



## City Council Staff Report

DATE: November 2, 2016 CONSENT CALENDAR  
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF  
SEPTEMBER 30, 2016  
FROM: Geoffrey S. Kiehl, Director of Finance and Treasurer  
BY: Department of Finance and Treasury

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### SUMMARY

Attached is the Treasurer's Investment Report as of September 30, 2016. 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 \$132,910,433 plus \$8,878,133 bond issue capital projects, reserve and debt service funds. There is an additional \$2,203,330 in various miscellaneous/trust accounts. The market value of the invested cash is \$133,031,277.

### RECOMMENDATION:

Receive and File Treasurer's Investment Report as of September 30, 2016.

### 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 375.02 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



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Geoffrey S. Kiehl, Director of Finance and Treasurer

Attachments: Treasurer's Investment Report

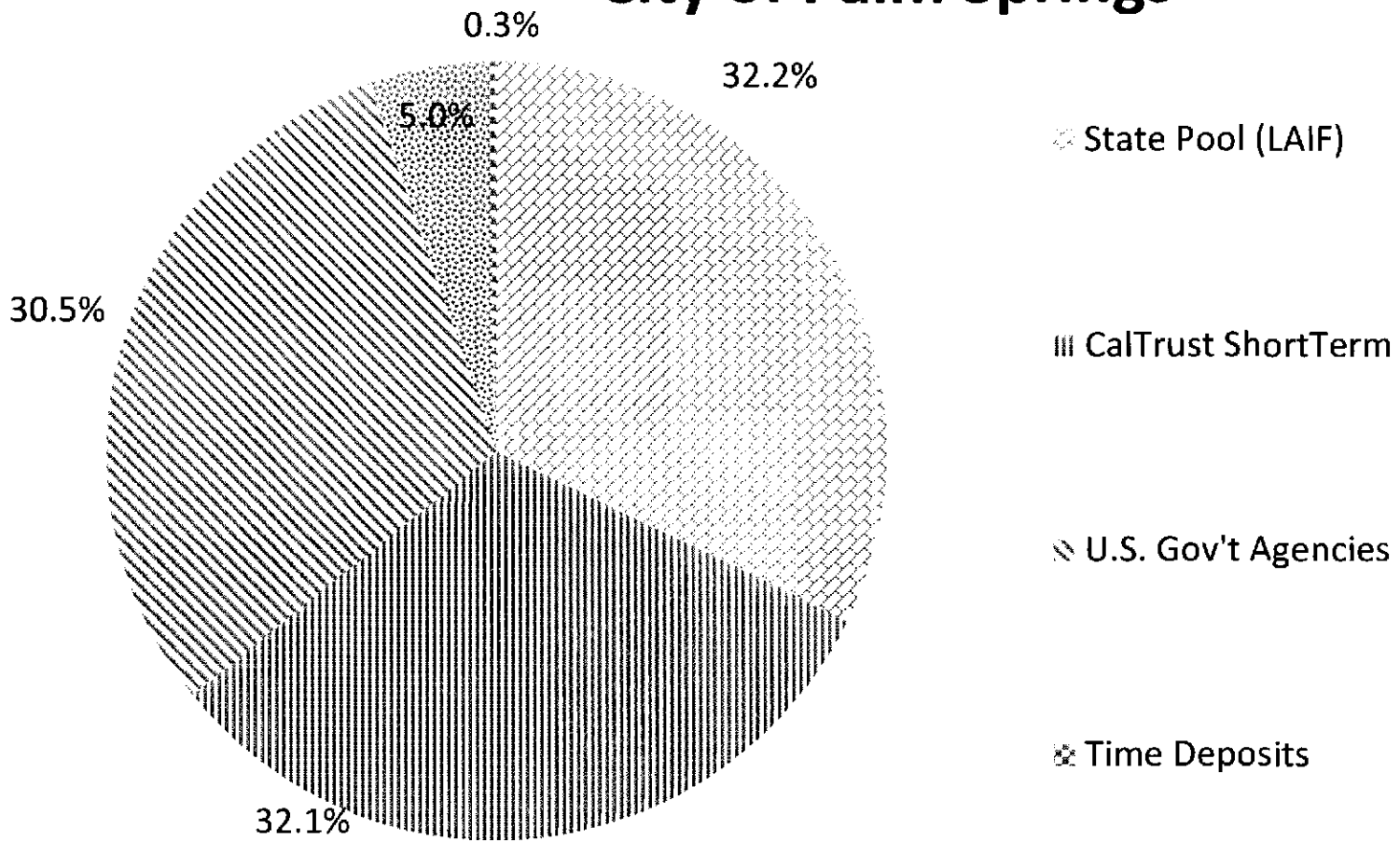
CITY OF PALM SPRINGS  
 TREASURER'S MONTHLY REPORT  
 SUMMARY OF INVESTMENTS  
 September 30, 2016

