



City Council Staff Report

DATE: July 23, 2020 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
MAY 31, 2020
FROM: Nancy Pauley, Director of Finance and Treasurer
BY: Department of Finance and Treasury

SUMMARY

Attached is the Treasurer's Investment Report as of May 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 \$225,518,663. There is an additional \$40,939,582 held by fiscal agent for bond issue reserves, debt service, and related funds, and \$502,771 in other miscellaneous accounts.

RECOMMENDATION:

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

STAFF ANALYSIS:

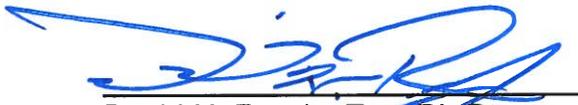
The attached report includes the face value and coupon rate (if applicable) of the investments and the source for the market value estimate. Also included is information on the investments of bond issue reserve, debt service and related funds.

The investments, in type, maturity and as a percentage of the total portfolio, are in compliance with the existing City Council approved investment policy.

The weighted average maturity (WAM) of the portfolio is 247 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.



David H. Ready, Esq. Ph.D
City Manager



Nancy Pauley
Director of Finance/City Treasurer

Attachments: Treasurer's Investment Report

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

	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage of Total</u>
On Call Deposits			
Checking Account Union Bank	5,438,080 -		
CalTrust Short Term LAIF State Pool	73,949,462 <u>68,894,690</u>	\$ 148,282,232	65.76%
Short Term Investments (1 year or less)			
U.S. Government Agencies	<u>6,500,000</u>	6,500,000	2.88%
Medium Term Investments (1 year to 3 years)			
U.S. Government Agencies	<u>61,512,967</u>	61,512,967	27.28%
Corporate Bonds/Obligations (5 years or less)			
Corporate Bonds	<u>3,198,093</u>	3,198,093	1.42%
Negotiable Certificates of Deposit (5 years or less)			
FDIC-Insured CD's	<u>6,000,000</u>	6,000,000	2.66%
Total Cash and Marketable Securities		<u>\$ 225,493,292</u>	<u>100.00%</u>
Adjustments from prior month		<u>25,370</u>	
May 31, 2020 Ending Cash Balance:		<u><u>\$ 225,518,663</u></u>	

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

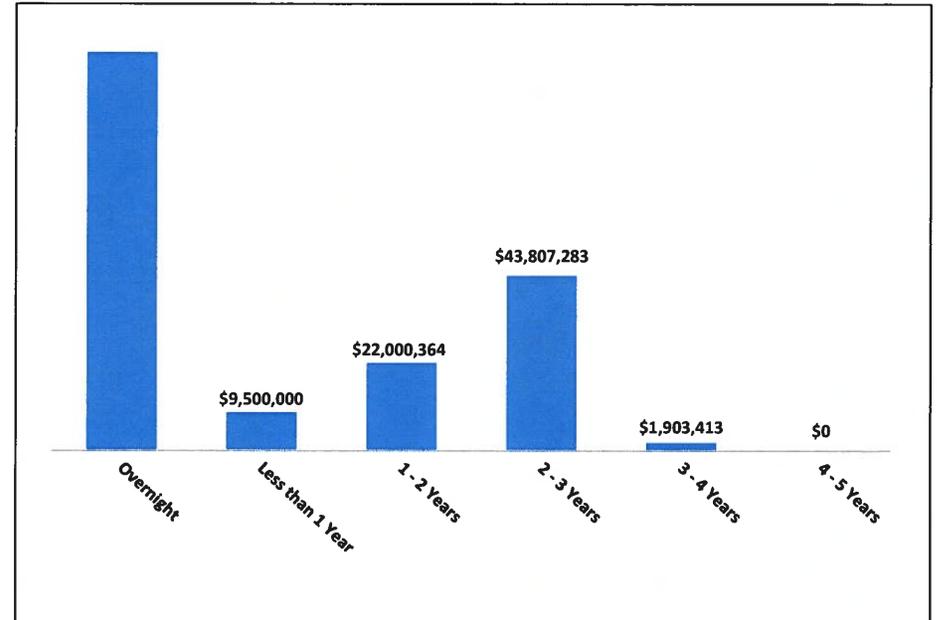
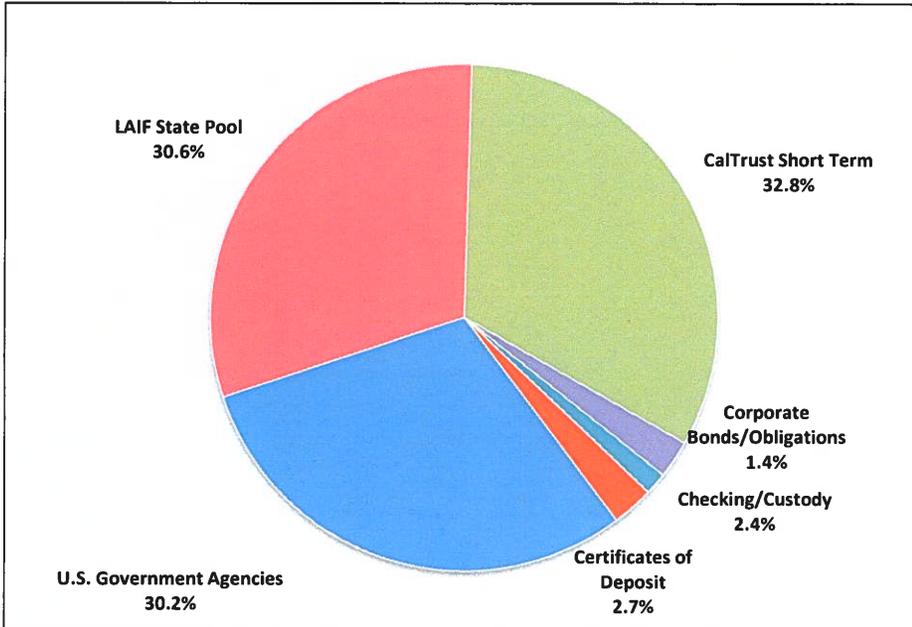
Portfolio Composition

