



City Council Staff Report

DATE: November 6, 2013 CONSENT CALENDAR
SUBJECT: TREASURER'S INVESTMENT REPORT AS OF
SEPTEMBER 30, 2013
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 September 30, 2013. 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 \$100,224,195 plus \$31,057,207 in bond issue capital projects, reserve and debt service funds. The market value of the invested cash is \$99,757,715.

RECOMMENDATION:

Receive and File Treasurer's Investment Report as of September 30, 2013.

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 60.24 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
 September 30, 2013

On Call Deposits	<u>Adjusted Basis</u>	<u>Category Total</u>	<u>Percentage</u>
Checking Account	\$ 7,285,359		
CalTrust ShortTerm	12,195,828		
CalTrust MidTerm	28,239,782		
State Pool	<u>15,032</u>	\$ 47,736,001	47.63%
Short Term Investments (1 year or less)			
U.S. Gov't Agencies	<u>49,991,000</u>	49,991,000	49.88%
Medium Term Investments (1 year to 3 years)			
Corporate Notes	1,000,000		
Time Deposits	<u>600,000</u>	1,600,000	1.60%
Long Term Investments (3 year to 5 years)			
Time Deposits	398,600		
U.S. Gov't Agencies	<u>498,594</u>	897,194	0.90%
	\$	<u><u>100,224,195</u></u>	<u><u>100.00%</u></u>

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**TREASURER'S MONTHLY REPORT
DETAIL OF INVESTMENTS
September 30, 2013**

