



City Council Staff Report

DATE: March 5, 2014 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
JANUARY 31, 2014
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 January 31, 2014. 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 \$104,627,641 plus \$27,998,116 in bond issue capital projects, reserve and debt service funds. The market value of the invested cash is \$104,440,206.

RECOMMENDATION:

Receive and File Treasurer's Investment Report as of January 31, 2014.

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 33.11 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
 January 31, 2014

On Call Deposits	Adjusted Basis	Category Total	Percentage
Checking Account	\$ 6,607,706		
CalTrust ShortTerm	22,212,646		
CalTrust MidTerm	28,304,044		
State Pool	<u>15,051</u>	\$ 57,139,447	54.61%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	<u>44,991,000</u>	44,991,000	43.00%
Medium Term Investments (1 year to 3 years)			
Corporate Notes	1,000,000		
Time Deposits	<u>600,000</u>	1,600,000	1.53%
Long Term Investments (3 year to 5 years)			
Time Deposits	398,600		
U.S. Gov't Agencies	<u>498,594</u>	897,194	<u>0.86%</u>
		\$ <u>104,627,641</u>	<u>100.00%</u>

TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
January 31, 2014

	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
On Call Deposits										
Checking - Bank of America	\$ N/A	N/A	AAA	open	None	6,607,706		\$ 6,607,706	Bank of America	6,409,393
CalTrust ShortTerm*	N/A		N/A	open	0.32%	22,212,646		22,212,646	CalTrust	10,220,875
CalTrust MidTerm	N/A		N/A	open	0.60%	28,304,044		28,304,044	CalTrust	28,195,300
Local Agency Invest Fund (LAIF)	15,051	variable	N/A	open	0.244%	15,051		15,055	LAIF	15,046
							57,139,447			
Short Term Investments (1 year or less)										
U.S. Gov't Agency Securities										
Federal Farm Credit Bank	1,000,000	0.85%	N/A	11/15/12	0.85%	999,000		995,120	Bank of NY Mellon	995,313
Federal Home Loan Bank	2,000,000	1.00%	N/A	12/18/12	1.00%	1,999,000		1,983,300	Bank of NY Mellon	1,969,240
Federal Farm Credit Bank	2,000,000	1.12%	N/A	05/20/13	1.12%	2,000,000		1,986,680	Bank of NY Mellon	1,961,720
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	07/11/13	1.00%	1,000,000		987,400	Bank of NY Mellon	978,610
Federal Home Loan Mortgage Corporation	2,000,000	1.05%	N/A	07/16/13	1.05%	2,000,000		1,976,800	Bank of NY Mellon	1,959,460
Federal Home Loan Bank	1,000,000	1.00%	N/A	07/30/13	1.00%	1,000,000		986,890	Bank of NY Mellon	978,180
Federal Home Loan Bank	1,000,000	0.45%	N/A	08/09/13	0.45%	1,000,000		998,000	Bank of NY Mellon	996,480
Federal Home Loan Bank	1,000,000	1.05%	N/A	08/12/13	1.05%	1,000,000		987,840	Bank of NY Mellon	979,080
Federal Farm Credit Bank	2,000,000	0.98%	N/A	08/15/13	0.98%	1,997,000		1,995,760	Bank of NY Mellon	1,985,920
Federal National Mortgage Association	1,000,000	1.00%	N/A	08/28/13	1.00%	998,000		994,100	Bank of NY Mellon	988,240
Federal National Mortgage Association	2,000,000	1.10%	N/A	08/28/13	1.10%	2,000,000		1,998,700	Bank of NY Mellon	1,987,460
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/13	1.00%	2,000,000		1,987,040	Bank of NY Mellon	1,973,000
Federal Home Loan Bank	2,000,000	1.00%	N/A	09/20/13	1.00%	1,998,000		1,976,540	Bank of NY Mellon	1,954,940
Federal Home Loan Mortgage Corporation	2,000,000	1.04%	N/A	09/27/13	1.04%	2,000,000		1,986,920	Bank of NY Mellon	1,972,640
Federal National Mortgage Association	2,000,000	1.07%	N/A	09/27/13	1.07%	2,000,000		1,989,280	Bank of NY Mellon	1,976,460
Federal Home Loan Bank	1,000,000	0.75%	N/A	11/29/13	0.75%	1,000,000		991,094	Bank of NY Mellon	980,670
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/14	1.03%	4,000,000		3,946,280	Bank of NY Mellon	3,912,320
Federal National Mortgage Association	1,000,000	2.00%	N/A	01/30/14	2.00%	0		0	Bank of NY Mellon	1,001,550
Federal Home Loan Mortgage Corporation	2,000,000	1.125%	N/A	02/24/14	1.125%	2,000,000		2,000,960	Bank of NY Mellon	1,998,040
Federal National Mortgage Association	1,000,000	2.00%	N/A	02/28/14	2.00%	1,000,000		1,001,320	Bank of NY Mellon	996,460
Federal National Mortgage Association	2,000,000	1.10%	N/A	03/12/14	1.10%	2,000,000		1,957,120	Bank of NY Mellon	1,938,460
Federal National Mortgage Association	1,000,000	2.05%	N/A	03/12/14	2.05%	1,000,000		999,510	Bank of NY Mellon	1,000,625
Federal National Mortgage Association	1,000,000	2.00%	N/A	03/13/14	2.00%	1,000,000		1,002,031	Bank of NY Mellon	1,000,110
Federal Home Loan Mortgage Corporation	2,000,000	1.20%	N/A	03/20/14	1.20%	2,000,000		1,971,060	Bank of NY Mellon	1,952,380
Federal Home Loan Mortgage Corporation	2,000,000	1.15%	N/A	04/25/14	1.15%	2,000,000		1,971,020	Bank of NY Mellon	1,951,480
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/14	1.03%	2,000,000		1,957,720	Bank of NY Mellon	1,938,560
Federal Home Loan Bank	1,000,000	0.80%	N/A	06/12/14	0.80%	1,000,000		989,350	Bank of NY Mellon	978,710
Federal Home Loan Bank	2,000,000	1.85%	N/A	07/30/14	1.85%	2,000,000		1,996,840	Bank of NY Mellon	0
							44,991,000			

