



City Council Staff Report

DATE: August 3, 2016 CONSENT CALENDAR

SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
JUNE 30, 2016

FROM: Geoffrey S. Kiehl, Director of Finance and Treasurer

BY: Department of Finance and Treasury

SUMMARY

Attached is the Treasurer's Investment Report as of June 30, 2016. The report includes the face value and coupon rate (if applicable) of the investments and the source for the market value estimate. The City's total invested cash is \$139,864,381 plus \$13,700,410 bond issue capital projects, reserve and debt service funds. There is an additional \$2,166,133 in various miscellaneous/trust accounts. The market value of the invested cash is \$140,049,522.

RECOMMENDATION:

Receive and File Treasurer's Investment Report as of June 30, 2016.

STAFF ANALYSIS:

The attached report includes the face value and coupon rate (if applicable) of the investments and the source for the market value estimate. Also included is information on the investments of bond issue reserve, debt service and related funds.

The investments, in type, maturity and as a percentage of the total portfolio, are in compliance with the existing City Council-approved investment policy.

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Treasurer's Investment Report as of June 30, 2016

The weighted average maturity (WAM) of the portfolio is 273.69 days. The maximum WAM allowed by the Investment Policy is 1095 days. The current portfolio and expected revenue cash flow will be sufficient to meet budgeted expenditure requirements for the next six months and the foreseeable future thereafter.

FISCAL IMPACT:

None



Geoffrey S. Kiehl, Director of Finance and Treasurer

Attachments: Treasurer's Investment Report

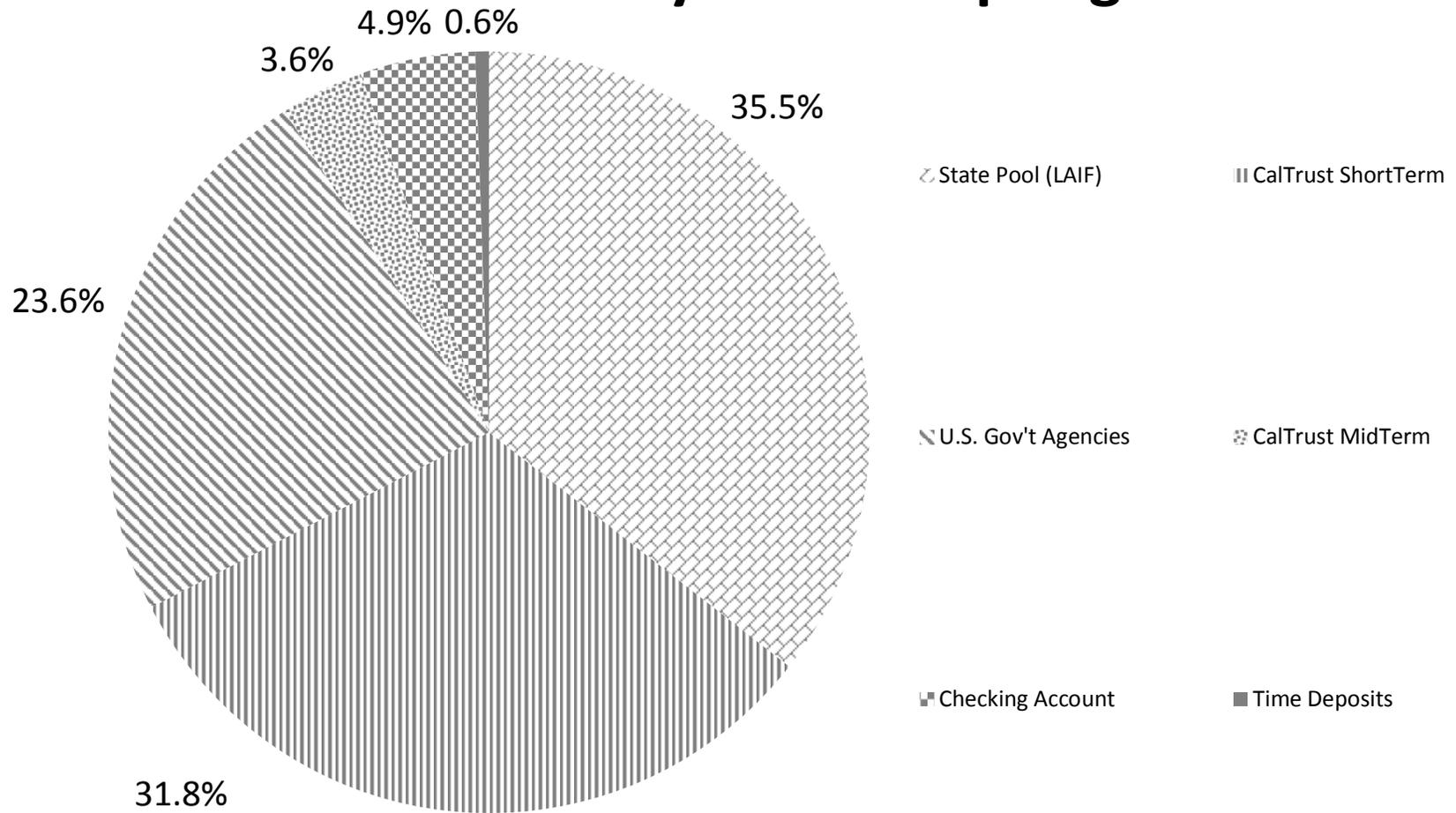
CITY OF PALM SPRINGS
 TREASURER'S MONTHLY REPORT
 SUMMARY OF INVESTMENTS
 June 30, 2016

