



City Council Staff Report

DATE: October 1, 2014 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
AUGUST 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 August 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 \$113,733,919 plus \$14,803,447 bond issue capital projects, reserve and debt service funds. There is an additional \$1,148,771 in various miscellaneous/trust accounts. The market value of the invested cash is \$113,697,141.

RECOMMENDATION:

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

STAFF ANALYSIS:

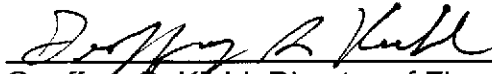
The attached report includes the face value and coupon rate (if applicable) of the investments and the source for the market value estimate. Also included is information on the investments of bond issue reserve, debt service and related funds.

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 614.84 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
 August 31, 2014

<u>On Call Deposits</u>	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 7,098,260		
CalTrust ShortTerm	15,261,470		
CalTrust MidTerm	12,861,102		
State Pool	<u>25,024,894</u>	\$ 60,245,725	52.97%
<u>Short Term Investments (1 year or less)</u>			
U.S. Gov't Agencies	48,991,000		
Corporate Notes	1,000,000		
Time Deposits	<u>200,000</u>	50,191,000	44.13%
<u>Medium Term Investments (1 year to 3 years)</u>			
Time Deposits	<u>798,600</u>	798,600	0.70%
<u>Long Term Investments (3 year to 5 years)</u>			
U.S. Gov't Agencies	<u>2,498,594</u>	2,498,594	2.20%
	\$	<u><u>113,733,919</u></u>	<u><u>100.00%</u></u>

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TREASURER'S MONTHLY REPORT
 DETAIL OF INVESTMENTS
 August 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	\$ 7,098,260	N/A	AAA		demand	N/A	1	None	7,098,260		\$ 7,098,260	Bank of America	3,485,129
CalTrust ShortTerm	15,000,000	variable	N/A		demand	N/A	1	0.36%	15,261,470		15,269,651	CalTrust	20,256,986
CalTrust MidTerm	12,500,000	variable	N/A		demand	N/A	1	0.71%	12,861,102		12,832,246	CalTrust	19,328,369
Local Agency Invest Fund (LAIF)	25,000,000	variable	N/A		demand	N/A	1	0.260%	25,024,894		25,032,370	LAIF	30,024,027
	<u>59,598,260</u>									60,245,725	60,232,526		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	09/01/14	617	0.45%	1,000,000		997,370	Bank of NY Mellon	996,610
Federal Farm Credit Bank	1,000,000	0.85%	N/A	08/15/12	02/15/17	09/01/14	899	0.85%	999,000		999,200	Bank of NY Mellon	968,640
Federal Farm Credit Bank	2,000,000	0.98%	N/A	08/15/12	08/15/17	09/01/14	1,060	0.98%	1,997,000		1,996,860	Bank of NY Mellon	1,996,400
Federal Home Loan Bank	2,000,000	1.00%	N/A	09/18/12	09/18/17	09/01/14	1,114	1.00%	1,999,000		1,996,860	Bank of NY Mellon	1,996,060
Federal Farm Credit Bank	2,000,000	1.12%	N/A	02/20/13	02/20/18	09/01/14	1,269	1.12%	2,000,000		1,997,020	Bank of NY Mellon	1,998,060
Federal Home Loan Bank	2,000,000	2.07%	N/A	04/15/14	04/15/19	09/01/14	1,688	2.07%	2,000,000		2,000,100	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	1,381	0.80%	1,000,000		994,430	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	1,116	1.00%	2,000,000		1,995,900	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	1,297	1.20%	2,000,000		1,997,920	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	1,389	1.00%	1,998,000		1,986,640	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	1,123	1.04%	2,000,000		1,989,520	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	1,123	1.07%	2,000,000		1,996,840	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	1,772	2.00%	2,000,000		2,003,360	Bank of NY Mellon	0
Federal Home Loan Mortgage Corporation	1,900,000	1.00%	N/A	01/11/13	01/11/18	10/11/14	1,229	1.00%	1,900,000		991,540	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	1,779	2.00%	2,000,000		1,973,380	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	1,234	1.05%	2,000,000		1,995,040	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	1,788	2.00%	2,000,000		2,005,580	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	1,333	1.15%	2,000,000		1,981,680	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	1,248	1.03%	4,000,000		3,961,800	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	1,248	1.00%	1,000,000		990,900	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	1,613	1.85%	2,000,000		2,004,300	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	1,261	1.05%	1,000,000		991,620	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	1,359	1.03%	2,000,000		1,971,920	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	1,093	1.00%	998,000		995,950	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	1,093	1.10%	2,000,000		2,001,320	Bank of NY Mellon	2,001,960
Federal Home Loan Mortgage Corporation	1,000,000	2.05%	N/A	08/28/14	08/28/19	11/28/14	1,823	2.05%	1,000,000		1,002,410	Bank of NY Mellon	0
Federal Home Loan Bank	1,000,000	0.75%	N/A	05/29/13	05/29/18	11/29/14	1,367	0.75%	1,000,000		995,260	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	1,703	2.00%	2,000,000		2,006,580	Bank of NY Mellon	2,008,580
	<u>49,000,000</u>									48,991,000	48,821,060		43,814,604
Corporate Notes													
General Electric Capital Corporation	1,000,000	0.73%	A1/AA+	04/13/12	04/13/15	N/A	225	0.73%	1,000,000		1,002,800	Bank of NY Mellon	1,003,510
	<u>1,000,000</u>									1,000,000	1,002,800		1,003,510
Time Deposits													
Aly Bank CD	200,000	1.15%	N/A	7/27/12	7/27/15	N/A	330	1.15%	200,000		200,000	Bank of NY Mellon	200,000
	<u>200,000</u>									200,000	200,000		200,000

