



## City Council Staff Report

DATE: June 4, 2014 CONSENT CALENDAR  
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF  
APRIL 30, 2014  
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 April 30, 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 \$108,857,255 plus \$29,011,044 in bond issue capital projects, reserve and debt service funds. The market value of the invested cash is \$108,719,117.

### RECOMMENDATION:

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

ITEM NO. 2N

The weighted average maturity (WAM) of the portfolio is 31.45 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  
 April 30, 2014

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 4,793,837		
CalTrust ShortTerm	20,232,860		
CalTrust MidTerm	19,327,305		
State Pool	<u>8,015,060</u>	\$ 52,369,061	48.11%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	49,991,000		
Cash	4,000,000		
Corporate Notes	<u>1,000,000</u>	54,991,000	50.52%
Medium Term Investments (1 year to 3 years)			
Time Deposits	<u>600,000</u>	600,000	0.55%
Long Term Investments (3 year to 5 years)			
Time Deposits	398,600		
U.S. Gov't Agencies	<u>498,594</u>	897,194	0.82%
		\$ <u>108,857,255</u>	<u>100.00%</u>

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**TREASURER'S MONTHLY REPORT  
DETAIL OF INVESTMENTS  
April 30, 2014**

	Par Value	Coupon Rate	Rating	Maturity or Call Date	Yield to Maturity	Adjusted Cost Basis	Category Total	(Memo on)1) Market Value	Source	Pror Qtr Market Value
<b>On Call Deposits</b>										
Checking - Bank of America	\$	N/A	N/A	AAA	open	None	4,793,837	\$ 4,793,837	Bank of America	12,298,960
CalTrust ShortTerm*		N/A	N/A	N/A	open	0.40%	20,232,860	20,232,860	CalTrust	22,224,483
CalTrust MidTerm		N/A	N/A	N/A	open	0.72%	19,327,305	19,327,305	CalTrust	23,821,347
Local Agency Invest Fund (LAIF)	8,015,060	variable	N/A	N/A	open	0.233%	8,015,060	8,017,601	LAIF	15,056
							<u>52,369,061</u>			
<b>Short Term Investments (1 year or less)</b>										
U.S. Gov't Agency Securities										
Federal Farm Credit Bank	1,000,000	0.85%	N/A	11/15/12	0.85%	999,000		995,850	Bank of NY Mellon	994,070
Federal Home Loan Bank	2,000,000	1.00%	N/A	12/18/12	1.00%	1,999,000		1,980,920	Bank of NY Mellon	1,972,580
Federal Farm Credit Bank	2,000,000	1.12%	N/A	05/20/13	1.12%	2,000,000		1,980,900	Bank of NY Mellon	1,974,140
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	07/11/13	1.00%	1,000,000		987,820	Bank of NY Mellon	984,790
Federal Home Loan Mortgage Corporation	2,000,000	1.05%	N/A	07/16/13	1.05%	2,000,000		1,977,620	Bank of NY Mellon	1,971,640
Federal Home Loan Bank	1,000,000	1.00%	N/A	07/30/13	1.00%	1,000,000		987,000	Bank of NY Mellon	982,370
Federal Home Loan Bank	1,000,000	0.45%	N/A	08/09/13	0.45%	1,000,000		985,320	Bank of NY Mellon	986,100
Federal Home Loan Bank	1,000,000	1.05%	N/A	08/12/13	1.05%	1,000,000		987,880	Bank of NY Mellon	985,300
Federal Farm Credit Bank	2,000,000	0.98%	N/A	08/15/13	0.98%	1,997,000		1,989,880	Bank of NY Mellon	1,984,820
Federal National Mortgage Association	1,000,000	1.00%	N/A	08/28/13	1.00%	998,000		995,670	Bank of NY Mellon	990,781
Federal National Mortgage Association	2,000,000	1.10%	N/A	08/28/13	1.10%	2,000,000		2,000,600	Bank of NY Mellon	1,993,680
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/13	1.00%	2,000,000		1,992,220	Bank of NY Mellon	1,981,875
Federal Home Loan Bank	2,000,000	1.00%	N/A	09/20/13	1.00%	1,998,000		1,977,500	Bank of NY Mellon	1,968,125
Federal Home Loan Mortgage Corporation	2,000,000	1.04%	N/A	09/27/13	1.04%	2,000,000		1,985,040	Bank of NY Mellon	1,980,640
Federal National Mortgage Association	2,000,000	1.07%	N/A	09/27/13	1.07%	2,000,000		1,988,720	Bank of NY Mellon	1,982,700
Federal Home Loan Bank	1,000,000	0.75%	N/A	11/29/13	0.75%	1,000,000		991,050	Bank of NY Mellon	986,875
