



City Council Staff Report

DATE: February 3, 2016 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
DECEMBER 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 December 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 \$109,520,420 plus \$14,821,166 bond issue capital projects, reserve and debt service funds. There is an additional \$2,208,864 in various miscellaneous/trust accounts. The market value of the invested cash is \$109,462,608.

RECOMMENDATION:

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

The weighted average maturity (WAM) of the portfolio is 190.97 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

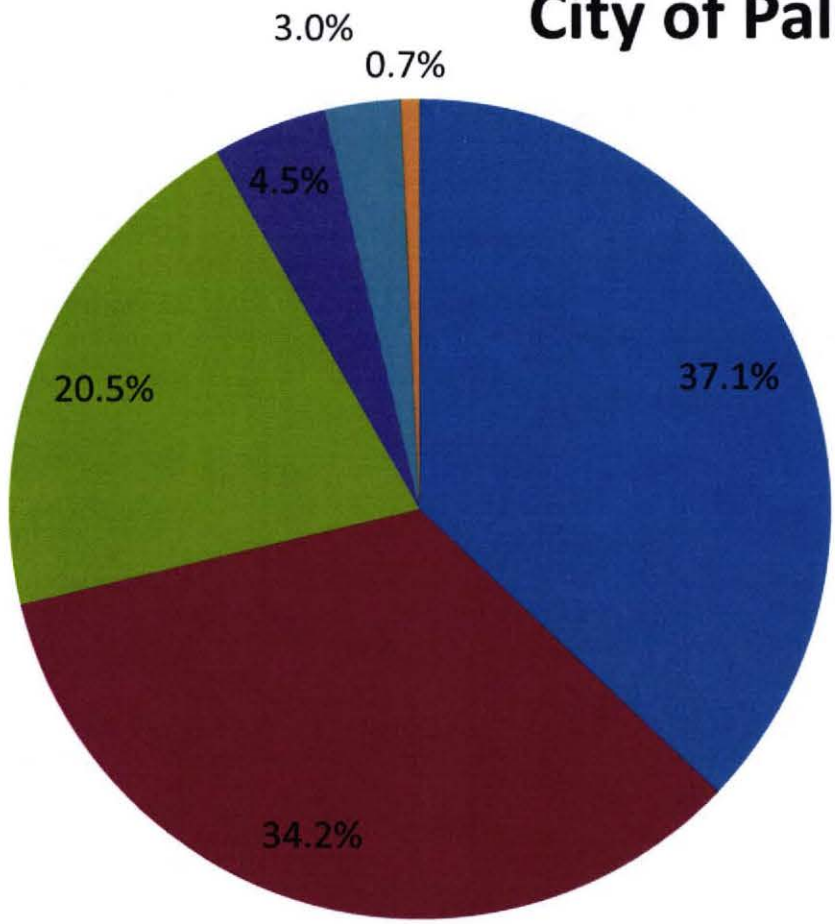
Attachments: Treasurer's Investment Report

CITY OF PALM SPRINGS
 TREASURER'S MONTHLY REPORT
 SUMMARY OF INVESTMENTS
 December 31, 2015

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 3,242,684		
CalTrust ShortTerm	37,408,604		
CalTrust MidTerm	4,942,531		
State Pool	<u>40,631,907</u>	\$ 86,225,726	78.73%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	19,497,500		
Time Deposits	<u>400,000</u>	19,897,500	18.17%
Medium Term Investments (1 year to 3 years)			
U.S. Gov't Agencies	2,998,594		
Time Deposits	<u>398,600</u>	3,397,194	3.10%
Long Term Investments (3 year to 5 years)			
	<u>0</u>	0	<u>0.00%</u>
	\$	<u><u>109,520,420</u></u>	<u><u>100.00%</u></u>

Investment Allocation City of Palm Springs

Total
\$109,520,420



- State Pool (LAIF)
- CalTrust ShortTerm
- U.S. Gov't Agencies
- CalTrust MidTerm
- Checking Account
- Time Deposits