Investment Type	Cost Basis
U.S. Government Agencies	68,012,967
LAIF State Pool	68,894,690
CalTrust Short Term	73,949,462
Checking/Custody	5,438,080
Corporate Bonds/Obligations	3,198,093
Certificates of Deposit	6,000,000
TOTAL	\$ 225,493,292

Portfolio Liquidity

Aging Interval*	Par Value
Overnight	148,282,232
Less than 1 Year	9,500,000
1 - 2 Years	22,000,364
2 - 3 Years	43,807,283
3 - 4 Years	1,903,413
4 - 5 Years	-
TOTAL	\$ 225,493,292

*To maturity (does not include call date)



TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
May 31, 2020

	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Moody's / S&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 May 31, 2020</u>
On Call Deposits										
Checking - Bank of America	5,438,080	N/A	N/A		Demand	1	None	5,438,080		5,438,080
Union Bank	-	variable	N/A		Demand	1	None	-		-
CalTrust ShortTerm	73,949,462	variable	N/A		Demand	1	1.64%	73,949,462		73,949,462
Local Agency Invest Fund (LAIF)	68,894,690	variable	N/A		Demand	1	1.79%	68,894,690		68,894,690
	<u>148,282,232</u>								<u>148,282,232</u>	<u>148,282,232</u>
Short Term Investments (1 year or less)										
US Agency Securities										
Federal National Mortgage Association	2,000,000	1.25%	Aaa / AA+	08/04/16	08/28/20	89	1.25%	2,000,000		2,005,060
Federal Home Loan Mortgage Corporation	3,000,000	1.70%	Aaa / AA+	09/18/17	09/28/20	120	1.70%	3,000,000		3,014,760
Federal National Mortgage Association	500,000	1.50%	Aaa / AA+	02/24/16	11/24/20	177	1.50%	500,000		503,560
Federal National Mortgage Association	1,000,000	1.75%	Aaa / AA+	08/16/17	02/16/21	261	1.75%	1,000,000		1,010,920
	<u>6,500,000</u>								<u>6,500,000</u>	<u>6,534,300</u>
Medium Term Investments (1 year to 3 years)										
US Agency Securities										
Federal National Mortgage Association	1,000,000	1.40%	Aaa / AA+	08/03/16	08/25/21	451	1.40%	1,000,000		1,013,920
Federal Home Loan Bank	1,000,000	1.05%	Aaa / AA+	10/11/16	11/15/21	533	1.05%	1,000,000		1,025,940
Federal Home Loan Mortgage Corporation	1,000,000	1.63%	Aaa / AA+	10/26/16	11/30/21	548	1.63%	1,000,000		1,000,000
Federal Home Loan Bank	3,000,000	1.63%	Aaa / AA+	03/17/20	12/20/21	568	1.63%	3,046,440		3,066,570
Federal National Mortgage Association	3,000,000	2.00%	Aaa / AA+	03/17/20	01/05/22	584	2.00%	3,068,010		3,085,650
Federal National Mortgage Association	3,000,000	2.63%	Aaa / AA+	03/17/20	01/11/22	590	2.63%	3,106,080		3,117,060
Federal Home Loan Mortgage Corporation	3,000,000	2.38%	Aaa / AA+	03/17/20	01/13/22	592	2.38%	3,092,820		3,105,480
US Treasury Notes	3,050,000	1.75%	Aaa / AA+	03/24/20	05/31/22	730	1.75%	3,142,334		3,145,801
US Treasury Notes	3,050,000	1.75%	Aaa / AA+	03/24/20	06/15/22	745	1.75%	3,147,100		3,148,424
US Treasury Notes	3,050,000	1.75%	Aaa / AA+	03/24/20	06/30/22	760	1.75%	3,147,814		3,149,827
US Treasury Notes	3,050,000	1.75%	Aaa / AA+	03/24/20	07/15/22	775	1.75%	3,146,504		3,151,626
US Treasury Notes	3,050,000	1.50%	Aaa / AA+	03/24/20	08/15/22	806	1.50%	3,132,922		3,139,121
US Treasury Notes	3,050,000	1.63%	Aaa / AA+	03/24/20	08/15/22	806	1.63%	3,141,619		3,147,570
Federal National Mortgage Association	3,000,000	1.38%	Aaa / AA+	03/20/20	09/06/22	828	1.38%	3,054,180		3,078,600
Federal National Mortgage Association	3,000,000	2.00%	Aaa / AA+	03/20/20	10/05/22	857	2.00%	3,092,160		3,124,830
Federal Home Loan Bank	2,000,000	3.20%	Aaa / AA+	04/26/20	10/26/22	878	3.20%	2,000,000		2,022,200
US Treasury Notes	3,175,000	1.50%	Aaa / AA+	03/24/20	01/15/23	959	1.50%	3,271,366		3,284,506
Federal National Mortgage Association	3,000,000	2.38%	Aaa / AA+	03/20/20	01/19/23	963	2.38%	3,134,100		3,169,890
Federal Home Loan Bank	3,000,000	1.38%	Aaa / AA+	03/20/20	02/17/23	992	1.38%	3,052,314		3,089,940
US Treasury Notes	3,175,000	1.50%	Aaa / AA+	03/24/20	02/28/23	1,003	1.50%	3,275,459		3,289,491
US Treasury Notes	3,175,000	0.50%	Aaa / AA+	03/24/20	03/15/23	1,018	0.50%	3,184,302		3,202,909
US Treasury Notes	3,175,000	1.50%	Aaa / AA+	03/24/20	03/31/23	1,034	1.50%	3,277,443		3,293,205
	<u>60,000,000</u>								<u>61,512,967</u>	<u>61,852,557</u>
Corporate Bonds/Obligations (5 years or less)										
Apple Incorporated	2,000,000	2.15%	FDIC	04/09/20	02/09/22	619	2.10%	2,044,680		2,061,780
Microsoft Corporation	1,114,000	2.00%	FDIC	04/13/20	08/08/23	1,164	1.92%	1,153,413		1,168,575
	<u>3,114,000</u>								<u>3,198,093</u>	<u>3,230,355</u>

