City Council Staff Report

DATE: May 3, 2017 CONSENT CALENDAR

SUBJECT: TREASURER'S INVESTMENT REPORT AS OF March 31, 2017

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 March 31, 2017. 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 $143,929,360 plus $11,150,353 bond issue capital projects, reserve and debt service funds. There is an additional $2,133,005 in various miscellaneous/trust accounts. The market value of the invested cash is $143,274,521.

RECOMMENDATION:

Receive and File Treasurer's Investment Report as of March 31, 2017.

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.

ITEM NO. 1.C.

The weighted average maturity (WAM) of the portfolio is 533.79 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
March 31, 2017

On Call Deposits		Adjusted Basis		Category Total	Percentage
Checking Account	$	22,876,913			
CalTrust ShortTerm		28,752,073			
State Pool		31,909,330	$	83,538,316	58.04%
Short Term Investments (1 year or less)					
U.S. Gov't Agencies		56,994,000			
Time Deposits		398,600		57,392,600	39.88%
Medium Term Investments (1 year to 3 years)					
U.S. Gov't Agencies		2,998,444			
				2,998,444	2.08%
Long Term Investments (3 year to 5 years)					
		0		0	0.00%
			$	143,929,360	100.00%

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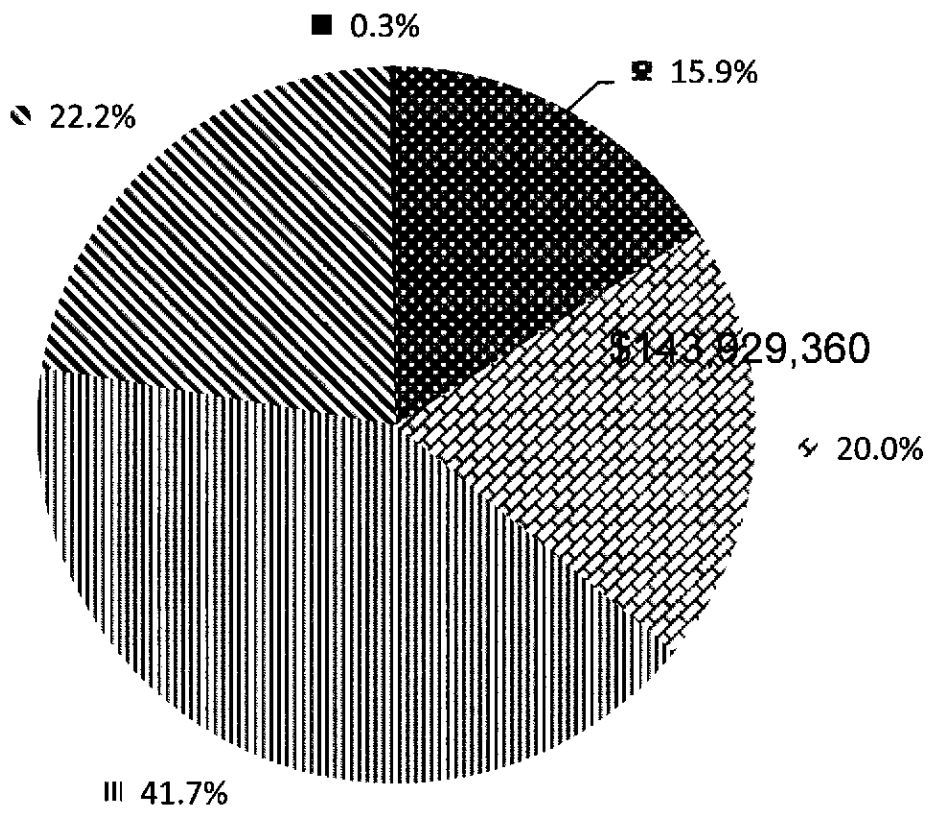
Total