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 6,637,497		
CalTrust ShortTerm	42,605,181		
CalTrust MidTerm	0		
State Pool	<u>42,774,711</u>	\$ 92,017,389	69.23%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	37,496,000		
Time Deposits	<u>398,600</u>	37,894,600	28.51%
Medium Term Investments (1 year to 3 years)			
U.S. Gov't Agencies	2,998,444		
	<u>2,998,444</u>	2,998,444	2.26%
Long Term Investments (3 year to 5 years)			
	<u>0</u>	0	<u>0.00%</u>
		\$ <u><u>132,910,433</u></u>	<u><u>100.00%</u></u>

Total  
\$132,910,433

# Investment Allocation City of Palm Springs

As of  
09/30/2016



TREASURER'S MONTHLY REPORT  
 DETAIL OF INVESTMENTS  
 September 30, 2016

	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
<b>On Call Deposits</b>													
Checking - Bank of America	\$ 6,637,497	N/A	AAA		demand	N/A	1	None	6,637,497	\$	6,637,497	Bank of America	5,368,630
CalTrust ShortTerm	41,500,000	variable	N/A		demand	N/A	1	0.81%	42,605,181		42,625,546	CalTrust	44,558,159
CalTrust MidTerm	0	variable	N/A		demand	N/A	1	0.00%	0		0	CalTrust	4,985,057
Local Agency Invest Fund (LAIF)	42,500,000	variable	N/A		demand	N/A	1	0.63%	42,774,711		42,801,284	LAIF	49,725,450
	90,637,497									92,017,389	92,064,327		104,837,296
<b>Short Term Investments (1 year or less)</b>													
U.S. Gov't Agency Securities													
Federal National Mortgage Association	0	1.125%	N/A	05/20/15	08/18/16	08/18/16	-	1.125%	0		0	Bank of NY Mellon	500,080
Federal Home Loan Bank	500,000	1.48%	N/A	03/02/16	03/02/20	09/02/16	1,249	1.48%	500,000		500,015	Bank of NY Mellon	500,190
Federal Home Loan Bank	0	1.70%	N/A	03/02/16	03/02/21	09/02/16	-	1.70%	0		0	Bank of NY Mellon	500,250
Federal Farm Credit Bank	500,000	1.65%	N/A	05/04/16	11/04/20	09/04/16	1,496	1.65%	500,000		500,010	Bank of NY Mellon	500,160
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	06/09/16	06/09/21	09/09/16	1,713	1.25%	1,000,000		1,000,080	Bank of NY Mellon	1,000,240
Federal Home Loan Bank	1,000,000	1.25%	N/A	06/16/16	06/16/21	09/16/16	1,720	1.25%	998,500		1,000,030	Bank of NY Mellon	1,000,180
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/12	09/20/17	09/20/16	355	1.00%	2,000,000		2,001,920	Bank of NY Mellon	2,003,980
Federal National Mortgage Association	500,000	1.375%	N/A	03/30/16	03/30/21	09/30/16	1,642	1.3750%	500,000		499,830	Bank of NY Mellon	500,035
