



City Council Staff Report

DATE: July 1, 2015 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
MAY 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 May 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 \$126,164,228 plus \$19,742,972 bond issue capital projects, reserve and debt service funds. There is an additional \$1,358,630 in various miscellaneous/trust accounts. The market value of the invested cash is \$126,298,804.

RECOMMENDATION:

Receive and File Treasurer's Investment Report as of May 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.

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Treasurer's Investment Report as of May 31, 2015

The weighted average maturity (WAM) of the portfolio is 367.47 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
 May 31, 2015

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 3,359,895		
CalTrust ShortTerm	29,315,913		
CalTrust MidTerm	7,919,599		
State Pool	<u>38,578,626</u>	\$ 79,174,034	62.75%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	43,493,000		
Corporate Notes	0		
Time Deposits	<u>200,000</u>	43,693,000	34.63%
Medium Term Investments (1 year to 3 years)			
U.S. Gov't Agencies	2,498,594		
Time Deposits	<u>798,600</u>	3,297,194	2.61%
Long Term Investments (3 year to 5 years)			
	<u>0</u>	0	<u>0.00%</u>
		\$ <u><u>126,164,228</u></u>	<u><u>100.00%</u></u>

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**TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
May 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	\$ 3,359,895	N/A	AAA		demand	N/A	1	None	3,359,895		\$ 3,359,895	Bank of America	3,467,199
CalTrust ShortTerm	29,000,000	variable	N/A		demand	N/A	1	0.45%	29,315,913		29,326,940	CalTrust	20,311,589
CalTrust MidTerm	7,500,000	variable	N/A		demand	N/A	1	0.77%	7,919,599		7,901,930	CalTrust	9,897,567
Local Agency Invest Fund (LAIF)	38,500,000	variable	N/A		demand	N/A	1	0.290%	38,578,626		38,593,430	LAIF	31,070,170
	78,359,895									79,174,034	79,182,195		64,746,525
Short Term Investments (1 year or less)													
U.S. Gov't Agency Securities													
Federal Home Loan Bank	0	1.50%	N/A	07/15/14	07/15/19	04/15/15	0	1.50%	0	0	0	Bank of NY Mellon	2,000,740
Federal National Mortgage Association	0	2.00%	N/A	04/30/14	04/30/19	04/30/15	0	2.00%	0	0	0	Bank of NY Mellon	2,003,040
Federal National Mortgage Association	0	1.00%	N/A	08/28/12	08/28/17	05/28/15	0	1.00%	0	0	0	Bank of NY Mellon	997,920
Federal National Mortgage Association	0	1.10%	N/A	08/28/12	08/28/17	05/28/15	0	1.10%	0	0	0	Bank of NY Mellon	2,001,980
Federal Home Loan Bank	1,000,000	0.45%	N/A	05/09/13	05/09/16	06/01/15	344	0.45%	1,000,000		999,450	Bank of NY Mellon	999,240
Federal Farm Credit Bank	1,000,000	0.85%	N/A	08/15/12	02/15/17	06/01/15	626	0.85%	1,000,000		1,000,030	Bank of NY Mellon	1,000,070
Federal Farm Credit Bank	2,000,000	0.98%	N/A	08/15/12	08/15/17	06/01/15	807	0.98%	1,997,000		1,998,780	Bank of NY Mellon	2,000,160
Federal Home Loan Bank	2,000,000	1.00%	N/A	09/18/12	09/18/17	06/01/15	841	1.00%	1,999,000		1,999,480	Bank of NY Mellon	1,996,780
Federal Farm Credit Bank	2,000,000	1.12%	N/A	02/20/13	02/20/18	06/01/15	996	1.12%	2,000,000		2,000,100	Bank of NY Mellon	2,000,220
Federal Home Loan Bank	1,000,000	0.75%	N/A	05/29/13	05/29/18	06/01/15	1,094	0.75%	1,000,000		1,000,930	Bank of NY Mellon	1,000,990
Federal Home Loan Bank	1,000,000	0.80%	N/A	06/12/13	06/12/18	06/12/15	1,108	0.80%	1,000,000		1,000,210	Bank of NY Mellon	1,001,160
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/12	09/20/17	06/20/15	843	1.00%	2,000,000		2,001,000	Bank of NY Mellon	2,003,240
Federal Home Loan Mortgage Corporation	2,000,000	1.20%	N/A	03/20/13	03/20/18	06/20/15	1,024	1.20%	2,000,000		2,001,140	Bank of NY Mellon	2,003,640
Federal Home Loan Bank	2,000,000	1.00%	N/A	06/20/13	06/20/18	06/20/15	1,116	1.00%	1,998,000		2,000,820	Bank of NY Mellon	2,002,260
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	03/25/15	09/25/18	06/25/15	1,213	1.25%	1,000,000		1,000,610	Bank of NY Mellon	1,001,360
Federal Home Loan Bank	1,000,000	1.38%	N/A	03/26/15	03/26/18	06/26/15	1,030	1.38%	1,000,000		1,000,780	Bank of NY Mellon	1,001,810