	Par Value	Coupon Rate	Rating	Maturity or Call Date	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr Market Value
On Call Deposits										
Checking - Bank of America	\$	N/A	N/A	AAA	open	None	7,285,359	\$ 7,285,359	Bank of America	4,100,206
CalTrust ShortTerm*		N/A	N/A	N/A	open	0.41%	12,195,828	12,195,319	CalTrust	22,197,964
CalTrust MidTerm		N/A	N/A	N/A	open	0.70%	28,239,782	28,148,042	CalTrust	28,077,040
Local Agency Invest Fund (LAIF)		15,032	variable	N/A	open	0.257%	15,032	15,036	LAIF	15,036
										47,736,001
Short Term Investments (1 year or less)										
U.S. Gov't Agency Securities										
Federal Farm Credit Bank	1,000,000	0.85%	N/A	11/15/12	0.85%	999,000		993,300	Bank of NY Mellon	988,160
Federal Home Loan Bank	2,000,000	1.00%	N/A	12/18/12	1.00%	1,999,000		1,970,460	Bank of NY Mellon	1,953,960
Federal Farm Credit Bank	2,000,000	1.12%	N/A	05/20/13	1.12%	2,000,000		1,972,500	Bank of NY Mellon	1,959,180
Federal Home Loan Mortgage Corporation	1,000,000	1.00%	N/A	07/11/13	1.00%	1,000,000		980,890	Bank of NY Mellon	971,875
Federal Home Loan Mortgage Corporation	2,000,000	1.05%	N/A	07/16/13	1.05%	2,000,000		1,967,800	Bank of NY Mellon	1,950,400
Federal Home Loan Bank	1,000,000	1.00%	N/A	07/30/13	1.00%	1,000,000		982,550	Bank of NY Mellon	973,500
Federal Home Loan Bank	1,000,000	0.45%	N/A	08/09/13	0.45%	1,000,000		994,510	Bank of NY Mellon	991,610
Federal Home Loan Bank	1,000,000	1.05%	N/A	08/12/13	1.05%	1,000,000		983,640	Bank of NY Mellon	974,700
Federal Farm Credit Bank	2,000,000	0.98%	N/A	08/13/13	0.98%	1,997,000		1,984,160	Bank of NY Mellon	1,975,580
Federal National Mortgage Association	1,000,000	1.00%	N/A	08/28/13	1.00%	998,000		988,630	Bank of NY Mellon	979,970
Federal National Mortgage Association	2,000,000	1.10%	N/A	08/28/13	1.10%	2,000,000		1,983,750	Bank of NY Mellon	1,966,860
Federal Home Loan Mortgage Corporation	2,000,000	1.00%	N/A	09/20/13	1.00%	2,000,000		1,974,540	Bank of NY Mellon	1,958,280
Federal Home Loan Bank	2,000,000	1.00%	N/A	09/20/13	1.00%	1,998,000		1,960,440	Bank of NY Mellon	1,939,860
Federal Home Loan Mortgage Corporation	2,000,000	1.04%	N/A	09/27/13	1.04%	2,000,000		1,974,460	Bank of NY Mellon	1,958,300
Federal National Mortgage Association	2,000,000	1.07%	N/A	09/27/13	1.07%	2,000,000		1,978,380	Bank of NY Mellon	1,962,188
Federal National Mortgage Association	2,000,000	2.20%	N/A	10/24/13	2.20%	2,000,000		2,002,340	Bank of NY Mellon	2,000,660
Federal Home Loan Mortgage Corporation	1,000,000	2.00%	N/A	10/30/13	2.00%	1,000,000		1,001,500	Bank of NY Mellon	1,002,900
Federal Home Loan Mortgage Corporation	1,000,000	2.05%	N/A	10/30/13	2.05%	1,000,000		1,001,480	Bank of NY Mellon	1,000,560
Federal Home Loan Mortgage Corporation	1,000,000	2.00%	N/A	11/27/13	2.00%	1,000,000		1,001,990	Bank of NY Mellon	994,570
Federal Home Loan Bank	1,000,000	0.75%	N/A	11/29/13	0.75%	1,000,000		980,625	Bank of NY Mellon	970,130
Federal Home Loan Bank	1,000,000	2.08%	N/A	12/13/13	2.08%	1,000,000		1,002,300	Bank of NY Mellon	0
Federal National Mortgage Association	4,000,000	1.03%	N/A	01/30/14	1.03%	4,000,000		3,928,800	Bank of NY Mellon	3,894,920
Federal National Mortgage Association	1,000,000	2.00%	N/A	01/30/14	2.00%	1,000,000		1,004,580	Bank of NY Mellon	998,670
Federal Home Loan Mortgage Corporation	2,000,000	1.125%	N/A	02/24/14	1.125%	2,000,000		1,994,020	Bank of NY Mellon	1,981,340
Federal National Mortgage Association	1,000,000	2.00%	N/A	02/28/14	2.00%	1,000,000		1,000,710	Bank of NY Mellon	993,520
Federal National Mortgage Association	2,000,000	1.10%	N/A	03/12/14	1.10%	2,000,000		1,946,300	Bank of NY Mellon	1,928,750
Federal National Mortgage Association	1,000,000	2.05%	N/A	03/12/14	2.05%	1,000,000		1,005,070	Bank of NY Mellon	0
Federal National Mortgage Association	1,000,000	2.00%	N/A	03/13/14	2.00%	1,000,000		1,004,080	Bank of NY Mellon	0
Federal Home Loan Mortgage Corporation	2,000,000	1.20%	N/A	03/20/14	1.20%	2,000,000		1,962,220	Bank of NY Mellon	1,943,500
Federal Home Loan Mortgage Corporation	2,000,000	1.15%	N/A	04/25/14	1.15%	2,000,000		1,962,020	Bank of NY Mellon	1,942,740
Federal National Mortgage Association	2,000,000	1.03%	N/A	05/21/14	1.03%	2,000,000		1,946,600	Bank of NY Mellon	1,929,300
Federal Home Loan Bank	1,000,000	0.80%	N/A	06/12/14	0.80%	1,000,000		981,130	Bank of NY Mellon	970,830
										49,991,000

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TREASURER'S MONTHLY REPORT
 DETAIL OF INVESTMENTS
 September 30, 2013