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 6,855,940		
CalTrust ShortTerm	44,534,447		
CalTrust MidTerm	4,966,489		
State Pool	<u>49,714,460</u>	\$ 106,071,337	75.84%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	29,996,000		
Time Deposits	<u>400,000</u>	30,396,000	21.73%
Medium Term Investments (1 year to 3 years)			
U.S. Gov't Agencies	2,998,444		
Time Deposits	<u>398,600</u>	3,397,044	2.43%
Long Term Investments (3 year to 5 years)			
	<u>0</u>	0	<u>0.00%</u>
	\$	<u><u>139,864,381</u></u>	<u><u>100.00%</u></u>

Total
\$139,864,381

Investment Allocation City of Palm Springs

As of
06/30/2016



TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
June 30, 2016

	Par Value	Coupon Rate	Rating	Purchase Date	Maturity Date	First/Next Optional Call Date	Days to Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
Checking - Bank of America	\$ 6,855,940	N/A	AAA		demand	N/A	1	None	6,855,940		\$ 6,855,940	Bank of America	5,568,630
CalTrust ShortTerm	44,000,000	variable	N/A		demand	N/A	1	0.73%	44,534,447		44,558,159	CalTrust	40,446,405
CalTrust MidTerm	4,500,000	variable	N/A		demand	N/A	1	1.01%	4,966,489		4,985,057	CalTrust	4,952,983
Local Agency Invest Fund (LAIF)	49,500,000	variable	N/A		demand	N/A	1	0.576%	49,714,460		49,725,450	LAIF	40,675,188
	<u>104,855,940</u>									106,071,337	106,124,606		91,643,205
<div style="border: 1px solid black; padding: 2px;"> Short Term Investments (1 year or less) </div>													
U.S. Gov't Agency Securities													
Federal Home Loan Mortgage Corporation	0	1.50%	N/A	01/29/16	01/29/21	04/29/16	0	1.50%	0	0	0	Bank of NY Mellon	2,000,980
Federal Home Loan Mortgage Corporation	0	1.00%	N/A	01/29/16	01/29/21	04/29/16	0	1.00%	0	0	0	Bank of NY Mellon	2,000,420
Federal Home Loan Bank	0	1.25%	N/A	07/29/15	07/29/20	04/29/16	0	1.25%	0	0	0	Bank of NY Mellon	1,000,770
Federal Home Loan Mortgage Corporation	0	1.65%	N/A	10/29/15	10/29/20	04/29/16	0	1.65%	0	0	0	Bank of NY Mellon	500,270
Federal Home Loan Mortgage Corporation	0	1.00%	N/A	06/15/15	12/15/17	06/15/16	0	1.00%	0	0	0	Bank of NY Mellon	500,180
Federal National Mortgage Association	0	1.07%	N/A	09/27/12	09/27/17	06/27/16	0	1.07%	0	0	0	Bank of NY Mellon	2,001,080
Federal Farm Credit Bank	500,000	1.09%	N/A	05/26/15	02/26/18	07/01/16	606	1.09%	500,000	500,010	500,010	Bank of NY Mellon	500,000
