



City Council Staff Report

DATE: September 16, 2015 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
JUNE 30, 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 June 30, 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 \$131,887,334 plus \$17,434,671 bond issue capital projects, reserve and debt service funds. There is an additional \$1,281,090 in various miscellaneous/trust accounts. The market value of the invested cash is \$131,979,735.

RECOMMENDATION:

Receive and File Treasurer's Investment Report as of June 30, 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 336.71 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
 June 30, 2015

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 6,569,161		
CalTrust ShortTerm	33,326,224		
CalTrust MidTerm	6,923,129		
State Pool	<u>38,578,626</u>	\$ 85,397,140	64.75%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	42,993,000		
Corporate Notes	0		
Time Deposits	<u>200,000</u>	43,193,000	32.75%
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	2.50%
Long Term Investments (3 year to 5 years)			
	<u>0</u>	0	<u>0.00%</u>
		\$ <u><u>131,887,334</u></u>	<u><u>100.00%</u></u>

TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
 June 30, 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	\$ 6,569,161	N/A	AAA		demand	N/A	1	None	6,569,161		\$ 6,569,161	Bank of America	3,467,199
CalTrust ShortTerm	33,308,000	variable	N/A		demand	N/A	1	0.51%	33,326,224		33,308,000	CalTrust	20,311,589
CalTrust MidTerm	6,500,000	variable	N/A		demand	N/A	1	0.83%	6,923,129		6,900,834	CalTrust	9,897,567
Local Agency Invest Fund (LAIF)	38,500,000	variable	N/A		demand	N/A	1	0.299%	38,578,626		38,593,131	LAIF	31,070,170
	<u>84,569,161</u>									<u>85,397,140</u>	<u>85,371,128</u>		<u>64,746,525</u>
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	0	1.38%	N/A	03/26/15	03/26/18	06/26/15	0	1.38%	0	0	0	Bank of NY Mellon	1,001,810
Federal Home Loan Bank	1,000,000	0.45%	N/A	05/09/13	05/09/16	07/01/15	314	0.45%	1,000,000	999,710	999,710	Bank of NY Mellon	999,240
Federal Farm Credit Bank	1,000,000	0.85%	N/A	08/15/12	02/15/17	07/01/15	596	0.85%	1,000,000	1,000,070	1,000,070	Bank of NY Mellon	1,000,070
Federal Farm Credit Bank	2,000,000	0.98%	N/A	08/15/12	08/15/17	07/01/15	777	0.98%	1,997,000	1,998,500	1,998,500	Bank of NY Mellon	2,000,160
Federal Home Loan Bank	2,000,000	1.00%	N/A	09/18/12	09/18/17	07/01/15	811	1.00%	1,999,000	1,999,360	1,999,360	Bank of NY Mellon	1,996,780
Federal Farm Credit Bank	2,000,000	1.12%	N/A	02/20/13	02/20/18	07/01/15	966	1.12%	2,000,000	2,000,220	2,000,220	Bank of NY Mellon	2,000,220
Federal Home Loan Bank	1,000,000	0.75%	N/A	05/29/13	05/29/18	07/01/15	1,064	0.75%	1,000,000	1,000,430	1,000,430	Bank of NY Mellon	1,000,990
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	01/11/13	01/11/18	07/11/15	926	1.00%	1,000,000	994,370	994,370	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	931	1.05%	2,000,000	2,000,820	2,000,820	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	1,030	1.15%	2,000,000	1,996,980	1,996,980	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	945	1.03%	4,000,000	4,003,160	4,003,160	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	945	1.00%	1,000,000	998,020	998,020	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	958	1.05%	1,000,000	997,270	997,270	Bank of NY Mellon	997,660
