

Town of Prescott Valley Arizona

Investment Report



To the Town Council

Presented on October 27, 2011

Covering the Highlights of the Investment Activities of the Town Government During

The Month of September 2011

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
For the Month Ended September 30, 2011**

DESCRIPTION	RATING	PURCHASE DATE	PAR VALUE	MATURITY DATE	CALL DATE	COUPON	YIELD TO MATURITY	BOOK VALUE	ACCRUED INTEREST	% OF TOTAL	INTEREST EARNED
<u>Local Government Investment Pool (LGIP)</u>											
Arizona State Treasurer's Office	n/a	n/a	n/a	n/a	n/a	n/a	0.150%	\$ 3,110,827.31	\$ -	11.523%	\$ 131.75
<u>Certificates of Deposit (CD)</u>											
Certificates of Deposit	n/a	10/21/10	250,000	10/20/11	n/a	-	0.500%	248,759.63	-	0.921%	1,197.92
Certificates of Deposit	n/a	11/04/10	250,000	11/03/11	n/a	-	0.450%	248,883.10	-	0.922%	1,034.38
Certificates of Deposit	n/a	10/21/10	250,000	04/20/12	n/a	-	0.550%	247,956.25	-	0.918%	1,317.71
Certificates of Deposit	n/a	11/04/10	250,000	05/03/12	n/a	-	0.490%	248,144.03	-	0.919%	1,126.32
Certificates of Deposit	n/a	10/21/10	250,000	10/22/12	n/a	-	0.650%	246,783.05	-	0.914%	1,557.29
Certificates of Deposit	n/a	11/04/10	250,000	11/05/12	n/a	-	0.590%	247,027.55	-	0.915%	1,356.18
Certificates of Deposit	n/a	10/21/10	250,000	04/22/13	n/a	-	0.750%	245,391.35	-	0.909%	1,796.88
Certificates of Deposit	n/a	11/04/10	250,000	05/03/13	n/a	-	0.690%	245,707.20	-	0.910%	1,586.04
Certificates of Deposit	n/a	10/21/10	250,000	10/21/13	n/a	-	1.000%	242,712.00	-	0.899%	2,395.83
Certificates of Deposit	n/a	11/04/10	250,000	11/04/13	n/a	-	0.940%	243,066.30	-	0.900%	2,160.69
Certificates of Deposit	n/a	10/21/10	250,000	04/21/14	n/a	-	1.100%	240,728.35	-	0.892%	2,635.42
Certificates of Deposit	n/a	11/04/10	250,000	05/05/14	n/a	-	1.030%	241,134.83	-	0.893%	2,367.57
Certificates of Deposit	n/a	10/21/10	250,000	10/20/14	n/a	-	1.300%	237,642.60	-	0.880%	3,114.58
Certificates of Deposit	n/a	11/04/10	250,000	11/03/14	n/a	-	1.220%	238,095.25	-	0.882%	2,804.31
Certificates of Deposit	n/a	10/21/10	250,000	10/20/15	n/a	-	1.600%	231,481.50	-	0.857%	3,833.33
Certificates of Deposit	n/a	11/04/10	250,000	11/02/15	n/a	-	1.500%	232,027.73	-	0.859%	3,447.92
<u>Federal Home Loan Mortgage Corporation (FHLMC)</u>											
Freddie Mac	AAA	07/20/11	1,000,000	10/20/14	10/20/11	1.400	1.400%	1,000,000.00	-	3.704%	2,838.89
Freddie Mac	AAA	09/28/11	1,000,000	09/28/16	09/28/12	0.500	0.500%	1,000,000.00	-	3.704%	41.67
<u>Federal National Mortgage Association (FNMA)</u>											
Fannie Mae	AAA	09/12/11	1,000,000	09/12/13	03/12/12	0.600	0.600%	1,000,000.00	-	3.704%	316.67
Fannie Mae	AAA	09/20/10	1,000,000	09/20/13	09/20/12	1.000	1.000%	1,000,000.00	-	3.704%	10,444.44
Fannie Mae	AAA	12/02/10	1,000,000	04/25/14	10/25/11	1.000	1.000%	993,350.00	-	3.679%	8,416.67
Fannie Mae	AAA	07/18/11	1,000,000	07/18/14	01/18/12	1.250	1.250%	1,000,000.00	-	3.704%	2,604.17
Fannie Mae	AAA	09/12/11	1,000,000	09/12/14	03/12/12	0.850	0.850%	1,000,000.00	-	3.704%	448.61
Fannie Mae	AAA	09/23/11	1,000,000	09/23/14	03/23/12	0.500	0.500%	1,000,000.00	-	3.704%	111.11
Fannie Mae	AAA	10/28/10	2,000,000	10/28/14	10/28/11	1.250	1.250%	2,004,960.00	-	7.426%	23,472.22
Fannie Mae	AAA	06/30/11	1,000,000	12/30/14	03/30/12	1.250	1.250%	999,500.00	-	3.702%	3,229.17
Fannie Mae	AAA	08/23/11	1,000,000	10/27/15	10/27/11	1.550	1.550%	1,001,900.00	4,994.44	3.711%	1,679.17
Fannie Mae	AAA	08/23/11	1,000,000	11/23/15	11/23/11	0.577	0.058%	1,002,300.00	3,750.00	3.713%	62.46
Fannie Mae	AAA	09/26/11	1,000,000	09/26/16	09/26/12	1.000	1.000%	1,000,000.00	-	3.704%	138.89
<u>Federal Farm Credit Banks (FFCB)</u>											
Federal Farm Credit Banks	AAA	07/07/11	1,000,000	04/18/13	10/18/11	0.480	0.480%	1,000,000.00	-	3.704%	1,146.67
Federal Farm Credit Banks	AAA	07/07/11	1,000,000	07/07/14	10/07/11	1.100	1.100%	999,500.00	-	3.702%	2,627.78
Federal Farm Credit Banks	AAA	08/29/11	1,000,000	08/28/14	08/28/12	0.790	0.790%	1,000,000.00	-	3.704%	724.17
<u>Federal Home Loan Banks (FHLB)</u>											
Federal Home Loan Bank	AAA	09/08/11	1,000,000	09/08/15	12/08/11	1.200	1.200%	1,000,000.00	-	3.704%	766.67