Federal Home Loan Mortgage Corporation	0	1.50%	N/A	03/30/16	03/30/21	09/30/16	-	1.50%	0		0	Bank of NY Mellon	500,435
Federal Home Loan Mortgage Corporation	0	1.60%	N/A	03/30/16	03/30/21	09/30/16	-	1.60%	0		0	Bank of NY Mellon	500,405
Federal Home Loan Mortgage Corporation	500,000	1.50%	N/A	04/21/16	04/21/21	10/21/16	1,664	1.50%	500,000		500,045	Bank of NY Mellon	500,395
Federal Home Loan Bank	1,000,000	1.00%	N/A	04/29/16	04/28/21	10/28/16	1,671	1.00%	998,500		999,670	Bank of NY Mellon	1,000,050
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/13	01/30/18	10/30/16	487	1.03%	4,000,000		3,998,320	Bank of NY Mellon	4,000,280
Federal Farm Credit Bank	500,000	1.58%	N/A	05/17/16	02/17/21	11/17/16	1,601	1.58%	500,000		499,815	Bank of NY Mellon	500,015
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/13	05/21/18	11/21/16	598	1.03%	2,000,000		2,000,180	Bank of NY Mellon	2,000,480
Federal Home Loan Mortgage Corporation	500,000	1.30%	N/A	08/09/16	08/23/19	11/23/16	1,057	1.30%	500,000		500,120	Bank of NY Mellon	0
Federal National Mortgage Association	1,000,000	1.50%	N/A	05/25/16	05/25/21	11/25/16	1,698	1.50%	1,000,000		1,000,120	Bank of NY Mellon	1,000,260
Federal Farm Credit Bank	500,000	1.25%	N/A	05/25/16	05/25/21	11/25/16	1,698	1.25%	500,000		500,125	Bank of NY Mellon	500,475
Federal National Mortgage Association	500,000	1.25%	N/A	05/25/16	05/25/21	11/25/16	1,698	1.25%	500,000		500,100	Bank of NY Mellon	500,430
Federal Farm Credit Bank	500,000	1.125%	N/A	05/27/15	05/27/21	11/25/16	1,700	1.125%	499,000		499,995	Bank of NY Mellon	500,140
Federal Home Loan Mortgage Corporation	2,000,000	1.50%	N/A	07/18/16	08/25/21	11/25/16	1,790	1.50%	2,000,000		1,995,920	Bank of NY Mellon	0
Federal National Mortgage Association	500,000	1.125%	N/A	02/26/16	02/26/21	11/26/16	1,610	1.125%	500,000		499,935	Bank of NY Mellon	500,055
Federal National Mortgage Association	500,000	1.00%	N/A	02/26/16	02/26/21	11/26/16	1,610	1.00%	500,000		500,120	Bank of NY Mellon	500,195
Federal National Mortgage Association	500,000	1.40%	N/A	02/26/16	11/26/19	11/26/16	1,152	1.40%	500,000		500,170	Bank of NY Mellon	500,250
Federal Home Loan Mortgage Corporation	500,000	1.25%	N/A	02/26/16	02/26/21	11/26/16	1,610	1.25%	500,000		500,120	Bank of NY Mellon	500,180

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TREASURER'S MONTHLY REPORT  
 DETAIL OF INVESTMENTS  
 September 30, 2016

