

CITY COUNCIL AGENDA

Date: Sept 28, 2010
TO: City Council
FROM: Kirby Warner, Interim Administrative Services Director
SUBJECT: Report of Investments for July 2010

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

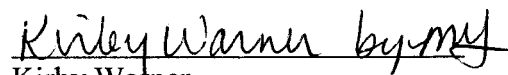
JUSTIFICATION: State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

BACKGROUND: This report includes investments on hand at the end of July 2010. As of July 31, 2010, the City's operating funds totaled \$70,212,385. Included in operating funds is \$3,197,109 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of July 31, 2010 approximately 42% of the City's unrestricted cash balances were invested in investments other than LAIF.

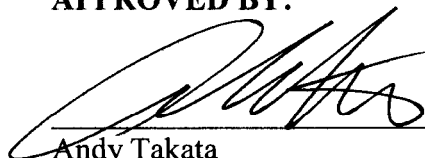
Presented are three months of Investment Reports. July is a first issue, while May and June are included to provide multiple months of statements for comparison.

FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) increased to 0.531 % in July. The average rate for all investments in July was 0.815%.

RECOMMENDED BY:


Kirby Warner
Interim Administrative Services Director

APPROVED BY:


Andy Takata
City Manager

Summary Schedule of Cash and Investments

Operating Funds

		<u>Amount</u>
<u>Petty Cash</u>		2,305
 <u>Bank Accounts</u>		
	Interest	
	Rate Amount	
Wells Fargo Bank	0.000%	411,399
Wells Fargo Bank-Investment Account	0.100%	2,137,724
Bank of America-Airport	0.300%	7,952
Bank of America-Parking Citations	0.300%	3,800
Bank of America-CNG Station	0.300%	<u>4,088</u>
<i>Money Market and Bank Account Sub-Total</i>		2,564,962
 <u>Government Pools</u>		
Local Agency Investment Fund: Account #1	0.531%	31,287,069
Account #2 Operating Amount		6,787,494
Account #2 CRA Bond Cash Bal		3,197,109
Local Agency Investment Fund: Account #2	0.531%	<u>9,984,602</u>
<i>Government Pool Sub-Total</i>		<u>41,271,671</u>
Operating Cash Balance		43,838,939
 <u>Restricted Operating Funds at Riverside Public Utilities</u>		
Highmark U.S. Government Money Market Fund	0.050%	1,045,233
 <u>Other Investments</u>		
Investments-US Bank/Piper Jaffray - See Page 2	1.353%	25,328,213
 Operating Funds Total		 <u>70,212,385</u>

Fiscal Agent

		<u>Amount</u>
BNY Western Trust Company		539,035
US Bank		<u>46,989,262</u>
 <i>Fiscal Agent Total</i>		 <u>47,528,298</u>

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City of Banning Investment Report
Operational Portfolio Individual Investments

July 31, 2010

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
411,399	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	411,399	n/a	411,399
2,137,724	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,137,724	n/a	2,137,724
7,952	Bank of America-Airport	n/a	0.30%	daily	varies	7,952	n/a	7,952
3,800	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,800	n/a	3,800
4,088	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,088	n/a	4,088
	Sub-total							2,564,962
<u>Government Pools</u>								
31,287,069	L.A.I.F. account #1	n/a	0.531%	daily	varies	31,287,069	n/a	31,287,069
9,984,602	L.A.I.F. account #2	n/a	0.531%	daily	varies	9,984,602	n/a	9,984,602
								41,271,671
<u>Investments-US Bank/Piper Jaffray</u>								
2,000,000	FNMA MTN	n/a	1.250%	4/5/2012	4/5/2010	2,000,000		2,002,500
3,000,000	FNMA MTN	n/a	1.550%	10/5/2012	4/5/2010	3,000,000		3,005,640
3,000,000	FNMA MTN	n/a	1.858%	4/8/2013	4/8/2010	3,000,000		3,006,570
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,009,380
3,000,000	FHLMC MTN	n/a	1.875%	5/10/2013	5/10/2010	3,000,000		3,011,880
4,000,000	Federal Home Loan Banks	n/a	2.000%	5/17/2013	5/17/2010	4,000,000		4,002,520
4,000,000	FHLMC MTN	n/a	1.150%	4/26/2013	7/26/2010	4,000,000		4,008,480
4,281,243	Money Market	n/a	0.000%	daily	varies	4,281,243	0	4,281,243
	US Bank/Piper Jaffray Average Rate=		1.353%					25,328,213