Federal Home Loan Mortgage Corporation	2,000,000	1.04%	N/A	09/27/12	09/27/17	06/27/15	850	1.04%	2,000,000		2,001,180	Bank of NY Mellon	2,002,000
Federal National Mortgage Association	2,000,000	1.07%	N/A	09/27/12	09/27/17	06/27/15	850	1.07%	2,000,000		1,996,500	Bank of NY Mellon	1,992,380
Federal Home Loan Mortgage Corporation	1,000,000	1.85%	N/A	03/30/15	03/30/20	06/30/15	1,765	1.85%	1,000,000		1,001,200	Bank of NY Mellon	1,002,350
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	01/11/13	01/11/18	07/11/15	956	1.00%	1,000,000		997,830	Bank of NY Mellon	997,770
Federal Home Loan Mortgage Corporation	2,000,000	1.05%	N/A	01/16/13	01/16/18	07/16/15	961	1.05%	2,000,000		2,002,440	Bank of NY Mellon	2,000,820
Federal Home Loan Mortgage Corporation	2,000,000	1.15%	N/A	04/25/13	04/25/18	07/25/15	1,060	1.15%	2,000,000		1,998,760	Bank of NY Mellon	1,998,920
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/13	01/30/18	07/30/15	975	1.03%	4,000,000		3,993,200	Bank of NY Mellon	4,003,040
Federal Home Loan Bank	1,000,000	1.00%	N/A	01/30/13	01/30/18	07/30/15	975	1.00%	1,000,000		998,450	Bank of NY Mellon	998,400
Federal Home Loan Bank	1,000,000	1.05%	N/A	02/12/13	02/12/18	08/12/15	988	1.05%	1,000,000		997,730	Bank of NY Mellon	997,660
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	02/20/15	02/20/18	08/20/15	996	1.25%	1,000,000		999,290	Bank of NY Mellon	999,350
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/13	05/21/18	08/21/15	1,086	1.03%	2,000,000		1,987,720	Bank of NY Mellon	1,989,400
Federal Home Loan Mortgage Corporation	1,000,000	1.625%	N/A	05/21/15	05/21/20	08/21/15	1,817	1.625%	1,000,000		996,930	Bank of NY Mellon	0
Federal Farm Credit Bank	500,000	1.09%	N/A	05/26/15	02/26/18	08/26/15	1,002	1.09%	500,000		499,360	Bank of NY Mellon	0
Federal Farm Credit Bank	500,000	0.98%	N/A	05/27/15	11/27/17	08/27/15	911	0.98%	500,000		499,700	Bank of NY Mellon	0
Federal National Mortgage Association	1,000,000	1.20%	N/A	02/27/15	02/27/18	08/27/15	1,003	1.20%	1,000,000		1,001,370	Bank of NY Mellon	1,001,860
Federal National Mortgage Association	500,000	1.00%	N/A	05/22/15	02/22/18	02/22/16	998	1.00%	500,000		499,275	Bank of NY Mellon	0
Federal Home Loan Bank	1,000,000	1.40%	N/A	03/04/15	09/04/18	03/04/16	1,192	1.40%	1,000,000		1,002,520	Bank of NY Mellon	1,003,580
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	03/09/15	03/09/18	03/09/16	1,013	1.25%	1,000,000		1,003,500	Bank of NY Mellon	1,003,790
Federal National Mortgage Association	500,000	1.125%	N/A	05/20/15	05/18/18	05/18/16	1,083	1.125%	500,000		499,410	Bank of NY Mellon	0
Federal Farm Credit Bank	500,000	0.625%	N/A	05/22/15	05/22/17	05/22/17	722	0.63%	500,000		499,205	Bank of NY Mellon	0
	43,500,000								43,493,000	43,493,000	43,478,900		47,005,930
Corporate Notes													
General Electric Capital Corporation	1,000,000	0.73%	A1/AA+	04/13/12	04/13/15	N/A	0	0.73%	0	0	0	Bank of NY Mellon	1,000,090
	1,000,000									0	0		1,000,090
Time Deposits													
Ally Bank CD	200,000	1.15%	N/A	7/27/12	7/27/15	N/A	57	1.15%	200,000	200,000	200,324	Bank of NY Mellon	200,609
	200,000									200,000	200,324		200,609

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

	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Rating</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>First/Next Optional Call Date</u>	<u>Days to 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>
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	416	1.35%	200,000		201,812	Bank of NY Mellon	201,899
GE Cap Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	416	1.35%	200,000		201,812	Bank of NY Mellon	201,899
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	786	1.80%	198,600		203,970	Bank of NY Mellon	204,250
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	787	1.70%	200,000		203,542	Bank of NY Mellon	203,790
	<u>800,000</u>									798,600	<u>811,135</u>		<u>811,838</u>
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	1,016	1.10%	2,000,000		2,002,740	Bank of NY Mellon	2,001,500
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/88	04/06/18	N/A	1,041	9.80%	498,594		623,510	Bank of America	630,629
	<u>2,500,000</u>									2,498,594	<u>2,626,250</u>		<u>2,632,129</u>
Total Invested Cash	\$ 126,159,895									\$ 126,164,228	\$ 126,298,804		\$ 116,397,121

