



## City Council Staff Report

DATE: March 19, 2020 CONSENT CALENDAR  
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF JANUARY 31, 2020  
FROM: Nancy A. Pauley, 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 January 31, 2020. 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 and marketable securities is \$232,370,590. There is an additional \$34,579,137 held by fiscal agent for bond issue reserves, debt service, and related funds, and \$1,649,721 in other miscellaneous accounts.

### RECOMMENDATION:

Receive and File Treasurer's Investment Report as of January 31, 2020.

### 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.

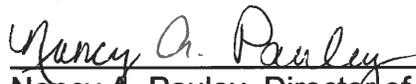
ITEM NO. 10

The weighted average maturity (WAM) of the portfolio is 88 days. The maximum WAM allowed by the Investment Policy is 1,095 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.

Submitted by:



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Nancy A. Pauley, Director of Finance and Treasurer

Attachments: Treasurer's Investment Report

CITY OF PALM SPRINGS  
 TREASURER'S MONTHLY REPORT  
 SUMMARY OF INVESTMENTS  
 January 31, 2020

	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage of Total Invested Funds</u>
<b>On Call Deposits</b>			
Checking Account	4,871,648		
CalTrust Short Term	123,441,260		
LAIF State Pool	<u>68,553,626</u>	\$ 196,866,534	84.72%
<b>Short Term Investments (1 year or less)</b>			
U.S. Government Agencies	<u>7,000,000</u>	7,000,000	3.01%
<b>Medium Term Investments (1 year to 3 years)</b>			
U.S. Government Agencies	<u>22,500,000</u>	22,500,000	9.68%
<b>Negotiable Certificates of Deposit (5 years or less)</b>			
FDIC-Insured CD's	<u>6,000,000</u>	6,000,000	2.58%
Total Cash and Marketable Securities		<u>\$ 232,366,534</u>	<u>100.00%</u>
Adjustments from prior month		<u>4,056</u>	
January 30, 2020 Ending Cash Balance:		<u><u>\$ 232,370,590</u></u>	

CITY OF PALM SPRINGS  
 TREASURER'S MONTHLY REPORT  
 PORTFOLIO STATISTICS  
 January 31, 2020

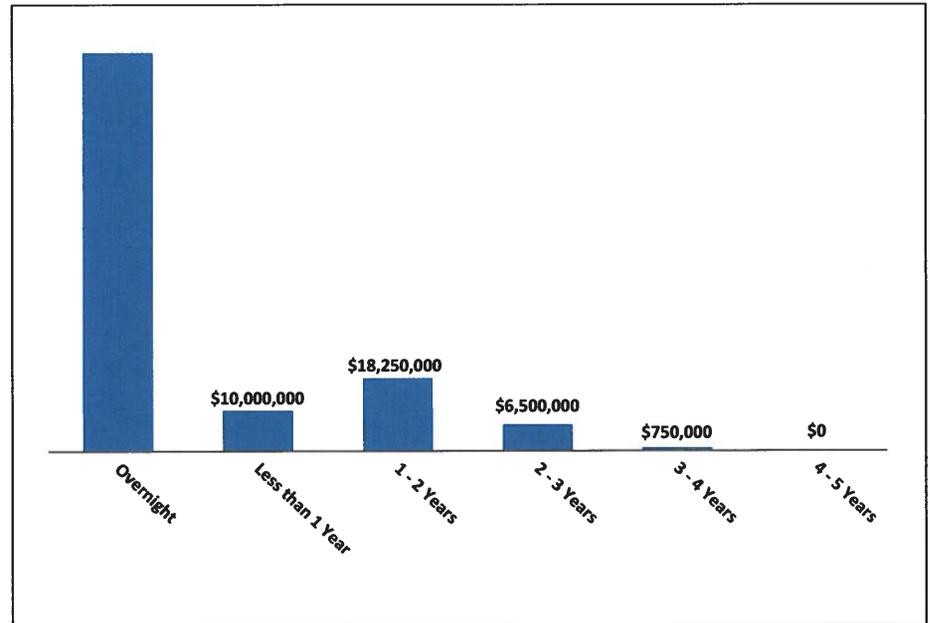
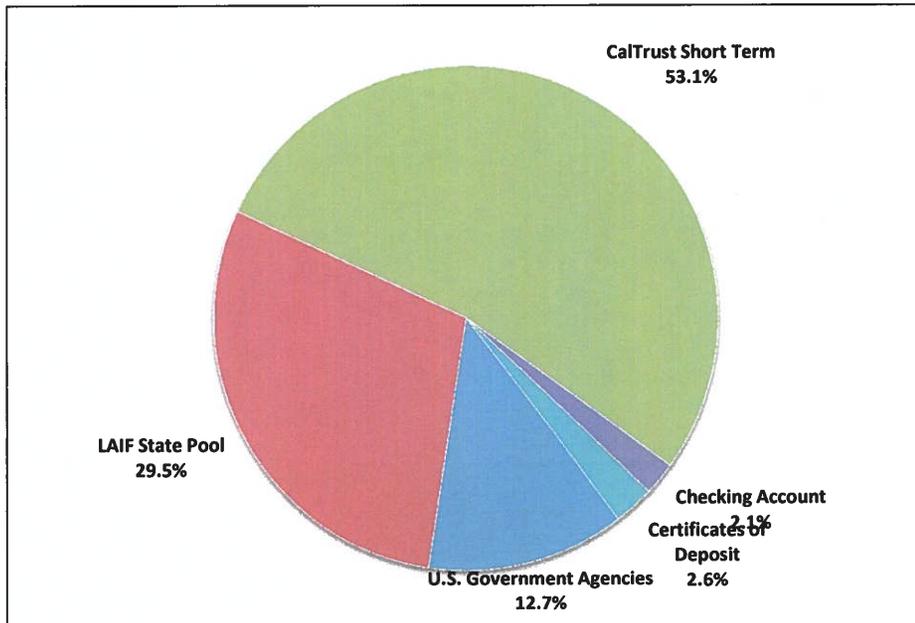
**Portfolio Composition**

