

CITY COUNCIL AGENDA

Date: May 8, 2012
TO: City Council
FROM: June Overholt, Administrative Services Director/Deputy City Manager
SUBJECT: Report of Investments for February 2012

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

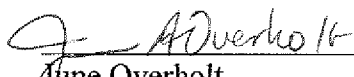
JUSTIFICATION: State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

BACKGROUND: This report includes investments on hand at the end of February 2012. As of February 29, 2012, the City's operating funds totaled \$65,454,303. Included in operating funds is \$1,481,901 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of February 29, 2012 approximately 45% 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.

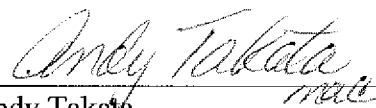
FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) increased to 0.389% in February. The average rate for all investments in February was 0.397%.

RECOMMENDED BY:



June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:



Andy Takata
City Manager

Summary Schedule of Cash and Investments

<u>Operating Funds</u>		<u>Amount</u>
<i>Petty Cash</i>		2,305
<i>Bank Accounts</i>		
	Interest	
	Rate Amount	
Wells Fargo Bank	0.000%	69,338
Wells Fargo Bank-Investment Account	0.100%	3,170,135
Bank of America-Airport	0.300%	3,069
Bank of America-Parking Citations	0.300%	3,735
Bank of America-CNG Station	0.300%	<u>3,084</u>
<i>Money Market and Bank Account Sub-Total</i>		3,249,361
<i>Government Pools</i>		
Account #1 Operating Amount	34,036,237	
Account #1 CRA Bond Cash Bal.	1,481,901	
Local Agency Investment Fund: Account #1	0.389%	35,518,138
<i>Government Pool Sub-Total</i>		<u>35,518,138</u>
Operating Cash Balance		38,769,804
<i>Restricted Operating Funds at Riverside Public Utilities</i>		
Highmark U.S. Government Money Market Fund	0.000%	1,080,108
<i>Other Investments</i>		
Investments-US Bank/Piper Jaffray - See Page 2	0.446%	25,604,391
 <i>Operating Funds Total</i>		 <u>65,454,303</u>

Fiscal Agent

	<u>Amount</u>
US Bank	<u>43,555,922</u>
<i>Fiscal Agent Total</i>	<u>43,555,922</u>

City of Banning Investment Report

February 29, 2012

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Price	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
69,338	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	69,338	n/a	69,338
3,170,135	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	3,170,135	n/a	3,170,135
3,069	Bank of America-Airport	n/a	0.30%	daily	varies	3,069	n/a	3,069
3,735	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,735	n/a	3,735
3,084	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,084	n/a	3,084
	Sub-total							3,249,361
<u>Government Pools</u>								
35,518,138	L.A.I.F. account #1	n/a	0.389%	daily	varies	35,518,138	n/a	35,518,138
-	L.A.I.F. account #2	n/a	0.389%	daily	varies	-	n/a	-
	Sub-total							35,518,138
<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		1,002,240
5,000,000	FHLMC MTN	n/a	0.500%	9/6/2013	12/2/2011	5,000,000		5,000,150
5,000,000	FHLMC MTN	n/a	0.450%	9/6/2013	12/2/2011	5,000,000		5,001,550
3,000,000	Federal Farm Bank Credit Bks	n/a	0.620%	5/1/2014	12/2/2011	3,000,000		3,000,120
5,500,000	Federal Farm Bank Credit Bks	n/a	0.690%	6/12/2014	12/28/2011	5,500,000		5,500,495
6,099,836	Money Market	n/a	0.000%	daily	varies	6,099,836	0	6,099,836
	US Bank/Piper Jaffray Average Rate=		0.446%					25,604,391

Average Rate All= 0.397%

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 212 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