$143,929,360

Investment Allocation
City of Palm Springs

As of 03/31/2017



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

TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
March 31, 2017

	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	$ 22,876,913	N/A	AAA		demand	N/A	1	None	22,876,913		$ 22,876,913	Bank of America	6,864,297
CalTrust ShortTerm	27,500,000	variable	N/A		demand	N/A	1	1.24%	28,752,073		28,744,829	CalTrust	31,669,479
Local Agency Invest Fund (LAIF)	31,500,000	variable	N/A		demand	N/A	1	0.821%	31,909,330		31,883,036	LAIF	31,827,022
	81,876,913								83,538,316	83,538,316	83,504,777		70,360,798
Short Term Investments (1 year or less)													
U.S. Gov't Agency Securities													
Federal National Mortgage Association	500,000	1.25%	N/A	08/09/16	02/24/20	03/01/17	1,060	1.25%	500,000		493,030	Union Bank	492,630
Federal National Mortgage Association	500,000	1.50%	N/A	02/24/16	11/24/20	03/01/17	1,334	1.50%	500,000		496,360	Union Bank	496,430
Federal Farm Credit Bank	500,000	1.58%	N/A	05/17/16	02/17/21	03/01/17	1,419	1.58%	500,000		493,755	Union Bank	489,755
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	06/09/16	06/09/21	03/09/17	1,531	1.25%	1,000,000		992,080	Union Bank	990,310
Federal National Mortgage Association	500,000	1.00%	N/A	03/10/16	03/10/21	03/10/17	1,440	1.00%	500,000		499,325	Union Bank	499,925
Federal Home Loan Bank	1,000,000	1.50%	N/A	09/12/16	10/12/21	03/12/17	1,656	1.50%	1,000,000		979,160	Union Bank	976,770
Federal Home Loan Mortgage Corporation	1,000,000	1.85%	N/A	11/15/16	12/14/21	03/14/17	1,719	1.85%	1,000,000		995,660	Union Bank	995,230
Federal Home Loan Bank	1,000,000	1.25%	N/A	06/16/16	06/16/21	03/16/17	1,538	1.25%	998,500		984,470	Union Bank	982,120
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/12	09/20/17	03/20/17	173	1.00%	2,000,000		2,001,340	Union Bank	2,001,040
Federal Home Loan Bank	500,000	1.25%	N/A	08/09/16	08/22/19	03/22/17	874	1.25%	500,000		494,460	Union Bank	494,260
Federal National Mortgage Association	1,000,000	1.20%	N/A	08/03/16	02/24/20	03/24/17	1,060	1.20%	1,000,000		985,630	Union Bank	984,630
Federal National Mortgage Association	500,000	1.375%	N/A	03/30/16	03/30/21	03/30/17	1,460	1.375%	500,000		492,235	Union Bank	491,190
Federal Home Loan Bank	1,000,000	2.00%	N/A	11/30/16	12/30/21	03/30/17	1,735	2.00%	1,000,000		998,040	Union Bank	1,000,050
Federal Home Loan Mortgage Corporation	1,000,000	1.50%	N/A	09/12/16	09/30/21	03/30/17	1,644	1.50%	1,000,000		989,420	Union Bank	988,440
Federal National Mortgage Association	1,000,000	1.125%	N/A	07/27/16	07/27/21	04/27/17	1,579	1.125%	1,000,000		983,560	Union Bank	981,410
Federal Home Loan Mortgage Corporation	1,000,000	1.40%	N/A	09/29/16	10/27/21	04/27/17	1,671	1.40%	1,000,000		973,600	Union Bank	971,700
