government Pools

Account #1 Operating Amount	35,742,180	
Account #1 CRA Bond Cash Bal.	1,307,380	
Local Agency Investment Fund: Account #1	0.363%	37,049,559
Account #2 Successor Agency Cash Bal	347	
Local Agency Investment Fund: Account #2	0.363%	<u>347</u>

Government Pool Sub-Total 37,049,907

Operating Cash Balance 38,636,428

Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.000%	1,000,240
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.304%	25,637,043
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Operating Funds Total 65,273,710

Fiscal Agent

US Bank

Amount
41,850,918

Fiscal Agent Total 41,850,918

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City of Banning Investment Report

May 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>								
58,502	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	58,502	n/a	58,502
1,512,476	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,512,476	n/a	1,512,476
5,662	Bank of America-Airport	n/a	0.30%	daily	varies	5,662	n/a	5,662
3,539	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,539	n/a	3,539
3,537	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,537	n/a	3,537
Sub-total								
<u>Government Pools</u>								
37,049,559	L.A.I.F. account #1	n/a	0.363%	daily	varies	37,049,559	n/a	37,049,559
347	L.A.I.F. account #2	n/a	0.363%	daily	varies	347	n/a	347
<u>Investments-US Bank/Piper Jaffray</u>								
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,000,540
5,000,000	FHLMC MTN	n/a	0.450%	9/6/2013	12/2/2011	5,000,000		5,002,400
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		2,995,920
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		2,996,520
2,000,000	Federal Home Loan Bks	n/a	0.350%	5/22/2015	5/16/2012	2,000,000		1,999,260
11,642,403	Money Market	n/a	0.020%	daily	varies	11,642,403	0	11,642,403
US Bank/Piper Jaffray Average Rate= 0.304%								
Average Rate All= 0.333%								
Sub-total								
25,637,043								

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 186 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

May 31, 2012

Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Maturity Date	Minimum Reserve Requirement	Interest May-12	5/31/2012 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	7.15	218,044
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003							
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	4.59%	7/28/2011	971,763	0.65	977,197
		US Bank Mmkt 4-Ct	0.040%	daily			19,922
		US Bank Mmkt 4-Ct	0.000%	daily			7
		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		336.06	8,325,506
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	1,880,751	61.49	1,875,425
Special Fund		US Bank Mmkt 4-Ct	0.060%	daily		0.00	18
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		3.22	9
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily			70,000
		US Bank Mmkt 4-Ct	0.040%	daily		120.95	3,689,047
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Interest Account		US Bank Mmkt 4-Ct	0.050%	daily		18.89	19
Principal Account		US Bank Mmkt 4-Ct	0.030%	daily			370,000
Reserve Fund		US Bank Mmkt 4-Ct	0.040%	daily	2,310,710	79.78	2,310,892
Project Fund		US Bank Mmkt 4-Ct	0.040%	daily		137.65	4,198,528
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
		US Bank Mmkt 4-Ct	0.040%	daily			1,441,156
		US Bank Mmkt 4-Ct	0.040%	daily	2,672,050	97.48	2,973,111
Acquisition & Construction		US Bank Mmkt 4-Ct	0.400%	daily		504.31	15,382,021
						Total	41,850,918

*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>
<u>Petty Cash</u>		2,805
 <u>Bank Accounts</u>		
	Interest	
	Rate	Amount
Wells Fargo Bank	0.000%	7,992
Wells Fargo Bank-Investment Account	0.100%	4,493,897
Bank of America-Airport	0.300%	3,040
Bank of America-Parking Citations	0.300%	3,010
Bank of America-CNG Station	0.300%	<u>3,705</u>
<i>Money Market and Bank Account Sub-Total</i>		4,511,644
 <u>Government Pools</u>		
Account #1 Operating Amount	33,881,721	
Account #1 CRA Bond Cash Bal.	1,167,838	
Local Agency Investment Fund: Account #1	0.358%	35,049,559
Account #2 Successor Agency Cash Bal	347	
Local Agency Investment Fund: Account #2	0.358%	<u>347</u>
<i>Government Pool Sub-Total</i>		<u>35,049,907</u>
Operating Cash Balance		39,564,356
 <u>Restricted Operating Funds at Riverside Public Utilities</u>		
Highmark U.S. Government Money Market Fund	0.000%	1,058,458
 <u>Other Investments</u>		
Investments-US Bank/Piper Jaffray - See Page 2	0.307%	25,639,334
 <i>Operating Funds Total</i>		 <u><u>66,262,148</u></u>

Fiscal Agent

	<u>Amount</u>
US Bank	<u>40,106,431</u>
<i>Fiscal Agent Total</i>	<u><u>40,106,431</u></u>

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City of Banning Investment Report

June 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>								
7,992	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	7,992	n/a	7,992
4,493,897	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	4,493,897	n/a	4,493,897
3,040	Bank of America-Airport	n/a	0.30%	daily	varies	3,040	n/a	3,040
3,010	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,010	n/a	3,010
3,705	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,705	n/a	3,705
Sub-total								
4,511,644								
<u>Government Pools</u>								
35,049,559	L.A.I.F. account #1	n/a	0.358%	daily	varies	35,049,559	n/a	35,049,559
347	L.A.I.F. account #2	n/a	0.358%	daily	varies	347	n/a	347
35,049,907								
<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		5,001,500
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		2,988,380
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		3,002,550
2,000,000	Federal Home Loan Bks	n/a	0.350%	5/22/2015	5/16/2012	2,000,000		1,999,700
2,000,000	FNMA MTN	n/a	0.550%	12/4/2014	6/27/2012	2,000,000		1,999,560
10,647,644	Money Market	n/a	0.020%	daily	varies	10,647,644	0	10,647,644
US Bank/Piper Jaffray Average Rate= 0.307%								
25,639,334								
Average Rate All= 0.320%								

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 193 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

Individual Investments with Fiscal Agent

Bond Maturity Date	Bond Description	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Jun-12	6/30/2012 Market Value
2035	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily	188,943	7.39	218,052
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A							
2028	US Treasury Bill	US Treasury Bill	4.61%	7/28/2011	971,763		973,482
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily		0.67	19,923
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.000%	daily			7
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.000%	daily			8
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003							
2037	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily		282.07	8,325,788
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily	1,880,751	63.54	1,875,489
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.060%	daily		0.00	18
	US Bank Mmkt 4-Ct	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	US Bank Mmkt 4-Ct	0.000%	daily			9
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily		2.37	70,000
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily		124.98	3,689,172
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.050%	daily		0.00	19
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily		-	370,000
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily	2,310,710	78.29	2,310,970
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily		142.25	4,198,670
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily		25.20	25
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.040%	daily	2,672,050	100.73	2,672,248
	US Bank Mmkt 4-Ct	US Bank Mmkt 4-Ct	0.400%	daily		521.14	15,382,542
Acquisition & Construction							
*Paid Semi-Annually-Deposited into Money Mkt Account							
Total						1,348.63	40,106,431

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