	Par Value	Coupon Rate	Rating	Maturity or Call Date	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
Medium Term Investments (1 year to 3 years)										
Corporate Notes										
General Electric Capital Corporation	1,000,000	0.60%	A1/AA+	04/13/15	1.20%	<u>1,000,000</u>	1,000,000	1,000,010	Bank of NY Mellon	999,700
Time Deposits										
Ally Bank CD	200,000	1.15%	N/A	7/27/15	1.15%	200,000		200,000	Bank of NY Mellon	200,000
GE Cap Retail Bank CD	200,000	1.35%	N/A	7/20/16	1.35%	200,000		203,472	Bank of NY Mellon	202,538
GE Cap Bank CD	200,000	1.35%	N/A	7/20/16	1.35%	<u>200,000</u>		203,472	Bank of NY Mellon	202,538
							600,000			
U.S. Gov't Agency Securities										
Long Term Investment (3 years to 5 years)										
Time Deposits										
Goldman Sachs Bank CD	200,000	1.80%	N/A	7/25/17	1.80%	198,600		205,199	Bank of NY Mellon	203,642
Discover Bank CD	200,000	1.70%	N/A	7/26/17	1.70%	<u>200,000</u>		204,446	Bank of NY Mellon	202,875
							398,600			
U.S. Gov't Agency Securities										
Financing Corporation (FICO)	500,000	9.80%	N/A	04/06/18	9.80%	<u>498,594</u>		680,585	Bank of America	672,782
							<u>498,594</u>			
							<u>\$ 100,224,195</u>	<u>\$ 99,757,715</u>		<u>\$ 103,131,134</u>
Total Invested Cash										

*Includes the following deposits of non-City funds:

	Principal	Interest	Total
Palm Springs Historical Society	250,000	1,010	251,010

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TREASURER'S MONTHLY REPORT
 MISCELLANEOUS AND TRUST ACCOUNTS
 September 30, 2013

	<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	\$ 100,224,195					\$ 100,224,195	\$ 100,224,195
Miscellaneous Accounts							
Petty Cash	4,000	N/A	N/A	open	None	4,000	
Trust & Agency - Bank of America	790,495	N/A	N/A	open	None	790,495	
Downpayment Assistance (Housing Fund) - Bank of America	33,817	0.05%	N/A	open	0.05%	33,817	
Workers Compensation - Bank of America	16,658	N/A	N/A	open	None	16,658	
General Liability - Bank of America	30,000	N/A	N/A	open	None	30,000	
1930's General Store Museum - Bank of America	5,669	N/A	N/A	open	None	5,669	
On-Line Credit Card Fire Inspection Fees -Bank of America	119,143	N/A	N/A	open	None	119,143	
On-Line Credit Card Transportation Permits -Bank of America	8,088	N/A	N/A	open	None	8,088	1,007,870
Total Cash Deposited							\$ 101,232,065

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 September 30, 2013

	<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>
2004/2012 Convention Center										
Invesco Government & Agency Private	5,936,301	variable	AAA	open	0.01%	5,936,301		5,936,300	Bank of NY Mellon	358,578
Federal Home Loan Mortgage Corporation	5,465,000	4.125%	N/A	9/27/13	1.93%	<u>0</u>		0	Bank of NY Mellon	5,479,810
							5,936,301			
1991/01 Series B - Housing										
Invesco Government & Agency Private	478,123	variable	AAA	open	0.02%	<u>478,123</u>		478,123	Bank of NY Mellon	478,115
							478,123			
1994/04 Series A & B/2007A, B, & C										
Invesco Government & Agency Private	1,697,183	variable	AAA	open	0.01%	1,697,183		1,697,183	Bank of NY Mellon	1,988,368
Federal Home Loan Mortgage Corporation	965,000	4.125%	N/A	9/27/13	1.93%	<u>0</u>		0	Bank of NY Mellon	967,615
Federal Home Loan Mortgage Corporation	571,000	4.125%	N/A	9/27/13	1.93%	<u>0</u>		0	Bank of NY Mellon	572,547
							1,697,183			
1998 Airport PFC										
Invesco Government & Agency Private	1,293,835	variable	AAA	open	0.01%	<u>1,293,835</u>		1,293,835	Bank of NY Mellon	1,235,679
							1,293,835			
2002 Parking Structure										
Cash	3					3		3	Bank of NY Mellon	3
Invesco Government & Agency Private	1,912	variable	AAA	open	0.01%	<u>1,912</u>		1,912	Bank of NY Mellon	2,207
							1,916			
2004 Assessment District 161										
Invesco Government & Agency Private	394,754	variable	AAA	open	0.02%	<u>394,754</u>		394,754	Bank of NY Mellon	399,197
							394,754			

