



MUNICIPAL OFFICE COMPLEX
8401 W. MONROE STREET
PEORIA, AZ 85345

**VISTANCIA COMMUNITY FACILITIES
DISTRICT BOARD
SPECIAL MEETING NOTICE & AGENDA
Tuesday, September 06, 2011
7:31 PM
(to follow Regular City Council Meeting)
CITY COUNCIL CHAMBER**

**CONVENE:
ROLL CALL:**

DISTRICT BOARD:

Chairperson
Bob Barrett

Vice Chairperson
Cathy Carlat

Board Members
Ron Ames
Joan Evans
Carlo Leone
Dave Pearson
Tony Rivero

District Manager
Carl Swenson

CONSENT AGENDA

CONSENT AGENDA: All items listed with "C" are considered to be routine or have been previously reviewed by the Board, and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member so requests; in which event the item will be removed from the General Order of Business, and considered in its normal sequence on the Agenda.

CONSENT – New Business:

1C Minutes

Discussion and possible action to approve the June 21, 2011 VCFD minutes.

2C Investment Report for the Year Ended June 30, 2011

Discussion and possible action to review and accept the Annual Investment Report for the Year Ended June 30, 2011.

CALL TO THE PUBLIC: (NON-AGENDA ITEMS)

Your comments pertaining to District Board business are welcome. However, if you wish to address the District Board, please complete a Speaker Request Form and return it to the Clerk before the call to order for this meeting. The District Board is not authorized by state law to discuss or take action on any issue raised by public comment until a later meeting.

Vistancia Community Facilities District Board
Special Meeting Notice & Agenda
Tuesday, September 06, 2011
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ADJOURNMENT

NOTE: Documentation (if any) for items listed on the Agenda is available for public inspection, a minimum of 24 hours prior to the District Board Meeting, at any time during regular business hours in the Office of the City Clerk, 8401 W. Monroe Street, Room 150, Peoria, AZ 85345.

Accommodations for Individuals with Disabilities. *Alternative format materials, sign language interpretation, assistive listening devices or interpretation in languages other than English are available upon 72 hours advance notice through the Office of the City Clerk, 8401 West Monroe Street, Room 150, Peoria, Arizona 85345 (623)773-7340, TDD (623)773-7221, or FAX (623) 773-7304. To the extent possible, additional reasonable accommodations will be made available within the time constraints of the request.*

MINUTES OF THE VISTANCIA COMMUNITY FACILITIES DISTRICT BOARD
CITY OF PEORIA, ARIZONA
COUNCIL CHAMBER
June 21, 2011

A **Special Meeting** of the Vistancia Community Facilities District Board was convened at 8401 West Monroe Street in open and public session at 7:49 p.m.

Members Present: Board Chairperson Bob Barrett; Vice Chairperson Cathy Carlat; Board Members, Ron Aames, Joan Evans, Carlo Leone, Dave Pearson and Tony Rivero.

Members Absent: None

Other Municipal Officials Present: Carl Swenson, District Manager; Susan Daluddung, Deputy District Manager; Susan Thorpe, Deputy District Manager; Steve Kemp, District Counsel; Wanda Nelson, District Clerk; Katie Gregory, Interim Management and Budget Director; Chris Jacques, Planning and Community Development Director; Bo Larsen, Public Information Manager; Maria Laughner, Business and Real Estate Development Manager; Bill Mattingly, Public Works and Utilities Director; Brent Mattingly, Finance Director; Roy Minter, Police Chief; Dan Nissen, Assistant City Engineer; Jeff Tyne, Interim Community Services Director; Larry Rooney, Deputy Chief of Administration; Claudia Luján, Assistant to the District Manager; Rhonda Geriminsky; Chief Deputy District Clerk.

Audience: Approximately 30 members of the public were present.

Note: The order in which items appear in the minutes is not necessarily the order in which they were discussed in the meeting.

CONSENT AGENDA: All items listed with a "C" are considered to be routine or have been previously reviewed by the District Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member so requests; in which event the item will be removed from the General Order of Business and considered in its normal sequence on the Agenda.

