



## City Council Staff Report

DATE: July 3, 2013                      CONSENT CALENDAR

SUBJECT: TREASURER'S INVESTMENT REPORT AS OF  
MAY 31, 2013

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

BY: Department of Finance and Treasury

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### SUMMARY

Attached is the Treasurer's Investment Report as of May 31, 2013. 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 \$110,717,863 plus \$22,085,610 in bond issue capital projects, reserve and debt service funds. The market value of the invested cash is \$110,593,223.

### RECOMMENDATION:

Receive and File Treasurer's Investment Report as of May 31, 2013.

### STAFF ANALYSIS:

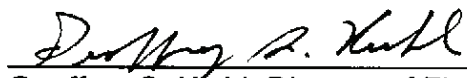
The attached report includes the face value and coupon rate (if applicable) of the investments and the source for the market value estimate. Also included is information on the investments of bond issue reserve, debt service and related funds.

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

The weighted average maturity (WAM) of the portfolio is 91.49 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



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Geoffrey S. Kiehl, Director of Finance and Treasurer

Attachments: Treasurer's Investment Report

CITY OF PALM SPRINGS  
 TREASURER'S MONTHLY REPORT  
 SUMMARY OF INVESTMENTS  
 May 31, 2013

On Call Deposits	Adjusted Basis	Category Total	Percentage
Checking Account	\$ 2,766,291		
CalTrust ShortTerm	31,179,975		
CalTrust MidTerm	28,186,630		
State Pool	<u>15,023</u>	\$ 62,147,919	56.13%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	<u>46,072,750</u>	46,072,750	41.61%
Medium Term Investments (1 year to 3 years)			
Corporate Notes	1,000,000		
Time Deposits	200,000		
U.S. Gov't Agencies	<u>0</u>	1,200,000	1.08%
Long Term Investments (3 year to 5 years)			
Time Deposits	798,600		
U.S. Gov't Agencies	<u>498,594</u>	1,297,194	1.17%
		\$ <u><u>110,717,863</u></u>	<u><u>100.00%</u></u>

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**TREASURER'S MONTHLY REPORT**  
**DETAIL OF INVESTMENTS**  
**May 31, 2013**

