

CITY COUNCIL AGENDA

Date: February 14, 2012
TO: City Council
FROM: June Overholt, Administrative Services Director/Deputy City Manager
SUBJECT: Report of Investments for November 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 November 2011. As of November 30, 2011, the City's operating funds totaled \$63,220,856. Included in operating funds is \$1,567,596 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of November 30, 2011 approximately 47% of the City's unrestricted cash balances were invested in investments other than LAIF.

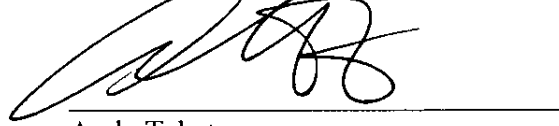
Presented are three months of Investment Reports. November is a first issue, while September and October are included to provide multiple months of statements for comparison.

FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) increased to 0.401 % in November. The average rate for all investments in November was 0.320%.

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>
<i>Petty Cash</i>		2,305
<i>Bank Accounts</i>		
	Interest	
	Rate Amount	
Wells Fargo Bank	0.000%	42,179
Wells Fargo Bank-Investment Account	0.100%	2,868,834
Bank of America-Airport	0.300%	15,891
Bank of America-Parking Citations	0.300%	3,875
Bank of America-CNG Station	0.300%	<u>5,879</u>
<i>Money Market and Bank Account Sub-Total</i>		2,936,658
<i>Government Pools</i>		
Local Agency Investment Fund: Account #1	0.401%	31,513,738
Account #2 Operating Amount		404,740
Account #2 CRA Bond Cash Bal		1,567,596
Local Agency Investment Fund: Account #2	0.401%	<u>1,972,335</u>
<i>Government Pool Sub-Total</i>		<u>33,486,074</u>
Operating Cash Balance		36,425,037
<i>Restricted Operating Funds at Riverside Public Utilities</i>		
Highmark U.S. Government Money Market Fund	0.000%	1,206,019
<i>Other Investments</i>		
Investments-US Bank/Piper Jaffray - See Page 2	0.240%	25,589,800
Operating Funds Total		<u>63,220,856</u>

Fiscal Agent

		<u>Amount</u>
US Bank		<u>44,480,980</u>
<i>Fiscal Agent Total</i>		<u>44,480,980</u>

41

City of Banning Investment Report

November 30, 2011

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>								
42,179	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	42,179	n/a	42,179
2,868,834	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,868,834	n/a	2,868,834
15,891	Bank of America-Airport	n/a	0.30%	daily	varies	15,891	n/a	15,891
3,875	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,875	n/a	3,875
5,879	Bank of America-Parking Citations	n/a	0.30%	daily	varies	5,879	n/a	5,879
Sub-total								2,936,658
<u>Government Pools</u>								
31,513,738	L.A.I.F. account #1	n/a	0.401%	daily	varies	31,513,738	n/a	31,513,738
1,972,335	L.A.I.F. account #2	n/a	0.401%	daily	varies	1,972,335	n/a	1,972,335
Sub-total								33,486,074
<u>Investments-US Bank/Piper Jaffray</u>								
1,000,000	FHLMC MTN	n/a	0.600%	6/28/2013	6/16/2011	1,000,000		1,000,140
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,003,310
2,000,000	Federal Home Loan Banks	n/a	1.125%	6/30/2014	6/16/2011	2,000,000		2,000,860
2,000,000	FHLMC MTN	n/a	0.650%	7/18/2013	7/18/2011	2,000,000		2,000,780
1,000,000	FHLMC MTN	n/a	1.000%	4/11/2014	7/11/2011	1,000,000		1,000,550
18,584,160	Money Market	n/a	0.000%	daily	varies	18,584,160	0	18,584,160
US Bank/Piper Jaffray Average Rate=								25,589,800

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 95 days and does not include Bond Reserve Fund Investments.

