



City Council Staff Report

DATE: September 3, 2014 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
JULY 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 July 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 \$113,257,688 plus \$24,764,756 bond issue capital projects, reserve and debt service funds. There is an additional \$1,150,360 in various miscellaneous/trust accounts. The market value of the invested cash is \$ \$113,024,076.

RECOMMENDATION:

Receive and File Treasurer's Investment Report as of July 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 615.70 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

for Nancy Kludon

Geoffrey S. Kiehl, Director of Finance and Treasurer

Attachments: Treasurer's Investment Report

CITY OF PALM SPRINGS
 TREASURER'S MONTHLY REPORT
 SUMMARY OF INVESTMENTS
 July 31, 2014

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 2,633,754		
CalTrust ShortTerm	17,254,408		
CalTrust MidTerm	15,856,438		
State Pool	<u>25,024,894</u>	\$ 60,769,494	53.66%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	47,991,000		
Corporate Notes	1,000,000		
Time Deposits	<u>200,000</u>	49,191,000	43.43%
Medium Term Investments (1 year to 3 years)			
Time Deposits	<u>798,600</u>	798,600	0.71%
Long Term Investments (3 year to 5 years)			
U.S. Gov't Agencies	<u>2,498,594</u>	2,498,594	2.21%
		\$ <u><u>113,257,688</u></u>	<u><u>100.00%</u></u>

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TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS

July 31, 2014

	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
On Call Deposits													
Checking - Bank of America	\$ 2,633,754	N/A	AAA		demand	N/A	1	None	2,633,754		\$ 2,633,754	Bank of America	3,485,129
CalTrust ShortTerm	17,000,000	variable	N/A		demand	N/A	1	0.39%	17,254,408		17,263,660	CalTrust	20,256,986
CalTrust MidTerm	15,500,000	variable	N/A		demand	N/A	1	0.70%	15,856,438		15,805,113	CalTrust	19,328,369
Local Agency Invest Fund (LAIF)	25,000,000	variable	N/A		demand	N/A	1	0.244%	25,024,894		25,032,370	LAIF	30,024,027
	<u>60,133,754</u>									60,769,494	60,734,898		73,094,511
Short Term Investments (1 year or less)													
U.S. Gov't Agency Securities													
Federal Home Loan Bank	0	2.10%	N/A	04/30/14	07/30/14		-	2.10%	0		0	Bank of NY Mellon	2,003,000
Federal Home Loan Bank	1,000,000	0.45%	N/A	05/09/13	05/09/16	08/01/14	648	0.45%	1,000,000		996,250	Bank of NY Mellon	996,610
Federal Farm Credit Bank	1,000,000	0.85%	N/A	08/15/12	02/15/17	08/01/14	930	0.85%	999,000		997,188	Bank of NY Mellon	998,640
Federal Farm Credit Bank	2,000,000	0.98%	N/A	08/15/12	08/15/17	08/01/14	1,111	0.98%	1,997,000		1,990,760	Bank of NY Mellon	1,996,400
Federal Home Loan Bank	2,000,000	1.00%	N/A	09/18/12	09/18/17	08/01/14	1,145	1.00%	1,999,000		1,990,625	Bank of NY Mellon	1,996,060
Federal Farm Credit Bank	2,000,000	1.12%	N/A	02/20/13	02/20/18	08/01/14	1,300	1.12%	2,000,000		1,991,780	Bank of NY Mellon	1,998,060
Federal Home Loan Bank	2,000,000	2.07%	N/A	04/15/14	04/15/19	08/01/14	1,719	2.07%	2,000,000		1,991,140	Bank of NY Mellon	1,998,580
Federal Home Loan Bank	1,000,000	0.80%	N/A	06/12/13	06/12/18	09/12/14	1,412	0.80%	1,000,000		989,830	Bank of NY Mellon	992,760
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/12	09/20/17	09/20/14	1,147	1.00%	2,000,000		1,990,960	Bank of NY Mellon	1,996,900
Federal Home Loan Mortgage Corporation	2,000,000	1.20%	N/A	03/20/13	03/20/18	09/20/14	1,328	1.20%	2,000,000		1,991,000	Bank of NY Mellon	1,997,400
Federal Home Loan Bank	2,000,000	1.00%	N/A	06/20/13	06/20/18	09/20/14	1,420	1.00%	1,998,000		1,977,240	Bank of NY Mellon	1,983,340
Federal Home Loan Mortgage Corporation	2,000,000	1.04%	N/A	09/27/12	09/27/17	09/27/14	1,154	1.04%	2,000,000		1,984,220	Bank of NY Mellon	1,990,260
Federal National Mortgage Association	2,000,000	1.07%	N/A	09/27/12	09/27/17	09/27/14	1,154	1.07%	2,000,000		1,991,280	Bank of NY Mellon	2,002,940
Federal Home Loan Bank	2,000,000	2.00%	N/A	07/08/14	07/08/19	10/08/14	1,803	2.00%	2,000,000		1,995,312	Bank of NY Mellon	0
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	01/11/13	01/11/18	10/11/14	1,260	1.00%	1,000,000		988,290	Bank of NY Mellon	991,430
Federal Home Loan Bank	2,000,000	1.50%	N/A	07/15/14	07/15/19	10/15/14	1,810	2.00%	2,000,000		1,958,140	Bank of NY Mellon	0
Federal Home Loan Mortgage Corporation	2,000,000	1.05%	N/A	01/16/13	01/16/18	10/16/14	1,265	1.05%	2,000,000		1,989,020	Bank of NY Mellon	1,984,760
Federal Home Loan Mortgage Corporation	2,000,000	2.00%	N/A	07/24/14	07/24/19	10/24/14	1,819	2.00%	2,000,000		2,002,700	Bank of NY Mellon	0
Federal Home Loan Mortgage Corporation	2,000,000	1.15%	N/A	04/25/13	04/25/18	10/25/14	1,364	1.15%	2,000,000		1,973,060	Bank of NY Mellon	1,981,840
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/13	01/30/18	10/30/14	1,279	1.03%	4,000,000		3,945,560	Bank of NY Mellon	3,958,640
Federal Home Loan Bank	1,000,000	1.00%	N/A	01/30/13	01/30/18	10/30/14	1,279	1.00%	1,000,000		987,120	Bank of NY Mellon	990,170
Federal Home Loan Bank	2,000,000	1.85%	N/A	01/30/14	01/30/19	10/30/14	1,644	1.85%	2,000,000		1,991,740	Bank of NY Mellon	1,999,180
Federal Home Loan Bank	1,000,000	1.05%	N/A	02/12/13	02/12/18	11/12/14	1,292	1.05%	1,000,000		987,910	Bank of NY Mellon	990,920
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/13	05/21/18	11/21/14	1,390	1.03%	2,000,000		1,961,160	Bank of NY Mellon	1,966,360
Federal National Mortgage Association	1,000,000	1.00%	N/A	08/28/12	08/28/17	11/28/14	1,124	1.00%	998,000		993,270	Bank of NY Mellon	996,094
Federal National Mortgage Association	2,000,000	1.10%	N/A	08/28/12	08/28/17	11/28/14	1,124	1.10%	2,000,000		1,996,340	Bank of NY Mellon	2,001,960
Federal Home Loan Bank	1,000,000	0.75%	N/A	05/29/13	05/29/18	11/29/14	1,398	0.75%	1,000,000		990,900	Bank of NY Mellon	993,720
Federal National Mortgage Association	2,000,000	2.00%	N/A	04/30/14	04/30/19	04/30/15	1,734	2.00%	2,000,000		1,999,820	Bank of NY Mellon	2,008,580
	<u>48,000,000</u>									47,991,000	47,642,615		43,814,604
Corporate Notes													
General Electric Capital Corporation	1,000,000	0.73%	A1/AA+	04/13/12	04/13/15	N/A	256	0.73%	1,000,000		1,003,170	Bank of NY Mellon	1,003,510
	<u>1,000,000</u>									1,000,000	1,003,170		1,003,510
Time Deposits													
Ally Bank CD	200,000	1.15%	N/A	7/27/12	7/27/15	N/A	361	1.15%	200,000		200,000	Bank of NY Mellon	200,000
	<u>200,000</u>									200,000	200,000		200,000