Federal Home Loan Bank	2,000,000	1.30%	N/A	01/27/16	07/27/18	07/27/16	757	1.30%	2,000,000	2,000,920	2,000,920	Bank of NY Mellon	2,002,840
Federal Home Loan Bank	1,000,000	1.25%	N/A	01/29/16	01/29/21	07/29/16	1,674	1.25%	1,000,000	1,000,330	1,000,330	Bank of NY Mellon	1,000,590
Federal Home Loan Mortgage Corporation	1,000,000	1.50%	N/A	01/29/16	01/29/20	07/29/16	1,308	1.50%	1,000,000	1,000,580	1,000,580	Bank of NY Mellon	1,001,600
Federal Home Loan Bank	1,000,000	1.25%	N/A	07/29/15	07/29/20	07/29/16	1,490	1.25%	1,000,000	1,000,690	1,000,690	Bank of NY Mellon	1,002,010
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/13	01/30/18	07/30/16	579	1.03%	4,000,000	4,000,280	4,000,280	Bank of NY Mellon	4,000,320
Federal Farm Credit Bank	500,000	1.65%	N/A	05/04/16	11/04/20	08/04/16	1,588	1.65%	500,000	500,160	500,160	Bank of NY Mellon	0
Federal National Mortgage Association	500,000	1.125%	N/A	05/20/15	05/18/18	08/18/16	687	1.125%	500,000	500,080	500,080	Bank of NY Mellon	500,245
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/13	05/21/18	08/21/16	690	1.03%	2,000,000	2,000,480	2,000,480	Bank of NY Mellon	2,000,000
Federal National Mortgage Association	1,000,000	1.50%	N/A	05/25/16	05/25/21	08/25/16	1,790	1.50%	1,000,000	1,000,260	1,000,260	Bank of NY Mellon	0
Federal National Mortgage Association	500,000	1.125%	N/A	02/26/16	02/26/21	08/26/16	1,702	1.125%	500,000	500,055	500,055	Bank of NY Mellon	499,295
Federal National Mortgage Association	500,000	1.00%	N/A	02/26/16	02/26/21	08/26/16	1,702	1.00%	500,000	500,195	500,195	Bank of NY Mellon	500,040
Federal National Mortgage Association	500,000	1.40%	N/A	02/26/16	11/26/19	08/26/16	1,244	1.40%	500,000	500,250	500,250	Bank of NY Mellon	500,200
Federal Home Loan Mortgage Corporation	500,000	1.25%	N/A	02/26/16	02/26/21	08/26/16	1,702	1.25%	500,000	500,180	500,180	Bank of NY Mellon	500,010
Federal Home Loan Bank	500,000	1.48%	N/A	03/02/16	03/02/20	09/02/16	1,341	1.48%	500,000	500,190	500,190	Bank of NY Mellon	500,075
Federal Home Loan Bank	500,000	1.70%	N/A	03/02/16	03/02/21	09/02/16	1,706	1.70%	500,000	500,250	500,250	Bank of NY Mellon	500,135
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	06/09/16	06/09/21	09/09/16	1,805	1.25%	1,000,000	1,000,240	1,000,240	Bank of NY Mellon	0
Federal Home Loan Bank	1,000,000	1.25%	N/A	06/16/16	06/16/21	09/16/16	1,812	1.25%	998,500	1,000,180	1,000,180	Bank of NY Mellon	0