Investment Type	Cost Basis
U.S. Government Agencies	29,500,000
LAIF State Pool	68,553,626
CalTrust Short Term	123,441,260
Checking Account	4,871,648
Certificates of Deposit	6,000,000
<b>TOTAL</b>	<b>\$ 232,366,534</b>

**Portfolio Liquidity**

Aging Interval*	Par Value
Overnight	196,866,534
Less than 1 Year	10,000,000
1 - 2 Years	18,250,000
2 - 3 Years	6,500,000
3 - 4 Years	750,000
4 - 5 Years	-
<b>TOTAL</b>	<b>232,366,534</b>

\*To maturity (does not include call date)



**TREASURER'S MONTHLY REPORT**  
**DETAIL OF INVESTMENTS**  
**January 31, 2020**

	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Moody's / S&amp;P Rating</u>	<u>Purchase Date</u>	<u>Maturity/Called Date</u>	<u>Days to Maturity</u>	<u>Yield to Maturity</u>	<u>Cost Basis</u>	<u>Category Total</u>	<u>Market Value as of January 31, 2020</u>
<b>On Call Deposits</b>										
Checking - Bank of America	4,871,648	N/A	N/A		Demand	1	None	4,871,648		4,871,648
CalTrust ShortTerm	123,441,260	variable	N/A		Demand	1	2.43%	123,441,260		123,441,260
Local Agency Invest Fund (LAIF)	68,553,626	variable	N/A		Demand	1	2.45%	68,553,626		68,553,626
	196,866,534								196,866,534	196,866,534
<b>Short Term Investments (1 year or less)</b>										
U.S. Gov't Agency Securities										
Federal National Mortgage Association	500,000	1.25%	Aaa / AA+	08/09/16	02/24/20	24	1.25%	500,000		499,925
Federal National Mortgage Association	1,000,000	1.20%	Aaa / AA+	08/03/16	02/24/20	24	1.20%	1,000,000		999,830
Federal National Mortgage Association	2,000,000	1.25%	Aaa / AA+	08/04/16	08/28/20	210	1.25%	2,000,000		1,997,120
Federal Home Loan Mortgage Corporation	3,000,000	1.70%	Aaa / AA+	09/18/17	09/28/20	241	1.70%	3,000,000		3,003,840
Federal National Mortgage Association	500,000	1.50%	Aaa / AA+	02/24/16	11/24/20	298	1.50%	500,000		499,730
	7,000,000								7,000,000	7,000,445
<b>Medium Term Investments (1 year to 3 years)</b>										
U.S. Gov't Agency Securities										
Federal National Mortgage Association	1,000,000	1.75%	Aaa / AA+	08/16/17	02/16/21	382	1.75%	1,000,000		1,002,020
Federal Farm Credit Bank	500,000	1.58%	Aaa / AA+	05/17/16	02/17/21	383	1.58%	500,000		499,565
Federal Home Loan Mortgage Corporation	1,000,000	1.50%	Aaa / AA+	05/25/16	05/25/21	480	1.50%	1,000,000		999,850