TREASURER'S MONTHLY REPORT
 DETAIL OF INVESTMENTS
 May 31, 2020

	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Moody's / S&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 May 31, 2020</u>
Negotiable Certificates of Deposit (5 years or less)										
MUFG Union Bank CD	250,000	2.60%	FDIC	07/24/18	07/24/20	54	2.60%	250,000		250,963
TCF National Bank CD	250,000	2.60%	FDIC	07/25/18	07/27/20	57	2.60%	250,000		251,015
Discover Bank CD	250,000	1.90%	FDIC	08/03/17	08/03/20	64	1.90%	250,000		250,815
BMW Bank NA CD	250,000	1.90%	FDIC	09/08/17	09/08/20	100	1.90%	250,000		251,260
TIAA FSB CD	250,000	1.90%	FDIC	09/18/17	09/14/20	106	1.90%	250,000		251,333
Key Bank NA CD	250,000	1.85%	FDIC	09/27/17	09/25/20	117	1.85%	250,000		251,428
First Bank of Highland CD	250,000	1.90%	FDIC	10/23/17	11/02/20	155	1.90%	250,000		251,935
Barclays Bank CD	250,000	2.00%	FDIC	11/03/17	11/09/20	162	2.00%	250,000		252,135
Investors Bank CD	250,000	2.10%	FDIC	12/27/17	12/28/20	211	2.10%	250,000		252,865
Carver Federal Savings Bank CD	250,000	2.15%	FDIC	12/29/17	12/29/20	212	2.15%	250,000		252,953
Citizens National Bank CD	250,000	2.15%	FDIC	01/17/18	01/19/21	233	2.15%	250,000		253,223
Marlin Business Bank CD	250,000	2.20%	FDIC	01/18/18	01/19/21	233	2.20%	250,000		253,303
Capital One Bank, NA CD	250,000	2.05%	FDIC	08/02/17	08/02/21	428	2.05%	250,000		255,490
American Express FSB CD	250,000	2.20%	FDIC	09/12/17	09/13/21	470	2.20%	250,000		256,348
Third Federal Savings & Loan CD	250,000	2.00%	FDIC	09/15/17	09/15/21	472	2.00%	250,000		255,870
Patriot Bank CD	250,000	2.95%	FDIC	07/30/18	01/31/22	610	2.95%	250,000		261,413
Synchrony Bank CD	250,000	2.70%	FDIC	03/11/19	03/15/22	653	2.70%	250,000		261,125
Merrick Bank CD	250,000	2.65%	FDIC	03/11/19	03/21/22	659	2.65%	250,000		260,968
Goldman Sachs Bank CD	250,000	2.30%	FDIC	08/02/17	08/02/22	793	2.30%	250,000		261,043
American Express Centurion CD	250,000	2.35%	FDIC	08/22/17	08/22/22	813	2.35%	250,000		260,695
Capital One Bank USA, NA CD	250,000	2.35%	FDIC	08/23/17	08/23/22	814	2.35%	250,000		261,563
Citibank, NA CD	250,000	3.30%	FDIC	07/24/18	07/24/23	1,149	3.30%	250,000		272,548
Comenity Capital Bank CD	250,000	3.35%	FDIC	10/17/18	10/17/23	1,234	3.35%	250,000		274,363
UBS Bank USA CD	250,000	3.35%	FDIC	10/17/18	10/17/23	1,234	3.35%	250,000		274,363
	<u>6,000,000</u>								<u>6,000,000</u>	<u>6,179,010</u>
Total Invested Cash	<u>\$ 223,896,232</u>								<u>\$ 225,493,292</u>	<u>\$ 226,078,454</u>

Monthly Portfolio Yield: 1.68%

Benchmark Yields:

12 Month LAIF Average: 2.19%

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

<u>Account</u>	<u>Description</u>	<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 Cash								
11010	Cash and Marketable Securities	\$ 225,493,292					225,493,292	
	Adjustments from Prior Month						<u>25,370</u>	225,518,663
Miscellaneous Accounts								
11016	1930's General Store Museum - Bank of America	8,868	N/A	N/A	open	None	8,868	
11017	Downpayment Assistance (Housing Fund) - Bank of America	34,211	0.002	N/A	open	0.20%	34,211	
11018	Save the Plaza	303,463	N/A	N/A	open	None	303,463	
11019	Ace Parking	55,652	N/A	N/A	open	None	55,652	
11020	Petty Cash	4,100	N/A	N/A	open	None	4,100	
11025	Workers Compensation - Bank of America	83,651	N/A	N/A	open	None	83,651	
11026	General Liability - Bank of America	12,827	N/A	N/A	open	None	<u>12,827</u>	502,771
Total Cash Deposited								<u>\$ 226,021,433</u>