	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
<b>Short Term Investments (Continued)</b> ( 1 year or less)													
U.S. Gov't Agency Securities (Continued)													
Federal National Mortgage Association	1,000,000	1.125%	N/A	07/27/16	07/27/21	01/27/17	1,761	1.125%	1,000,000		997,970	Bank of NY Mellon	0
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	07/19/16	08/16/21	02/16/17	1,781	1.25%	1,000,000		999,780	Bank of NY Mellon	0
Federal National Mortgage Association	1,000,000	1.13%	N/A	08/03/16	11/24/20	02/24/17	1,516	1.13%	1,000,000		996,510	Bank of NY Mellon	0
Federal National Mortgage Association	1,000,000	1.20%	N/A	08/03/16	02/24/20	02/24/17	1,242	1.20%	1,000,000		1,000,010	Bank of NY Mellon	0
Federal National Mortgage Association	1,000,000	1.00%	N/A	08/03/16	08/24/21	02/24/17	1,789	1.00%	1,000,000		998,620	Bank of NY Mellon	0
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	08/08/16	08/24/21	02/24/17	1,789	1.00%	1,000,000		998,910	Bank of NY Mellon	0
Federal National Mortgage Association	500,000	1.25%	N/A	08/09/16	02/24/20	02/24/17	1,242	1.25%	500,000		499,355	Bank of NY Mellon	0
Federal Home Loan Bank	500,000	1.25%	N/A	08/09/16	08/22/19	02/22/17	1,056	1.25%	500,000		499,770	Bank of NY Mellon	0
Federal National Mortgage Association	500,000	1.50%	N/A	02/24/16	11/24/20	02/24/17	1,516	1.50%	500,000		501,125	Bank of NY Mellon	502,185
Federal National Mortgage Association	500,000	1.00%	N/A	03/10/16	03/10/21	03/10/17	1,622	1.00%	500,000		500,155	Bank of NY Mellon	500,735
Federal Home Loan Mortgage Corporation	1,000,000	1.50%	N/A	09/12/16	09/30/21	03/30/17	1,826	1.50%	1,000,000		1,001,920	Bank of NY Mellon	0
Federal Farm Credit Bank	500,000	0.625%	N/A	05/22/15	05/22/17	N/A	234	0.625%	500,000		499,425	Bank of NY Mellon	500,075
Federal Farm Credit Bank	1,000,000	1.30%	N/A	06/06/16	06/06/19	06/06/17	979	1.30%	1,000,000		1,001,740	Bank of NY Mellon	1,003,540
Federal Farm Credit Bank	1,000,000	1.12%	N/A	06/20/16	06/27/19	06/27/17	1,000	1.12%	1,000,000		1,000,100	Bank of NY Mellon	1,001,240
Federal National Mortgage Association	1,000,000	1.10%	N/A	06/20/16	06/28/19	06/28/17	1,001	1.10%	1,000,000		998,600	Bank of NY Mellon	1,000,800
Federal Farm Credit Bank	500,000	1.08%	N/A	08/04/16	08/15/19	08/15/17	1,049	1.08%	500,000		499,400	Bank of NY Mellon	0
Federal National Mortgage Association	1,000,000	1.10%	N/A	08/03/16	08/23/19	08/23/17	1,057	1.10%	1,000,000		999,870	Bank of NY Mellon	0
Federal National Mortgage Association	1,000,000	1.40%	N/A	08/03/16	08/25/21	08/25/17	1,790	1.40%	1,000,000		1,000,120	Bank of NY Mellon	0
Federal National Mortgage Association	2,000,000	1.25%	N/A	08/04/16	08/28/20	08/28/17	1,428	1.25%	2,000,000		1,999,180	Bank of NY Mellon	0
	<u>37,500,000</u>									37,496,000	<u>37,489,200</u>		24,517,735
Time Deposits													
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	298	1.80%	198,600		200,802	Bank of NY Mellon	202,153
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	299	1.70%	200,000		200,640	Bank of NY Mellon	202,265
	<u>400,000</u>									398,600	<u>401,442</u>		404,418
<b>Medium Term Investments</b> ( 1 year to 3 years)													
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	528	1.10%	2,000,000		2,007,380	Bank of NY Mellon	2,017,360
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/88	04/06/18	N/A	553	9.80%	498,594		568,044	Bank of America	580,015
Federal Farm Credit Bank	500,000	1.03%	N/A	02/24/16	02/12/19	N/A	865	1.03%	499,850		500,885	Bank of NY Mellon	502,720
	<u>3,000,000</u>									2,998,444	<u>3,076,309</u>		3,100,095
<b>Total Invested Cash</b>													
	<u>\$ 131,537,497</u>									<u>\$ 132,910,433</u>	<u>\$ 133,031,277</u>		<u>\$ 132,859,544</u>

Current Quarter Portfolio Yield	0.86%	
Benchmark Yields:		
12 Month LAIF Average	0.47%	Prior Quarter Portfolio Yield
2 Year Constant Maturity Treasury	0.79%	