CONSENT – New Business:

Chairperson Barrett asked if any Board Member wished to have an item removed from the Consent Agenda. Having no requests from the Board, motion was made by Board Member Rivero, seconded by Vice Chairperson Carlat, to approve the Consent Agenda.

Upon vote, the motion carried unanimously 7 to 0.

1C Minutes

Approved the following minutes:

March 22, 2011 Special Meeting
May 17, 2011 Special Meeting

REGULAR AGENDA

NEW BUSINESS

2R PUBLIC HEARING - Budget and Tax Levy, Fiscal Year 2012

STAFF REPORT

Brent Mattingly, Finance Director, reported that the Board reviewed the proposed Budget of the Vistancia Community Facilities District Budget and tax levy information and adopted a tentative budget on June 1, 2011. Mr. Mattingly reported that the Fiscal Year 2012 Final Budget is \$35.5 million.

PUBLIC HEARING:

Board Chairperson Barrett opened the Public Hearing and asked if any Board Member or Citizen wished to comment on the Budget and Tax Levy, Fiscal Year 2012 and the Final Budget and Tax Levy, Fiscal Year 2012.

There being no comments from those present, Board Chairperson Barrett declared the Public Hearing closed.

BOARD ACTION:

No Board action required.

3R District Budget and Tax Levy for Fiscal Year 2012

RESOLUTION NO. VCFD 2011-02
(VISTANCIA)

A RESOLUTION OF THE DISTRICT BOARD OF VISTANCIA COMMUNITY FACILITIES DISTRICT (1)(A) APPROVING A FINAL BUDGET FOR FISCAL YEAR 2012 PURSUANT TO A.R.S. §48-716; (B) ORDERING THAT AN AD VALOREM TAX BE FIXED, LEVIED AND ASSESSED ON THE ASSESSED VALUE OF ALL THE REAL AND PERSONAL PROPERTY WITHIN THE BOUNDARIES OF THE DISTRICT IN AMOUNTS SPECIFIED IN FILED STATEMENTS AND ESTIMATES; AND (C) PROVIDING FOR CERTIFIED COPIES OF THIS RESOLUTION TO BE DELIVERED TO THE MARICOPA COUNTY BOARD OF SUPERVISORS AND THE ARIZONA DEPARTMENT OF REVENUE; AND (2) PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

Motion was made by Board Member Rivero, seconded by Board Member Aames, to adopt **RES. VCFD 2011-02**; approving a Final Budget for Fiscal Year 2012 for the Vistancia Community Facilities District pursuant to A.R.S. §48-716; ordering that an Ad Valorem Tax be fixed, levied and assessed on the assessed value of all the real and personal property within the boundaries of the District in amounts specified in filed statements and estimates; providing for certified copies of this resolution to be delivered to the Maricopa County Board of Supervisors and the Arizona Department of Revenue; and providing that this resolution shall be effective after its passage and approval according to law.

Upon vote, the motion carried unanimously 7 to 0.

CALL TO THE PUBLIC: (NON-AGENDA ITEMS)

None.

ADJOURNMENT:

Being no further business to come before the District Board, the meeting was duly adjourned at 7:51 p.m.

Bob Barrett, District Chairman

ATTEST:

Wanda Nelson, District Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct summary of the proceedings of the Special Meeting of the Vistancia Community Facilities District held on the 21st day of June, 2011. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 23rd day of August, 2011.

(Seal)

Wanda Nelson, District Clerk

**CITY OF PEORIA, ARIZONA
VISTANCIA COMMUNITY FACILITIES DISTRICT
DISTRICT COMMUNICATION**

Agenda Item: 2C

Date Prepared: August 3, 2011

District Meeting Date: August 23, 2011

TO: Carl Swenson, District Manager
FROM: Brent D. Mattingly, Chief Financial Officer *BDM*
THROUGH: Susan Thorpe, Deputy District Manager
SUBJECT: Investment Report for the Year Ended June 30, 2011

Purpose:

This is a request for the District Board to review and accept the Annual Investment Report for the Year Ended June 30, 2011.