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

<u>Acct</u>	<u>Description</u>	<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>Market Value as of May 31, 2020</u>	<u>Source</u>
11029	2015 Refunding Lease Revenue Bonds First American Government Obligation	0	variable	AAA	open	0.01%	<u>0</u>		0	US Bank
11030	2015 Reassessment District No.2015-1 First American Government Obligation	272,986	variable	AAA	open	0.01%	<u>272,986</u>		272,986	US Bank
11032	Cash with Fiscal Agent - Conv 04/12	(2,380)	-	-	-	-	<u>(2,380)</u>		(2,380)	US Bank
11011	Cash with Fiscal Agent - Reserve 2019 Bond Issuance	2,513,694	-	-	-	-	<u>2,513,694</u>		2,513,694	US Bank
11097	Cash with Fiscal Agent - 2019 PFC Bond Issuance	26,643,725	-	-	-	-	<u>26,643,725</u>		26,643,725	US Bank
11037	2012 Downtown Revitalization Lease Revenue Bond Reserve Invesco Government & Agency Private	5,618,953	variable	AAA	open	0.01%	<u>5,618,953</u>		5,618,953	US Bank
11038	Chevron/CoGen Lease Proceeds Cash	27,752	N/A	N/A	demand	None	<u>27,752</u>		27,752	Deutsche Bank
11039	2012/2014 Convention Center First American Government Obligation	2,385	variable	AAA	open	0.01%	<u>2,385</u>		2,385	US Bank
11041	Cash with Fiscal Agent - 2014 Conv	(232,555)	-	-	-	-	<u>(232,555)</u>		(232,555)	-
11042	2015 Local Measure A Sales Tax First American Government Obligation	1,672,325					1,672,325		1,672,325	
11043	First American Government Obligation	8,663	variable	AAA	open	0.01%	<u>8,663</u>		<u>8,663</u>	US Bank
							<u>1,680,988</u>		<u>1,680,988</u>	
11080	Funds With Century Golf	1,780,145	N/A	N/A	demand	None	<u>1,780,145</u>		1,780,145	Century Golf
11090	Cash with Fiscal Agent - Refinance	1,616,868	-	-	-	-	<u>1,616,868</u>		1,616,868	US Bank
11092	2007A&B Tax Allocation Bonds First American Government Obligation	128,467					128,467		128,467	
11096	Cash with Fiscal Agent - 2017	888,554	-	-	-	-	<u>888,554</u>		888,554	US Bank
	Total Cash with Fiscal Agent	<u>40,939,582</u>						<u>40,939,582</u>	<u>40,939,582</u>	

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

<u>By Maturity:</u>	<u>Minimum</u>	<u>Maximum</u>	<u>May 31, 2020</u>
1 day to 365 days	N/A	N/A	70.47%
1 year to 3 years	N/A	50.00%	28.70%
3 years to 5 years	N/A	30.00%	0.83%
Total:			100.00%

By Type of Investment:

Bank - Checking/Custody	N/A	100.00%	2.43%
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%	2.68%
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%	33.03%
Money Market Mutual Funds - More than 1 Year	N/A	25.00%	0.00%
LAIF	N/A	100.00%	30.77%
U.S. Government Agencies	N/A	60.00%	29.70%
U.S. Treasury Notes/Bonds	N/A	100.00%	0.00%
Total:			98.61%