February 29, 2012

Individual Investments with Fiscal Agent

Bond Maturity Date	Bond Issue Description	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Feb-12	2/29/2012 Market Value
2035	2005 Fair Oaks Ranch Estates	US Bank Mmkt 4-Ct	0.040%	daily	188,943	6.37	188,065
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003							
2028	2003 CRA Tax Allocation Bonds	U S Treasury Bill	4.54%	7/28/2011	971,763		988,148
		US Bank Mmkt 4-Ct	0.040%	daily		16,750.09	19,920
		US Bank Mmkt 4-Ct	0.000%	daily		7.16	7
		US Bank Mmkt 4-Ct	0.000%	daily			8
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
2037	Redevelop Fund	US Bank Mmkt 4-Ct	0.040%	daily		404.28	11,933,243
	Reserve Fund	US Bank Mmkt 4-Ct	0.040%	daily	1,880,751	63.55	1,875,241
	Special Fund	US Bank Mmkt 4-Ct	0.060%	daily		17.70	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			4
	Principal Account	US Bank Mmkt 4-Ct	0.000%	daily			6
		US Bank Mmkt 4-Ct	0.040%	daily		124.97	3,688,684
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
	Interest Account	US Bank Mmkt 4-Ct	0.040%	daily			24
	Principal Account	US Bank Mmkt 4-Ct	0.030%	daily			30
	Reserve Fund	US Bank Mmkt 4-Ct	0.040%	daily	2,310,710	78.30	2,311,199
	Project Fund	US Bank Mmkt 4-Ct	0.040%	daily		142.23	4,197,973
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
	Acquisition & Construction	US Bank Mmkt 4-Ct	0.050%	daily		19.15	19
		US Bank Mmkt 4-Ct	0.040%	daily	2,672,050	100.71	2,972,817
		US Bank Mmkt 4-Ct	0.400%	daily		521.07	15,380,508
*Paid Semi-Annually-Deposited into Money Mkt Account							43,555,922

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Summary Schedule of Cash and Investments

Operating Funds

Petty Cash

Amount
2,305

Bank Accounts

	Interest Rate	Amount
Wells Fargo Bank	0.000%	70,869
Wells Fargo Bank-Investment Account	0.100%	4,602,220
Bank of America-Airport	0.300%	7,917
Bank of America-Parking Citations	0.300%	4,094
Bank of America-CNG Station	0.300%	6,012

Money Market and Bank Account Sub-Total 4,691,111

Government Pools

Account #1 Operating Amount	31,011,337		
Account #1 CRA Bond Cash Bal.	1,506,801		
Local Agency Investment Fund: Account #1		0.385%	32,518,138
Account #2 Operating Amount			
Account #2 CRA Bond Cash Bal	0		
Local Agency Investment Fund: Account #2		0.385%	-

Government Pool Sub-Total 32,518,138

Operating Cash Balance 37,211,554

Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund 0.000% 1,800,128

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2 0.446% 25,605,961

Operating Funds Total 64,617,644

Fiscal Agent

US Bank

Amount
44,402,661

Fiscal Agent Total 44,402,661

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City of Banning Investment Report

January 31, 2012

Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Price	Discount or (Premium) Amortization	Market Value
<i>Bank Accounts</i>								
70,869	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	70,869	n/a	70,869
4,602,220	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	4,602,220	n/a	4,602,220
7,917	Bank of America-Airport	n/a	0.30%	daily	varies	7,917	n/a	7,917
4,094	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,094	n/a	4,094
6,012	Bank of America-Parking Citations	n/a	0.30%	daily	varies	6,012	n/a	6,012
	Sub-total							4,691,111
<i>Government Pools</i>								
32,518,138	L.A.I.F. account #1	n/a	0.385%	daily	varies	32,518,138	n/a	32,518,138
-	L.A.I.F. account #2	n/a	0.385%	daily	varies	-	n/a	-
	Sub-total							32,518,138
<i>Investments-US Bank/Piper Jaffray</i>								
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,002,760
5,000,000	FHLMC MTN	n/a	0.500%	9/6/2013	12/2/2011	5,000,000		4,998,050
5,000,000	FHLMC MTN	n/a	0.450%	9/6/2013	12/2/2011	5,000,000		5,002,800
3,000,000	Federal Farm Bank Credit Bks	n/a	0.620%	5/1/2014	12/2/2011	3,000,000		3,000,150
5,500,000	Federal Farm Bank Credit Bks	n/a	0.690%	6/12/2014	12/28/2011	5,500,000		5,502,365
6,099,836	Money Market	n/a	0.000%	daily	varies	6,099,836	0	6,099,836
	US Bank/Piper Jaffray Average Rate ⁼⁼		0.446%					25,605,961