Background/Summary:

The Finance Department has prepared an annual report in compliance with Peoria's adopted Investment Policy. The report summarizes the District's investment activity for the period from July 1, 2010 to June 30, 2011. The District's total investment portfolio earned an average yield of 0.47% for the 4th Quarter of FY 2011 and 0.51% for the fiscal year. This represents investment income of \$24,755 for the quarter and \$98,359 for the fiscal year. The average cash balance of the District's portfolio during the quarter was \$20,421,915 and the ending balance for the total investment portfolio was \$20,447,472 which represents all securities and money market funds.

Previous Actions:

There are no previous actions for this item.

Options:

The District Board may select the following options:

- A:** Accept the Annual Investment Report as presented
- B:** Not accept the Annual Investment Report and request additional information from staff

Staff's Recommendation:

Staff recommends that the District Board review and accept the Annual Investment Report for the Year Ended June 30, 2011 as presented.

Fiscal Analysis:

This item has no financial implications.

Narrative:

The annual report provides comparative investment yields, portfolio composition, average maturity lengths, comparisons of market value and book value, and a brief summary of the economy. An Inventory Holdings Report, which itemizes each security in the District's investment portfolio by fund, security type, and cusip number has been included as Exhibit 2. A brief glossary of security definitions has also been included as Exhibit 3.

Exhibit(s):

Exhibit 1: Annual Investment Report for the Year Ended June 30, 2011

Exhibit 2: Inventory Holdings Report for the Year Ended June 20, 2011

Exhibit 3: Glossary of Security Definitions

Contact:

Deborah Card, Treasury Manager, X7148
Title DEF

**VISTANCIA COMMUNITY FACILITIES
DISTRICT
PEORIA, ARIZONA**



INVESTMENT PERFORMANCE REPORT

Annual Report

Period Ended

June 30, 2011

**Brent D. Mattingly
District Chief Financial Officer**

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I. INTRODUCTION

This report reflects investment activity for the period of July 1, 2010 to June 30, 2011 for the District's investment management program. The District's funds are invested in accordance with the City's Investment and Portfolio Policies, approved and adopted in January 1992 by the City Council, with revisions approved in June 2005. The policy requires that the investment program meet the following criteria, listed in order of importance:

- Safety - *Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.*
- Liquidity - *The investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements.*
- Yield - *The investment portfolio shall be designed with the objective of obtaining a market rate of return throughout budgetary and economic cycles, while taking into account the City's strict risk constraints.*

In keeping with these principles, staff continued to invest the District's funds only in allowable, safe securities and to structure the maturity of the investment portfolio to assure liquidity. Short-term needs (6 months or less) are being met by investments in overnight repurchase agreements, commercial paper, and money market funds. Funds not required to meet specific short-term needs are invested primarily in Treasury Notes and U.S. Government Agency Securities.

Only after the safety and liquidity requirements are met does staff attempt to maximize earnings. For the Quarter and Year Ended June 30, 2011, the weighted average annualized yield on investments was as follows:

Table 1

AVERAGE ANNUALIZED INVESTMENT YIELD					
	FY11 Q1	FY11 Q2	FY11 Q3	FY11 Q4	Year Ended 6/30/11
CFD Bonds Series 2002 Debt Reserve Fund	0.87	0.87	0.47	0.70	0.73
CFD Bonds Series 2005	0.81	0.82	0.54	0.56	0.68
CFD Bonds Series 2006	0.50	0.45	0.44	0.43	0.46
Total Portfolio	0.58	0.54	0.46	0.47	0.51

The average annual yield of 0.51% represents a decrease of 0.35% from the total portfolio annualized yield of 0.86% for the Year Ended June 30, 2010.

The quarter's average yield of 0.47% for the total portfolio represents an increase of 0.01% from the total portfolio annualized yield of 0.46% experienced for the Quarter Ended March 31, 2011.