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**TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
January 31, 2014**

	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Rating</u>	<u>Maturity or Call Date</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>
Medium Term Investments (1 year to 3 years)										
Corporate Notes										
General Electric Capital Corporation	1,000,000	0.60%	A1/AA+	04/13/15	1.20%	1,000,000		1,003,040	Bank of NY Mellon	1,000,010
							1,000,000			
Time Deposits										
Ally Bank CD	200,000	1.15%	N/A	7/27/15	1.15%	200,000		200,000	Bank of NY Mellon	200,000
GE Cap Retail Bank CD	200,000	1.35%	N/A	7/20/16	1.35%	200,000		203,485	Bank of NY Mellon	203,282
GE Cap Bank CD	200,000	1.35%	N/A	7/20/16	1.35%	200,000		203,485	Bank of NY Mellon	203,282
							600,000			
Long Term Investment (3 years to 5 years)										
Time Deposits										
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/17	1.80%	198,600		205,290	Bank of NY Mellon	204,670
Discover Bank CD	200,000	1.70%	N/A	7/26/17	1.70%	200,000		204,602	Bank of NY Mellon	203,966
							398,600			
U.S. Gov't Agency Securities										
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/18	9.80%	498,594		666,178	Bank of America	662,526
							498,594			
							<u>\$ 104,627,641</u>	<u>\$ 104,440,206</u>		<u>\$ 90,824,457</u>
Total Invested Cash										

*Includes the following deposits of non-City funds:

	Principal	Interest	Total
Palm Springs Historical Society	250,000	1,314	251,314

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TREASURER'S MONTHLY REPORT
 MISCELLANEOUS AND TRUST ACCOUNTS
 January 31, 2014

	<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	\$ 104,627,641					\$ 104,627,641	\$ 104,627,641
Miscellaneous Accounts							
Petty Cash	4,000	N/A	N/A	open	None	4,000	
Trust & Agency - Bank of America	898,868	N/A	N/A	open	None	898,868	
Downpayment Assistance (Housing Fund) - Bank of America	33,823	0.05%	N/A	open	0.05%	33,823	
Workers Compensation - Bank of America	67,440	N/A	N/A	open	None	67,440	
General Liability - Bank of America	29,466	N/A	N/A	open	None	29,466	
1930's General Store Museum - Bank of America	7,605	N/A	N/A	open	None	7,605	
On-Line Credit Card Fire Inspection Fees -Bank of America	149,789	N/A	N/A	open	None	149,789	
On-Line Credit Card Transportation Permits -Bank of America	9,380	N/A	N/A	open	None	9,380	1,200,371
Total Cash Deposited							\$ 105,828,012

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
January 31, 2014

	<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>
2004/2012 Convention Center										
Invesco Government & Agency Private	5,936,782	variable	AAA	open	0.01%	<u>5,936,782</u>	5,936,782	5,936,781	Bank of NY Mellon	5,936,630
1991/01 Series B - Housing										
Invesco Government & Agency Private	852,433	variable	AAA	open	0.02%	<u>852,433</u>	852,433	852,433	Bank of NY Mellon	478,152
1994/04 Series A & B/2007A, B, & C										
Invesco Government & Agency Private	1,697,309	variable	AAA	open	0.01%	<u>1,697,309</u>	1,697,309	1,697,309	Bank of NY Mellon	1,697,266
1998 Airport PFC										
Invesco Government & Agency Private	902,611	variable	AAA	open	0.01%	<u>902,611</u>	902,611	902,611	Bank of NY Mellon	2,833,328
2002 Parking Structure										
Cash	3					3		3	Bank of NY Mellon	3
Invesco Government & Agency Private	1,848	variable	AAA	open	0.01%	<u>1,848</u>	1,851	1,848	Bank of NY Mellon	1,967
2004 Assessment District 161										
GE Capital Bank CD	200,000	1.70%	N/A	01/17/2019	1.70%	200,000		198,659	Bank of NY Mellon	
Goldman Sachs Bank CD	100,000	1.90%	N/A	01/22/2019	1.90%	100,000		101,303	Bank of NY Mellon	
Invesco Government & Agency Private	94,787	variable	AAA	open	0.02%	<u>94,787</u>	394,787	94,787	Bank of NY Mellon	394,777