Average Rate All= 0.388%

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 226 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

January, 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 Jan-12	1/31/2012 Market Value	
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A								
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.0500%	daily	188,943	7.73	188,065	
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003								
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	0.00%	7/28/2011	971,763	4,318.13	1,013,156	
		US Bank Mmkt 4-Ct	0.050%	daily		0.90	242,761	
		US Bank Mmkt 4-Ct	0.050%	daily			8	
		US Bank Mmkt 4-Ct	0.000%	daily			9	
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007								
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.050%	daily		490.37	11,932,838	
Reserve Fund		US Bank Mmkt 4-Ct	0.050%	daily	1,880,751	77.08	1,875,647	
Special Fund		US Bank Mmkt 4-Ct	0.050%	daily			599,738	
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			4	
Principal Account		US Bank Mmkt 4-Ct	0.000%	daily			6	
		US Bank Mmkt 4-Ct	0.050%	daily		151.58	3,688,559	
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Interest Account		US Bank Mmkt 4-Ct	0.040%	daily			24	
Principal Account		US Bank Mmkt 4-Ct	0.030%	daily			30	
Reserve Fund		US Bank Mmkt 4-Ct	0.050%	daily	2,310,710	94.97	2,311,121	
Project Fund		US Bank Mmkt 4-Ct	0.050%	daily		172.51	4,197,973	
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
		US Bank Mmkt 4-Ct	0.050%	daily		19.15	19	
		US Bank Mmkt 4-Ct	0.050%	daily	2,672,050	122.16	2,972,716	
Acquisition & Construction		US Bank Mmkt 4-Ct	0.500%	daily		632.03	15,379,987	
Total							6,086.61	44,402,661

*Paid Semi-Annually-Deposited into Money Mkt Account

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Summary Schedule of Cash and Investments

Operating Funds

		<u>Amount</u>
<i>Petty Cash</i>		2,305
		<u>Interest</u>
		<u>Rate Amount</u>
<i>Bank Accounts</i>		
Wells Fargo Bank	0.000%	4,620
Wells Fargo Bank-Investment Account	0.100%	2,947,287
Bank of America-Airport	0.300%	4,666
Bank of America-Parking Citations	0.300%	3,244
Bank of America-CNG Station	0.300%	<u>3,726</u>
<i>Money Market and Bank Account Sub-Total</i>		2,963,544
 <i>Government Pools</i>		
Account #1 Operating Amount	31,216,326.48	
Account #1 CRA Bond Cash Bal.	297,412	
Local Agency Investment Fund: Account #1	0.382%	31,513,738
Account #2 Operating Amount		
Account #2 CRA Bond Cash Bal	1,272,335	
Local Agency Investment Fund: Account #2	0.382%	<u>1,272,335</u>
<i>Government Pool Sub-Total</i>		<u>32,786,074</u>
Operating Cash Balance		35,751,923
 <i>Restricted Operating Funds at Riverside Public Utilities</i>		
Highmark U.S. Government Money Market Fund	0.000%	1,244,500
 <i>Other Investments</i>		
Investments-US Bank/Piper Jaffray - See Page 2	0.623%	25,586,516
 <i>Operating Funds Total</i>		 <u>62,582,938</u>