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TREASURER'S MONTHLY REPORT
 BOND ISSUE RESERVE, DEBT SERVICE & RELATED FUNDS
 September 30, 2013

	Par Value	Coupon Rate	Rating	Maturity	Yield to Maturity	Adjusted Cost Basis	Category Total	(memo only) Market Value	Source	Prior Qtr. Market Value
2004 Assessment District 162										
Invesco Government & Agency Private	156,827	variable	AAA	open	0.02%	<u>156,827</u>		156,827	Bank of NY Mellon	158,641
							156,827			
2005 Assessment District 164										
Invesco Government & Agency Private	366,726	variable	AAA	open	0.02%	<u>366,726</u>		366,726	Bank of NY Mellon	559,674
							366,726			
2006 Airport PFC										
Invesco Government & Agency Private	1,312,799	variable	AAA	open	0.02%	<u>1,312,799</u>		1,312,799	Bank of NY Mellon	1,185,983
							1,312,799			
2007 Refunding Lease Revenue Bonds										
Cash	0					0		0	Bank of NY Mellon	0
Invesco Government & Agency Private	316,076	variable	AAA	open	0.01%	<u>316,076</u>		316,076	Bank of NY Mellon	1
							316,076			
2008 Airport PFC Refunding										
Invesco Government & Agency Private	647,464	variable	AAA	open	0.02%	647,464		647,464	Bank of NY Mellon	32,027
Federal Home Loan Mortgage Corporation	603,000	4.125%	N/A	9/27/13	1.93%	<u>0</u>		0	Bank of NY Mellon	604,634
							647,464			
Reserve for 2012 Downtown Revitalization Lease Revenue Bond										
Invesco Government & Agency Private	3,189,148	variable	AAA	open	0.01%	<u>3,189,148</u>		3,189,148	Bank of NY Mellon	3,189,094
							3,189,148			
Chevron/CoGen Lease Proceeds										
Cash	14,717,283					<u>14,717,283</u>		14,717,283	Deutsche Bank	14,717,283
							14,717,283			
Funds With Century Golf	548,774					<u>548,774</u>		548,774	Century Golf	768,553
Totals							<u>548,774</u>			
							<u>31,057,207</u>	<u>31,057,206</u>		<u>\$ 32,698,009</u>

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TREASURER'S MONTHLY REPORT
 CALCULATION OF INVESTMENT LIMITATIONS
 September 30, 2013

<u>By Maturity:</u>	Allowable Percentages		Current Mo.
	Minimum	Maximum	
1 day to 365 days	\$8,000,000	N/A	\$97,727,001
1 year to 3 years	0.00%	50.00%	1.60%
3 years to 5 years	0.00%	30.00%	0.90%
over 5 years	N/A	N/A	0.00%
<u>By Type of Investment:</u>			
Bankers Acceptance - in total	N/A	40.00%	0.00%
Bankers Acceptance - single bank	N/A	20.00%	0.00%
Commercial Paper	N/A	15.00%	0.00%
Time Deposits	N/A	30.00%	1.00%
Corporate Notes	N/A	20.00%	1.00%
Money Market Mutual Funds	N/A	10.00%	0.00%
Mortgage Pass Thrus	N/A	10.00%	0.00%
U.S. Government Agencies	N/A	60.00%	50.38%
U.S. Treasury Notes/Bonds	N/A	N/A	0.00%

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