

Town of Prescott Valley Arizona

Council Investment Report



TO THE TOWN COUNCIL

Presented on October 28, 2010

COVERING THE HIGHLIGHTS OF THE INVESTMENT ACTIVITIES OF THE
TOWN GOVERNMENT DURING

The Month of September 2010

More detailed information will be furnished upon request to the Town Manager's Office

Prepared by the Town of Prescott Valley Management Services Department



**TOWN OF PRESCOTT VALLEY
INVESTMENT REPORT TO TOWN COUNCIL
FOR THE MONTH ENDED SEPTEMBER 30, 2010**

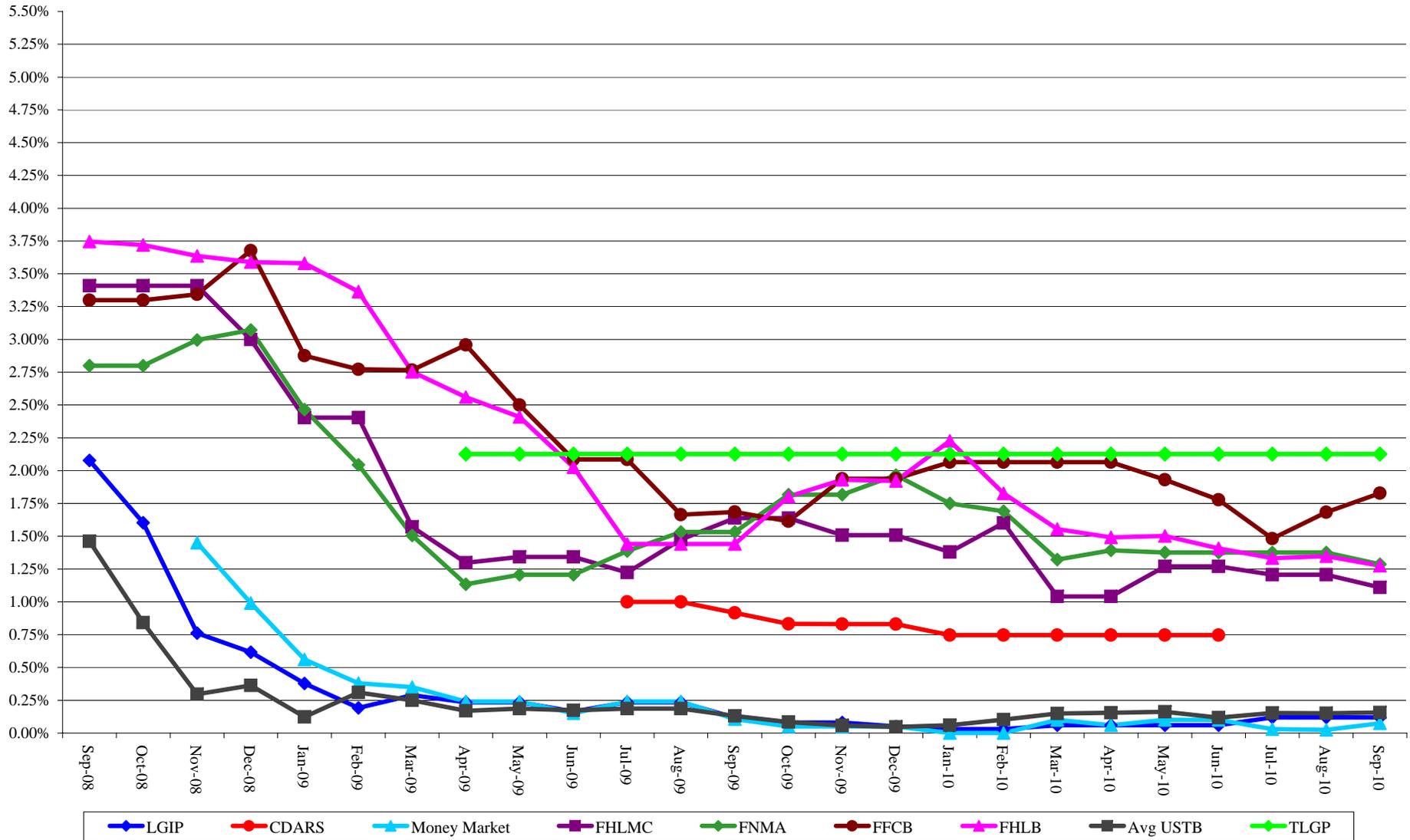
AVERAGE UNITED STATES TREASURY BILL RATE FOR THE MONTH OF SEPTEMBER 0.16%

PURCHASE DATE	TYPE OF INVESTMENT	RATING	COST	ACCRUED INTEREST	% OF TOTAL	* PAR VALUE	MATURITY DATE	YIELD TO MATURITY %	9/30/10 AVG RATES	INTEREST EARNED
	Local Government Investment Pool									
	Arizona State Treasurer's Office (LGIP)		\$ 3,107,493.37	-	8.438%	N/A	N/A	0.120%	0.120%	\$ 1,151.30
<u>MONEY MARKET</u>										
	JPM Money Market Account		4,528,929.05	-	12.298%	N/A	N/A	0.075%	0.075%	799.06
<u>FHLMC'S</u>										
7/27/2010	Freddie Mac	AAA	1,004,000.00	666.67	2.726%	1,000,000.00	7/12/2013	1.078%	1.109%	1,976.33
9/30/2010	Freddie Mac	AAA	1,000,000.00	-	2.715%	1,000,000.00	9/30/2013	0.750%		20.83
5/6/2010	Freddie Mac	AAA	1,500,000.00	-	4.073%	1,500,000.00	5/26/2015	1.500%		9,250.00
<u>FNMA'S</u>										
2/9/2010	Fannie Mae	AAA	2,000,000.00	-	5.431%	2,000,000.00	11/9/2012	1.570%	1.287%	20,410.00
3/1/2010	Fannie Mae	AAA	1,994,371.67	-	5.416%	2,000,000.00	12/3/2010	0.335%		3,986.34
9/30/2010	Fannie Mae	AAA	2,000,000.00	-	5.431%	2,000,000.00	12/30/2013	1.250%		69.44
9/28/2010	Fannie Mae	AAA	1,000,000.00	-	2.715%	1,000,000.00	3/28/2014	1.300%		108.33
9/20/2010	Fannie Mae	AAA	1,000,000.00	-	2.715%	1,000,000.00	9/20/2013	1.000%		305.56
9/30/2010	Fannie Mae	AAA	2,000,000.00	-	5.431%	2,000,000.00	9/30/2014	1.000%		55.56
4/1/2010	Fannie Mae	AAA	1,009,500.00	-	2.741%	1,000,000.00	5/5/2014	2.554%		12,982.83
<u>FFCB'S</u>										
5/13/2010	Federal Farm Credit Bank	AAA	1,654,450.00	-	4.493%	1,630,000.00	9/2/2014	1.828%	1.828%	11,672.31
<u>FHLB'S</u>										
10/27/2009	Federal Home Loan Bank	AAA	1,497,375.00	-	4.066%	1,500,000.00	4/27/2012	1.697%	1.276%	23,970.13
3/22/2010	Federal Home Loan Bank	AAA	1,000,000.00	-	2.715%	1,000,000.00	6/22/2012	1.150%		6,165.28
8/23/2010	Federal Home Loan Bank	AAA	1,500,000.00	-	4.073%	1,500,000.00	8/23/2013	0.625%		1,015.63