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/14	1.03%	4,000,000		3,951,080	Bank of NY Mellon	3,934,840
Federal National Mortgage Association	2,000,000	1.10%	N/A	03/12/14	1.10%	2,000,000		1,988,260	Bank of NY Mellon	1,950,860
Federal Home Loan Mortgage Corporation	2,000,000	1.20%	N/A	03/20/14	1.20%	2,000,000		1,990,280	Bank of NY Mellon	1,973,860
Federal Home Loan Mortgage Corporation	2,000,000	1.15%	N/A	04/25/14	1.15%	2,000,000		1,971,220	Bank of NY Mellon	1,963,480
Federal Home Loan Bank	2,000,000	2.05%	N/A	05/15/14	2.05%	2,000,000		2,001,250	Bank of NY Mellon	2,004,260
Federal Home Loan Bank	2,000,000	2.05%	N/A	05/14/14	2.00%	2,000,000		2,001,340	Bank of NY Mellon	2,000,640
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/14	1.03%	2,000,000		1,974,980	Bank of NY Mellon	1,965,660
Federal Home Loan Bank	1,000,000	0.80%	N/A	06/12/14	0.80%	1,000,000		980,020	Bank of NY Mellon	985,460
Federal Home Loan Bank	2,000,000	2.07%	N/A	07/15/14	2.07%	2,000,000		1,995,080	Bank of NY Mellon	0
Federal Home Loan Bank	2,000,000	1.85%	N/A	07/30/14	1.85%	2,000,000		1,995,220	Bank of NY Mellon	1,988,060
Federal Home Loan Bank	2,000,000	2.10%	N/A	07/30/14	2.10%	2,000,000		1,989,000	Bank of NY Mellon	0
Federal National Mortgage Association	2,000,000	2.00%	N/A	04/30/15	2.00%	2,000,000		2,011,300	Bank of NY Mellon	0
							<u>49,991,000</u>			
<b>Cash</b>										
Bank of NY Mellon			N/A			4,000,000		4,000,000	Bank of NY Mellon	0
							<u>4,000,000</u>			
<b>Corporate Notes</b>										
General Electric Capital Corporation	1,000,000	0.60%	A1/AA+	04/13/15	1.20%	1,000,000		1,002,440	Bank of NY Mellon	1,002,570
							<u>1,000,000</u>			
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TREASURER'S MONTHLY REPORT  
 DETAIL OF INVESTMENTS  
 April 30, 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>
<b>Medium Term Investments</b> ( 1 year to 3 years)										
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		203,124	Bank of NY Mellon	202,982
GE Cap Bank CD	200,000	1.35%	N/A	7/20/16	1.35%	<u>200,000</u>		203,124	Bank of NY Mellon	202,982
							600,000			
<b>Long Term Investment</b> ( 3 years to 5 years)										
Time Deposits										
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/17	1.80%	198,600		204,539	Bank of NY Mellon	204,245
Discover Bank CD	200,000	1.70%	N/A	7/26/17	1.70%	<u>200,000</u>		203,899	Bank of NY Mellon	203,590
							398,600			
U.S. Gov't Agency Securities Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/18	9.80%	<u>498,594</u>		655,367	Bank of America	656,577
							<u>498,594</u>			
							<u>\$ 108,857,255</u>	<u>\$ 108,719,117</u>		<u>\$ 104,526,418</u>
<b>Total Invested Cash</b>										

*Includes the following deposits of non-City funds	Principal	Interest	Total
Palm Springs Historical Society	250,000	1,600	251,600

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TREASURER'S MONTHLY REPORT  
MISCELLANEOUS AND TRUST ACCOUNTS  
April 30, 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>
<b>Total Invested Cash</b>	\$ 108,857,255					\$ 108,857,255	\$ 108,857,255
<b>Miscellaneous Accounts</b>							
Petty Cash	4,000	N/A	N/A	open	None	4,000	
Trust & Agency - Bank of America	921,696	N/A	N/A	open	None	921,696	
Downpayment Assistance (Housing Fund) - Bank of America	33,835	0.05%	N/A	open	0.05%	33,835	
Workers Compensation - Bank of America	85,921	N/A	N/A	open	None	85,921	
General Liability - Bank of America	28,550	N/A	N/A	open	None	28,550	
1930's General Store Museum - Bank of America	6,346	N/A	N/A	open	None	6,346	
On-Line Credit Card Fire Inspection Fees -Bank of America	34,841	N/A	N/A	open	None	34,841	
On-Line Credit Card Transportation Permits -Bank of America	3,212	N/A	N/A	open	None	3,212	1,118,402
<b>Total Cash Deposited</b>							\$ 109,975,657