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/12	09/20/17	09/20/16	447	1.00%	2,000,000	2,003,980	2,003,980	Bank of NY Mellon	2,003,920
Federal National Mortgage Association	500,000	1.375%	N/A	03/30/16	03/30/21	09/30/16	1,734	1.3750%	500,000	500,035	500,035	Bank of NY Mellon	499,810
Federal Home Loan Mortgage Corporation	500,000	1.50%	N/A	03/30/16	03/30/21	09/30/16	1,734	1.50%	500,000	500,435	500,435	Bank of NY Mellon	500,300
Federal Home Loan Mortgage Corporation	500,000	1.60%	N/A	03/30/16	03/30/21	09/30/16	1,734	1.60%	500,000	500,405	500,405	Bank of NY Mellon	500,240
Federal Home Loan Mortgage Corporation	500,000	1.50%	N/A	04/21/16	04/21/21	10/21/16	1,756	1.50%	500,000	500,395	500,395	Bank of NY Mellon	500,075
Federal Home Loan Bank	1,000,000	1.00%	N/A	04/29/16	04/28/21	10/28/16	1,763	1.00%	998,500	1,000,050	1,000,050	Bank of NY Mellon	500,075
Federal Farm Credit Bank	500,000	1.58%	N/A	05/17/16	02/17/21	11/17/16	1,693	1.58%	500,000	500,015	500,015	Bank of NY Mellon	0
Federal Farm Credit Bank	500,000	1.25%	N/A	05/25/16	05/25/21	11/25/16	1,790	1.25%	500,000	500,475	500,475	Bank of NY Mellon	0
Federal National Mortgage Association	500,000	1.25%	N/A	05/25/16	05/25/21	11/25/16	1,790	1.25%	500,000	500,430	500,430	Bank of NY Mellon	0
Federal Farm Credit Bank	500,000	1.125%	N/A	05/27/15	05/27/21	11/25/16	1,792	1.125%	499,000	500,140	500,140	Bank of NY Mellon	0
Federal National Mortgage Association	500,000	1.50%	N/A	02/24/16	11/24/20	02/24/17	1,608	1.50%	500,000	502,185	502,185	Bank of NY Mellon	501,200
Federal National Mortgage Association	500,000	1.00%	N/A	03/10/16	03/10/21	03/10/17	1,714	1.00%	500,000	500,735	500,735	Bank of NY Mellon	499,905
Federal Farm Credit Bank	500,000	0.625%	N/A	05/22/15	05/22/17	N/A	326	0.625%	500,000	500,075	500,075	Bank of NY Mellon	499,875
Federal Farm Credit Bank	1,000,000	1.30%	N/A	06/06/16	06/06/19	06/06/17	1,071	1.30%	1,000,000	1,003,540	1,003,540	Bank of NY Mellon	0
Federal Farm Credit Bank	1,000,000	1.12%	N/A	06/20/16	06/27/19	06/27/17	1,092	1.12%	1,000,000	1,001,240	1,001,240	Bank of NY Mellon	0
Federal National Mortgage Association	<u>1,000,000</u>	1.10%	N/A	06/20/16	06/28/19	06/28/17	1,093	1.10%	<u>1,000,000</u>	<u>1,000,800</u>	<u>1,000,800</u>	Bank of NY Mellon	0
	30,000,000									29,996,000	30,020,265		29,016,460

TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
June 30, 2016

	Par Value	Coupon Rate	Rating	Purchase Date	Maturity Date	First/Next Optional Call Date	Days to Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
Short Term Investments (1 year or less)													
Time Deposits													
GE Cap Retail Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	20	1.35%	200,000		200,069	Bank of NY Mellon	200,458
GE Cap Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	20	1.35%	200,000		200,069	Bank of NY Mellon	200,458
	<u>400,000</u>									400,000	400,138		400,916
Medium Term Investments (1 year to 3 years)													
Time Deposits													
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	390	1.80%	198,600		202,153	Bank of NY Mellon	201,781
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	391	1.70%	200,000		202,265	Bank of NY Mellon	201,519
	<u>400,000</u>									398,600	404,418		403,300
U.S. Gov't Agency Securities													
Federal National Mortgage Association	2,000,000	1.10%	N/A	03/12/13	03/12/18	03/12/18	620	1.10%	2,000,000		2,017,360	Bank of NY Mellon	2,007,680
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/88	04/06/18	N/A	645	9.80%	498,594		580,015	Bank of America	590,794
Federal Farm Credit Bank	500,000	1.03%	N/A	02/24/16	02/12/19	N/A	957	1.03%	499,850		502,720	Bank of NY Mellon	500,440
	<u>3,000,000</u>									2,998,444	3,100,095		2,598,474
Total Invested Cash	<u>\$138,655,940</u>									<u>\$ 139,864,381</u>	<u>\$ 140,049,522</u>		<u>\$ 124,062,356</u>
								Current Quarter Portfolio Yield					0.79%
								Benchmark Yields:					0.65%
								12 Month LAIF Average					Prior Quarter
								2 Year Constant Maturity Treasury					Portfolio Yield
													0.40%
													0.78%
								*Interest Income for the Quarter Ending	06/30/2016	\$	290,569		

*Gross amount before deduction of investment related fees

TREASURER'S MONTHLY REPORT
MISCELLANEOUS AND TRUST ACCOUNTS
June 30, 2016

	<u>Par Value</u>	<u>Coupon</u>	<u>Rating</u>	<u>Maturity</u>	<u>Yield to Maturity</u>	<u>Adjusted Cost Basis</u>	<u>Category Total</u>
Total Invested Cash	\$ 139,864,381					\$ <u>139,864,381</u>	\$ 139,864,381
Miscellaneous Accounts							
Petty Cash	3,950	N/A	N/A	open	None	3,950	
Trust & Agency - Bank of America	2,006,904	N/A	N/A	open	None	2,006,904	
Downpayment Assistance (Housing Fund) -Bank of America	33,945	0.15%	N/A	open	0.15%	33,945	
Workers Compensation - Bank of America	8,756	N/A	N/A	open	None	8,756	
General Liability - Bank of America	28,925	N/A	N/A	open	None	28,925	
1930's General Store Museum - Bank of America	13,399	N/A	N/A	open	None	13,399	
On-Line Credit Card Fire Inspection Fees -Bank of America	61,935	N/A	N/A	open	None	61,935	
On-Line Credit Card Transportation Permits -Bank of America	8,319	N/A	N/A	open	None	<u>8,319</u>	2,166,133
Total Cash Deposited							\$ <u><u>142,030,514</u></u>

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 June 30, 2016

	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Rating</u>	<u>Maturity</u>	<u>Yield to Maturity</u>	<u>Adjusted Cost Basis</u>	<u>Category Total</u>	<u>(memo only) Market Value</u>	<u>Source</u>	<u>Prior Qtr. Market Value</u>
1998 Airport PFC										
Invesco Government & Agency Private	2,253,410	variable	AAA	open	0.01%	<u>2,253,410</u>	2,253,410	2,253,410	Bank of NY Mellon	981,168
							2,253,410			
2006 Airport PFC										
Invesco Government & Agency Private	2,444,427	variable	AAA	open	0.02%	<u>2,444,427</u>	2,444,427	2,444,427	Bank of NY Mellon	1,649,785
							2,444,427			
2007 Refunding Lease Revenue Bonds										
First American Government Obligation	0	variable	AAA	open	0.01%	<u>0</u>	0	0	US Bank	1,070,869
							0			
2007A&B Tax Allocation Bonds										
First American Government Obligation	368,284	variable	AAA	open	0.01%	<u>368,284</u>	368,284	368,284	US Bank	368,278
							368,284			
2007C Tax Allocation Bonds										
First American Government Obligation	340,892	variable	AAA	open	0.01%	<u>340,892</u>	340,892	340,892	US Bank	340,886
							340,892			
2008 Airport PFC Refunding										
Invesco Government & Agency Private	609,921	variable	AAA	open	0.02%	<u>609,921</u>	609,921	609,921	Bank of NY Mellon	609,698
							609,921			
2012 Downtown Revitalization Lease Revenue Bond Reserve										
Invesco Government & Agency Private	3,192,921	variable	AAA	open	0.01%	<u>3,192,921</u>	3,192,921	3,192,921	Bank of NY Mellon	3,191,717
							3,192,921			