9/28/2010	Federal Home Loan Bank	AAA	1,000,000.00	-	2.715%	1,000,000.00	3/28/2013	0.500%		41.67
6/28/2010	Federal Home Loan Bank	AAA	1,000,000.00	-	2.715%	1,000,000.00	12/28/2010	0.250%		659.72
7/14/2010	Federal Home Loan Bank	AAA	1,001,000.00	48.33	2.718%	1,000,000.00	1/13/2014	1.334%		2,927.39
7/14/2010	Federal Home Loan Bank	AAA	1,509,450.00	-	4.099%	1,500,000.00	8/22/2012	0.407%		1,339.71
10/27/2009	Federal Home Loan Bank	AAA	1,519,995.00	-	4.127%	1,500,000.00	8/26/2014	2.499%		35,298.38
10/6/2009	Federal Home Loan Bank	AAA	1,000,000.00	-	2.715%	1,000,000.00	10/6/2014	3.020%		30,200.00
<u>TLGP'S</u>										
4/7/2009	Temporary Liquidity Guarantee Program	AAA	1,999,954.00	-	5.431%	2,000,000.00	12/26/2012	2.126%	2.126%	64,017.01
TOTAL INVESTMENTS			\$ 36,826,518.09	\$ 715.00	100.00%	Average yield to maturity		1.216%	\$ 228,422.79	

Percentage of Portfolio-Agencies (not to exceed 40%)	Current Year \$ Investment		Prior Year \$ Investment
Local Government Investment Pool	8.438%	\$ 3,107,493.37	605,750.78
Certificates of Deposit	0.000%	-	1,503,630.25
JPM Money Market Account	12.298%	4,528,929.05	6,528,127.40
Freddie Mac Discount Note	9.515%	3,504,000.00	7,606,745.00
Fannie Mae Discount Note	29.880%	11,003,871.67	15,491,037.77
Federal Farm Credit Bank	4.493%	1,654,450.00	7,501,660.00
Federal Home Loan Bank	29.945%	11,027,820.00	9,552,013.61
Temporary Liquidity Guarantee Program	5.431%	1,999,954.00	1,999,954.00



**TOWN OF PRESCOTT VALLEY
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FOR THE MONTH ENDED SEPTEMBER 30, 2010**



* Par Value of the Debt Securities listed on this report is also known as the redemption value.

Debt securities that are not new issues at purchase date requires that the accrued interest earned to date be purchased also.

The Town classifies its debt securities as held-to-maturity. A debt security should be classified as held-to maturity only if the reporting entity has both (1) the positive intent and (2) the ability to hold those securities to maturity. In accordance with the Town's Investment Policy, securities shall not be sold prior to maturity with the following exceptions; 1. A security with declining credit may be sold early to minimize loss of principal. 2. Liquidity needs of the portfolio require that the security be sold. 3. If market conditions present an opportunity for the Town to benefit from the sale.