	Par Value	Coupon Rate	Rating	Maturity or Call Date	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
<b>On Call Deposits</b>										
Checking - Bank of America	\$	N/A	N/A	AAA	open	None	2,766,291	\$ 2,766,291	Bank of America	4,472,390
CalTrust ShortTerm*		N/A		N/A	open	0.29%	31,179,975	31,181,380	CalTrust	22,169,999
CalTrust MidTerm		N/A		N/A	open	0.56%	28,186,630	28,122,741	CalTrust	18,148,193
Local Agency Invest Fund (LAIF)		15.023	variable	N/A	open	0.245%	15,023	15,038	LAIF	15,027
										62,147,919
<b>Short Term Investments ( 1 year or less)</b>										
U.S. Gov't Agency Securities										
Federal Farm Credit Bank	1,000,000	0.80%	N/A	10/23/12	0.80%	0	0	0	Bank of NY Mellon	1,000,050
Federal Farm Credit Bank	1,000,000	0.90%	N/A	11/15/12	0.90%	0	0	0	Bank of NY Mellon	999,870
Federal Farm Credit Bank	1,000,000	0.85%	N/A	11/15/12	0.85%	999,000	999,000	996,570	Bank of NY Mellon	1,000,060
Federal Farm Credit Bank	2,000,000	0.92%	N/A	12/05/12	0.92%	0	0	0	Bank of NY Mellon	1,997,980
Federal Home Loan Bank	2,000,000	1.00%	N/A	12/18/12	1.00%	1,999,000	1,999,000	1,983,500	Bank of NY Mellon	1,998,400
Federal Home Loan Mortgage Corporation	2,000,000	1.03%	N/A	02/28/13	1.03%	0	0	0	Bank of NY Mellon	0
Federal Home Loan Bank	2,000,000	1.10%	N/A	03/01/13	1.10%	0	0	0	Bank of NY Mellon	1,999,520
Federal National Mortgage Association	2,000,000	1.10%	N/A	03/20/13	1.10%	0	0	0	Bank of NY Mellon	0
Federal Home Loan Bank	2,000,000	1.250%	N/A	03/22/13	1.250%	0	0	0	Bank of NY Mellon	2,001,140
Federal National Mortgage Association	2,000,000	1.125%	N/A	03/28/13	1.125%	0	0	0	Bank of NY Mellon	0
Federal National Mortgage Association	1,000,000	2.50%	N/A	04/18/13	2.50%	0	0	0	Bank of NY Mellon	1,001,120
Federal Farm Credit Bank	2,000,000	1.12%	N/A	05/20/13	1.12%	2,000,000	2,000,000	1,990,040	Bank of NY Mellon	2,001,640
Federal National Mortgage Association	2,000,000	1.00%	N/A	06/06/13	1.00%	2,000,000	2,000,000	2,000,100	Bank of NY Mellon	2,001,960
Federal National Mortgage Association	2,000,000	1.00%	N/A	06/07/13	1.00%	2,000,000	2,000,000	2,000,060	Bank of NY Mellon	2,003,500
Federal Home Loan Mortgage Corporation	5,000,000	2.00%	N/A	07/07/13	2.00%	5,079,750	5,079,750	5,011,100	Bank of NY Mellon	5,029,100
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	07/11/13	1.00%	1,000,000	1,000,000	989,590	Bank of NY Mellon	997,010
Federal Home Loan Mortgage Corporation	2,000,000	1.05%	N/A	07/16/13	1.05%	2,000,000	2,000,000	1,985,200	Bank of NY Mellon	1,999,860
Federal Home Loan Bank	1,000,000	1.00%	N/A	07/30/13	1.00%	1,000,000	1,000,000	991,510	Bank of NY Mellon	998,640
Federal Home Loan Bank	1,000,000	0.45%	N/A	08/09/13	0.45%	1,000,000	1,000,000	995,730	Bank of NY Mellon	0
Federal Home Loan Bank	1,000,000	1.05%	N/A	08/12/13	1.05%	1,000,000	1,000,000	992,730	Bank of NY Mellon	1,000,000
Federal Farm Credit Bank	2,000,000	0.98%	N/A	08/15/13	0.98%	1,997,000	1,997,000	1,996,900	Bank of NY Mellon	2,005,240
Federal National Mortgage Association	1,000,000	1.00%	N/A	08/28/13	1.00%	998,000	998,000	996,060	Bank of NY Mellon	1,002,400
Federal National Mortgage Association	2,000,000	1.10%	N/A	08/28/13	1.10%	2,000,000	2,000,000	1,998,750	Bank of NY Mellon	2,006,040
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/13	1.00%	2,000,000	2,000,000	1,987,940	Bank of NY Mellon	2,003,100
Federal Home Loan Mortgage Corporation	2,000,000	1.04%	N/A	09/27/13	1.04%	2,000,000	2,000,000	1,988,300	Bank of NY Mellon	2,003,460
Federal National Mortgage Association	2,000,000	1.07%	N/A	09/27/13	1.07%	2,000,000	2,000,000	1,995,280	Bank of NY Mellon	2,006,720
Federal Home Loan Bank	1,000,000	0.75%	N/A	11/29/13	0.75%	1,000,000	1,000,000	990,020	Bank of NY Mellon	0
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/14	1.03%	4,000,000	4,000,000	3,971,720	Bank of NY Mellon	3,999,760
Federal Home Loan Mortgage Corporation	2,000,000	1.125%	N/A	02/24/14	1.125%	2,000,000	2,000,000	2,002,100	Bank of NY Mellon	2,009,520
Federal National Mortgage Association	2,000,000	1.10%	N/A	03/12/14	1.10%	2,000,000	2,000,000	1,995,760	Bank of NY Mellon	2,009,140
Federal Home Loan Mortgage Corporation	2,000,000	1.20%	N/A	03/20/14	1.20%	2,000,000	2,000,000	1,981,440	Bank of NY Mellon	1,996,250
Federal Home Loan Mortgage Corporation	2,000,000	1.15%	N/A	04/25/14	1.15%	2,000,000	2,000,000	1,982,740	Bank of NY Mellon	0
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/14	1.03%	2,000,000	2,000,000	1,973,438	Bank of NY Mellon	0
										46,072,750