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TREASURER'S MONTHLY REPORT
 DETAIL OF INVESTMENTS
 August 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	689	1.35%	200,000		202,516	Bank of NY Mellon	203,034
GE Cap Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	689	1.35%	200,000		202,516	Bank of NY Mellon	203,034
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	1,059	1.80%	198,600		203,966	Bank of NY Mellon	204,713
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	1,060	1.70%	200,000		203,391	Bank of NY Mellon	204,105
	800,000									798,600	812,388		814,885
Long Term Investment (3 years to 5 years)													
U.S. Govt Agency Securities													
Federal National Mortgage Association	2,000,000	1.10%	N/A	03/12/13	03/12/18	03/12/18	1,289	1.10%	2,000,000		1,980,800	Bank of NY Mellon	1,990,920
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/88	04/06/18	N/A	1,314	9.80%	498,594		647,567	Bank of America	654,407
	2,500,000									2,498,594	2,628,367		2,645,327
Total Invested Cash	\$ 112,898,260									\$ 113,733,919	\$ 113,697,141		\$ 121,572,836
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TREASURER'S MONTHLY REPORT
 MISCELLANEOUS AND TRUST ACCOUNTS
 August 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	\$ 113,733,919					\$ 113,733,919	\$ 113,733,919
Miscellaneous Accounts							
Petty Cash	4,000	N/A	N/A	open	None	4,000	
Trust & Agency - Bank of America	1,005,435	N/A	N/A	open	None	1,005,435	
Downpayment Assistance (Housing Fund) - Bank of America	33,852	0.05%	N/A	open	0.15%	33,852	
Workers Compensation - Bank of America	43,110	N/A	N/A	open	None	43,110	
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	22,367	N/A	N/A	open	None	22,367	
On-Line Credit Card Transportation Permits -Bank of America	1,459	N/A	N/A	open	None	1,459	1,148,771
Total Cash Deposited						\$ 114,882,691	\$ 114,882,691