Federal Home Loan Mortgage Corporation	2,000,000	1.50%	Aaa / AA+	07/18/16	08/25/21	572	1.50%	2,000,000		2,000,000
Federal National Mortgage Association	1,000,000	1.40%	Aaa / AA+	08/03/16	08/25/21	572	1.40%	1,000,000		999,700
Federal Home Loan Mortgage Corporation	1,000,000	1.50%	Aaa / AA+	09/12/16	09/30/21	608	1.50%	1,000,000		999,610
Federal Home Loan Bank	1,000,000	1.50%	Aaa / AA+	09/12/16	10/12/21	620	1.50%	1,000,000		999,810
Federal Home Loan Mortgage Corporation	1,000,000	1.40%	Aaa / AA+	09/29/16	10/27/21	635	1.40%	1,000,000		999,380
Federal Home Loan Mortgage Corporation	1,000,000	1.05%	Aaa / AA+	10/12/16	10/28/21	636	1.05%	1,000,000		999,430
Federal Home Loan Bank	1,000,000	1.50%	Aaa / AA+	10/24/16	11/08/21	647	1.50%	1,000,000		1,000,020
Federal Home Loan Mortgage Corporation	1,000,000	1.55%	Aaa / AA+	10/11/16	11/10/21	649	1.55%	1,000,000		999,180
Federal Home Loan Bank	1,000,000	1.05%	Aaa / AA+	10/25/16	11/15/21	654	1.05%	1,000,000		1,010,520
Federal Home Loan Bank	1,000,000	1.25%	Aaa / AA+	10/18/16	11/17/21	656	1.25%	1,000,000		999,700
Federal Home Loan Mortgage Corporation	1,000,000	1.30%	Aaa / AA+	10/24/16	11/22/21	661	1.30%	1,000,000		1,000,040
Federal Home Loan Bank	1,000,000	1.30%	Aaa / AA+	10/26/16	11/23/21	662	1.30%	1,000,000		999,600
Federal Home Loan Bank	1,000,000	1.55%	Aaa / AA+	11/02/16	11/26/21	665	1.55%	1,000,000		1,000,120
Federal Home Loan Mortgage Corporation	1,000,000	1.50%	Aaa / AA+	10/17/16	11/30/21	669	1.50%	1,000,000		998,220
Federal Farm Credit Bank	3,000,000	2.00%	Aaa / AA+	09/12/17	09/12/22	955	2.00%	3,000,000		3,000,090
Federal Home Loan Bank	2,000,000	3.20%	Aaa / AA+	10/26/18	10/26/22	999	3.20%	2,000,000		2,022,580
	22,500,000								22,500,000	22,529,435
<b>Negotiable Certificates of Deposit (5 years or less)</b>										
MUFG Union Bank CD	250,000	2.60%	FDIC	07/24/18	07/24/20	175	2.60%	250,000		251,195
TCF National Bank CD	250,000	2.60%	FDIC	07/25/18	07/27/20	178	2.60%	250,000		251,213
Discover Bank CD	250,000	1.90%	FDIC	08/03/17	08/03/20	185	1.90%	250,000		250,363
BMW Bank NA CD	250,000	1.90%	FDIC	09/08/17	09/08/20	221	1.90%	250,000		250,420
TIAA FSB CD	250,000	1.90%	FDIC	09/18/17	09/14/20	227	1.90%	250,000		250,438
Key Bank NA CD	250,000	1.85%	FDIC	09/27/17	09/25/20	238	1.85%	250,000		250,373