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**TREASURER'S MONTHLY REPORT  
DETAIL OF INVESTMENTS  
May 31, 2013**

	Par Value	Coupon Rate	Rating	Maturity or Call Date	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
<b>Medium Term Investments ( 1 year to 3 years)</b>										
Corporate Notes										
General Electric Capital Corporation	1,000,000	1.20%	A1/AA+	04/13/15	1.20%	<u>1,000,000</u>		994,870	Bank of NY Mellon	995,040
							1,000,000			
Time Deposits										
Ally Bank CD	200,000	1.15%	N/A	7/27/15	1.15%	<u>200,000</u>		<u>200,000</u>	Bank of NY Mellon	<u>200,000</u>
							200,000			
U.S. Gov't Agency Securities										
							0			
<b>Long Term Investment ( 3 years to 5 years)</b>										
Time Deposits										
GE Cap Retail Bank CD	200,000	1.35%	N/A	7/20/16	1.35%	200,000		203,970	Bank of NY Mellon	204,986
GE Cap Bank CD	200,000	1.35%	N/A	7/20/16	1.35%	200,000		203,970	Bank of NY Mellon	204,986
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/17	1.80%	198,600		206,689	Bank of NY Mellon	208,646
Discover Bank CD	200,000	1.70%	N/A	7/26/17	1.70%	<u>200,000</u>		205,870	Bank of NY Mellon	207,790
							798,600			
U.S. Gov't Agency Securities										
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/18	9.80%	<u>498,594</u>		695,825	Bank of America	709,910
							498,594			
							<u>\$ 110,717,863</u>	<u>\$ 110,593,223</u>		<u>\$ 96,608,446</u>
<b>Total Invested Cash</b>										

\*Includes the following deposits of non-City funds:

	Principal	Interest	Total
Palm Springs Historical Society	250,000	710	250,710

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**TREASURER'S MONTHLY REPORT  
MISCELLANEOUS AND TRUST ACCOUNTS  
May 31, 2013**

	<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>
<b>Total Invested Cash</b>	\$ 110,717,863					\$ 110,717,863	\$ 110,717,863
<b>Miscellaneous Accounts</b>							
Petty Cash	4,000	N/A	N/A	open	None	4,000	
Trust & Agency - Bank of America	817,077	N/A	N/A	open	None	817,077	
Downpayment Assistance (Housing Fund) - Bank of America	33,811	0.05 %	N/A	open	0.05 %	33,811	
Workers Compensation - Bank of America	9,592	N/A	N/A	open	None	9,592	
General Liability - Bank of America	30,000	N/A	N/A	open	None	30,000	
1930's General Store Museum - Bank of America	7,147	N/A	N/A	open	None	7,147	
On-Line Credit Card Fire Inspection Fees -Bank of America	87,038	N/A	N/A	open	None	87,038	
On-Line Credit Card Transportation Permits -Bank of America	7,925	N/A	N/A	open	None	7,925	996,590
<b>Total Cash Deposited</b>							\$ 111,714,453

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**TREASURER'S MONTHLY REPORT**  
**BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS**  
**May 31, 2013**

	Par Value	Coupon Rate	Rating	Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
<b>2004/2012 Convention Center</b>										
Invesco Government & Agency Private	245,835	variable	AAA	open	0.01%	245,835		245,834	Bank of NY Mellon	245,840
Cash	112,728					112,728		112,728	Bank of NY Mellon	112,720
Federal Home Loan Mortgage Corporation	5,465,000	4.125%	N/A	9/27/13	1.93%	5,867,848	6,226,411	5,534,952	Bank of NY Mellon	5,573,152
<b>1991/01 Series B - Housing</b>										
Invesco Government & Agency Private	742,439	variable	AAA	open	0.02%	742,439	742,439	742,439	Bank of NY Mellon	742,414
<b>1994/04 Series A &amp; B/2007A, B, &amp; C</b>										
Invesco Government & Agency Private	1,261,379	variable	AAA	open	0.01%	1,261,379		1,261,379	Bank of NY Mellon	1,261,344
Federal Home Loan Mortgage Corporation	965,000	4.125%	N/A	9/27/13	1.93%	1,036,134		977,352	Bank of NY Mellon	984,097
Federal Home Loan Mortgage Corporation	571,000	4.125%	N/A	9/27/13	1.93%	613,091	2,910,604	578,309	Bank of NY Mellon	582,300
<b>1998 Airport PFC</b>										
Invesco Government & Agency Private	1,281,711	variable	AAA	open	0.01%	1,281,711		1,281,711	Bank of NY Mellon	1,103,589
Cash	0					0	1,281,711	0	Bank of NY Mellon	37,701
<b>2001 Assessment District 157/158</b>										
Invesco Government & Agency Private	1	variable	AAA	open	0.00%	1	1	1	Bank of NY Mellon	1
<b>2002 Parking Structure</b>										
Cash	3					3		3	Bank of NY Mellon	336
Invesco Government & Agency Private	15	variable	AAA	open	0.01%	15	18	15	Bank of NY Mellon	2,461
<b>2004 Assessment District 161</b>										
Invesco Government & Agency Private	399,176	variable	AAA	open	0.02%	399,176	399,176	399,176	Bank of NY Mellon	399,163