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 January 31, 2014

	Par Value	Coupon Rate	Rating	Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
2004 Assessment District 162										
Goldman Sachs Bank CD	90,000	1.90%	N/A	01/22/2019	1.90%	90,000		91,172	Bank of NY Mellon	
Invesco Government & Agency Private	66,840	variable	AAA	open	0.02%	<u>66,840</u>		66,840	Bank of NY Mellon	156,836
							156,840			
2005 Assessment District 164										
GE Capital Retail Bank CD	200,000	1.90%	N/A	01/17/2019	1.90%	200,000		202,598	Bank of NY Mellon	
Goldman Sachs Bank CD	50,000	1.90%	N/A	01/22/2019	1.90%	50,000		50,651	Bank of NY Mellon	
Invesco Government & Agency Private	116,758	variable	AAA	open	0.02%	<u>116,758</u>		116,758	Bank of NY Mellon	366,748
							366,758			
2006 Airport PFC										
Invesco Government & Agency Private	1,405,038	variable	AAA	open	0.02%	<u>1,405,038</u>		1,405,038	Bank of NY Mellon	1,693,273
							1,405,038			
2007 Refunding Lease Revenue Bonds										
Invesco Government & Agency Private	1	variable	AAA	open	0.01%	<u>1</u>		1	Bank of NY Mellon	1
							1			
2008 Airport PFC Refunding										
Invesco Government & Agency Private	647,464	variable	AAA	open	0.02%	<u>647,464</u>		647,464	Bank of NY Mellon	647,464
							647,464			
Reserve for 2012 Downtown Revitalization Lease Revenue Bond										
Invesco Government & Agency Private	3,189,426	variable	AAA	open	0.01%	<u>3,189,426</u>		3,189,426	Bank of NY Mellon	3,189,344
							3,189,426			
Chevron/CoGen Lease Proceeds										
Cash	11,893,935					<u>11,893,935</u>		11,893,935	Deutsche Bank	13,416,443
							11,893,935			
Funds With Century Golf	552,882					<u>552,882</u>		552,882	Century Golf	370,495
							552,882			
Totals							<u>27,998,116</u>	<u>28,002,499</u>		<u>\$ 31,182,729</u>

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TREASURER'S MONTHLY REPORT
 CALCULATION OF INVESTMENT LIMITATIONS
 January 31, 2014

	Allowable Percentages		
	Minimum	Maximum	Current Mo.
<u>By Maturity:</u>			
1 day to 365 days	\$8,000,000	N/A	\$102,130,447
1 year to 3 years	0.00%	50.00%	1.53%
3 years to 5 years	0.00%	30.00%	0.86%
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%	0.95%
Corporate Notes	N/A	20.00%	0.96%
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%	43.48%
U.S. Treasury Notes/Bonds	N/A	N/A	0.00%

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Calculation of Weighted Avg Maturity

Mature Date	Current Date	No. of Days	Days X Cost
	41,670		
41,671	41,670	1	6,607,706
41,671	41,670	1	22,212,646
41,671	41,670	1	28,304,044
41,671	41,670	1	15,051
41,671	41,670	1	999,000
41,671	41,670	1	1,999,000
41,671	41,670	1	2,000,000
41,671	41,670	1	1,000,000
41,671	41,670	1	2,000,000
41,671	41,670	1	1,000,000
41,671	41,670	1	1,000,000
41,671	41,670	1	1,000,000
41,671	41,670	1	1,997,000
41,671	41,670	1	998,000
41,671	41,670	1	2,000,000
41,671	41,670	1	2,000,000
41,671	41,670	1	1,998,000
41,671	41,670	1	2,000,000
41,671	41,670	1	2,000,000
41,671	41,670	1	1,000,000
41,669	41,670	-1	-4,000,000
41,669	41,670	-1	0
41,694	41,670	24	48,000,000
41,698	41,670	28	28,000,000
41,710	41,670	40	80,000,000
41,710	41,670	40	40,000,000
41,711	41,670	41	41,000,000
41,718	41,670	48	96,000,000
41,754	41,670	84	168,000,000
41,780	41,670	110	220,000,000
41,802	41,670	132	132,000,000
41,850	41,670	180	360,000,000
42,107	41,670	437	437,000,000
42,212	41,670	542	108,400,000
42,571	41,670	901	180,200,000
42,571	41,670	901	180,200,000
42,941	41,670	1,271	252,420,600
42,942	41,670	1,272	254,400,000
43,196	41,670	1,526	760,854,444
			3,464,605,491
Total Investments at Cost			104,627,641
WAM in Days			33.11