**TREASURER'S MONTHLY REPORT**  
**DETAIL OF INVESTMENTS**  
**January 31, 2020**

	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Moody's / S&amp;P Rating</u>	<u>Purchase Date</u>	<u>Maturity/Called Date</u>	<u>Days to Maturity</u>	<u>Yield to Maturity</u>	<u>Cost Basis</u>	<u>Category Total</u>	<u>Market Value as of January 31, 2020</u>
First Bank of Highland CD	250,000	1.90%	FDIC	10/23/17	11/02/20	276	1.90%	250,000		250,510
Barclays Bank CD	250,000	2.00%	FDIC	11/03/17	11/09/20	283	2.00%	250,000		250,713
Investors Bank CD	250,000	2.10%	FDIC	12/27/17	12/28/20	332	2.10%	250,000		251,060
Carver Federal Savings Bank CD	250,000	2.15%	FDIC	12/29/17	12/29/20	333	2.15%	250,000		251,178
Citizens National Bank CD	250,000	2.15%	FDIC	01/17/18	01/19/21	354	2.15%	250,000		251,245
Marlin Business Bank CD	250,000	2.20%	FDIC	01/18/18	01/19/21	354	2.20%	250,000		251,365
Capital One Bank, NA CD	250,000	2.05%	FDIC	08/02/17	08/02/21	549	2.05%	250,000		251,410
American Express FSB CD	250,000	2.20%	FDIC	09/12/17	09/13/21	591	2.20%	250,000		251,703
Third Federal Savings & Loan CD	250,000	2.00%	FDIC	09/15/17	09/15/21	593	2.00%	250,000		251,280
Patriot Bank CD	250,000	2.95%	FDIC	07/30/18	01/31/22	731	2.95%	250,000		256,105
Synchrony Bank CD	250,000	2.70%	FDIC	03/11/19	03/15/22	774	2.70%	250,000		255,150
Merrick Bank CD	250,000	2.65%	FDIC	03/11/19	03/21/22	780	2.65%	250,000		254,955
Goldman Sachs Bank CD	250,000	2.30%	FDIC	08/02/17	08/02/22	914	2.30%	250,000		253,603
American Express Centurion CD	250,000	2.35%	FDIC	08/22/17	08/22/22	934	2.35%	250,000		253,045
Capital One Bank USA, NA CD	250,000	2.35%	FDIC	08/23/17	08/23/22	935	2.35%	250,000		253,993
Citibank, NA CD	250,000	3.30%	FDIC	07/24/18	07/24/23	1,270	3.30%	250,000		262,985
Comenity Capital Bank CD	250,000	3.35%	FDIC	10/17/18	10/17/23	1,355	3.35%	250,000		264,108
UBS Bank USA CD	250,000	3.35%	FDIC	10/17/18	10/17/23	1,355	3.35%	250,000		264,108
	<u>6,000,000</u>							<u>6,000,000</u>		<u>6,082,513</u>
<b>Total Invested Cash</b>	<u>\$ 232,366,534</u>							<u>\$ 232,366,534</u>		<u>\$ 232,478,927</u>

Monthly Portfolio Yield: 2.28%

Benchmark Yields:

12 Month LAIF Average: 2.26%  
2 Year Constant Maturity Treasury: 2.57%

TREASURER'S MONTHLY REPORT  
 MISCELLANEOUS AND TRUST ACCOUNTS  
 January 31, 2020

Account	Description	Par Value	Coupon	Rating	Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total
<b>Total Cash</b>								
11010	Cash and Marketable Securities Adjustments from Prior Month	\$ 232,366,534					232,366,534 <u>4,056</u>	232,370,590
<b>Miscellaneous Accounts</b>								
11013	On-Line Credit Card Fire Inspection Fees - Bank of America	2,919	N/A	N/A	open	None	2,919	
11014	On-Line Credit Card Transportation Permits - Bank of America	-	N/A	N/A	open	None	0	
11016	1930's General Store Museum - Bank of America	13,315	N/A	N/A	open	None	13,315	
11017	Downpayment Assistance (Housing Fund) - Bank of America	34,188	0.002	N/A	open	0.20%	34,188	
11018	Save the Plaza	201,979	N/A	N/A	open	None	201,979	
11019	Ace Parking	1,129,003	N/A	N/A	open	None	1,129,003	
11020	Petty Cash	4,100	N/A	N/A	open	None	4,100	
11025	Workers Compensation - Bank of America	196,907	N/A	N/A	open	None	196,907	
11026	General Liability - Bank of America	67,310	N/A	N/A	open	None	<u>67,310</u>	1,649,721
<b>Total Cash Deposited</b>							\$ <u>234,020,311</u>	

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**TREASURER'S MONTHLY REPORT**  
**CASH WITH FISCAL AGENT (BOND ISSUE RESERVE, DEBT SERVICE, AND RELATED FUNDS)**  
**January 31, 2020**