42

City of Banning Investment Report

November 30, 2011

Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Nov-11	Market Value 11/30/2011
COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A							
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.500%	daily	188,943	7.99	188,049
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003							
2003 CRA Tax Allocation Bonds	2028	US Treasury Bill	75.00%	7/28/2011	971,763	3,682.50	988,392
		US Bank Mmkt 4-Ct	0.500%	daily		0.86	21,836
		US Bank Mmkt 4-Ct	0.300%	daily			29
Surplus Fund		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	0.500%	daily		506.67	11,931,858
Reserve Fund		US Bank Mmkt 4-Ct	0.500%	daily	1,880,751	79.64	1,875,493
Special Fund		US Bank Mmkt 4-Ct	0.400%	daily			47
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		4.04	4
Principal Account		US Bank Mmkt 4-Ct	0.000%	daily		2.87	6
		US Bank Mmkt 4-Ct	0.500%	daily		156.62	3,688,256
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Interest Account		US Bank Mmkt 4-Ct	0.040%	daily		23.71	24
Principal Account		US Bank Mmkt 4-Ct	0.500%	daily		15.19	30
Reserve Fund		US Bank Mmkt 4-Ct	0.500%	daily	2,310,710	98.16	2,310,931
Project Fund		US Bank Mmkt 4-Ct	0.500%	daily		178.25	4,197,628
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
Reserve Fund		US Bank Mmkt 4-Ct	0.500%	daily			873,547
Acquisition & Construction		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500	41,032.69	3,026,111
		US Bank Mmkt 4-Ct	0.500%	daily		653.04	15,378,723
						Total	46,442.23
*Paid Semi-Annually-Deposited into Money Mkt Account							44,480,980

43

Summary Schedule of Cash and Investments

Operating Funds

		<u>Amount</u>
<i>Petty Cash</i>		2,305
 <i>Bank Accounts</i>		
	Interest	
	Rate Amount	
Wells Fargo Bank	0.000%	-
Wells Fargo Bank-Investment Account	0.100%	2,281,036
Bank of America-Airport	0.300%	16,183
Bank of America-Parking Citations	0.300%	4,551
Bank of America-CNG Station	0.300%	<u>5,879</u>
<i>Money Market and Bank Account Sub-Total</i>		2,307,649
 <i>Government Pools</i>		
Local Agency Investment Fund: Account #1	0.385%	31,513,738
Account #2 Operating Amount		405,894
Account #2 CRA Bond Cash Bal		1,566,441
Local Agency Investment Fund: Account #2	0.385%	<u>1,972,335</u>
<i>Government Pool Sub-Total</i>		<u>33,486,074</u>
Operating Cash Balance		35,796,028
 <i>Restricted Operating Funds at Riverside Public Utilities</i>		
Highmark U.S. Government Money Market Fund	0.000%	995,449
 <i>Other Investments</i>		
Investments-US Bank/Piper Jaffray - See Page 2	0.240%	25,591,960
 <i>Operating Funds Total</i>		 <u><u>62,383,437</u></u>

Fiscal Agent

	<u>Amount</u>
US Bank	<u>45,333,855</u>
<i>Fiscal Agent Total</i>	<u><u>45,333,855</u></u>

