



City Council Staff Report

DATE: May 6, 2015 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
MARCH 31, 2015
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, 2015. 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 \$116,224,082 plus \$12,732,812 bond issue capital projects, reserve and debt service funds. There is an additional \$1,331,475 in various miscellaneous/trust accounts. The market value of the invested cash is \$116,397,121.

RECOMMENDATION:

Receive and File Treasurer's Investment Report as of March 31, 2015.

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 461.14 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, 2015

On Call Deposits	Adjusted Basis	Category Total	Percentage
Checking Account	\$ 3,467,199		
CalTrust ShortTerm	20,300,563		
CalTrust MidTerm	9,909,875		
State Pool	<u>31,058,252</u>	\$ 64,735,888	55.70%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	46,991,000		
Corporate Notes	1,000,000		
Time Deposits	<u>200,000</u>	48,191,000	41.46%
Medium Term Investments (1 year to 3 years)			
U.S. Gov't Agencies	2,000,000		
Time Deposits	<u>798,600</u>	2,798,600	2.41%
Long Term Investments (3 year to 5 years)			
U.S. Gov't Agencies	<u>498,594</u>	498,594	<u>0.43%</u>
		\$ <u><u>116,224,082</u></u>	<u><u>100.00%</u></u>

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**TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
March 31, 2015**