Fiscal Agent

		<u>Amount</u>
US Bank		<u>43,554,793</u>
<i>Fiscal Agent Total</i>		<u>43,554,793</u>

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City of Banning Investment Report
Operational Portfolio Individual Investments

December 31, 2011

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Price	Discount or (Premium) Amortization	Market Value
<i>Bank Accounts</i>								
4,620	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	4,620	n/a	4,620
2,947,287	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,947,287	n/a	2,947,287
4,666	Bank of America-Airport	n/a	0.30%	daily	varies	4,666	n/a	4,666
3,244	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,244	n/a	3,244
3,726	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,726	n/a	3,726
Sub-total								
								2,963,544
<i>Government Pools</i>								
31,513,738	L.A.I.F. account #1	n/a	0.382%	daily	varies	31,513,738	n/a	31,513,738
1,272,335	L.A.I.F. account #2	n/a	0.382%	daily	varies	1,272,335	n/a	1,272,335
Sub-total								
								32,786,074
<i>Investments-US Bank/Piper Jaffray</i>								
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,002,900
2,000,000	Federal Home Loan Banks	n/a	1.125%	6/30/2014	6/16/2011	2,000,000		2,000,120
2,000,000	FHLMC MTN	n/a	0.650%	7/18/2013	7/18/2011	2,000,000		2,000,260
1,000,000	FHLMC MTN	n/a	1.000%	4/11/2014	7/11/2011	1,000,000		1,000,110
5,000,000	FHLMC MTN	n/a	0.500%	9/6/2013	12/2/2011	5,000,000		4,994,050
5,000,000	FHLMC MTN	n/a	0.450%	9/6/2013	12/2/2011	5,000,000		4,999,150
3,000,000	Federal Farm Bank Credit Bks	n/a	0.620%	5/1/2014	12/2/2011	3,000,000		3,000,840
5,500,000	Federal Farm Bank Credit Bks	n/a	0.690%	6/12/2014	12/28/2011	5,500,000		5,498,625
1,090,461	Money Market	n/a	0.000%	daily	varies	1,090,461	0	1,090,461
Sub-total								
								25,586,516

Average Rate All= 0.469%

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 305 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

December 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-11	Market Value
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A								
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.050%	daily	188,943	188,943	7.73	188,057
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003								
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	0.75%	7/28/2011	971,763	971,763	0.00	987,622
		US Bank Mmkt 4-Ct	0.050%	daily			0.84	21,837
		US Bank Mmkt 4-Ct	0.030%	daily				29
		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	0.050%	daily			490.35	11,932,348
Reserve Fund		US Bank Mmkt 4-Ct	0.050%	daily	1,880,751	1,880,751	77.07	1,875,570
Special Fund		US Bank Mmkt 4-Ct	0.040%	daily				47
Surplus Fund		US Bank Mmkt 4-Ct	0.000%	daily				9
BUA - WASTE WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Interest Account		US Bank Mmkt 4-Ct	0.000%	daily				4
Principal Account		US Bank Mmkt 4-Ct	0.000%	daily				6
		US Bank Mmkt 4-Ct	0.050%	daily			151.57	3,688,408
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Interest Account		US Bank Mmkt 4-Ct	0.040%	daily				24
Principal Account		US Bank Mmkt 4-Ct	0.050%	daily				30
Reserve Fund		US Bank Mmkt 4-Ct	0.050%	daily	2,310,710	2,310,710	94.97	2,311,026
Project Fund		US Bank Mmkt 4-Ct	0.050%	daily			172.51	4,197,800
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
Acquisition & Construction		US Bank Mmkt 4-Ct	0.050%	daily			19.15	19
		US Bank Mmkt 4-Ct	0.050%	daily			55.14	2,972,594
		US Bank Mmkt 4-Ct	0.050%	daily			632.00	15,379,355
Total							1,701.33	43,554,793

*Paid Semi-Annually-Deposited into Money Mkt Account

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