44

City of Banning Investment Report

October 31, 2011

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>								
-	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	-	n/a	-
2,281,036	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,281,036	n/a	2,281,036
16,183	Bank of America-Airport	n/a	0.30%	daily	varies	16,183	n/a	16,183
4,551	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,551	n/a	4,551
5,879	Bank of America-Parking Citations	n/a	0.30%	daily	varies	5,879	n/a	5,879
Sub-total								
								2,307,649
<u>Government Pools</u>								
31,513,738	L.A.I.F. account #1	n/a	0.385%	daily	varies	31,513,738	n/a	31,513,738
1,972,335	L.A.I.F. account #2	n/a	0.385%	daily	varies	1,972,335	n/a	1,972,335
Sub-total								
								33,486,074
<u>Investments-US Bank/Piper Jaffray</u>								
1,000,000	FHLMC MTN	n/a	0.600%	6/28/2013	6/16/2011	1,000,000		1,000,370
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,003,550
2,000,000	Federal Home Loan Banks	n/a	1.125%	6/30/2014	6/16/2011	2,000,000		2,001,560
2,000,000	FHLMC MTN	n/a	0.650%	7/18/2013	7/18/2011	2,000,000		2,001,420
1,000,000	FHLMC MTN	n/a	1.000%	4/11/2014	7/11/2011	1,000,000		1,000,900
18,584,160	Money Market	n/a	0.000%	daily	varies	18,584,160	0	18,584,160
Sub-total								
								25,591,960
<u>US Bank/Piper Jaffray Average Rate=</u>								
			0.240%					

Average Rate All= 0.314%

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 95 days and does not include Bond Reserve Fund Investments.

45

City of Banning Investment Report

October 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 Oct-11	10/31/2011 Market Value
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market US Bank Mmkt 4-Ct	0.200% 0.070%	daily daily	265,580	0.53	
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.500%	daily	188,943	7.90	188,041
2003 CRA Tax Allocation Bonds	2028	US Treasury Bill	75.000%	7/28/2011	971,763		982,540
		US Bank Mmkt 4-Ct	0.500%	daily		0.83	20,301
		US Bank Mmkt 4-Ct	0.300%	daily			29
		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	0.500%	daily		490.31	11,931,351
Reserve Fund		US Bank Mmkt 4-Ct	0.500%	daily	1,880,751	77.07	1,875,414
Special Fund		US Bank Mmkt 4-Ct	0.400%	daily			47
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	0.500%	daily			196,594
Principal Account		US Bank Mmkt 4-Ct	0.500%	daily		2.77	67,517
		US Bank Mmkt 4-Ct	0.500%	daily		151.56	3,688,100
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Interest Account		US Bank Mmkt 4-Ct	0.500%	daily			1,154,072
Principal Account		US Bank Mmkt 4-Ct	0.500%	daily		14.69	357,589
Reserve Fund		US Bank Mmkt 4-Ct	0.500%	daily	2,310,710	94.99	2,311,555
Project Fund		US Bank Mmkt 4-Ct	0.500%	daily		172.49	4,197,449
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
Reserve Fund		US Bank Mmkt 4-Ct	0.600%	daily			90
		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500	1.17	2,931,509
Acquisition & Construction		US Bank Mmkt 4-Ct	0.500%	daily		631.95	53,570
		US Bank Mmkt 4-Ct	0.500%	daily			15,378,070
						Total	45,333,855

*Paid Semi-Annually-Deposited into Money Mkt Account

4/6

Summary Schedule of Cash and Investments

Operating Funds

		<u>Amount</u>
<i>Petty Cash</i>		2,305
 <i>Bank Accounts</i>		
	Interest	
	Rate Amount	
Wells Fargo Bank	0.000%	22,110
Wells Fargo Bank-Investment Account	0.100%	3,234,867
Bank of America-Airport	0.300%	4,321
Bank of America-Parking Citations	0.300%	3,099
Bank of America-CNG Station	0.300%	<u>3,502</u>
<i>Money Market and Bank Account Sub-Total</i>		3,267,899
 <i>Government Pools</i>		
Local Agency Investment Fund: Account #1	0.378%	31,483,553
Account #2 Operating Amount		902,628
Account #2 CRA Bond Cash Bal		1,567,340
Local Agency Investment Fund: Account #2	0.378%	<u>2,469,967</u>
<i>Government Pool Sub-Total</i>		<u>33,953,520</u>
 Operating Cash Balance		 37,223,725
 <i>Restricted Operating Funds at Riverside Public Utilities</i>		
Highmark U.S. Government Money Market Fund	0.000%	797,092
 <i>Other Investments</i>		
Investments-US Bank/Piper Jaffray - See Page 2	0.240%	25,591,210
 <i>Operating Funds Total</i>		 <u><u>63,612,027</u></u>

