



City Council Staff Report

DATE: December 3, 2014 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
OCTOBER 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 October 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 \$108,365,678 plus \$15,904,171 bond issue capital projects, reserve and debt service funds. There is an additional \$1,177,717 in various miscellaneous/trust accounts. The market value of the invested cash is \$108,326,000.

RECOMMENDATION:

Receive and File Treasurer's Investment Report as of October 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 523.10 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
 October 31, 2014

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 7,685,211		
CalTrust ShortTerm	13,273,132		
CalTrust MidTerm	12,878,389		
State Pool	<u>27,040,751</u>	\$ 60,877,484	56.18%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	42,991,000		
Corporate Notes	1,000,000		
Time Deposits	<u>200,000</u>	44,191,000	40.78%
Medium Term Investments (1 year to 3 years)			
Time Deposits	<u>798,600</u>	798,600	0.74%
Long Term Investments (3 year to 5 years)			
U.S. Gov't Agencies	<u>2,498,594</u>	2,498,594	<u>2.31%</u>
		\$ <u>108,365,678</u>	<u>100.00%</u>

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TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
October 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	\$ 7,685,211	N/A	AAA		demand	N/A	1	None	7,685,211	\$	7,685,211	Bank of America	9,856,357
CalTrust ShortTerm	13,000,000	variable	N/A		demand	N/A	1	0.38%	13,273,132		13,280,242	CalTrust	15,275,157
CalTrust MidTerm	12,500,000	variable	N/A		demand	N/A	1	0.71%	12,878,389		12,849,541	CalTrust	12,828,853
Local Agency Invest Fund (LAIF)	27,000,000	variable	N/A		demand	N/A	1	0.261%	27,040,751		27,045,653	LAIF	25,032,370
	60,185,211									60,877,484	60,860,648		62,992,737
Short Term Investments (1 year or less)													
U.S. Gov't Agency Securities													
Federal Home Loan Bank	1,000,000	0.45%	N/A	05/09/13	05/09/16	11/01/14	556	0.45%	1,000,000		997,490	Bank of NY Mellon	996,170
Federal Farm Credit Bank	1,000,000	0.85%	N/A	08/15/12	02/15/17	11/01/14	838	0.85%	999,000		1,000,040	Bank of NY Mellon	998,125
Federal Farm Credit Bank	2,000,000	0.98%	N/A	08/15/12	08/15/17	11/01/14	1,019	0.98%	1,997,000		1,990,440	Bank of NY Mellon	1,992,960
Federal Home Loan Bank	2,000,000	1.00%	N/A	09/18/12	09/18/17	11/01/14	1,053	1.00%	1,999,000		1,995,460	Bank of NY Mellon	1,991,420
Federal Farm Credit Bank	2,000,000	1.12%	N/A	02/20/13	02/20/18	11/01/14	1,208	1.12%	2,000,000		1,996,740	Bank of NY Mellon	1,991,820
Federal Home Loan Bank	2,000,000	2.07%	N/A	04/15/14	04/15/19	11/01/14	1,627	2.07%	2,000,000		2,000,200	Bank of NY Mellon	1,996,120
Federal Home Loan Bank	0	2.00%	N/A	07/08/14	07/08/19	10/30/14	1,711	2.00%	0		0	Bank of NY Mellon	2,000,340
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	01/11/13	01/11/18	10/31/14	1,168	1.00%	1,000,000		993,540	Bank of NY Mellon	988,720
Federal Home Loan Bank	2,000,000	1.50%	N/A	07/15/14	07/15/19	10/15/14	1,718	2.00%	2,000,000		1,982,700	Bank of NY Mellon	1,986,120
Federal Home Loan Mortgage Corporation	2,000,000	1.05%	N/A	01/16/13	01/16/18	10/16/14	1,173	1.05%	2,000,000		1,995,160	Bank of NY Mellon	1,989,500
Federal Home Loan Bank	0	2.00%	N/A	07/24/14	07/24/19	10/24/14	1,727	2.00%	0		0	Bank of NY Mellon	2,002,480
Federal Home Loan Mortgage Corporation	2,000,000	1.15%	N/A	04/25/13	04/25/18	10/25/14	1,272	1.15%	2,000,000		1,987,340	Bank of NY Mellon	1,975,340
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/13	01/30/18	10/30/14	1,187	1.03%	4,000,000		3,966,800	Bank of NY Mellon	3,946,080
Federal Home Loan Bank	1,000,000	1.00%	N/A	01/30/13	01/30/18	10/30/14	1,187	1.00%	1,000,000		991,690	Bank of NY Mellon	988,110
Federal Home Loan Bank	0	1.85%	N/A	01/30/14	01/30/19	10/30/14	1,552	1.85%	0		0	Bank of NY Mellon	1,996,680
Federal Home Loan Bank	1,000,000	1.05%	N/A	02/12/13	02/12/18	11/12/14	1,200	1.05%	1,000,000		992,620	Bank of NY Mellon	998,880
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/13	05/21/18	11/21/14	1,298	1.03%	2,000,000		1,976,380	Bank of NY Mellon	1,963,840
Federal National Mortgage Association	1,000,000	1.00%	N/A	08/28/12	08/28/17	11/28/14	1,032	1.00%	998,000		996,719	Bank of NY Mellon	992,620
Federal National Mortgage Association	2,000,000	1.10%	N/A	08/28/12	08/28/17	11/28/14	1,032	1.10%	2,000,000		1,999,260	Bank of NY Mellon	1,994,820
Federal Home Loan Mortgage Corporation	1,000,000	2.05%	N/A	08/28/14	08/28/19	11/28/14	1,762	2.05%	1,000,000		1,001,370	Bank of NY Mellon	998,180
Federal Home Loan Bank	1,000,000	0.75%	N/A	05/29/13	05/29/18	11/29/14	1,106	0.75%	1,000,000		994,770	Bank of NY Mellon	992,610
Federal Home Loan Bank	1,000,000	0.80%	N/A	06/12/13	06/12/18	12/12/14	1,120	0.80%	1,000,000		996,530	Bank of NY Mellon	991,590
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/12	09/20/17	12/20/14	1,055	1.00%	2,000,000		1,998,920	Bank of NY Mellon	1,990,880
Federal Home Loan Mortgage Corporation	2,000,000	1.20%	N/A	03/20/13	03/20/18	12/20/14	1,236	1.20%	2,000,000		1,984,140	Bank of NY Mellon	1,992,080
Federal Home Loan Bank	2,000,000	1.00%	N/A	06/20/13	06/20/18	12/20/14	1,328	1.00%	1,998,000		1,990,680	Bank of NY Mellon	1,980,780
Federal Home Loan Mortgage Corporation	2,000,000	1.04%	N/A	09/27/12	09/27/17	12/27/14	1,062	1.04%	2,000,000		1,992,760	Bank of NY Mellon	1,984,140
Federal National Mortgage Association	2,000,000	1.07%	N/A	09/27/12	09/27/17	12/27/14	1,062	1.07%	2,000,000		1,990,760	Bank of NY Mellon	1,998,660
Federal National Mortgage Association	2,000,000	2.00%	N/A	04/30/14	04/30/19	04/30/15	1,642	2.00%	2,000,000		2,012,200	Bank of NY Mellon	2,000,080
	43,000,000									42,991,000	42,824,589		48,689,145
Corporate Notes													
General Electric Capital Corporation	1,000,000	0.73%	A1/AA+	04/13/12	04/13/15	N/A	164	0.73%	1,000,000		1,002,060	Bank of NY Mellon	1,002,380
	1,000,000									1,000,000	1,002,060		1,002,380
Time Deposits													
Ally Bank CD	200,000	1.15%	N/A	7/27/12	7/27/15	N/A	269	1.15%	200,000		200,000	Bank of NY Mellon	200,000
	200,000									200,000	200,000		200,000