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

	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
Medium Term Investments (1 year to 3 years)													
Time Deposits													
GE Cap Retail Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	720	1.35%	200,000		202,429	Bank of NY Mellon	203,034
GE Cap Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	720	1.35%	200,000		202,429	Bank of NY Mellon	203,034
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	1,090	1.80%	198,600		203,539	Bank of NY Mellon	204,713
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	1,091	1.70%	200,000		202,949	Bank of NY Mellon	204,105
	800,000									798,600	811,347		814,885
Long Term Investment (3 years to 5 years)													
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	1,320	1.10%	2,000,000		1,983,360	Bank of NY Mellon	1,990,920
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/88	04/06/18	N/A	1,345	9.80%	498,594		648,687	Bank of America	654,407
	2,500,000									2,498,594	2,632,047		2,645,327
Total Invested Cash	\$ 112,433,754									\$ 113,257,688	\$ 113,024,076		\$ 121,572,816

TREASURER'S MONTHLY REPORT
 MISCELLANEOUS AND TRUST ACCOUNTS
 July 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	\$ 113,257,688					\$ 113,257,688	\$ 113,257,688
Miscellaneous Accounts							
Petty Cash	4,000	N/A	N/A	open	None	4,000	
Trust & Agency - Bank of America	999,108	N/A	N/A	open	None	999,108	
Downpayment Assistance (Housing Fund) - Bank of America	33,848	0.05%	N/A	open	0.15%	33,848	
Workers Compensation - Bank of America	57,850	N/A	N/A	open	None	57,850	
General Liability - Bank of America	30,000	N/A	N/A	open	None	30,000	
1930's General Store Museum - Bank of America	8,548	N/A	N/A	open	None	8,548	
On-Line Credit Card Fire Inspection Fees -Bank of America	15,544	N/A	N/A	open	None	15,544	
On-Line Credit Card Transportation Permits -Bank of America	1,462	N/A	N/A	open	None	1,462	1,150,360
Total Cash Deposited							\$ 114,408,048