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TREASURER'S MONTHLY REPORT
 MISCELLANEOUS AND TRUST ACCOUNTS
 May 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	\$ 126,164,228					\$ <u>126,164,228</u>	\$ 126,164,228
Miscellaneous Accounts							
Petty Cash	3,950	N/A	N/A	open	None	3,950	
Trust & Agency - Bank of America	1,114,343	N/A	N/A	open	None	1,114,343	
Downpayment Assistance (Housing Fund) - Bank of America	33,890	0.15%	N/A	open	0.15%	33,890	
Workers Compensation - Bank of America	55,961	N/A	N/A	open	None	55,961	
General Liability - Bank of America	26,235	N/A	N/A	open	None	26,235	
1930's General Store Museum - Bank of America	10,781	N/A	N/A	open	None	10,781	
On-Line Credit Card Fire Inspection Fees -Bank of America	107,300	N/A	N/A	open	None	107,300	
On-Line Credit Card Transportation Permits -Bank of America	6,170	N/A	N/A	open	None	<u>6,170</u>	1,358,630
Total Cash Deposited							\$ <u><u>127,522,858</u></u>

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 May 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>
1998 Airport PFC										
Invesco Government & Agency Private	1,098,253	variable	AAA	open	0.01%	<u>1,098,253</u>		1,098,253	Bank of NY Mellon	976,449
							1,098,253			
2002 Parking Structure										
Cash	3					3		3	Bank of NY Mellon	3
Invesco Government & Agency Private	172	variable	AAA	open	0.01%	<u>172</u>		172	Bank of NY Mellon	1,331
							175			
2004 Assessment District 161										
Invesco Government & Agency Private	3	variable	AAA	open	0.02%	<u>3</u>		3	Bank of NY Mellon	522,074
							3			
2004 Assessment District 162										
Invesco Government & Agency Private	2	variable	AAA	open	0.02%	<u>2</u>		2	Bank of NY Mellon	227,629
							2			
2005 Assessment District 164										
Invesco Government & Agency Private	1	variable	AAA	open	0.02%	<u>1</u>		1	Bank of NY Mellon	470,692
							1			
2006 Airport PFC										
Invesco Government & Agency Private	2,231,640	variable	AAA	open	0.02%	<u>2,231,640</u>		2,231,640	Bank of NY Mellon	1,641,469
							2,231,640			
2007 Refunding Lease Revenue Bonds										
Invesco Government & Agency Private	0	variable	AAA	open	0.01%	<u>0</u>		0	US Bank	1,306,069
							0			
2007A&B Tax Allocation Bonds										
Invesco Government & Agency Private	368,270	variable	AAA	open	0.01%	<u>368,270</u>		368,270	US Bank	368,267
							368,270			

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 May 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>
2007C Tax Allocation Bonds										
Invesco Government & Agency Private	340,219	variable	AAA	open	0.01%	<u>340,219</u>	340,219	340,219	US Bank	340,216
2008 Airport PFC Refunding										
Invesco Government & Agency Private	609,455	variable	AAA	open	0.02%	<u>609,455</u>	609,455	609,455	Bank of NY Mellon	609,358
2012 Downtown Revitalization Lease Revenue Bond Reserve										
Invesco Government & Agency Private	5,426,416	variable	AAA	open	0.01%	<u>5,426,416</u>	5,426,416	5,426,416	Bank of NY Mellon	3,189,928
2012/2014 Convention Center										
First American Government Obligation	12,671	variable	AAA	open	0.01%	<u>12,671</u>	12,671	12,671	US Bank	12,677
2014 Merged Project 1 & 2/Housing Refunding										
First American Government Obligation	419,483	variable	AAA	open	0.01%	<u>419,483</u>	419,483	419,483	US Bank	419,479
2015 Reassessment District No.2015-1										
First American Government Obligation	288,024					<u>288,024</u>	288,024	288,024	US Bank	0
2015 Local Measure A Sales Tax										
First American Government Obligation	6,595,964					<u>6,595,964</u>	6,595,964	6,595,964	US Bank	0
Chevron/CoGen Lease Proceeds										
Cash	754,975					<u>754,975</u>	754,975	754,975	Deutsche Bank	1,142,120
Funds With Century Golf	1,597,417					<u>1,597,417</u>		1,597,417	Century Golf	1,505,051
Totals						<u>19,742,972</u>	<u>19,742,972</u>	<u>19,742,972</u>		<u>\$ 12,732,812</u>

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TREASURER'S MONTHLY REPORT
 CALCULATION OF INVESTMENT LIMITATIONS
 May 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	97.39%
1 year to 3 years	N/A	50.00%	2.61%
3 years to 5 years	N/A	30.00%	0.00%
<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%	0.79%
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%	0.00%
Corporate Notes - by issuer	N/A	5.00%	0.00%
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%	23.24%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	6.28%
LAIF	N/A	100.00%	30.58%
U.S. Government Agencies	N/A	60.00%	36.45%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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