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

Description	Maturity/Called Date	Current Date	No. of Days	Days X Cost
On Call Deposits				
Checking - Bank of America		05/31/20	1	5,438,080
Union Bank		05/31/20	1	-
CalTrust ShortTerm		05/31/20	1	73,949,462
Local Agency Invest Fund (LAIF)		05/31/20	1	68,894,690
Short Term Investments (1 year or less)				
US Agency Securities				
Federal National Mortgage Association	08/28/20	05/31/20	89	178,000,000
Federal Home Loan Mortgage Corporation	09/28/20	05/31/20	120	360,000,000
Federal National Mortgage Association	11/24/20	05/31/20	177	88,500,000
Federal National Mortgage Association	02/16/21	05/31/20	353	353,000,000
Medium Term Investments (1 year to 3 years)				
US Agency Securities				
Federal National Mortgage Association	08/25/21	05/31/20	451	451,000,000
Federal Home Loan Bank	11/15/21	05/31/20	533	533,000,000
Federal Home Loan Mortgage Corporation	11/30/21	05/31/20	548	548,000,000
Federal Home Loan Bank	12/20/21	05/31/20	568	1,730,377,920
Federal National Mortgage Association	01/05/22	05/31/20	584	1,791,717,840
Federal National Mortgage Association	01/11/22	05/31/20	590	1,832,587,200
Federal Home Loan Mortgage Corporation	01/13/22	05/31/20	592	1,830,949,440
US Treasury Notes	05/31/22	05/31/20	730	2,293,903,813
US Treasury Notes	06/15/22	05/31/20	745	2,344,589,217
US Treasury Notes	06/30/22	05/31/20	760	2,392,338,982
US Treasury Notes	07/15/22	05/31/20	775	2,438,540,538
US Treasury Notes	08/15/22	05/31/20	806	2,525,135,035
US Treasury Notes	08/15/22	05/31/20	806	2,532,145,019
Federal National Mortgage Association	09/06/22	05/31/20	828	2,528,861,040
Federal National Mortgage Association	10/05/22	05/31/20	857	2,649,981,120
Federal Home Loan Bank	10/26/22	05/31/20	878	1,756,000,000
US Treasury Notes	01/15/23	05/31/20	959	3,137,240,186
Federal National Mortgage Association	01/19/23	05/31/20	963	3,018,138,300
Federal Home Loan Bank	02/17/23	05/31/20	992	3,027,895,488
US Treasury Notes	02/28/23	05/31/20	1,003	3,285,285,377
US Treasury Notes	03/15/23	05/31/20	1,018	3,241,619,202
US Treasury Notes	03/31/23	05/31/20	1,034	3,388,876,455

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

Description	Maturity/Called Date	Current Date	No. of Days	Days X Cost
Corporate Bonds/Obligations (5 years or less)				
Apple Incorporated	02/09/22	05/31/20	619	1,265,656,920
Microsoft Corporation	08/08/23	05/31/20	1,164	1,342,572,732
Negotiable Certificates of Deposit (5 years or less)				
MUFG Union Bank CD	07/24/20	05/31/20	54	13,500,000
TCF National Bank CD	07/27/20	05/31/20	57	14,250,000
Discover Bank CD	08/03/20	05/31/20	64	16,000,000
BMW Bank NA CD	09/08/20	05/31/20	100	25,000,000
TIAA FSB CD	09/14/20	05/31/20	106	26,500,000
Key Bank NA CD	09/25/20	05/31/20	117	29,250,000
First Bank of Highland CD	11/02/20	05/31/20	155	38,750,000
Barclays Bank CD	11/09/20	05/31/20	162	40,500,000
Investors Bank CD	12/28/20	05/31/20	211	52,750,000
Carver Federal Savings Bank CD	12/29/20	05/31/20	212	53,000,000
Citizens National Bank CD	01/19/21	05/31/20	233	58,250,000
Marlin Business Bank CD	01/19/21	05/31/20	233	58,250,000
Capital One Bank, NA CD	08/02/21	05/31/20	428	107,000,000
American Express FSB CD	09/13/21	05/31/20	470	117,500,000
Third Federal Savings & Loan CD	09/15/21	05/31/20	472	118,000,000
Patriot Bank CD	01/31/22	05/31/20	610	152,500,000
Synchrony Bank CD	03/15/22	05/31/20	653	163,250,000
Merrick Bank CD	03/21/22	05/31/20	659	164,750,000
Goldman Sachs Bank CD	08/02/22	05/31/20	793	198,250,000
American Express Centurion CD	08/22/22	05/31/20	813	203,250,000
Capital One Bank USA, NA CD	08/23/22	05/31/20	814	203,500,000
Citibank, NA CD	07/24/23	05/31/20	1,149	287,250,000
Comenity Capital Bank CD	10/17/23	05/31/20	1,234	308,500,000
UBS Bank USA CD	10/17/23	05/31/20	1,234	308,500,000
Total Investments at Cost				225,493,292
WAM in Days				247