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	02/20/13	02/20/18	08/20/15	966	1.25%	1,000,000	998,750	998,750	Bank of NY Mellon	999,350
Federal National Mortgage Association	2,000,000	1.05%	N/A	05/21/13	05/21/18	08/21/15	1,056	1.05%	2,000,000	1,986,520	1,986,520	Bank of NY Mellon	1,989,400
Federal Home Loan Mortgage Corporation	1,000,000	1.625%	N/A	05/21/13	05/21/20	08/21/15	1,787	1.625%	1,000,000	992,670	992,670	Bank of NY Mellon	0
Federal Farm Credit Bank	500,000	1.09%	N/A	05/26/13	02/26/18	08/26/15	972	1.09%	500,000	499,955	499,955	Bank of NY Mellon	0
Federal Farm Credit Bank	500,000	0.98%	N/A	05/27/13	11/27/17	08/27/15	881	0.98%	500,000	500,070	500,070	Bank of NY Mellon	0
Federal National Mortgage Association	1,000,000	1.20%	N/A	02/27/13	02/27/18	08/27/15	973	1.20%	1,000,000	1,000,870	1,000,870	Bank of NY Mellon	1,001,860
Federal Home Loan Bank	1,000,000	0.80%	N/A	06/12/13	06/12/18	09/12/15	1,078	0.80%	1,000,000	1,000,780	1,000,780	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	09/20/15	813	1.00%	2,000,000	2,003,400	2,003,400	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	09/20/15	994	1.20%	2,000,000	1,999,640	1,999,640	Bank of NY Mellon	2,003,640
Federal Home Loan Bank	2,000,000	1.00%	N/A	06/20/13	06/20/18	09/20/15	1,086	1.00%	1,998,000	2,000,400	2,000,400	Bank of NY Mellon	2,002,260
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	05/25/13	09/25/18	09/25/15	1,185	1.25%	1,000,000	1,001,590	1,001,590	Bank of NY Mellon	1,001,360
Federal Home Loan Mortgage Corporation	2,000,000	1.04%	N/A	09/27/12	09/27/17	09/27/15	820	1.04%	2,000,000	2,002,540	2,002,540	Bank of NY Mellon	2,002,000
Federal National Mortgage Association	2,000,000	1.07%	N/A	09/27/12	09/27/17	09/27/15	820	1.07%	2,000,000	2,003,360	2,003,360	Bank of NY Mellon	1,992,380
Federal Home Loan Mortgage Corporation	1,000,000	1.85%	N/A	03/30/13	03/30/20	09/30/15	1,735	1.85%	1,000,000	999,000	999,000	Bank of NY Mellon	1,002,350
Federal National Mortgage Association	500,000	1.00%	N/A	05/22/13	02/22/18	02/22/16	968	1.00%	500,000	498,995	498,995	Bank of NY Mellon	0
Federal Home Loan Bank	1,000,000	1.40%	N/A	03/04/13	09/04/18	03/04/16	1,162	1.40%	1,000,000	1,000,450	1,000,450	Bank of NY Mellon	1,003,580
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	03/09/13	03/09/18	03/09/16	983	1.25%	1,000,000	1,002,580	1,002,580	Bank of NY Mellon	1,003,790
Federal National Mortgage Association	500,000	1.125%	N/A	05/20/13	05/18/18	05/18/16	1,053	1.125%	500,000	499,195	499,195	Bank of NY Mellon	0
Federal National Mortgage Association	500,000	1.00%	N/A	06/15/13	12/15/17	06/15/16	899	1.00%	500,000	499,770	499,770	Bank of NY Mellon	0
Federal Farm Credit Bank	500,000	0.625%	N/A	05/22/13	05/22/17	05/22/17	692	0.63%	500,000	498,450	498,450	Bank of NY Mellon	0
	<u>43,000,000</u>								<u>42,993,000</u>	<u>42,993,000</u>	<u>42,977,495</u>		<u>47,005,930</u>
Corporate Notes													
General Electric Capital Corporation	0	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
	<u>0</u>								<u>0</u>	<u>0</u>	<u>0</u>		<u>1,000,090</u>
Time Deposits													
Ally Bank CD	200,000	1.15%	N/A	7/27/12	7/27/15	N/A	27	1.15%	200,000	200,000	200,145	Bank of NY Mellon	200,609
	<u>200,000</u>								<u>200,000</u>	<u>200,000</u>	<u>200,145</u>		<u>200,609</u>

TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
June 30, 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	186	1.35%	200,000		201,493	Bank of NY Mellon	201,899
GE Cap Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	386	1.35%	200,000		201,493	Bank of NY Mellon	201,899
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	756	1.80%	198,600		203,794	Bank of NY Mellon	204,250
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	757	1.70%	200,000		203,383	Bank of NY Mellon	203,790
	<u>800,000</u>									798,600	<u>810,164</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	986	1.10%	2,000,000		2,001,360	Bank of NY Mellon	2,001,500
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/88	04/06/18	N/A	1,011	9.80%	498,594		619,443	Bank of America	630,629
	<u>2,500,000</u>									2,498,594	<u>2,620,803</u>		<u>2,632,129</u>
Total Invested Cash	<u>\$ 130,869,161</u>									<u>\$ 131,887,334</u>	<u>\$ 131,979,755</u>		<u>\$ 116,397,121</u>

Current Quarter Portfolio Yield 0.67%
 Benchmark Yields:
 12 Month LAIF Average 0.27%
 2 Year Constant Maturity Treasury 0.57%
 Prior Quarter Portfolio Yield 0.74%

*Interest Income for the Quarter Ending 06/30/2015 211,395

*Gross amount before deduction of investment related fees

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TREASURER'S MONTHLY REPORT
 MISCELLANEOUS AND TRUST ACCOUNTS
 June 30, 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	\$ 131,887,334					\$ <u>131,887,334</u>	\$ 131,887,334
Miscellaneous Accounts							
Petty Cash	3,950	N/A	N/A	open	None	3,950	
Trust & Agency - Bank of America	1,154,263	N/A	N/A	open	None	1,154,263	
Downpayment Assistance (Housing Fund) - Bank of America	33,894	0.15%	N/A	open	0.15%	33,894	
Workers Compensation - Bank of America	34,310	N/A	N/A	open	None	34,310	
General Liability - Bank of America	29,713	N/A	N/A	open	None	29,713	
1930's General Store Museum - Bank of America	10,745	N/A	N/A	open	None	10,745	
On-Line Credit Card Fire Inspection Fees -Bank of America	12,550	N/A	N/A	open	None	12,550	
On-Line Credit Card Transportation Permits -Bank of America	1,663	N/A	N/A	open	None	<u>1,663</u>	1,281,090
Total Cash Deposited							\$ <u><u>133,168,424</u></u>

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
June 30, 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	1,159,095	variable	AAA	open	0.01%	<u>1,159,095</u>		1,159,095	Bank of NY Mellon	976,449
							1,159,095			
2002 Parking Structure										
Cash	3					3		3	Bank of NY Mellon	3
Invesco Government & Agency Private	1,331	variable	AAA	open	0.01%	<u>1,331</u>		1,331	Bank of NY Mellon	1,331
							1,334			
2004 Assessment District 161										
Invesco Government & Agency Private	0	variable	AAA	open	0.02%	<u>0</u>		0	Bank of NY Mellon	522,074
							0			
2004 Assessment District 162										
Invesco Government & Agency Private	0	variable	AAA	open	0.02%	<u>0</u>		0	Bank of NY Mellon	227,629
							0			
2005 Assessment District 164										
Invesco Government & Agency Private	0	variable	AAA	open	0.02%	<u>0</u>		0	Bank of NY Mellon	470,692
							0			
2006 Airport PFC										
Invesco Government & Agency Private	2,356,674	variable	AAA	open	0.02%	<u>2,356,674</u>		2,356,674	Bank of NY Mellon	1,641,469
							2,356,674			
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	368,272	variable	AAA	open	0.01%	<u>368,272</u>		368,272	US Bank	368,267
							368,272			

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 June 30, 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	340,221	variable	AAA	open	0.01%	<u>340,221</u>		340,221	US Bank	340,216
							340,221			
2008 Airport PFC Refunding										
Invesco Government & Agency Private	609,467	variable	AAA	open	0.02%	<u>609,467</u>		609,467	Bank of NY Mellon	609,358
							609,467			
2012 Downtown Revitalization Lease Revenue Bond Reserve										
Invesco Government & Agency Private	3,190,506	variable	AAA	open	0.01%	<u>3,190,506</u>		3,190,506	Bank of NY Mellon	3,189,928
							3,190,506			
2012/2014 Convention Center										
First American Government Obligation	12,671	variable	AAA	open	0.01%	<u>12,671</u>		12,671	US Bank	12,677
							12,671			
2014 Merged Project 1 & 2/Housing Refunding										
First American Government Obligation	419,486	variable	AAA	open	0.01%	<u>419,486</u>		419,486	US Bank	419,479
							419,486			
2015 Reassessment District No. 2015-1										
First American Government Obligation	288,026					<u>288,026</u>		288,026	US Bank	0
							288,026			
2015 Local Measure A Sales Tax										
First American Government Obligation	6,595,998					<u>6,595,998</u>		6,595,998	US Bank	0
							6,595,998			
Chevron/CoGen Lease Proceeds										
Cash	754,975					<u>754,975</u>		754,975	Deutsche Bank	1,142,120
							754,975			
Funds With Century Golf	1,337,946					<u>1,337,946</u>		1,337,946	Century Golf	1,505,051
							1,337,946			
Totals							<u>17,434,671</u>	<u>17,434,671</u>		<u>\$ 12,732,812</u>

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TREASURER'S MONTHLY REPORT
CALCULATION OF INVESTMENT LIMITATIONS

June 30, 2015

<u>By Maturity:</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Current Mo.</u>
1 day to 365 days	N/A	N/A	97.50%
1 year to 3 years	N/A	50.00%	2.50%
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%	0.76%
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%	25.27%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	5.25%
LAIF	N/A	100.00%	29.25%
U.S. Government Agencies	N/A	60.00%	34.49%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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