	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	\$ 3,467,199	N/A	AAA		demand	N/A	1	None	3,467,199		\$ 3,467,199	Bank of America	3,467,199
CalTrust ShortTerm	20,000,000	variable	N/A		demand	N/A	1	0.40%	20,000,563		20,311,589	CalTrust	13,276,195
CalTrust MidTerm	9,500,000	variable	N/A		demand	N/A	1	0.74%	9,909,875		9,897,567	CalTrust	12,839,739
Local Agency Invest Fund (LAIF)	31,000,000	variable	N/A		demand	N/A	1	0.278%	31,058,252		31,070,170	LAIF	26,045,472
	63,967,199									64,735,888	64,746,525		55,628,603
Short Term Investments (1 year or less)													
U.S. Gov't Agency Securities													
Federal Home Loan Bank		2.07%	N/A	04/15/14	04/15/19	01/27/15	0		0		0	Bank of NY Mellon	2,000,300
Federal Home Loan Bank	1,000,000	0.45%	N/A	05/09/13	05/09/16	04/01/15	405	0.45%	1,000,000		999,240	Bank of NY Mellon	996,540
Federal Farm Credit Bank	1,000,000	0.85%	N/A	08/15/12	02/15/17	04/01/15	687	0.85%	999,000		1,000,070	Bank of NY Mellon	997,840
Federal Farm Credit Bank	2,000,000	0.98%	N/A	08/15/12	08/15/17	04/01/15	868	0.98%	1,997,000		2,000,160	Bank of NY Mellon	1,988,140
Federal Home Loan Bank	2,000,000	1.00%	N/A	09/18/12	09/18/17	04/01/15	902	1.00%	1,999,000		1,996,780	Bank of NY Mellon	1,991,000
Federal Farm Credit Bank	2,000,000	1.12%	N/A	02/20/13	02/20/18	04/01/15	1,057	1.12%	2,000,000		2,000,220	Bank of NY Mellon	1,991,620
Federal Home Loan Bank	1,000,000	0.75%	N/A	05/29/13	05/29/18	04/01/15	1,155	0.75%	1,000,000		1,000,990	Bank of NY Mellon	993,080
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	01/11/13	01/11/18	04/11/15	1,017	1.00%	1,000,000		997,770	Bank of NY Mellon	992,020
Federal Home Loan Bank	2,000,000	1.50%	N/A	07/15/14	07/15/19	04/15/15	1,567	1.50%	2,000,000		2,000,740	Bank of NY Mellon	1,983,340
Federal Home Loan Mortgage Corporation	2,000,000	1.05%	N/A	01/16/13	01/16/18	04/16/15	1,022	1.05%	2,000,000		2,000,820	Bank of NY Mellon	1,991,720
Federal Home Loan Mortgage Corporation	2,000,000	1.15%	N/A	04/25/13	04/25/18	04/25/15	1,121	1.15%	2,000,000		1,998,920	Bank of NY Mellon	1,982,060
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/13	01/30/18	04/30/15	1,036	1.03%	4,000,000		4,003,040	Bank of NY Mellon	3,956,600
Federal Home Loan Bank	1,000,000	1.00%	N/A	01/30/13	01/30/18	04/30/15	1,036	1.00%	1,000,000		998,400	Bank of NY Mellon	989,110
Federal National Mortgage Association	2,000,000	2.00%	N/A	04/30/14	04/30/19	04/30/15	1,491	2.00%	2,000,000		2,003,040	Bank of NY Mellon	2,009,688
Federal Home Loan Bank	1,000,000	1.05%	N/A	02/12/13	02/12/18	05/12/15	1,049	1.05%	1,000,000		997,660	Bank of NY Mellon	990,090
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	02/20/15	02/20/18	05/20/15	1,057	1.25%	1,000,000		999,350	Bank of NY Mellon	989,110
Federal National Mortgage Association	2,000,000	1.05%	N/A	05/21/13	05/21/18	05/21/15	1,147	1.05%	2,000,000		1,989,400	Bank of NY Mellon	1,969,920
Federal National Mortgage Association	1,000,000	1.00%	N/A	08/28/12	08/28/17	05/28/15	881	1.00%	998,000		997,920	Bank of NY Mellon	994,320
Federal National Mortgage Association	2,000,000	1.10%	N/A	08/28/12	08/28/17	05/28/15	881	1.10%	2,000,000		2,001,980	Bank of NY Mellon	1,994,360
Federal Home Loan Bank	1,000,000	0.80%	N/A	06/12/13	06/12/18	06/12/15	1,169	0.80%	1,000,000		1,001,160	Bank of NY Mellon	994,770
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/12	09/20/17	06/20/15	904	1.00%	2,000,000		2,003,240	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	06/20/15	1,085	1.20%	2,000,000		2,003,640	Bank of NY Mellon	1,989,980
Federal Home Loan Bank	2,000,000	1.00%	N/A	06/20/13	06/20/18	06/20/15	1,177	1.00%	1,998,000		2,002,260	Bank of NY Mellon	1,986,960
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	05/25/15	09/25/18	06/25/15	1,274	1.25%	1,000,000		1,001,360	Bank of NY Mellon	
Federal Home Loan Bank	1,000,000	1.38%	N/A	05/26/15	03/26/18	06/26/15	1,091	1.38%	1,000,000		1,001,810	Bank of NY Mellon	
Federal Home Loan Mortgage Corporation	2,000,000	1.04%	N/A	09/27/12	09/27/17	06/27/15	911	1.04%	2,000,000		2,002,000	Bank of NY Mellon	1,991,120
Federal National Mortgage Association	2,000,000	1.07%	N/A	09/27/12	09/27/17	06/27/15	911	1.07%	2,000,000		1,992,380	Bank of NY Mellon	1,986,120
Federal Home Loan Mortgage Corporation	1,000,000	1.85%	N/A	03/30/15	03/30/20	06/30/15	1,826	1.85%	1,000,000		1,002,350	Bank of NY Mellon	
Federal National Mortgage Association	1,000,000	1.20%	N/A	02/27/15	02/27/18	08/27/15	1,064	1.20%	1,000,000		1,001,860	Bank of NY Mellon	989,110
Federal Home Loan Bank	1,000,000	1.40%	N/A	03/04/15	09/04/18	03/04/16	1,253	1.40%	1,000,000		1,003,580	Bank of NY Mellon	
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	03/09/15	03/09/18	03/09/16	1,074	1.25%	1,000,000		1,003,790	Bank of NY Mellon	
	47,000,000								46,991,000	46,991,000	47,005,930		43,735,818
Corporate Notes													
General Electric Capital Corporation	1,000,000	0.73%	A/AAA+	04/13/12	04/13/15	N/A	13	0.73%	1,000,000		1,000,090	Bank of NY Mellon	1,001,230
	1,000,000									1,000,000	1,000,090		1,001,230
Time Deposits													
Ally Bank CD	200,000	1.15%	N/A	7/27/12	7/27/15	N/A	118	1.15%	200,000		200,609	Bank of NY Mellon	200,000
	200,000									200,000	200,609		200,000