\*Interest Income for the Quarter Ending 09/30/2016 \$ 193,151

\*Gross amount before deduction of investment related fees

TREASURER'S MONTHLY REPORT  
 MISCELLANEOUS AND TRUST ACCOUNTS  
 September 30, 2016

	<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>
<b>Total Invested Cash</b>	\$ 132,910,433					\$ 132,910,433	\$ 132,910,433
<b>Miscellaneous Accounts</b>							
Petty Cash	3,950	N/A	N/A	open	None	3,950	
Trust & Agency - Bank of America	1,991,662	N/A	N/A	open	None	1,991,662	
Downpayment Assistance (Housing Fund) -Bank of America	33,961	0.20%	N/A	open	0.20%	33,961	
Workers Compensation - Bank of America	3,491	N/A	N/A	open	None	3,491	
General Liability - Bank of America	29,352	N/A	N/A	open	None	29,352	
1930's General Store Museum - Bank of America	12,335	N/A	N/A	open	None	12,335	
On-Line Credit Card Fire Inspection Fees -Bank of America	118,193	N/A	N/A	open	None	118,193	
On-Line Credit Card Transportation Permits -Bank of America	10,385	N/A	N/A	open	None	10,385	2,203,330
<b>Total Cash Deposited</b>							\$ <u>135,113,762</u>

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TREASURER'S MONTHLY REPORT  
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS  
 September 30, 2016

	<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	1,134,969	variable	AAA	open	0.01%	<u>1,134,969</u>		1,134,969	Bank of NY Mellon	2,253,410
							1,134,969			
2006 Airport PFC										
Invesco Government & Agency Private	1,241,900	variable	AAA	open	0.01%	<u>1,241,900</u>		1,241,900	Bank of NY Mellon	2,444,427
							1,241,900			
2007 Refunding Lease Revenue Bonds										
First American Government Obligation	259,969	variable	AAA	open	0.01%	<u>259,969</u>		259,969	US Bank	0
							259,969			
2007A&B Tax Allocation Bonds										
First American Government Obligation	30	variable	AAA	open	0.01%	<u>30</u>		30	US Bank	368,284
							30			
2007C Tax Allocation Bonds										
First American Government Obligation	19	variable	AAA	open	0.01%	<u>19</u>		19	US Bank	340,892
							19			
2008 Airport PFC Refunding										
Invesco Government & Agency Private	601,382	variable	AAA	open	0.01%	<u>601,382</u>		601,382	Bank of NY Mellon	609,921
							601,382			
2012 Downtown Revitalization Lease Revenue Bond Reserve										
Invesco Government & Agency Private	3,193,818	variable	AAA	open	0.01%	<u>3,193,818</u>		3,193,818	Bank of NY Mellon	3,192,921
							3,193,818			

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**TREASURER'S MONTHLY REPORT**  
**BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS**  
**September 30, 2016**

	<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	12,672	variable	AAA	open	0.01%	<u>12,672</u>	12,672	12,672	US Bank	12,672
							12,672			
2014 Merged Project 1 & 2/Housing Refunding First American Government Obligation	6	variable	AAA	open	0.01%	<u>6</u>	6	6	US Bank	470,017
							6			
2015 Reassessment District No.2015-1 First American Government Obligation	274,333	variable	AAA	open	0.01%	<u>274,333</u>	274,333	274,333	US Bank	274,338
							274,333			
2015 Local Measure A Sales Tax First American Government Obligation	1,112,744	variable	AAA	open	0.01%	<u>1,112,744</u>	1,112,744	1,112,744	US Bank	1,840,412
							1,112,744			
2015 Refunding Lease Revenue Bonds First American Government Obligation	3,604	variable	AAA	open	0.01%	<u>3,604</u>	3,604	3,604	US Bank	3,604
							3,604			
Chevron/CoGen Lease Proceeds Cash	716,877	N/A	N/A	demand	None	<u>716,877</u>	716,877	716,877	Deutsche Bank	716,877
							716,877			
Funds With Century Golf	325,812	N/A	N/A	demand	None	<u>325,812</u>	325,812	325,812	Century Golf	1,172,635
							325,812			
<b>Totals</b>							<u>8,878,133</u>	<u>8,878,133</u>		<u>\$ 13,700,410</u>

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TREASURER'S MONTHLY REPORT  
 CALCULATION OF INVESTMENT LIMITATIONS  
 September 30, 2016

<u>By Maturity:</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Current Mo.</u>
1 day to 365 days	N/A	N/A	97.74%
1 year to 3 years	N/A	50.00%	2.26%
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%	0.30%
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%	32.06%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	0.00%
LAIF	N/A	100.00%	32.18%
U.S. Government Agencies	N/A	60.00%	30.47%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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