Average Rate All= 0.815%

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 July 27, 2010. 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 304 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

July 31, 2010

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-10	7/31/2010 Market Value	
TRUSTEE								
BNY-WESTERN TRUST COMPANY								
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.010%	11/1/2020 daily	522,375	*	522,562 16,473	
US BANK								
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market US Bank Mmkt 4-Ct	0.200% 0.000%	daily daily	265,580	4.50	265,607	
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	35.66	216,993	
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	0.160%	7/29/2010	971,763	21,021.68	0	
		US Bank Mmkt 4-Ct	0.200%	daily		3.58	1,013,086	
		US Bank Mmkt 4-Ct	0.200%	daily		0.01	668,137	
Surplus Fund		US Bank Mmkt 4-Ct	0.025%	daily			8	
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007								
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.200%	daily		1,957.35	11,909,243	
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	308.64	1,877,852	
Special Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.02	979,253	
Surplus Fund		US Bank Mmkt 4-Ct	0.210%	daily			9	
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.00	25	
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		21.78	132,543	
		US Bank Mmkt 4-Ct	0.200%	daily		605.04	3,681,266	
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.02	108	
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		56.31	342,611	
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	380.53	2,315,288	
Project Fund		US Bank Mmkt 4-Ct	0.200%	daily		688.59	4,189,672	
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.03	171	
		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500	0.01	3,016,550	
Acquisition & Construction		US Bank Mmkt 4-Ct	0.190%	daily		0.00	41	
		US Bank Mmkt 4-Ct	0.200%	daily		0.00	8,380,799	
		Reliance Trust Co C D #7AMCD5063	0.400%	11/26/2010		819.23	0	
		Reliance Trust Co C D #7AMCD49F7	0.500%	11/18/2010			8,000,000	
*Paid Semi-Annually-Deposited into Money Mkt Account						Total	25,902.98	47,528,298

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Summary Schedule of Cash and Investments

Operating Funds

		<u>Amount</u>
<u>Petty Cash</u>		2,305
 <u>Bank Accounts</u>		
	Interest	
	Rate	Amount
Wells Fargo Bank	0.000%	92,467
Wells Fargo Bank-Investment Account	0.100%	2,358,644
Bank of America-Airport	0.300%	3,463
Bank of America-Parking Citations	0.300%	3,249
Bank of America-CNG Station	0.300%	<u>3,109</u>
<i>Money Market and Bank Account Sub-Total</i>		2,460,932
 <u>Government Pools</u>		
Local Agency Investment Fund: Account #1	0.528%	31,287,069
Account #2 Operating Amount		8,775,054
Account #2 CRA Bond Cash Bal		3,197,174
Local Agency Investment Fund: Account #2	0.528%	<u>11,972,227</u>
<i>Government Pool Sub-Total</i>		<u>43,259,296</u>
Operating Cash Balance		45,722,533
 <u>Restricted Operating Funds at Riverside Public Utilities</u>		
Highmark U.S. Government Money Market Fund	0.050%	894,109
 <u>Other Investments</u>		
Investments-US Bank/Piper Jaffray - See Page 2	1.566%	25,297,718
 <i>Operating Funds Total</i>		 <u><u>71,914,360</u></u>

Fiscal Agent

		<u>Amount</u>
BNY Western Trust Company		539,035
US Bank		<u>49,977,144</u>
 <i>Fiscal Agent Total</i>		 <u><u>50,516,179</u></u>