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
July 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
2012/2014 Convention Center										
Invesco Government & Agency Private	5,937,299	variable	AAA	open	0.01%	<u>5,937,299</u>	5,937,299	5,937,299	US Bank	5,939,251
1991/01 Series B - Housing										
Invesco Government & Agency Private	857,006	variable	AAA	open	0.02%	<u>857,006</u>	857,006	857,006	Bank of NY Mellon	773,578
1994/04 Series A & B/2007A, B, & C										
Invesco Government & Agency Private	3,534,966	variable	AAA	open	0.01%	<u>3,534,966</u>	3,534,966	3,534,966	Bank of NY Mellon	2,998,456
1998 Airport PFC										
Invesco Government & Agency Private	1,066,928	variable	AAA	open	0.01%	<u>1,066,928</u>	1,066,928	1,066,928	Bank of NY Mellon	1,186,547
2002 Parking Structure										
Cash	3					3		3	Bank of NY Mellon	3
Invesco Government & Agency Private	246,638	variable	AAA	open	0.01%	<u>246,638</u>	246,641	246,638	Bank of NY Mellon	1,461
2004 Assessment District 161										
GE Capital Bank CD	200,000	1.70%	N/A	01/17/2019	1.70%	200,000		200,689	Bank of NY Mellon	200,368
Goldman Sachs Bank CD	100,000	1.90%	N/A	01/22/2019	1.90%	100,000		100,683	Bank of NY Mellon	101,481
Invesco Government & Agency Private	97,445	variable	AAA	open	0.02%	<u>97,445</u>	397,445	97,445	Bank of NY Mellon	94,802

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

	Par <u>Value</u>	Coupon <u>Rate</u>	Rating <u>Rating</u>	Maturity <u>Maturity</u>	Yield to Maturity	Adjusted <u>Cost Basis</u>	Category <u>Total</u>	(memo only) <u>Market Value</u>	Source <u>Source</u>	Prior Qtr. <u>Market Value</u>
2004 Assessment District 162										
Goldman Sachs Bank CD	90,000	1.90%	N/A	01/22/2019	1.90%	90,000		90,614	Bank of NY Mellon	91,333
Invesco Government & Agency Private	67,695	variable	AAA	open	0.02%	<u>67,695</u>		67,695	Bank of NY Mellon	66,847
							157,695			
2005 Assessment District 164										
GE Capital Retail Bank CD	200,000	1.90%	N/A	01/17/2019	1.90%	200,000		201,361	Bank of NY Mellon	202,954
Goldman Sachs Bank CD	50,000	1.90%	N/A	01/22/2019	1.90%	50,000		50,341	Bank of NY Mellon	50,740
Invesco Government & Agency Private	119,129	variable	AAA	open	0.02%	<u>119,129</u>		119,129	Bank of NY Mellon	116,773
							369,129			
2006 Airport PFC										
Invesco Government & Agency Private	1,028,164	variable	AAA	open	0.02%	<u>1,028,164</u>		1,028,164	Bank of NY Mellon	2,204,228
							1,028,164			
2007 Refunding Lease Revenue Bonds										
Invesco Government & Agency Private		3	variable	AAA	open	0.01%	<u>3</u>	3	Bank of NY Mellon	3
							3			
2008 Airport PFC Refunding										
Invesco Government & Agency Private	618,377	variable	AAA	open	0.02%	<u>618,377</u>		618,377	Bank of NY Mellon	647,464
							618,377			
Reserve for 2012 Downtown Revitalization Lease Revenue Bond										
Invesco Government & Agency Private	3,189,721	variable	AAA	open	0.01%	<u>3,189,721</u>		3,189,721	Bank of NY Mellon	3,189,694
							3,189,721			
Chevron/CoGen Lease Proceeds										
Cash	6,464,408					<u>6,464,408</u>		6,464,408	Deutsche Bank	6,721,241
							6,464,408			
Funds With Century Golf	896,973					<u>896,973</u>		896,973	Century Golf	1,102,738
							896,973			
Totals						<u>24,764,756</u>		<u>24,768,443</u>		\$ 25,689,963

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

<u>By Maturity:</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Current Mo.</u>
1 day to 365 days	N/A	N/A	97.09%
1 year to 3 years	N/A	50.00%	0.71%
3 years to 5 years	N/A	30.00%	2.21%
<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%	0.88%
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%	0.18%
Corporate Notes - by issuer	N/A	5.00%	0.18%
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%	15.23%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	14.00%
LAIF	N/A	100.00%	50.05%
U.S. Government Agencies	N/A	60.00%	44.58%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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