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**TREASURER'S MONTHLY REPORT**  
**BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS**  
**May 31, 2013**

	Par Value	Coupon Rate	Rating	Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
<b>2004 Assessment District 162</b>										
Invesco Government & Agency Private	158,633	variable	AAA	open	0.02%	<u>158,633</u>		158,633	Bank of NY Mellon	158,628
							158,633			
<b>2005 Assessment District 164</b>										
Invesco Government & Agency Private	367,714	variable	AAA	open	0.02%	<u>367,714</u>		367,714	Bank of NY Mellon	367,702
							367,714			
<b>2006 Airport PFC</b>										
Invesco Government & Agency Private	2,617,252	variable	AAA	open	0.02%	2,617,252		2,617,252	Bank of NY Mellon	1,529,821
Cash	0					<u>0</u>		0	Bank of NY Mellon	128,994
							2,617,252			
<b>2007 Refunding Lease Revenue Bonds</b>										
Cash	0					0		0	Bank of NY Mellon	1,418,350
Invesco Government & Agency Private	1	variable	AAA	open	0.01%	<u>1</u>		1	Bank of NY Mellon	1
							1			
<b>2008 Airport PFC Refunding</b>										
Invesco Government & Agency Private	32,027	variable	AAA	open	0.02%	32,027		32,027	Bank of NY Mellon	32,027
Federal Home Loan Mortgage Corporation	603,000	4.125%	N/A	9/27/13	1.93%	<u>647,450</u>		610,718	Bank of NY Mellon	614,933
							679,477			
<b>Reserve for 2012 Downtown Revitalization Lease Revenue Bond</b>										
Invesco Government & Agency Private	5,304,935	variable	AAA	open	0.01%	<u>5,304,935</u>		5,304,935	Bank of NY Mellon	3,188,823
							5,304,935			
<b>Funds With Century Golf</b>										
	1,397,238					<u>1,397,238</u>		1,397,238	Century Golf	1,296,620
							1,397,238			
<b>Totals</b>							<u>22,085,610</u>	<u>21,622,417</u>		<u>\$ 19,781,017</u>

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TREASURER'S MONTHLY REPORT  
 CALCULATION OF INVESTMENT LIMITATIONS  
 May 31, 2013

<u>By Maturity:</u>	Allowable Percentages		Current Mo.
	Minimum	Maximum	
1 day to 365 days	\$8,000,000	N/A	\$108,220,669
1 year to 3 years	0.00%	50.00%	1.08%
3 years to 5 years	0.00%	30.00%	1.17%
over 5 years	N/A	N/A	0.00%
<u>By Type of Investment:</u>			
Bankers Acceptance - in total	N/A	40.00%	0.00%
Bankers Acceptance - single bank	N/A	20.00%	0.00%
Commercial Paper	N/A	15.00%	0.00%
Time Deposits	N/A	30.00%	0.90%
Corporate Notes	N/A	20.00%	0.90%
Money Market Mutual Funds	N/A	10.00%	0.00%
Mortgage Pass Thrus	N/A	10.00%	0.00%
U.S. Government Agencies	N/A	60.00%	42.06%
U.S. Treasury Notes/Bonds	N/A	N/A	0.00%

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