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**TREASURER'S MONTHLY REPORT**  
**BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS**  
**April 30, 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	7,758,644	variable	AAA	open	0.01%	<u>7,758,644</u>	7,758,644	7,758,643	Bank of NY Mellon	5,937,026
1991/01 Series B - Housing										
Invesco Government & Agency Private	773,558	variable	AAA	open	0.02%	<u>773,558</u>	773,558	773,558	Bank of NY Mellon	773,545
1994/04 Series A & B/2007A, B, & C										
Invesco Government & Agency Private	2,998,378	variable	AAA	open	0.01%	<u>2,998,378</u>	2,998,378	2,998,378	Bank of NY Mellon	2,998,326
1998 Airport PFC										
Invesco Government & Agency Private	1,072,978	variable	AAA	open	0.01%	<u>1,072,978</u>	1,072,978	1,072,978	Bank of NY Mellon	1,016,190
2002 Parking Structure										
Cash	3					3		3	Bank of NY Mellon	3
Invesco Government & Agency Private	1,618	variable	AAA	open	0.01%	<u>1,618</u>	1,621	1,618	Bank of NY Mellon	1,573
2004 Assessment District 161										
GE Capital Bank CD	200,000	1.70%	N/A	01/17/2019	1.70%	200,000		199,703	Bank of NY Mellon	199,361
Goldman Sachs Bank CD	100,000	1.90%	N/A	01/22/2019	1.90%	100,000		100,990	Bank of NY Mellon	100,660
Invesco Government & Agency Private	94,799	variable	AAA	open	0.02%	<u>94,799</u>		94,799	Bank of NY Mellon	94,798
							394,799			

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TREASURER'S MONTHLY REPORT  
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS  
 April 30, 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		90,891	Bank of NY Mellon	90,594
Invesco Government & Agency Private	66,845	variable	AAA	open	0.02%	66,845		66,845	Bank of NY Mellon	66,844
							156,845			
2005 Assessment District 164										
GE Capital Retail Bank CD	200,000	1.90%	N/A	01/17/2019	1.90%	200,000		201,975	Bank of NY Mellon	201,316
Goldman Sachs Bank CD	50,000	1.90%	N/A	01/22/2019	1.90%	50,000		50,495	Bank of NY Mellon	50,330
Invesco Government & Agency Private	116,770	variable	AAA	open	0.02%	116,770		116,770	Bank of NY Mellon	116,768
							366,770			
2006 Airport PFC										
Invesco Government & Agency Private	1,757,868	variable	AAA	open	0.02%	1,757,868		1,757,868	Bank of NY Mellon	1,640,259
							1,757,868			
2007 Refunding Lease Revenue Bonds										
Invesco Government & Agency Private	3	variable	AAA	open	0.01%	3		3	Bank of NY Mellon	1,286,075
							3			
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	3,189,612	variable	AAA	open	0.01%	3,189,612		3,189,612	Bank of NY Mellon	3,189,558
							3,189,612			
Chevron/CoGen Lease Proceeds										
Cash	8,353,360					8,353,360		8,353,360	Deutsche Bank	9,848,660
							8,353,360			
Funds With Century Golf*	1,539,142					1,539,142		1,539,142	Century Golf	1,319,025
* GL Data only - reconciliations not available							1,539,142			
Totals							29,011,044	29,015,097	\$	29,578,375

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TREASURER'S MONTHLY REPORT  
 CALCULATION OF INVESTMENT LIMITATIONS  
 April 30, 2014

<u>By Maturity:</u>	Allowable Percentages		Current Mo.
	Minimum	Maximum	
1 day to 365 days	\$8,000,000	N/A	\$107,360,061
1 year to 3 years	0.00%	50.00%	0.55%
3 years to 5 years	0.00%	30.00%	0.82%
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%	0.92%
Corporate Notes	N/A	20.00%	0.92%
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%	46.38%
U.S. Treasury Notes/Bonds	N/A	N/A	0.00%

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