Federal Home Loan Bank	1,000,000	1.00%	N/A	04/29/16	04/28/21	04/28/17	1,489	1.00%	998,500		991,480	Union Bank	988,680
Federal Home Loan Mortgage Corporation	1,000,000	1.13%	N/A	10/12/16	10/28/21	04/28/17	1,672	1.13%	1,000,000		986,770	Union Bank	985,460
Federal Home Loan Mortgage Corporation	1,000,000	1.05%	N/A	10/12/16	10/28/21	04/28/17	1,672	1.05%	1,000,000		974,680	Union Bank	980,150
Federal Home Loan Bank	1,000,000	1.25%	N/A	10/24/16	11/08/21	05/08/17	1,683	1.25%	1,000,000		983,960	Union Bank	980,120
Federal Home Loan Bank	1,000,000	1.25%	N/A	10/13/16	11/10/21	05/10/17	1,685	1.25%	1,000,000		986,240	Union Bank	983,860
Federal Home Loan Mortgage Corporation	1,000,000	1.55%	N/A	10/11/16	11/10/21	05/10/17	1,685	1.55%	1,000,000		978,910	Union Bank	977,410
Federal Home Loan Mortgage Corporation	1,000,000	1.10%	N/A	10/25/16	05/15/19	05/15/17	775	1.10%	1,000,000		1,000,710	Union Bank	1,002,150
Federal Home Loan Bank	1,000,000	1.05%	N/A	10/25/16	11/15/21	05/15/17	1,690	1.05%	1,000,000		992,620	Union Bank	990,470
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	10/20/16	11/15/19	05/15/17	959	1.00%	1,000,000		991,930	Union Bank	990,310
Federal Home Loan Mortgage Corporation	1,000,000	1.25%	N/A	07/19/16	08/16/21	05/16/17	1,599	1.25%	1,000,000		985,580	Union Bank	983,800
Federal Home Loan Bank	1,000,000	1.00%	N/A	10/20/16	11/16/20	05/16/17	1,326	1.00%	1,000,000		989,010	Union Bank	985,600
Federal Home Loan Bank	1,000,000	1.25%	N/A	10/18/16	11/17/21	05/17/17	1,692	1.25%	1,000,000		983,740	Union Bank	981,570
Federal Home Loan Mortgage Corporation	1,000,000	1.50%	N/A	10/17/16	11/30/21	05/18/17	1,705	1.50%	1,000,000		983,490	Union Bank	982,220
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/13	05/21/18	05/21/17	416	1.03%	2,000,000		1,989,180	Union Bank	1,986,140
Federal Home Loan Mortgage Corporation	1,000,000	1.30%	N/A	10/24/16	11/22/21	05/22/17	1,697	1.30%	1,000,000		985,150	Union Bank	983,800
Federal Farm Credit Bank	500,000	0.625%	N/A	05/22/15	05/22/17	N/A	52	0.625%	500,000		499,910	Union Bank	499,925
Federal Home Loan Bank	1,000,000	1.30%	N/A	10/26/16	11/23/21	05/23/17	1,698	1.30%	1,000,000		985,270	Union Bank	983,180
Federal Home Loan Mortgage Corporation	500,000	1.30%	N/A	08/09/16	08/23/19	05/23/17	875	1.30%	500,000		497,135	Union Bank	495,180
Federal National Mortgage Association	1,000,000	1.13%	N/A	08/03/16	11/24/20	05/24/17	1,334	1.13%	1,000,000		977,910	Union Bank	975,650
Federal National Mortgage Association	1,000,000	1.00%	N/A	08/03/16	08/24/21	05/24/17	1,607	1.00%	1,000,000		992,120	Union Bank	989,860
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	08/08/16	08/24/21	05/24/17	1,607	1.00%	1,000,000		992,710	Union Bank	990,560
Federal Home Loan Mortgage Corporation	1,000,000	1.50%	N/A	05/25/16	05/25/21	05/25/17	1,516	1.50%	1,000,000		981,570	Union Bank	979,960

TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
March 31, 2017

	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	500,000	1.25%	N/A	05/25/16	05/25/21	05/25/17	1,516	1.25%	500,000		493,205	Union Bank	492,210
Federal Home Loan Mortgage Corporation	500,000	1.25%	N/A	05/25/16	05/25/21	05/25/17	1,516	1.25%	500,000		493,220	Union Bank	492,450
Federal Home Loan Bank	500,000	1.125%	N/A	05/27/15	05/27/21	05/25/17	1,518	1.125%	499,000		494,330	Union Bank	492,875
Federal Home Loan Mortgage Corporation	2,000,000	1.50%	N/A	07/18/16	08/25/21	05/25/17	1,608	1.50%	2,000,000		1,970,980	Union Bank	1,968,560
Federal Home Loan Bank	1,000,000	1.55%	N/A	11/02/16	11/26/21	05/26/17	1,701	1.55%	1,000,000		988,900	Union Bank	987,100
Federal National Mortgage Association	500,000	1.125%	N/A	02/26/16	02/26/21	05/26/17	1,428	1.125%	500,000		498,070	Union Bank	497,265
Federal National Mortgage Association	500,000	1.00%	N/A	02/26/16	02/26/21	05/26/17	1,428	1.00%	500,000		498,960	Union Bank	498,375
Federal National Mortgage Association	500,000	1.40%	N/A	02/26/16	11/26/19	05/26/17	970	1.40%	500,000		495,820	Union Bank	495,490
Federal Home Loan Mortgage Corporation	500,000	1.25%	N/A	02/26/16	02/26/21	05/26/17	1,428	1.25%	500,000		494,345	Union Bank	496,565
Federal Farm Credit Bank	1,000,000	1.30%	N/A	06/06/16	06/06/19	06/06/17	797	1.30%	1,000,000		992,600	Union Bank	995,760
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	11/16/16	06/16/20	06/16/17	1,173	1.00%	1,000,000		996,780	Union Bank	995,630
Federal Farm Credit Bank	1,000,000	1.12%	N/A	06/20/16	06/27/19	06/27/17	818	1.12%	1,000,000		989,320	Union Bank	987,760
Federal Home Loan Bank	1,000,000	1.63%	N/A	11/29/16	12/28/21	06/28/17	1,733	1.63%	1,000,000		998,930	Union Bank	997,790
Federal National Mortgage Association	1,000,000	1.10%	N/A	06/20/16	06/28/19	06/28/17	819	1.10%	1,000,000		988,520	Union Bank	988,090
Federal Farm Credit Bank	500,000	1.08%	N/A	08/04/16	08/15/19	08/15/17	867	1.08%	500,000		496,125	Union Bank	493,795
Federal National Mortgage Association	1,000,000	1.10%	N/A	08/03/16	08/23/19	08/23/17	875	1.10%	1,000,000		990,020	Union Bank	987,050
Federal National Mortgage Association	1,000,000	1.40%	N/A	08/03/16	08/25/21	08/25/17	1,608	1.40%	1,000,000		968,770	Union Bank	967,850
Federal National Mortgage Association	2,000,000	1.25%	N/A	08/04/16	08/28/20	08/28/17	1,246	1.25%	2,000,000		1,949,020	Union Bank	1,945,000
Federal Farm Credit Bank	1,000,000	1.12%	N/A	10/19/16	10/11/19	10/11/17	924	1.12%	999,250		989,400	Union Bank	989,500
Federal National Mortgage Association	1,000,000	1.17%	N/A	10/25/16	11/15/19	11/15/17	959	1.17%	998,750		985,580	Union Bank	984,360
Federal Home Loan Bank	1,000,000	1.00%	N/A	10/26/16	11/17/21	11/17/17	1,692	1.00%	1,000,000		992,840	Union Bank	990,480
Federal Home Loan Mortgage Corporation	1,000,000	1.20%	N/A	11/01/16	11/29/19	11/29/17	973	1.20%	1,000,000		986,920	Union Bank	985,400
Federal Home Loan Bank	1,000,000	1.70%	N/A	11/17/16	12/08/21	12/08/17	1,713	1.70%	1,000,000		993,430	Union Bank	992,150
	57,000,000									56,994,000	56,328,285		55,264,390
Time Deposits													
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/12	7/25/17	N/A	116	1.80%	198,600		200,648	Union Bank	201,134
Discover Bank CD	200,000	1.70%	N/A	7/26/12	7/26/17	N/A	117	1.70%	200,000		200,686	Union Bank	201,196
	400,000									398,600	401,334		402,330
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	346	1.10%	2,000,000		1,999,300	Union Bank	1,999,860
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/88	04/06/18	N/A	371	9.80%	498,594		543,110	Bank of America	552,986
Federal Farm Credit Bank	500,000	1.03%	N/A	02/24/16	02/12/19	N/A	683	1.03%	499,850		497,715	Union Bank	496,915
	3,000,000									2,998,444	3,040,125		3,049,761
Total Invested Cash	$ 142,276,913									$ 143,929,360	$ 143,274,521		$ 129,077,279

Current Quarter Portfolio Yield 0.97%

Prior Quarter Portfolio Yield 1.00%

Benchmark Yields:

12 Month LAIF Average 0.66%

2 Year Constant Maturity Treasury 0.94%

*Interest Income for the Quarter Ending 3/31/2017 $ 255,020

*Gross amount before deduction of investment related fees

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TREASURER'S MONTHLY REPORT
MISCELLANEOUS AND TRUST ACCOUNTS
March 31, 2017

	Par Value	Coupon	Rating	Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total
Total Invested Cash	$ 143,929,360					$ 143,929,360	
							$ 143,929,360
Miscellaneous Accounts							
Petty Cash	3,950	N/A	N/A	open	None	3,950	
Trust & Agency - Bank of America	1,938,368	N/A	N/A	open	None	1,938,368	
Downpayment Assistance (Housing Fund) -Bank of America	33,995	0.20%	N/A	open	0.20%	33,995	
Workers Compensation - Bank of America	40,223	N/A	N/A	open	None	40,223	
General Liability - Bank of America	28,646	N/A	N/A	open	None	28,646	
1930's General Store Museum - Bank of America	14,601	N/A	N/A	open	None	14,601	
On-Line Credit Card Fire Inspection Fees -Bank of America	67,852	N/A	N/A	open	None	67,852	
On-Line Credit Card Transportation Permits -Bank of America	5,369	N/A	N/A	open	None	5,369	2,133,005
Total Cash Deposited							$ 146,062,365

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
March 31, 2017

	Par Value	Coupon Rate	Rating	Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
1998 Airport PFC										
Invesco Government & Agency Private	829,025	variable	AAA	open	0.01%	829,025		829,025	US Bank	2,392,574
							829,025			
2006 Airport PFC										
Invesco Government & Agency Private	1,652,259	variable	AAA	open	0.01%	1,652,259		1,652,259	US Bank	1,589,707
							1,652,259			
2007 Refunding Lease Revenue Bonds										
First American Government Obligation	1,084,969	variable	AAA	open	0.01%	1,084,969		1,084,969	US Bank	0
							1,084,969			
2007A&B Tax Allocation Bonds										
First American Government Obligation	13	variable	AAA	open	0.01%	13		13	US Bank	30
							13			
2007C Tax Allocation Bonds										
First American Government Obligation	6	variable	AAA	open	0.01%	6		6	US Bank	19
							6			
2008 Airport PFC Refunding										
Invesco Government & Agency Private	591,170	variable	AAA	open	0.01%	591,170		591,170	US Bank	601,584
							591,170			
2012 Downtown Revitalization Lease Revenue Bond Reserve										
Invesco Government & Agency Private	3,197,957	variable	AAA	open	0.01%	3,197,957		3,197,957	US Bank	3,194,674
							3,197,957			

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TREASURER'S MONTHLY REPORT
BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
March 31, 2017

	Par Value	Coupon Rate	Rating	Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
							492,528			
2015 Reassesment District No.2015-1										
First American Government Obligation	274,411	variable	AAA	open	0.01%	274,411		274,411	US Bank	274,337
							274,411			
2015 Local Measure A Sales Tax										
First American Government Obligation	1,113,147	variable	AAA	open	0.01%	1,113,147		1,113,147	US Bank	1,112,743
							1,113,147			
2015 Refunding Lease Revenue Bonds										
First American Government Obligation	0	variable	AAA	open	0.01%	0		0	US Bank	0
							0			
Chevron/CoGen Lease Proceeds										
Cash	716,877	N/A	N/A	demand	None	716,877		716,877	Deutsche Bank	716,877
							716,877			
Funds With Century Golf	1,185,312	N/A	N/A	demand	None	1,185,312		1,185,312	Century Golf	262,793
							1,185,312			
Totals							11,150,353	11,150,353		$ 10,158,020

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TREASURER'S MONTHLY REPORT
CALCULATION OF INVESTMENT LIMITATIONS
March 31, 2017

By Maturity:	Minimum	Maximum	Current Mo.
1 day to 365 days	N/A	N/A	97.92%
1 year to 3 years	N/A	50.00%	2.08%
3 years to 5 years	N/A	30.00%	0.00%

By Type of Investment:			
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%	0.28%
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%	19.98%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	0.00%
LAIF	N/A	100.00%	22.17%
U.S. Government Agencies	N/A	60.00%	41.68%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%

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