Acct	Description	Par Value	Coupon Rate	Rating	Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total	Market Value as of January 31, 2020	Source
11029	2015 Refunding Lease Revenue Bonds First American Government Obligation	333	variable	AAA	open	0.01%	<u>333</u>		333	US Bank
11030	2015 Reassessment District No.2015-1 First American Government Obligation	275,494	variable	AAA	open	0.01%	<u>275,494</u>		275,494	US Bank
11032	Cash with Fiscal Agent - Conv 04/12	-	-	-	-	-	<u>0</u>		-	US Bank
11011	Cash with Fiscal Agent - Reserve 2019 Bond Issuance	2,505,358	-	-	-	-	<u>2,505,358</u>		2,505,358	US Bank
11097	Cash with Fiscal Agent - 2019 PFC Bond Issuance	24,753,603	-	-	-	-	<u>24,753,603</u>		24,753,603	US Bank
11037	2012 Downtown Revitalization Lease Revenue Bond Reserve Invesco Government & Agency Private	3,237,200	variable	AAA	open	0.01%	<u>3,237,200</u>		3,237,200	US Bank
11038	Chevron/CoGen Lease Proceeds Cash	715,377	N/A	N/A	demand	None	<u>715,377</u>		715,377	Deutsche Bank
11039	2012/2014 Convention Center First American Government Obligation	2,376	variable	AAA	open	0.01%	<u>2,376</u>		2,376	US Bank
11041	Cash with Fiscal Agent - 2014 Conv	16,145	-	-	-	-	<u>16,145</u>		16,145	-
11042	2015 Local Measure A Sales Tax First American Government Obligation	631,612					631,612		631,612	
11043	First American Government Obligation	506,606	variable	AAA	open	0.01%	<u>506,606</u>		<u>506,606</u>	US Bank
							<u>1,138,217</u>		<u>1,138,217</u>	
11080	Funds With Century Golf	1,933,167	N/A	N/A	demand	None	<u>1,933,167</u>		1,933,167	Century Golf
	2007A&B Tax Allocation Bonds									
11092	First American Government Obligation	757					757		757	
11093	First American Government Obligation	2	variable	AAA	open	0.01%	<u>2</u>		<u>2</u>	US Bank
							<u>760</u>		<u>760</u>	
11096	Cash with Fiscal Agent - 2017	1,108	-	-	-	-	<u>1,108</u>		1,108	US Bank
	<b>Total Cash with Fiscal Agent</b>	<b><u>34,579,137</u></b>						<b><u>34,579,137</u></b>	<b><u>34,579,137</u></b>	

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**TREASURER'S MONTHLY REPORT  
CALCULATION OF INVESTMENT LIMITATIONS  
January 31, 2020**

<u>By Maturity:</u>	<u>Minimum</u>	<u>Maximum</u>	<u>January 31, 2020</u>
1 day to 365 days	N/A	N/A	89.03%
1 year to 3 years	N/A	50.00%	10.65%
3 years to 5 years	N/A	30.00%	0.32%
Total:			100.00%

By Type of Investment:

Bank - Checking	N/A	100.00%	2.10%
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%	0.00%
Negotiable Certificates of Deposit - in total	N/A	30.00%	2.58%
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%	53.12%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	0.00%
LAIF	N/A	100.00%	29.50%
U.S. Government Agencies	N/A	60.00%	12.70%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%
Total:			100.00%