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City of Banning Investment Report
Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<i>Bank Accounts</i>								
92,467	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	92,467	n/a	92,467
2,358,644	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,358,644	n/a	2,358,644
3,463	Bank of America-Airport	n/a	0.30%	daily	varies	3,463	n/a	3,463
3,249	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,249	n/a	3,249
3,109	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,109	n/a	3,109
	Sub-total							2,460,932
<i>Government Pools</i>								
31,287,069	L.A.I.F. account #1	n/a	0.528%	daily	varies	31,287,069	n/a	31,287,069
11,972,227	L.A.I.F. account #2	n/a	0.528%	daily	varies	11,972,227	n/a	11,972,227
								43,259,296
<i>Investments-US Bank/Piper Jaffray</i>								
3,000,000	Federal Home Loan Banks	n/a	1.350%	1/20/2012	1/7/2010	3,000,000	0	3,001,890
2,000,000	FNMA MTN	n/a	1.250%	4/5/2012	4/5/2010	2,000,000		2,003,760
3,000,000	FNMA MTN	n/a	1.550%	10/5/2012	4/5/2010	3,000,000		3,007,500
3,000,000	FNMA MTN	n/a	1.858%	4/8/2013	4/8/2010	3,000,000		3,010,320
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,010,620
3,000,000	FHLMC MTN	n/a	1.875%	5/10/2013	5/10/2010	3,000,000		3,015,420
4,000,000	Federal Farm Credits Bks	n/a	1.470%	10/26/2012	5/4/2010	4,000,000		4,002,520
4,000,000	Federal Home Loan Banks	n/a	2.000%	5/17/2013	5/17/2010	4,000,000		4,007,520
1,238,168	Money Market	n/a	0.000%	daily	varies	1,238,168	0	1,238,168
	US Bank/Piper Jaffray Average Rate=		1.566%					25,297,718

Average Rate All= 0.882%

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 July 14, 2009. 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 310 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

June 30, 2010

Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Jun-10	6/30/2010 Market Value
TRUSTEE							
BNY WESTERN TRUST COMPANY							
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.010%	11/1/2020 daily	522,375	*	522,562 16,473
US BANK							
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.65	265,603
		US Bank Mmkt 4-Ct	0.000%	daily			0
	2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	36.84	216,958
	2028	US Treasury Bill	0.160%	7/29/2010	971,763	0.00	991,871
		US Bank Mmkt 4-Ct	0.200%	daily		3.58	21,083
		US Bank Mmkt 4-Ct	0.200%	daily		0.01	55
		US Bank Mmkt 4-Ct	0.025%	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	0.200%	daily		1,678.61	11,907,286
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	318.87	1,877,543
Special Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.02	131
Surplus Fund		US Bank Mmkt 4-Ct	0.210%	daily			9
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		2.92	25
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		21.06	132,521
		US Bank Mmkt 4-Ct	0.200%	daily		625.09	3,680,661
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		12.66	108
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		54.43	342,554
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	393.14	2,314,907
Project Fund		US Bank Mmkt 4-Ct	0.200%	daily		1,320.41	4,188,983
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES							
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily		170.98	171
Acquisition & Construction		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		3,016,509
		US Bank Mmkt 4-Ct	0.190%	daily		21.05	41
		US Bank Mmkt 4-Ct	0.200%	daily		526.91	4,983,660
		Reliance Trust Co C D #7AMCD5063	0.400%	11/26/2010			8,036,457
		Reliance Trust Co C D #7AMCD49F7	0.500%	11/18/2010			8,000,000
Total						5,191.23	50,516,179

*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
<i>Bank Accounts</i>		
	Interest	
	Rate	Amount
Wells Fargo Bank	0.000%	83,277
Wells Fargo Bank-Investment Account	0.100%	1,688,982
Bank of America-Airport	0.300%	3,188
Bank of America-Parking Citations	0.300%	3,069
Bank of America-CNG Station	0.300%	<u>3,007</u>
<i>Money Market and Bank Account Sub-Total</i>		1,781,524
<i>Government Pools</i>		
Local Agency Investment Fund: Account #1	0.560%	31,287,069
Account #2 Operating Amount		9,309,076
Account #2 CRA Bond Cash Bal		3,263,151
Local Agency Investment Fund: Account #2	0.560%	<u>12,572,227</u>
<i>Government Pool Sub-Total</i>		<u>43,859,296</u>
Operating Cash Balance		45,643,125
<i>Restricted Operating Funds at Riverside Public Utilities</i>		
Highmark U.S. Government Money Market Fund	0.050%	773,921
<i>Other Investments</i>		
Investments-US Bank/Piper Jaffray - See Page 2	1.566%	25,306,898
<i>Operating Funds Total</i>		<u><u>71,723,944</u></u>

Fiscal Agent

		<u>Amount</u>
BNY Western Trust Company		539,035
US Bank		<u>51,829,136</u>
<i>Fiscal Agent Total</i>		<u><u>52,368,172</u></u>