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TREASURER'S MONTHLY REPORT
 DETAIL OF INVESTMENTS
 October 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	628	1.35%	200,000		202,445	Bank of NY Mellon	202,158
GE Cap Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	628	1.35%	200,000		202,445	Bank of NY Mellon	202,158
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	998	1.80%	198,600		204,174	Bank of NY Mellon	203,235
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	999	1.70%	200,000		203,633	Bank of NY Mellon	202,678
	<u>800,000</u>									798,600	812,696		810,229
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	1,228	1.10%	2,000,000		1,983,660	Bank of NY Mellon	1,972,480
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/88	04/06/18	N/A	1,253	9.80%	498,594		642,348	Bank of America	642,178
	<u>2,500,000</u>									2,498,594	2,626,008		2,614,658
Total Invested Cash	\$ 107,485,211									\$ 108,365,678	\$ 108,326,000		\$ 116,309,149

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TREASURER'S MONTHLY REPORT
MISCELLANEOUS AND TRUST ACCOUNTS
October 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	\$ 108,365,678					\$ 108,365,678	\$ 108,365,678
Miscellaneous Accounts							
Petty Cash	3,950	N/A	N/A	open	None	3,950	
Trust & Agency - Bank of America	1,042,323	N/A	N/A	open	None	1,042,323	
Downpayment Assistance (Housing Fund) - Bank of America	33,861	0.15%	N/A	open	0.15%	33,861	
Workers Compensation - Bank of America	18,063	N/A	N/A	open	None	18,063	
General Liability - Bank of America	30,000	N/A	N/A	open	None	30,000	
1930's General Store Museum - Bank of America	7,748	N/A	N/A	open	None	7,748	
On-Line Credit Card Fire Inspection Fees -Bank of America	38,925	N/A	N/A	open	None	38,925	
On-Line Credit Card Transportation Permits -Bank of America	2,847	N/A	N/A	open	None	2,847	1,177,717
Total Cash Deposited							\$ 109,543,395