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TREASURER'S MONTHLY REPORT
 DETAIL OF INVESTMENTS
 March 31, 2015

	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	477	1.35%	200,000		201,899	Bank of NY Mellon	202,026
GE Cap Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	477	1.35%	200,000		201,899	Bank of NY Mellon	202,026
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	847	1.80%	198,600		204,250	Bank of NY Mellon	203,473
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	848	1.70%	200,000		203,790	Bank of NY Mellon	202,964
	<u>800,000</u>									798,600	811,838		810,489
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	1,077	1.10%	2,000,000		2,001,500	Bank of NY Mellon	1,982,160
	<u>2,000,000</u>									2,000,000	2,001,500		1,982,160
Long Term Investment (3 years to 5 years)													
U.S. Gov't Agency Securities													
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/88	04/06/18	N/A	1,102	9.80%	498,594		630,629	Bank of America	633,787
	<u>500,000</u>									498,594	630,629		633,787
Total Invested Cash	<u>\$ 113,267,199</u>									<u>\$ 116,224,082</u>	<u>\$ 116,397,121</u>		<u>\$ 102,009,926</u>

Current Quarter	Portfolio Yield	0.74%	
	Benchmark Yields:		
	12 Month LAIF Average	0.25%	Prior Quarter
	2 Year Constant Maturity Treasury	0.52%	Portfolio Yield
	*Interest Income for the Quarter Ending	03/31/2015	240,274

*Gross amount before deduction of investment related fees

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TREASURER'S MONTHLY REPORT
 MISCELLANEOUS AND TRUST ACCOUNTS
 March 31, 2015

	<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	\$ 116,224,082					\$ <u>116,224,082</u>	\$ 116,224,082
Miscellaneous Accounts							
Petty Cash	3,950	N/A	N/A	open	None	3,950	
Trust & Agency - Bank of America	1,060,267	N/A	N/A	open	None	1,060,267	
Downpayment Assistance (Housing Fund) - Bank of America	33,882	0.15%	N/A	open	0.15%	33,882	
Workers Compensation - Bank of America	104,321	N/A	N/A	open	None	104,321	
General Liability - Bank of America	30,000	N/A	N/A	open	None	30,000	
1930's General Store Museum - Bank of America	9,203	N/A	N/A	open	None	9,203	
On-Line Credit Card Fire Inspection Fees -Bank of America	84,790	N/A	N/A	open	None	84,790	
On-Line Credit Card Transportation Permits -Bank of America	5,062	N/A	N/A	open	None	<u>5,062</u>	1,331,475
Total Cash Deposited							\$ <u><u>117,555,558</u></u>