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 August 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>
2012/2014 Convention Center First American Government Obligation	14,164	variable	AAA	open	0.01%	<u>14,164</u>	14,164	14,164	US Bank	5,939,251
1991/01 Series B - Housing Invesco Government & Agency Private	7	variable	AAA	open	0.02%	<u>7</u>	7	7	Bank of NY Mellon	773,578
2007A, B, & C Tax Allocation Bonds Invesco Government & Agency Private	702,819	variable	AAA	open	0.01%	<u>702,819</u>	702,819	702,819	Bank of NY Mellon	2,998,456
1998 Airport PFC Invesco Government & Agency Private	1,132,337	variable	AAA	open	0.01%	<u>1,132,337</u>	1,132,337	1,132,337	Bank of NY Mellon	1,186,547
2002 Parking Structure Cash Invesco Government & Agency Private	3 1,634	 variable	 AAA	 open	 0.01%	 <u>1,634</u>	 1,637	 3 1,634	 Bank of NY Mellon Bank of NY Mellon	 3 1,461
2004 Assessment District 161 GE Capital Bank CD Goldman Sachs Bank CD Invesco Government & Agency Private	200,000 100,000 329,690	1.70% 1.90% variable	N/A N/A AAA	01/17/2019 01/22/2019 open	1.70% 1.90% 0.02%	200,000 100,000 <u>329,690</u>	629,690	200,977 101,213 329,690	Bank of NY Mellon Bank of NY Mellon Bank of NY Mellon	200,368 101,481 94,802
2004 Assessment District 162 Goldman Sachs Bank CD Invesco Government & Agency Private	90,000 133,251	1.90% variable	N/A AAA	01/22/2019 open	1.90% 0.02%	90,000 <u>133,251</u>	223,251	91,091 133,251	Bank of NY Mellon Bank of NY Mellon	91,333 66,847

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
August 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>
2005 Assessment District 164										
GE Capital Retail Bank CD	200,000	1.90%	N/A	01/17/2019	1.90%	200,000		202,418	Bank of NY Mellon	202,954
Goldman Sachs Bank CD	50,000	1.90%	N/A	01/22/2019	1.90%	50,000		50,606	Bank of NY Mellon	50,740
Invesco Government & Agency Private	314,572	variable	AAA	open	0.02%	<u>314,572</u>		314,572	Bank of NY Mellon	116,773
							564,572			
2006 Airport PFC										
Invesco Government & Agency Private	1,150,012	variable	AAA	open	0.02%	<u>1,150,012</u>		1,150,012	Bank of NY Mellon	2,204,228
							1,150,012			
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			
2012 Downtown Revitalization Lease Revenue Bond Reserve										
Invesco Government & Agency Private	3,189,747	variable	AAA	open	0.01%	<u>3,189,747</u>		3,189,747	Bank of NY Mellon	3,189,694
							3,189,747			
2014 Merged Project 1 & 2/Housing Refunding										
First American Government Obligation	13,331	variable	AAA	open	0.01%	<u>13,331</u>		13,331	US Bank	2,998,456
							13,331			
Chevron/CoGen Lease Proceeds										
Cash	5,908,164					<u>5,908,164</u>		5,908,164	Deutsche Bank	6,721,241
							5,908,164			
Funds With Century Golf	655,337					<u>655,337</u>		655,337	Century Golf	1,102,738
							655,337			
Totals							<u>14,803,447</u>	<u>14,809,753</u>	\$	<u>28,688,419</u>

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TREASURER'S MONTHLY REPORT
 CALCULATION OF INVESTMENT LIMITATIONS
 August 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	97.10%
1 year to 3 years	N/A	50.00%	0.70%
3 years to 5 years	N/A	30.00%	2.20%
<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%	13.42%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	11.31%
LAIF	N/A	100.00%	50.05%
U.S. Government Agencies	N/A	60.00%	45.27%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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