



City Council Staff Report

DATE: May 7, 2014 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
MARCH 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 March 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 \$104,848,036 plus \$29,576,116 in bond issue capital projects, reserve and debt service funds. The market value of the invested cash is \$104,526,418.

RECOMMENDATION:

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

STAFF ANALYSIS:

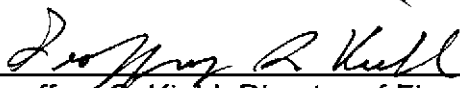
The attached report includes the face value and coupon rate (if applicable) of the investments and the source for the market value estimate. Also included is information on the investments of bond issue reserve, debt service and related funds.

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 26.31 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
 March 31, 2014

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 12,298,960		
CalTrust ShortTerm	22,224,483		
CalTrust MidTerm	23,821,347		
State Pool	<u>15,051</u>	\$ 58,359,842	55.66%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	<u>43,991,000</u>	43,991,000	41.96%
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><u>104,848,036</u></u>	<u><u>100.00%</u></u>

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**TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
March 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	12,298,960	\$ 12,298,960	Bank of America	6,409,393
CalTrust ShortTerm*		N/A		N/A	open	0.50%	22,224,483	22,224,483	CalTrust	10,220,875
CalTrust MidTerm		N/A		N/A	open	0.67%	23,821,347	23,821,347	CalTrust	28,195,300
Local Agency Invest Fund (LAIF)		15.051	variable	N/A	open	0.236%	15,051	15,056	LAIF	15,046
										58,359,842
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		994,070	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		1,972,580	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		1,974,140	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		984,790	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		1,971,640	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		982,330	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		996,160	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		983,300	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		1,984,820	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		990,781	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		1,993,680	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		1,981,875	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		1,968,125	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		1,980,640	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		1,982,700	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		986,875	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		3,934,840	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%	0		0	Bank of NY Mellon	1,998,040
Federal National Mortgage Association	1,000,000	2.00%	N/A	02/28/14	2.00%	0		0	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		1,950,860	Bank of NY Mellon	1,938,460
Federal National Mortgage Association	1,000,000	2.05%	N/A	03/12/14	2.05%	0		0	Bank of NY Mellon	1,000,625
Federal National Mortgage Association	1,000,000	2.00%	N/A	03/13/14	2.00%	0		0	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		1,973,860	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		1,963,480	Bank of NY Mellon	1,951,480
Federal Home Loan Bank	2,000,000	2.05%	N/A	05/13/14	2.05%	2,000,000		2,004,260	Bank of NY Mellon	0
Federal Home Loan Bank	2,000,000	2.00%	N/A	05/14/14	2.00%	2,000,000		2,000,640	Bank of NY Mellon	0
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/14	1.03%	2,000,000		1,965,660	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		985,460	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		1,986,060	Bank of NY Mellon	0
							43,991,000			

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**TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
March 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>
Corporate Notes										
General Electric Capital Corporation	1,000,000	0.60%	A1/AA+	04/13/15	1.20%	1,000,000		1,002,570	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		202,982	Bank of NY Mellon	203,532
GE Cap Bank CD	200,000	1.35%	N/A	7/20/16	1.35%	200,000		202,982	Bank of NY Mellon	203,532
							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		204,245	Bank of NY Mellon	205,409
Discover Bank CD	200,000	1.70%	N/A	7/26/17	1.70%	200,000		203,590	Bank of NY Mellon	204,735
							398,600			
U.S. Gov't Agency Securities										
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/18	9.80%	498,594		656,577	Bank of America	662,526
							498,594			
							<u>\$ 104,848,036</u>	<u>\$ 104,526,418</u>		<u>\$ 90,826,465</u>
Total Invested Cash										

*Includes the following deposits of non-City funds:

	Principal	Interest	Total
Palm Springs Historical Society	250,000	1,517	251,517

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TREASURER'S MONTHLY REPORT
 MISCELLANEOUS AND TRUST ACCOUNTS
 March 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	\$ 104,848,036					\$ 104,848,036	\$ 104,848,036
Miscellaneous Accounts							
Petty Cash	4,000	N/A	N/A	open	None	4,000	
Trust & Agency - Bank of America	922,068	N/A	N/A	open	None	922,068	
Downpayment Assistance (Housing Fund) - Bank of America	33,832	0.05%	N/A	open	0.05%	33,832	
Workers Compensation - Bank of America	25,215	N/A	N/A	open	None	25,215	
General Liability - Bank of America	30,000	N/A	N/A	open	None	30,000	
1930's General Store Museum - Bank of America	7,300	N/A	N/A	open	None	7,300	
On-Line Credit Card Fire Inspection Fees -Bank of America	25,266	N/A	N/A	open	None	25,266	
On-Line Credit Card Transportation Permits -Bank of America	2,928	N/A	N/A	open	None	2,928	1,050,610
Total Cash Deposited							\$ 105,898,646

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
March 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	5,937,027	variable	AAA	open	0.01%	<u>5,937,027</u>	5,937,027	5,937,026	Bank of NY Mellon	5,936,630
1991/01 Series B - Housing										
Invesco Government & Agency Private	773,545	variable	AAA	open	0.02%	<u>773,545</u>	773,545	773,545	Bank of NY Mellon	478,152
1994/04 Series A & B/2007A, B, & C										
Invesco Government & Agency Private	2,998,326	variable	AAA	open	0.01%	<u>2,998,326</u>	2,998,326	2,998,326	Bank of NY Mellon	1,697,266
1998 Airport PFC										
Invesco Government & Agency Private	1,016,190	variable	AAA	open	0.01%	<u>1,016,190</u>	1,016,190	1,016,190	Bank of NY Mellon	2,833,328
2002 Parking Structure										
Cash	3					3		3	Bank of NY Mellon	3
Invesco Government & Agency Private	1,573	variable	AAA	open	0.01%	<u>1,573</u>	1,576	1,573	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		199,361	Bank of NY Mellon	
Goldman Sachs Bank CD	100,000	1.90%	N/A	01/22/2019	1.90%	100,000		100,660	Bank of NY Mellon	
Invesco Government & Agency Private	94,798	variable	AAA	open	0.02%	<u>94,798</u>		94,798	Bank of NY Mellon	394,777
							394,798			

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 March 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		90,594	Bank of NY Mellon	
Invesco Government & Agency Private	66,844	variable	AAA	open	0.02%	66,844		66,844	Bank of NY Mellon	156,836
							156,844			
2005 Assessment District 164										
GE Capital Retail Bank CD	200,000	1.90%	N/A	01/17/2019	1.90%	200,000		201,316	Bank of NY Mellon	
Goldman Sachs Bank CD	50,000	1.90%	N/A	01/22/2019	1.90%	50,000		50,330	Bank of NY Mellon	
Invesco Government & Agency Private	116,768	variable	AAA	open	0.02%	116,768		116,768	Bank of NY Mellon	366,748
							366,768			
2006 Airport PFC										
Invesco Government & Agency Private	1,640,259	variable	AAA	open	0.02%	1,640,259		1,640,259	Bank of NY Mellon	1,693,273
							1,640,259			
2007 Refunding Lease Revenue Bonds										
Invesco Government & Agency Private	1,286,075	variable	AAA	open	0.01%	1,286,075		1,286,075	Bank of NY Mellon	1
							1,286,075			
2008 Airport PFC Refunding										
Invesco Government & Agency Private	647,464	variable	AAA	open	0.02%	647,464		647,464	Bank of NY Mellon	647,464
							647,464			
Reserve for 2012 Downtown Revitalization Lease Revenue Bond										
Invesco Government & Agency Private	3,189,558	variable	AAA	open	0.01%	3,189,558		3,189,558	Bank of NY Mellon	3,189,344
							3,189,558			
Chevron/CoGen Lease Proceeds										
Cash	9,848,660					9,848,660		9,848,660	Deutsche Bank	13,416,443
							9,848,660			
Funds With Century Golf	1,319,025					1,319,025		1,319,025	Century Golf	370,495
							1,319,025			
Totals							<u>1,319,025</u>	<u>29,576,116</u>	<u>29,578,375</u>	\$ 31,182,729

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

By Maturity:	Allowable Percentages		Current Mo.
	Minimum	Maximum	
1 day to 365 days	\$8,000,000	N/A	\$102,350,842
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%
By Type of Investment:			
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%	0.95%
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%	42.43%
U.S. Treasury Notes/Bonds	N/A	N/A	0.00%

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