



City Council Staff Report

DATE: December 7, 2016 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
OCTOBER 31, 2016
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 October 31, 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 \$128,124,742 plus \$12,460,326 bond issue capital projects, reserve and debt service funds. There is an additional \$2,206,323 in various miscellaneous/trust accounts. The market value of the invested cash is \$128,137,322.

RECOMMENDATION:

Receive and File Treasurer's Investment Report as of October 31, 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 413.19 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

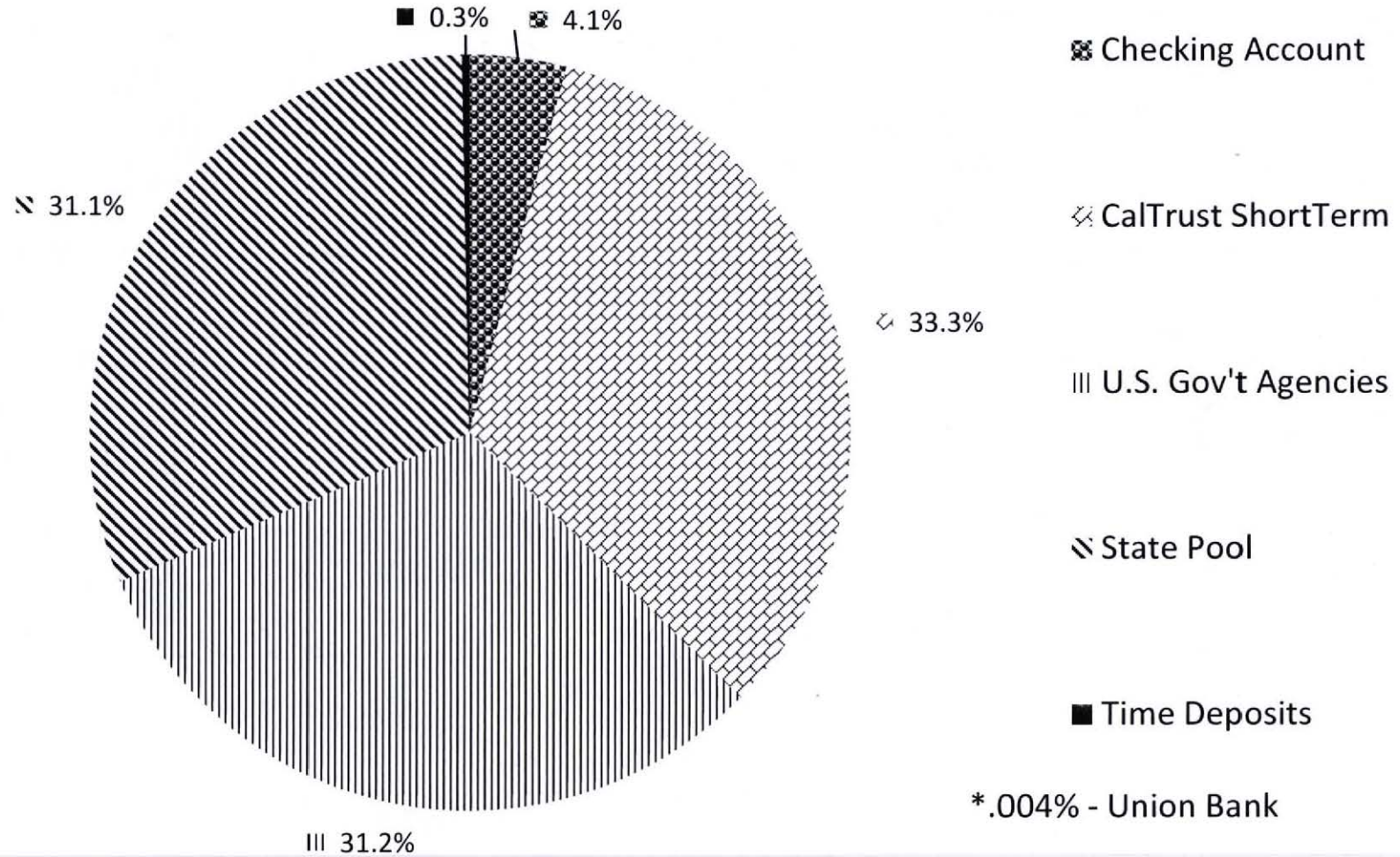
CITY OF PALM SPRINGS
 TREASURER'S MONTHLY REPORT
 SUMMARY OF INVESTMENTS
 October 31, 2016