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 June 30, 2016

	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Rating</u>	<u>Maturity</u>	<u>Yield to Maturity</u>	<u>Adjusted Cost Basis</u>	<u>Category Total</u>	<u>(memo only) Market Value</u>	<u>Source</u>	<u>Prior Qtr. Market Value</u>
2012/2014 Convention Center										
First American Government Obligation	12,672	variable	AAA	open	0.01%	<u>12,672</u>		12,672	US Bank	12,678
							12,672			
2014 Merged Project 1 & 2/Housing Refunding										
First American Government Obligation	470,017	variable	AAA	open	0.01%	<u>470,017</u>		470,017	US Bank	470,010
							470,017			
2015 Reassessment District No.2015-1										
First American Government Obligation	274,338	variable	AAA	open	0.01%	<u>274,338</u>		274,338	US Bank	274,334
							274,338			
2015 Local Measure A Sales Tax										
First American Government Obligation	1,840,412	variable	AAA	open	0.01%	<u>1,840,412</u>		1,840,412	US Bank	1,840,402
							1,840,412			
2015 Refunding Lease Revenue Bonds										
Cash	0					0		0	Bank of NY Mellon	3
Invesco Government & Agency Private	0	variable	AAA	open	0.01%	0		0	Bank of NY Mellon	222
First American Government Obligation	3,604	variable	AAA	open	0.01%	<u>3,604</u>		3,604	US Bank	3,604
							3,604			
Chevron/CoGen Lease Proceeds										
Cash	716,877	N/A	N/A	demand	None	<u>716,877</u>		716,877	Deutsche Bank	716,877
							716,877			
Funds With Century Golf	1,172,635	N/A	N/A	demand	None	<u>1,172,635</u>		1,172,635	Century Golf	1,378,207
							1,172,635			
Totals							<u>13,700,410</u>	<u>13,700,410</u>		<u>\$ 12,908,738</u>

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TREASURER'S MONTHLY REPORT
 CALCULATION OF INVESTMENT LIMITATIONS
 June 30, 2016

<u>By Maturity:</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Current Mo.</u>
1 day to 365 days	N/A	N/A	97.57%
1 year to 3 years	N/A	50.00%	2.43%
3 years to 5 years	N/A	30.00%	0.00%
<u>By Type of Investment:</u>			
Bankers Acceptance - in total	N/A	20.00%	0.00%
Bankers Acceptance - by issuer	N/A	5.00%	0.00%
Commercial Paper	N/A	15.00%	0.00%
Time Deposits	N/A	10.00%	0.57%
Negotiable Certificates of Deposit - in total	N/A	30.00%	0.00%
Negotiable Certificates of Deposit - by issuer	N/A	5.00%	0.00%
Corporate Notes - in total	N/A	20.00%	0.00%
Corporate Notes - by issuer	N/A	5.00%	0.00%
CA State or City Bonds/Local Agency Bonds - in total	N/A	15.00%	0.00%
CA State or City Bonds/Local Agency Bonds - by issuer	N/A	5.00%	0.00%
Money Market Funds	N/A	10.00%	0.00%
Money Market Mutual Funds - Less than 1 Year	N/A	50.00%	31.84%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	3.55%
LAIF	N/A	100.00%	35.54%
U.S. Government Agencies	N/A	60.00%	23.59%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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