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TREASURER'S MONTHLY REPORT
 DETAIL OF INVESTMENTS
 December 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
Checking - Bank of America	\$ 3,242,684	N/A	AAA		demand	N/A	1	None	3,242,684		\$ 3,242,684	Bank of America	6,569,161
CalTrust ShortTerm	37,000,000	variable	N/A		demand	N/A	1	0.56%	37,408,604		37,354,546	CalTrust	33,308,001
CalTrust MidTerm	4,500,000	variable	N/A		demand	N/A	1	0.92%	4,942,531		4,911,988	CalTrust	6,900,834
Local Agency Invest Fund (LAIF)	40,500,000	variable	N/A		demand	N/A	1	0.400%	40,631,907		40,598,872	LAIF	38,593,131
	<u>85,242,684</u>									86,225,726	86,108,090		85,371,128
Short Term Investments													
(1 year or less)													
U.S. Gov't Agency Securities													
Federal Home Loan Mortgage Corporation	0	1.00%	N/A	01/11/13	01/11/18	10/11/15	0	1.00%	0		0	Bank of NY Mellon	994,370
Federal Home Loan Bank	0	1.00%	N/A	09/18/12	09/18/17	10/14/15	0	1.00%	0		0	Bank of NY Mellon	1,999,360
Federal Home Loan Mortgage Corporation	0	1.05%	N/A	01/16/13	01/16/18	10/16/15	0	1.05%	0		0	Bank of NY Mellon	2,000,820
Federal Farm Credit Bank	0	1.12%	N/A	02/20/13	02/20/18	10/23/15	0	1.12%	0		0	Bank of NY Mellon	2,000,220
Federal Farm Credit Bank	0	0.98%	N/A	05/27/15	11/27/17	10/23/15	0	0.98%	0		0	Bank of NY Mellon	500,070
Federal Home Loan Mortgage Corporation	0	1.15%	N/A	04/25/13	04/25/18	10/25/15	0	1.15%	0		0	Bank of NY Mellon	1,996,980
Federal Home Loan Bank	0	1.00%	N/A	01/30/13	01/30/18	10/30/15	0	1.00%	0		0	Bank of NY Mellon	998,110
Federal Home Loan Bank	0	1.05%	N/A	02/12/13	02/12/18	11/12/15	0	1.05%	0		0	Bank of NY Mellon	999,720
Federal Home Loan Mortgage Corporation	0	1.625%	N/A	05/21/15	05/21/20	11/23/15	0	1.625%	0		0	Bank of NY Mellon	1,001,810
Federal Home Loan Bank	0	0.875%	N/A	05/29/13	05/29/18	11/30/15	0	0.875%	0		0	Bank of NY Mellon	1,001,090
Federal Home Loan Mortgage Corporation	0	1.90%	N/A	09/04/15	09/04/20	12/04/15	0	1.90%	0		0	Bank of NY Mellon	500,815
Federal Farm Credit Bank	500,000	1.09%	N/A	05/26/15	02/26/18	01/01/16	788	1.09%	500,000		497,910	Bank of NY Mellon	500,050
Federal Home Loan Bank	1,000,000	1.25%	N/A	07/29/15	07/29/20	01/29/16	1,672	1.25%	997,500		1,000,250	Bank of NY Mellon	1,002,000
Federal Home Loan Mortgage Corporation	1,000,000	1.50%	N/A	07/29/15	07/29/20	01/29/16	1,672	1.50%	1,000,000		1,000,400	Bank of NY Mellon	1,003,100
Federal Home Loan Mortgage Corporation	500,000	1.65%	N/A	10/29/15	10/29/20	01/29/16	1,764	1.65%	500,000		500,035	Bank of NY Mellon	0
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/13	01/30/18	01/30/16	761	1.03%	4,000,000		3,980,880	Bank of NY Mellon	4,003,080
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/13	05/21/18	02/21/16	872	1.03%	2,000,000		1,987,340	Bank of NY Mellon	1,994,440
Federal National Mortgage Association	500,000	1.00%	N/A	05/22/15	02/22/18	02/22/16	784	1.00%	500,000		500,110	Bank of NY Mellon	500,085
Federal National Mortgage Association	1,000,000	1.20%	N/A	02/27/15	02/27/18	02/27/16	789	1.20%	1,000,000		1,001,180	Bank of NY Mellon	1,001,580
Federal Home Loan Bank	1,000,000	1.40%	N/A	03/04/15	09/04/18	03/04/16	978	1.40%	1,000,000		994,900	Bank of NY Mellon	1,002,910
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	03/09/15	03/09/18	03/09/16	799	1.25%	1,000,000		1,000,770	Bank of NY Mellon	1,003,280
Federal Home Loan Bank	1,000,000	0.80%	N/A	06/12/13	06/12/18	03/12/16	894	0.80%	1,000,000		998,110	Bank of NY Mellon	1,000,940
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/12	09/20/17	03/20/16	629	1.00%	2,000,000		2,003,540	Bank of NY Mellon	2,003,360
Federal National Mortgage Association	2,000,000	1.07%	N/A	09/27/12	09/27/17	03/27/16	636	1.07%	2,000,000		1,995,500	Bank of NY Mellon	2,002,700
Federal National Mortgage Association	500,000	1.125%	N/A	05/20/15	05/18/18	05/18/16	869	1.125%	500,000		500,045	Bank of NY Mellon	500,915
Federal National Mortgage Association	500,000	1.00%	N/A	06/15/15	12/15/17	06/15/16	715	1.00%	500,000		498,320	Bank of NY Mellon	501,565
Federal Home Loan Bank	1,000,000	1.25%	N/A	07/29/15	07/29/20	07/29/16	1,672	1.25%	1,000,000		1,000,240	Bank of NY Mellon	1,002,820
	<u>19,500,000</u>									19,497,500	19,459,530		33,016,190