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 5,248,914		
CalTrust ShortTerm	42,633,164		
Union Bank	5,000		
State Pool	<u>39,845,370</u>	\$ 87,732,448	68.47%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	36,995,250		
Time Deposits	<u>398,600</u>	37,393,850	29.19%
Medium Term Investments (1 year to 3 years)			
U.S. Gov't Agencies	2,998,444		
	<u>2,998,444</u>	2,998,444	2.34%
Long Term Investments (3 year to 5 years)			
	<u>0</u>	0	<u>0.00%</u>
		\$ <u><u>128,124,742</u></u>	<u><u>100.00%</u></u>

Total
\$128,124,742

Investment Allocation City of Palm Springs

As of 10/31/2016



TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
October 31, 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
On Call Deposits													
Checking - Bank of America	\$ 5,248,914	N/A	AAA		demand	N/A	1	None	5,248,914		\$ 5,248,914	Bank of America	6,637,497
CalTrust ShortTerm	41,500,000	variable	N/A		demand	N/A	1	0.87%	42,633,164		42,653,529	CalTrust	42,625,546
Union Bank	5,000	N/A	N/A		demand	N/A	1	None	5,000		5,000	Union Bank	0
Local Agency Invest Fund (LAIF)	39,500,000	variable	N/A		demand	N/A	1	0.654%	39,845,370		39,857,564	LAIF	42,801,284
	86,253,914									87,732,448	87,765,007		92,064,327
Short Term Investments (1 year or less)													
U.S. Gov't Agency Securities													
Federal Home Loan Bank	0	1.48%	N/A	03/02/16	03/02/20	10/02/16	-	1.48%	0		0	Bank of New York	500,015
Federal Farm Credit Bank	0	1.65%	N/A	05/04/16	11/04/20	10/04/16	-	1.65%	0		0	Bank of New York	500,010
Federal Home Loan Mortgage Corporation	0	1.50%	N/A	04/21/16	04/21/21	10/21/16	-	1.50%	0		0	Union Bank	500,045
Federal Home Loan Bank	1,000,000	1.00%	N/A	04/29/16	04/28/21	10/28/16	1,640	1.00%	998,500		998,960	Union Bank	999,670
Federal National Mortgage Association	0	1.03%	N/A	01/30/13	01/30/18	10/30/16	-	1.03%	0		0	Union Bank	3,998,320
Federal Farm Credit Bank	500,000	1.58%	N/A	05/17/16	02/17/21	11/17/16	1,570	1.58%	500,000		496,610	Union Bank	499,815
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/13	05/21/18	11/21/16	567	1.03%	2,000,000		1,993,680	Union Bank	2,000,180
Federal Home Loan Mortgage Corporation	500,000	1.30%	N/A	08/09/16	08/23/19	11/23/16	1,026	1.30%	500,000		500,020	Union Bank	500,120
Federal National Mortgage Association	1,000,000	1.50%	N/A	05/25/16	05/25/21	11/25/16	1,667	1.50%	1,000,000		998,440	Union Bank	1,000,120
Federal Farm Credit Bank	500,000	1.25%	N/A	05/25/16	05/25/21	11/25/16	1,667	1.25%	500,000		499,660	Union Bank	500,125
Federal National Mortgage Association	500,000	1.25%	N/A	05/25/16	05/25/21	11/25/16	1,667	1.25%	500,000		499,835	Union Bank	500,100
Federal Farm Credit Bank	500,000	1.125%	N/A	05/27/15	05/27/21	11/25/16	1,669	1.125%	499,000		499,165	Union Bank	499,995
Federal Home Loan Mortgage Corporation	2,000,000	1.50%	N/A	07/18/16	08/25/21	11/25/16	1,759	1.50%	2,000,000		1,985,560	Union Bank	1,995,920
Federal National Mortgage Association	500,000	1.125%	N/A	02/26/16	02/26/21	11/26/16	1,579	1.125%	500,000		499,680	Union Bank	499,935
Federal National Mortgage Association	500,000	1.00%	N/A	02/26/16	02/26/21	11/26/16	1,579	1.00%	500,000		499,990	Union Bank	500,120
Federal National Mortgage Association	500,000	1.40%	N/A	02/26/16	11/26/19	11/26/16	1,121	1.40%	500,000		500,045	Union Bank	500,170
Federal Home Loan Mortgage Corporation	500,000	1.25%	N/A	02/26/16	02/26/21	11/26/16	1,579	1.25%	500,000		499,665	Union Bank	500,120
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	06/09/16	12/09/21	12/09/16	1,682	1.25%	1,000,000		999,350	Union Bank	1,000,080
Federal Home Loan Bank	1,000,000	1.25%	N/A	06/16/16	06/16/21	12/16/16	1,689	1.25%	998,500		997,710	Union Bank	1,000,030
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/12	09/20/17	12/20/16	324	1.00%	2,000,000		2,001,180	Union Bank	2,001,920
Federal National Mortgage Association	500,000	1.375%	N/A	03/30/16	03/30/21	12/30/16	1,611	1.3750%	500,000		498,960	Union Bank	499,830