**TREASURER'S MONTHLY REPORT**  
**CALCULATION OF WEIGHTED AVERAGE MATURITY**  
**January 31, 2020**

Description	Maturity/Called Date	Current Date	No. of Days	Days X Cost
<b>On Call Deposits</b>				
		1/31/2020		
Checking - Bank of America		1/31/2020	1	4,871,648
CalTrust ShortTerm		1/31/2020	1	123,441,260
Local Agency Invest Fund (LAIF)		1/31/2020	1	68,553,626
<b>Short Term Investments (1 year or less)</b>				
U.S. Gov't Agency Securities				
Federal National Mortgage Association	02/24/20	1/31/2020	24	12,000,000
Federal National Mortgage Association	02/24/20	1/31/2020	24	24,000,000
Federal National Mortgage Association	08/28/20	1/31/2020	210	420,000,000
Federal Home Loan Mortgage Corporation	09/28/20	1/31/2020	241	723,000,000
Federal National Mortgage Association	11/24/20	1/31/2020	360	180,000,000
<b>Medium Term Investments (1 year to 3 years)</b>				
U.S. Gov't Agency Securities				
Federal National Mortgage Association	02/16/21	1/31/2020	382	382,000,000
Federal Farm Credit Bank	02/17/21	1/31/2020	383	191,500,000
Federal Home Loan Mortgage Corporation	05/25/21	1/31/2020	480	480,000,000
Federal Home Loan Mortgage Corporation	08/25/21	1/31/2020	572	1,144,000,000
Federal National Mortgage Association	08/25/21	1/31/2020	572	572,000,000
Federal Home Loan Mortgage Corporation	09/30/21	1/31/2020	608	608,000,000
Federal Home Loan Bank	10/12/21	1/31/2020	620	620,000,000
Federal Home Loan Mortgage Corporation	10/27/21	1/31/2020	635	635,000,000
Federal Home Loan Mortgage Corporation	10/28/21	1/31/2020	636	636,000,000

**TREASURER'S MONTHLY REPORT  
CALCULATION OF WEIGHTED AVERAGE MATURITY  
January 31, 2020**

Description	Maturity/Called Date	Current Date	No. of Days	Days X Cost
Federal Home Loan Bank	11/08/21	1/31/2020	647	647,000,000
Federal Home Loan Mortgage Corporation	11/10/21	1/31/2020	649	649,000,000
Federal Home Loan Bank	11/15/21	1/31/2020	654	654,000,000
Federal Home Loan Bank	11/17/21	1/31/2020	656	656,000,000
Federal Home Loan Mortgage Corporation	11/22/21	1/31/2020	661	661,000,000
Federal Home Loan Bank	11/23/21	1/31/2020	662	662,000,000
Federal Home Loan Bank	11/26/21	1/31/2020	665	665,000,000
Federal Home Loan Mortgage Corporation	11/30/21	1/31/2020	669	669,000,000
Federal Farm Credit Bank	09/12/22	1/31/2020	955	2,865,000,000
Federal Home Loan Bank	10/26/22	1/31/2020	999	1,998,000,000
<b>Negotiable Certificates of Deposit (5 years or less)</b>				
MUFG Union Bank CD	07/24/20	1/31/2020	175	43,750,000
TCF National Bank CD	07/27/20	1/31/2020	178	44,500,000
Discover Bank CD	08/03/20	1/31/2020	185	46,250,000
BMW Bank NA CD	09/08/20	1/31/2020	221	55,250,000
TIAA FSB CD	09/14/20	1/31/2020	227	56,750,000
Key Bank NA CD	09/25/20	1/31/2020	238	59,500,000
First Bank of Highland CD	11/02/20	1/31/2020	276	69,000,000
Barclays Bank CD	11/09/20	1/31/2020	283	70,750,000
Investors Bank CD	12/28/20	1/31/2020	332	83,000,000
Carver Federal Savings Bank CD	12/29/20	1/31/2020	333	83,250,000
Citizens National Bank CD	01/19/21	1/31/2020	354	88,500,000
Marlin Business Bank CD	01/19/21	1/31/2020	354	88,500,000
Capital One Bank, NA CD	08/02/21	1/31/2020	549	137,250,000
American Express FSB CD	09/13/21	1/31/2020	591	147,750,000
Third Federal Savings & Loan CD	09/15/21	1/31/2020	593	148,250,000

**TREASURER'S MONTHLY REPORT**  
**CALCULATION OF WEIGHTED AVERAGE MATURITY**  
**January 31, 2020**

Description	Maturity/Called Date	Current Date	No. of Days	Days X Cost
Patriot Bank CD	01/31/22	1/31/2020	731	182,750,000
Synchrony Bank CD	03/15/22	1/31/2020	774	193,500,000
Merrick Bank CD	03/21/22	1/31/2020	780	195,000,000
Goldman Sachs Bank CD	08/02/22	1/31/2020	914	228,500,000
American Express Centurion CD	08/22/22	1/31/2020	934	233,500,000
Capital One Bank USA, NA CD	08/23/22	1/31/2020	935	233,750,000
Citibank, NA CD	07/24/23	1/31/2020	1,270	317,500,000
Comenity Capital Bank CD	10/17/23	1/31/2020	1,355	338,750,000
UBS Bank USA CD	10/17/23	1/31/2020	1,355	338,750,000
Total Investments at Cost				232,366,534
WAM in Days				87.81