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TREASURER'S MONTHLY REPORT
 DETAIL OF INVESTMENTS
 December 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
Short Term Investments (1 year or less)													
Time Deposits													
GE Cap Retail Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	202	1.35%	200,000		200,614	Bank of NY Mellon	201,203
GE Cap Bank CD	200,000	1.35%	N/A	7/20/12	7/20/16	N/A	202	1.35%	200,000		200,614	Bank of NY Mellon	201,203
	<u>400,000</u>									400,000	401,228		<u>402,406</u>
Medium Term Investments (1 year to 3 years)													
Time Deposits													
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	572	1.80%	198,600		201,977	Bank of NY Mellon	203,723
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	573	1.70%	200,000		201,666	Bank of NY Mellon	203,363
	<u>400,000</u>									398,600	403,642		<u>407,087</u>
U.S. Gov't Agency Securities													
Federal Farm Credit Bank	500,000	0.625%	N/A	05/22/15	05/22/17	05/22/17	508	0.63%	500,000		497,445	Bank of NY Mellon	499,945
Federal National Mortgage Association Financing Corporation (FICO)	2,000,000	1.10%	N/A	03/12/13	03/12/18	03/12/18	802	1.10%	2,000,000		1,997,700	Bank of NY Mellon	2,012,440
	<u>500,000</u>	9.80%	N/A	04/06/88	04/06/18	N/A	827	9.80%	<u>498,594</u>	2,998,594	<u>594,973</u>	Bank of America	<u>610,053</u>
	3,000,000										3,090,118		3,122,438
Total Invested Cash	<u>\$ 108,542,684</u>									<u>\$ 109,520,420</u>	<u>\$ 109,462,608</u>		<u>\$ 122,319,248</u>
				Current Quarter	Portfolio Yield			0.65%					0.66%
					Benchmark Yields:								Prior Quarter
					12 Month LAIF Average			0.29%					Portfolio Yield
					2 Year Constant Maturity Treasury			0.69%					
				*Interest Income for the Quarter Ending			12/31/2015	175,815					