TREASURER'S MONTHLY REPORT
 DETAIL OF INVESTMENTS
 October 31, 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
Short Term Investments (Continued) (1 year or less)													
U.S. Gov't Agency Securities (Continued)													
Federal Home Loan Bank	1,000,000	1.50%	N/A	09/12/16	10/12/21	01/12/17	1,807	1.50%	1,000,000		998,160	Union Bank	0
Federal National Mortgage Association	1,000,000	1.125%	N/A	07/27/16	07/27/21	01/27/17	1,730	1.125%	1,000,000		995,200	Union Bank	997,970
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	07/19/16	08/16/21	02/16/17	1,750	1.25%	1,000,000		997,810	Union Bank	999,780
Federal National Mortgage Association	1,000,000	1.13%	N/A	08/03/16	11/24/20	02/24/17	1,485	1.13%	1,000,000		992,430	Union Bank	996,510
Federal National Mortgage Association	1,000,000	1.20%	N/A	08/03/16	02/24/20	02/24/17	1,211	1.20%	1,000,000		996,380	Union Bank	1,000,010
Federal National Mortgage Association	1,000,000	1.00%	N/A	08/03/16	08/24/21	02/24/17	1,758	1.00%	1,000,000		997,390	Union Bank	998,620
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	08/08/16	08/24/21	02/24/17	1,758	1.00%	1,000,000		997,730	Union Bank	998,910
Federal National Mortgage Association	500,000	1.25%	N/A	08/09/16	02/24/20	02/24/17	1,211	1.25%	500,000		497,500	Union Bank	499,355
Federal Home Loan Bank	500,000	1.25%	N/A	08/09/16	08/22/19	02/22/17	1,025	1.25%	500,000		498,050	Union Bank	499,770
Federal National Mortgage Association	500,000	1.50%	N/A	02/24/16	11/24/20	02/24/17	1,485	1.50%	500,000		500,645	Union Bank	501,125
Federal National Mortgage Association	500,000	1.00%	N/A	03/10/16	03/10/21	03/10/17	1,591	1.00%	500,000		499,830	Union Bank	500,155
Federal Home Loan Mortgage Corporation	1,000,000	1.50%	N/A	09/12/16	09/30/21	03/30/17	1,795	1.50%	1,000,000		1,000,980	Union Bank	1,001,920
Federal Home Loan Mortgage Corporation	1,000,000	1.40%	N/A	09/29/16	10/27/21	04/27/17	1,822	1.40%	1,000,000		997,050	Union Bank	0
Federal Home Loan Mortgage Corporation	1,000,000	1.13%	N/A	10/12/16	10/28/21	04/28/17	1,823	1.13%	1,000,000		994,550	Union Bank	0
Federal Home Loan Mortgage Corporation	1,000,000	1.05%	N/A	10/12/16	10/28/21	04/28/17	1,823	1.05%	1,000,000		999,260	Union Bank	0
Federal Farm Credit Bank	500,000	0.625%	N/A	05/22/15	05/22/17	N/A	203	0.625%	500,000		500,155	Union Bank	499,425
Federal Farm Credit Bank	1,000,000	1.30%	N/A	06/06/16	06/06/19	06/06/17	948	1.30%	1,000,000		1,000,660	Union Bank	1,001,740
Federal Farm Credit Bank	1,000,000	1.12%	N/A	06/20/16	06/27/19	06/27/17	969	1.12%	1,000,000		997,330	Union Bank	1,000,100
Federal National Mortgage Association	1,000,000	1.10%	N/A	06/20/16	06/28/19	06/28/17	970	1.10%	1,000,000		995,620	Union Bank	998,600
Federal Farm Credit Bank	500,000	1.08%	N/A	08/04/16	08/15/19	08/15/17	1,018	1.08%	500,000		497,970	Union Bank	499,400
Federal National Mortgage Association	1,000,000	1.10%	N/A	08/03/16	08/23/19	08/23/17	1,026	1.10%	1,000,000		996,680	Union Bank	999,870
Federal National Mortgage Association	1,000,000	1.40%	N/A	08/03/16	08/25/21	08/25/17	1,759	1.40%	1,000,000		994,260	Union Bank	1,000,120
Federal National Mortgage Association	2,000,000	1.25%	N/A	08/04/16	08/28/20	08/28/17	1,397	1.25%	2,000,000		1,986,820	Union Bank	1,999,180
Federal Farm Credit Bank	1,000,000	1.12%	N/A	10/19/16	10/11/19	10/11/17	1,075	1.12%	999,250		997,990	Union Bank	0
	37,000,000									36,995,250	36,898,960		37,489,200
Time Deposits													
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	267	1.80%	198,600		201,742	Union Bank	200,802
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	268	1.70%	200,000		201,822	Union Bank	200,640
	400,000									398,600	403,564		401,442
Medium Term Investments (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	497	1.10%	2,000,000		2,005,840	Union Bank	2,007,380
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/88	04/06/18	N/A	522	9.80%	498,594		564,031	Bank of America	568,044
Federal Farm Credit Bank	500,000	1.03%	N/A	02/24/16	02/12/19	N/A	834	1.03%	499,850		499,920	Union Bank	500,885
	3,000,000									2,998,444	3,069,791		3,076,309
Total Invested Cash	\$ 126,653,914									\$ 128,124,742	\$ 128,137,322		\$ 133,031,277