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
October 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	3,174,087	variable	AAA	open	0.01%	<u>3,174,087</u>	3,174,087	3,174,087	US Bank	14,182
1991/01 Series B - Housing Invesco Government & Agency Private	9	variable	AAA	open	0.02%	<u>9</u>	9	9	Bank of NY Mellon	9
2004A/B, Merged Project #1/#2 Invesco Government & Agency Private	113	variable	AAA	open	0.01%	<u>113</u>	113	113	Bank of NY Mellon	303
2007A, B, & C Tax Allocation Bonds Invesco Government & Agency Private	10	variable	AAA	open	0.01%	<u>10</u>	10	10	Bank of NY Mellon	10
1998 Airport PFC Invesco Government & Agency Private	1,263,155	variable	AAA	open	0.01%	<u>1,263,155</u>	1,263,155	1,263,155	Bank of NY Mellon	1,197,746
2002 Parking Structure Cash	3					<u>3</u>	3	3	Bank of NY Mellon	3
Invesco Government & Agency Private	1,672	variable	AAA	open	0.01%	<u>1,672</u>	1,675	1,672	Bank of NY Mellon	1,520
2004 Assessment District 161 GE Capital Bank CD	200,000	1.70%	N/A	01/17/2019	1.70%	200,000		200,758	Bank of NY Mellon	200,458
Goldman Sachs Bank CD	100,000	1.90%	N/A	01/22/2019	1.90%	100,000		101,383	Bank of NY Mellon	100,589
Invesco Government & Agency Private	97,398	variable	AAA	open	0.02%	<u>97,398</u>	397,398	97,398	Bank of NY Mellon	97,397
2004 Assessment District 162 Goldman Sachs Bank CD	90,000	1.90%	N/A	01/22/2019	1.90%	90,000		91,244	Bank of NY Mellon	90,530
Invesco Government & Agency Private	67,684	variable	AAA	open	0.02%	<u>67,684</u>	157,684	67,684	Bank of NY Mellon	67,683

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
October 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 I64										
GE Capital Retail Bank CD	200,000	1.90%	N/A	01/17/2019	1.90%	200,000		202,756	Bank of NY Mellon	201,175
Goldman Sachs Bank CD	50,000	1.90%	N/A	01/22/2019	1.90%	50,000		50,691	Bank of NY Mellon	50,295
Invesco Government & Agency Private	119,092	variable	AAA	open	0.02%	<u>119,092</u>		119,092	Bank of NY Mellon	119,091
							369,092			
2006 Airport PFC										
Invesco Government & Agency Private	1,393,710	variable	AAA	open	0.02%	<u>1,393,710</u>		1,393,710	Bank of NY Mellon	1,271,861
							1,393,710			
2007 Refunding Lease Revenue Bonds										
Invesco Government & Agency Private	1	variable	AAA	open	0.01%	<u>1</u>		1	Bank of NY Mellon	296,069
							1			
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	618,377
							618,377			
2012 Downtown Revitalization Lease Revenue Bond Reserve										
Invesco Government & Agency Private	3,189,800	variable	AAA	open	0.01%	<u>3,189,800</u>		3,189,800	Bank of NY Mellon	3,189,774
							3,189,800			
2014 Merged Project 1 & 2/Housing Refunding										
First American Government Obligation	11,615	variable	AAA	open	0.01%	<u>11,615</u>		11,615	US Bank	11,615
							11,615			
Chevron/CoGen Lease Proceeds										
Cash	4,906,864					<u>4,906,864</u>		4,906,864	Deutsche Bank	5,908,164
							4,906,864			
Funds With Century Golf	420,582					<u>420,582</u>		420,582	Century Golf	371,034
							420,582			
Totals							<u>420,582</u>			
							<u>15,904,171</u>	<u>15,911,004</u>		<u>\$ 13,807,884</u>

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TREASURER'S MONTHLY REPORT
 CALCULATION OF INVESTMENT LIMITATIONS
 October 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	96.96%
1 year to 3 years	N/A	50.00%	0.74%
3 years to 5 years	N/A	30.00%	2.31%
<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%	0.92%
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%	12.25%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	11.88%
LAIF	N/A	100.00%	54.08%
U.S. Government Agencies	N/A	60.00%	41.98%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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