Fiscal Agent

		<u>Amount</u>
US Bank		<u>43,982,139</u>
 <i>Fiscal Agent Total</i>		 <u><u>43,982,139</u></u>

47

City of Banning Investment Report

September 30, 2011

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>								
22,110	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	22,110	n/a	22,110
3,234,867	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	3,234,867	n/a	3,234,867
4,321	Bank of America-Airport	n/a	0.30%	daily	varies	4,321	n/a	4,321
3,099	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,099	n/a	3,099
3,502	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,502	n/a	3,502
Sub-total								
								3,267,899
<i>Government Pools</i>								
31,483,553	L.A.I.F. account #1	n/a	0.378%	daily	varies	31,483,553	n/a	31,483,553
2,469,967	L.A.I.F. account #2	n/a	0.378%	daily	varies	2,469,967	n/a	2,469,967
Sub-total								
								33,953,520
<i>Investments-US Bank/Piper Jaffray</i>								
1,000,000	FHLMC MTN	n/a	0.600%	6/28/2013	6/16/2011	1,000,000		1,000,100
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		1,003,990
2,000,000	Federal Home Loan Banks	n/a	1.125%	6/30/2014	6/16/2011	2,000,000		2,002,360
2,000,000	FHLMC MTN	n/a	0.650%	7/18/2013	7/18/2011	2,000,000		2,001,740
1,000,000	FHLMC MTN	n/a	1.000%	4/11/2014	7/11/2011	1,000,000		1,001,360
18,581,660	Money Market	n/a	0.000%	daily	varies	18,581,660	0	18,581,660
US Bank/Piper Jaffray Average Rate= 0.240%								
Average Rate All= 0.307%								
Sub-total								
								25,591,210

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 96 days and does not include Bond Reserve Fund Investments.

Handwritten initials

City of Banning Investment Report

September 30, 2011

Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Sep-11	9/30/2011		
							Bond Reserve	Market Value	
US BANK									
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	0.00	0		
		US Bank Mmkt 4-Ct	0.070%	daily		0.53	14		
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.500%	daily	188,943	9.44	188,033		
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	75.000%	7/28/2011	971,763		983,070		
		US Bank Mmkt 4-Ct	0.500%	daily		0.86	20,300		
		US Bank Mmkt 4-Ct	0.300%	daily			29		
Surplus Fund		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	0.500%	daily		506.63	11,930,861		
Reserve Fund		US Bank Mmkt 4-Ct	0.500%	daily	1,880,751	79.63	1,875,336		
Special Fund		US Bank Mmkt 4-Ct	0.400%	daily		47.29	47		
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		2.87	67,514	8	
Principal Account		US Bank Mmkt 4-Ct	0.500%	daily		156.60	3,687,948		
		US Bank Mmkt 4-Ct	0.500%	daily					
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES									
Interest Account		US Bank Mmkt 4-Ct	0.400%	daily				44	
Principal Account		US Bank Mmkt 4-Ct	0.500%	daily		15.18	357,574		
Reserve Fund		US Bank Mmkt 4-Ct	0.500%	daily	2,310,710	98.15	2,311,460		
Project Fund		US Bank Mmkt 4-Ct	0.500%	daily		178.23	4,197,277		
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES									
Reserve Fund		US Bank Mmkt 4-Ct	0.600%	daily				90	
		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		2,931,509		
		US Bank Mmkt 4-Ct	0.500%	daily			53,569		
Acquisition & Construction		US Bank Mmkt 4-Ct	0.500%	daily		652.99	15,377,438		
							Total	43,982,139	

*Paid Semi-Annually-Deposited into Money Mkt Account

49