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TREASURER'S MONTHLY REPORT
MISCELLANEOUS AND TRUST ACCOUNTS

October 31, 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>
Total Invested Cash	\$ 128,124,742					\$ <u>128,124,742</u>	\$ 128,124,742
Miscellaneous Accounts							
Petty Cash	3,950	N/A	N/A	open	None	3,950	
Trust & Agency - Bank of America	1,971,229	N/A	N/A	open	None	1,971,229	
Downpayment Assistance (Housing Fund) -Bank of America	33,967	0.20%	N/A	open	0.20%	33,967	
Workers Compensation - Bank of America	8,570	N/A	N/A	open	None	8,570	
General Liability - Bank of America	30,000	N/A	N/A	open	None	30,000	
1930's General Store Museum - Bank of America	11,530	N/A	N/A	open	None	11,530	
On-Line Credit Card Fire Inspection Fees -Bank of America	136,351	N/A	N/A	open	None	136,351	
On-Line Credit Card Transportation Permits -Bank of America	10,727	N/A	N/A	open	None	<u>10,727</u>	2,206,323
Total Cash Deposited							\$ <u><u>130,331,065</u></u>

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 October 31, 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	1,169,240	variable	AAA	open	0.01%	<u>1,169,240</u>		1,169,240	Bank of NY Mellon	1,134,969
							1,169,240			
2006 Airport PFC										
Invesco Government & Agency Private	1,357,977	variable	AAA	open	0.01%	<u>1,357,977</u>		1,357,977	Bank of NY Mellon	1,241,900
							1,357,977			
2007 Refunding Lease Revenue Bonds										
First American Government Obligation	0	variable	AAA	open	0.01%	<u>0</u>		0	US Bank	259,969
							0			
2007A&B Tax Allocation Bonds										
First American Government Obligation	30	variable	AAA	open	0.01%	<u>30</u>		30	US Bank	30
							30			
2007C Tax Allocation Bonds										
First American Government Obligation	19	variable	AAA	open	0.01%	<u>19</u>		19	US Bank	19
							19			
2008 Airport PFC Refunding										
Invesco Government & Agency Private	601,446	variable	AAA	open	0.01%	<u>601,446</u>		601,446	Bank of NY Mellon	601,382
							601,446			
2012 Downtown Revitalization Lease Revenue Bond Reserve										
Invesco Government & Agency Private	3,194,159	variable	AAA	open	0.01%	<u>3,194,159</u>		3,194,159	Bank of NY Mellon	3,193,818
							3,194,159			

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
October 31, 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	3,356,715	variable	AAA	open	0.01%	<u>3,356,715</u>	3,356,715	3,356,715	US Bank	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	6
2015 Reassessment District No.2015-1 First American Government Obligation	274,335	variable	AAA	open	0.01%	<u>274,335</u>	274,335	274,335	US Bank	274,333
2015 Local Measure A Sales Tax First American Government Obligation	1,112,751	variable	AAA	open	0.01%	<u>1,112,751</u>	1,112,751	1,112,751	US Bank	1,112,744
2015 Refunding Lease Revenue Bonds First American Government Obligation	357,041	variable	AAA	open	0.01%	<u>357,041</u>	357,041	357,041	US Bank	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
Funds With Century Golf	319,732	N/A	N/A	demand	None	<u>319,732</u>	319,732	319,732	Century Golf	325,812
Totals							<u>12,460,326</u>	<u>12,460,326</u>		<u>\$ 8,878,133</u>

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TREASURER'S MONTHLY REPORT
 CALCULATION OF INVESTMENT LIMITATIONS
 October 31, 2016

<u>By Maturity:</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Current Mo.</u>
1 day to 365 days	N/A	N/A	97.66%
1 year to 3 years	N/A	50.00%	2.34%
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%	0.31%
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%	33.27%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	0.00%
LAIF	N/A	100.00%	31.10%
U.S. Government Agencies	N/A	60.00%	31.21%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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