*Gross amount before deduction of investment related fees

TREASURER'S MONTHLY REPORT
 MISCELLANEOUS AND TRUST ACCOUNTS
 December 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	\$ 109,520,420					\$ 109,520,420	\$ 109,520,420
Miscellaneous Accounts							
Petty Cash	3,950	N/A	N/A	open	None	3,950	
Trust & Agency - Bank of America	1,999,517	N/A	N/A	open	None	1,999,517	
Downpayment Assistance (Housing Fund) - Bank of America	33,920	0.15%	N/A	open	0.15%	33,920	
Workers Compensation - Bank of America	44,314	N/A	N/A	open	None	44,314	
General Liability - Bank of America	28,947	N/A	N/A	open	None	28,947	
1930's General Store Museum - Bank of America	12,287	N/A	N/A	open	None	12,287	
On-Line Credit Card Fire Inspection Fees -Bank of America	81,382	N/A	N/A	open	None	81,382	
On-Line Credit Card Transportation Permits -Bank of America	4,547	N/A	N/A	open	None	4,547	2,208,864
Total Cash Deposited							\$ 111,729,285

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 December 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	1,376,601	variable	AAA	open	0.01%	<u>1,376,601</u>	1,376,601	1,376,601	Bank of NY Mellon	1,194,121
2006 Airport PFC										
Invesco Government & Agency Private	1,630,010	variable	AAA	open	0.02%	<u>1,630,010</u>	1,630,010	1,630,010	Bank of NY Mellon	1,263,405
2007 Refunding Lease Revenue Bonds										
First American Government Obligation	0	variable	AAA	open	0.01%	<u>0</u>	0	0	US Bank	275,869
2007A&B Tax Allocation Bonds										
First American Government Obligation	19	variable	AAA	open	0.01%	<u>19</u>	19	19	US Bank	19
2007C Tax Allocation Bonds										
First American Government Obligation	16	variable	AAA	open	0.01%	<u>16</u>	16	16	US Bank	16
2008 Airport PFC Refunding										
Invesco Government & Agency Private	609,588	variable	AAA	open	0.02%	<u>609,588</u>	609,588	609,588	Bank of NY Mellon	609,528
2012 Downtown Revitalization Lease Revenue Bond Reserve										
Invesco Government & Agency Private	3,191,142	variable	AAA	open	0.01%	<u>3,191,142</u>	3,191,142	3,191,142	Bank of NY Mellon	3,190,826

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 December 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>
2012/2014 Convention Center										
First American Government Obligation	12,677	variable	AAA	open	0.01%	<u>12,677</u>		12,677	US Bank	12,671
							12,677			
2014 Merged Project 1 & 2/Housing Refunding										
First American Government Obligation	1,333	variable	AAA	open	0.01%	<u>1,333</u>		1,333	US Bank	1,332
							1,333			
2015 Reassessment District No.2015-1										
First American Government Obligation	288,038	variable	AAA	open	0.01%	<u>288,038</u>		288,038	US Bank	288,026
							288,038			
2015 Local Measure A Sales Tax										
First American Government Obligation	6,596,180	variable	AAA	open	0.01%	<u>6,596,180</u>		6,596,180	US Bank	6,596,098
							6,596,180			
2015 Refunding Lease Revenue Bonds										
Cash	3					3		3	Bank of NY Mellon	3
Invesco Government & Agency Private	222	variable	AAA	open	0.01%	222		222	Bank of NY Mellon	1,538
First American Government Obligation	3,604	variable	AAA	open	0.01%	<u>3,604</u>		3,604	US Bank	0
							3,830			
Chevron/CoGen Lease Proceeds										
Cash	716,877	N/A	N/A	demand	None	<u>716,877</u>		716,877	Deutsche Bank	716,877
							716,877			
Funds With Century Golf										
	394,855	N/A	N/A	demand	None	<u>394,855</u>		394,855	Century Golf	557,314
							394,855			
Totals							<u>14,821,166</u>	<u>14,821,166</u>		<u>\$ 14,707,642</u>

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TREASURER'S MONTHLY REPORT
 CALCULATION OF INVESTMENT LIMITATIONS
 December 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	96.90%
1 year to 3 years	N/A	50.00%	3.10%
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%	0.73%
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%	34.16%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	4.51%
LAIF	N/A	100.00%	37.10%
U.S. Government Agencies	N/A	60.00%	20.54%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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