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DESCRIPTION	RATING	PURCHASE DATE	PAR VALUE	MATURITY DATE	CALL DATE	COUPON	YIELD TO MATURITY	BOOK VALUE	ACCRUED INTEREST	% OF TOTAL	INTEREST EARNED	
Temporary Liquidity Guarantee Program (TLGP)												
Temporary Liquidity Guarantee Program	AAA	04/07/09	2,000,000	12/26/12	n/a	2.125	2.126%	1,999,954.00	-	7.408%	107,126.78	
Total Investments								0.926%	\$ 26,997,832.03	\$ 8,744.44	100.00%	\$ 200,060.29

Description	Avg. Rate	Balance 9/30/11	% of Total	Balance 9/30/10
Local Government Investment Pool	0.150%	\$ 3,110,827.31	11.523%	\$ 3,107,493.37
Certificates of Deposit	0.898%	3,885,540.72	14.392%	-
Money Market Account	0.000%	-	0.000%	4,528,929.05
Federal Home Loan Mortgage Corp	1.400%	2,000,000.00	7.408%	3,504,000.00
Federal National Mortgage Association	0.968%	12,002,010.00	44.455%	11,003,871.67
Federal Farm Credit Banks	0.790%	2,999,500.00	11.110%	1,654,450.00
Federal Home Loan Banks	1.200%	1,000,000.00	3.704%	11,027,820.00
Temporary Liquidity Guarantee Program	2.126%	1,999,954.00	7.408%	1,999,954.00
Total Investments		\$ 26,997,832.03	100.000%	\$ 36,826,518.09

Agency	Total \$	Total %
FTN Financial	\$ 10,877,890.72	40.29%
Local Government Investment Pool	3,110,827.31	11.52%
Stone & Youngberg	7,009,114.00	25.96%
Wells Fargo	6,000,000.00	22.22%
	\$ 26,997,832.03	100.00%

*Not to exceed 40% of the total.

Description	Date	Book Value	Activity
Beginning Balance		\$ 25,652,150.28	
Freddie Mac	09/02/11	(1,000,000.00)	Full Call
Freddie Mac	09/28/11	1,000,000.00	Purchase
Fannie Mae	09/28/11	(1,000,000.00)	Full Call
Fannie Mae	09/12/11	1,000,000.00	Purchase
Fannie Mae	09/12/11	1,000,000.00	Purchase
Fannie Mae	09/23/11	1,000,000.00	Purchase
Fannie Mae	09/26/11	1,000,000.00	Purchase
Federal Farm Credit Banks	09/02/11	(1,654,450.00)	Full Call
Federal Home Loan Bank	09/30/11	(1,000,000.00)	Full Call
Federal Home Loan Bank	09/08/11	1,000,000.00	Purchase
LGIP		131.75	Interest Earned
Ending Balance		\$ 26,997,832.03	

Current Average United States 90 Day Treasury Bill Rate 0.010%

Note 1: Par value is also known as the redemption value.

Note 2: Debt securities which are not new issues on the purchase date require the accrued interest earned to date be purchased.

Note 3: 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) market conditions present an opportunity for the Town to benefit from the sale.



Town of Prescott Valley
Average Rates
For the Month Ended September 30, 2011