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
March 31, 2015

	<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>
1991/01 Series B - Housing										
Invesco Government & Agency Private	0	variable	AAA	open	0.02%	<u>0</u>	0	0	Bank of NY Mellon	9
							0			
1998 Airport PFC										
Invesco Government & Agency Private	976,449	variable	AAA	open	0.01%	<u>976,449</u>	976,449	976,449	Bank of NY Mellon	2,373,976
2002 Parking Structure										
Cash	3					<u>3</u>		3	Bank of NY Mellon	3
Invesco Government & Agency Private	1,331	variable	AAA	open	0.01%	<u>1,331</u>	1,334	1,331	Bank of NY Mellon	1,630
2004A/B, Merged Project #1/#2										
Invesco Government & Agency Private	0	variable	AAA	open	0.01%	<u>0</u>	0	0	Bank of NY Mellon	113
2004 Assessment District 161										
GE Capital Bank CD	200,000	1.70%	N/A	01/17/2019	1.70%	<u>0</u>		0	Bank of NY Mellon	199,058
Goldman Sachs Bank CD	100,000	1.90%	N/A	01/22/2019	1.90%	<u>0</u>		0	Bank of NY Mellon	101,231
Invesco Government & Agency Private	522,074	variable	AAA	open	0.02%	<u>522,074</u>	522,074	522,074	Bank of NY Mellon	97,399
2004 Assessment District 162										
Goldman Sachs Bank CD	90,000	1.90%	N/A	01/22/2019	1.90%	<u>0</u>		0	Bank of NY Mellon	91,107
Invesco Government & Agency Private	227,629	variable	AAA	open	0.02%	<u>227,629</u>	227,629	227,629	Bank of NY Mellon	67,685
2005 Assessment District 164										
GE Capital Retail Bank CD	200,000	1.90%	N/A	01/17/2019	1.90%	<u>0</u>		0	Bank of NY Mellon	202,453
Goldman Sachs Bank CD	50,000	1.90%	N/A	01/22/2019	1.90%	<u>0</u>		0	Bank of NY Mellon	50,615
Invesco Government & Agency Private	470,692	variable	AAA	open	0.02%	<u>470,692</u>	470,692	470,692	Bank of NY Mellon	119,094
2006 Airport PFC										
Invesco Government & Agency Private	1,641,469	variable	AAA	open	0.02%	<u>1,641,469</u>	1,641,469	1,641,469	Bank of NY Mellon	1,637,413
							1,641,469			

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 March 31, 2015

	<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>	(memo only) <u>Market Value</u>	<u>Source</u>	<u>Prior Qtr. Market Value</u>
2007 Refunding Lease Revenue Bonds										
Invesco Government & Agency Private	1,306,069	variable	AAA	open	0.01%	<u>1,306,069</u>	1,306,069	1,306,069	US Bank	0
2007A&B Tax Allocation Bonds										
Invesco Government & Agency Private	368,267	variable	AAA	open	0.01%	<u>368,267</u>	368,267	368,267	US Bank	10
2007C Tax Allocation Bonds										
Invesco Government & Agency Private	340,216	variable	AAA	open	0.01%	<u>340,216</u>	340,216	340,216	US Bank	10
2008 Airport PFC Refunding										
Invesco Government & Agency Private	609,358	variable	AAA	open	0.02%	<u>609,358</u>	609,358	609,358	Bank of NY Mellon	618,377
2012 Downtown Revitalization Lease Revenue Bond Reserve										
Invesco Government & Agency Private	3,189,928	variable	AAA	open	0.01%	<u>3,189,928</u>	3,189,928	3,189,928	Bank of NY Mellon	3,189,851
2012/2014 Convention Center										
First American Government Obligation	12,677	variable	AAA	open	0.01%	<u>12,677</u>	12,677	12,677	US Bank	12,867
2014 Merged Project 1 & 2/Housing Refunding										
First American Government Obligation	419,479	variable	AAA	open	0.01%	<u>419,479</u>	419,479	419,479	US Bank	1,006
Chevron/CoGen Lease Proceeds										
Cash	1,142,120					<u>1,142,120</u>	1,142,120	1,142,120	Deutsche Bank	4,046,360
Funds With Century Golf	1,505,051					<u>1,505,051</u>	1,505,051	1,505,051	Century Golf	376,914
Totals						<u>12,732,812</u>	<u>12,732,812</u>	<u>12,732,812</u>		<u>\$ 13,187,181</u>

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TREASURER'S MONTHLY REPORT
 CALCULATION OF INVESTMENT LIMITATIONS
 March 31, 2015

<u>By Maturity:</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Current Mo.</u>
1 day to 365 days	N/A	N/A	97.16%
1 year to 3 years	N/A	50.00%	2.41%
3 years to 5 years	N/A	30.00%	0.43%
<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%	0.86%
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%	0.17%
Corporate Notes - by issuer	N/A	5.00%	0.17%
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%	17.47%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	8.53%
LAIF	N/A	100.00%	62.12%
U.S. Government Agencies	N/A	60.00%	42.58%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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