City of Banning Investment Report
Operational Portfolio Individual Investments

May 31, 2010

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
83,277	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	83,277	n/a	83,277
1,688,982	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,688,982	n/a	1,688,982
3,188	Bank of America-Airport	n/a	0.30%	daily	varies	3,188	n/a	3,188
3,069	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,069	n/a	3,069
3,007	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,007	n/a	3,007
	Sub-total							1,781,524
<u>Government Pools</u>								
31,287,069	L.A.I.F. account #1	n/a	0.560%	daily	varies	31,287,069	n/a	31,287,069
12,572,227	L.A.I.F. account #2	n/a	0.560%	daily	varies	12,572,227	n/a	12,572,227
								43,859,296
<u>Investments-US Bank/Piper Jaffray</u>								
3,000,000	Federal Home Loan Banks	n/a	1.350%	1/20/2012	1/7/2010	3,000,000	0	3,003,750
2,000,000	FNMA MTN	n/a	1.250%	4/5/2012	4/5/2010	2,000,000		2,002,500
3,000,000	FNMA MTN	n/a	1.550%	10/5/2012	4/5/2010	3,000,000		3,008,430
3,000,000	FNMA MTN	n/a	1.858%	4/8/2013	4/8/2010	3,000,000		3,011,250
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,007,500
3,000,000	FHLMC MTN	n/a	1.875%	5/10/2013	5/10/2010	3,000,000		3,017,820
4,000,000	Federal Farm Credits Bks	n/a	1.470%	10/26/2012	5/4/2010	4,000,000		4,006,240
4,000,000	Federal Home Loan Banks	n/a	2.000%	5/17/2013	5/17/2010	4,000,000		4,011,240
1,238,168	Money Market	n/a	0.000%	daily	varies	1,238,168	0	1,238,168
	US Bank/Piper Jaffray Average Rate=		1.566%					25,306,898

Average Rate All= 0.907%

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 July 14, 2009. 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 310 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

May 31, 2010

Individual Investments with Fiscal Agent

Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Maturity Date	Minimum Reserve Requirement	Interest May-10	5/31/2010 Market Value	
2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.010%	11/1/2020 daily	522,375	*	522,562 16,473	
2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.50	265,598	
2035	US Bank Mmkt 4-Ct	0.000%	daily	188,943	35.65	216,921	
2028	U S Treasury Bill	0.160%	7/29/2010	971,763	0.00	991,762	
	US Bank Mmkt 4-Ct	0.200%	daily		3.46	21,079	
	US Bank Mmkt 4-Ct	0.200%	daily		0.01	55	
	US Bank Mmkt 4-Ct	0.025%	daily			8	
MPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
2037	US Bank Mmkt 4-Ct	0.270%	daily		1,426.47	11,905,607	
	Reliance TR Co Cdars CD #0140029695-7AMCDIFD1	0.270%	5/20/2010		26,438.18		
	US Bank Mmkt 4-Ct	0.200%	daily	1,880,751		1,877,224	
	US Bank Mmkt 4-Ct	0.200%	daily		0.02	131	
	US Bank Mmkt 4-Ct	0.210%	daily			9	
TERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
	US Bank Mmkt 4-Ct	0.180%	daily		21.88	22	
	US Bank Mmkt 4-Ct	0.200%	daily		0.01	132,500	
	US Bank Mmkt 4-Ct	0.200%	daily		604.82	3,680,036	
SE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
	US Bank Mmkt 4-Ct	0.200%	daily		95.05	95	
	US Bank Mmkt 4-Ct	0.200%	daily		0.01	342,500	
	US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	380.39	2,314,514	
	US Bank Mmkt 4-Ct	0.200%	daily		1,649.81	4,187,663	
REVENUE BONDS 2007 SERIES							
	US Bank Mmkt 4-Ct	0.200%	daily		0.03	1,733,406	
	Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		3,016,509	
	US Bank Mmkt 4-Ct	0.200%	daily		20.36	123,909	
	US Bank Mmkt 4-Ct	0.200%	daily		342.87	4,983,133	
	Reliance Trust Co C D #7AMCD5063	0.400%	11/26/2010			8,036,457	
	Reliance TR CO Cdars #0140029703- 7AMCDIFE9	0.750%	5/20/2010		24,399.56		
	Reliance Trust Co C D #7AMCD49F7	0.500%	11/18/2010			8,000,000	
sited into Money Mkt Account					Total	55,423.08	52,368,172