II. INVESTMENT POLICY COMPLIANCE

The City's Investment Policy, as approved by City Council, applies to all the financial assets and funds held by the City of Peoria, including Vistancia Community Facilities District funds. All investments follow the provisions established in that Policy.

III. INVESTMENT PERFORMANCE

A. Portfolio Composition. All investment proceeds are diversified by security type and institution to minimize market volatility risk and credit risk. The Policy stipulates maximum investment levels by market sector to insure diversification. Diversification is further accomplished through the laddering of maturities, which mirror anticipated cash flows for the various funds. If not matched to specific cash flows, the funds are invested with a priority of liquidity and safety until specific cash flow needs are identified.

The table below illustrates the diversification structured into the portfolio composition with dollar amounts and percentages by investment type (market sector). The table shows the overall conservative nature of the portfolio and its diversified structure. The fluctuation in percentages between fiscal quarters represents a shifting of value between market sectors from the varying economic conditions throughout the year. The concentration on Treasury Notes and Agency Securities illustrates the portfolio's safety priority.

Table 2

TOTAL PORTFOLIO COMPOSITION (In Millions of Dollars)								
Security Type	FY 11 – Q1		FY 11 – Q2		FY 11 – Q3		FY 11 – Q4	
	Amt	%	Amt	%	Amt	%	Amt	%
Money Market	2.8	13.9	2.8	13.9	5.9	28.9	5.5	27.0
Agency Securities	12.0	59.1	12.0	59.1	9.0	44.1	9.4	46.0
Treasury Bills	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Treasury Notes	3.0	14.8	3.0	14.8	3.0	14.8	3.0	14.8
Commercial Paper	2.5	12.2	2.5	12.2	2.5	12.2	2.5	12.2
Repurchase Agreements	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTALS:	20.3	100.0	20.3	100.0	20.4	100.0	20.4	100.0

B. Average Invested Cash Balances. The average cash balance of the overall portfolio for the Year Ended June 30, 2011 was \$20,379,561.

The average investment cash balance for the portfolio for the Quarter Ending June 30, 2011 was \$20,421,915 as compared to \$20,385,859 for the Quarter Ended March 31, 2011.

Fluctuations in the quarterly balances shown in the chart below represent normal cash flows throughout the fiscal year, the addition of new bond proceeds, investment of earned interest, and the spend down of existing bond proceeds for capital projects.

C. Investment Income. Total investment income for the Year Ended June 30, 2011 was \$98,359 which represents a decrease of 45.8% from the \$181,598 earned for the Year Ended June 30, 2010.

Total investment income for the 4th Quarter of FY11 was \$24,755 which represents an increase of 7.6% from the \$23,002 earned in the 3rd Quarter of FY11.

D. Comparative Investment Yields. Since the Investment Policy restricts investment primarily to the U.S. fixed income and money markets, the portfolio performance is measured directly against these markets for comparison purposes. The maximum maturity of securities purchased for the portfolio is restricted to five (5) years. The weighted average maturity cannot exceed 365 days. The actual weighted average maturity for the 4th Quarter of FY 11 was

199 days, in keeping with the investment policy requirement for liquidity and safety. The average rates of comparable benchmarks are shown in the table below.

Table 3

COMPARATIVE ANNUALIZED INVESTMENT YIELDS				
	FY 11 Q1	FY 11 Q2	FY 11 Q3	FY 11 Q4
Total Portfolio	0.58	0.54	0.46	0.47
3 Month T-Bill	0.15	0.13	0.12	0.04
Money Market Fds	0.01	0.01	0.01	0.01
6 Month T- Bill	0.19	0.18	0.16	0.10
1 Year T-Bill	0.26	0.25	0.26	0.19
2 Year Treasury	0.54	0.48	0.68	0.55

E. Average Maturity of the Portfolio. For the Quarter ended June 30, 2011, the average maturity of the portfolio was 199 days as compared to 169 days on March 31, 2011. Matching maturities to known cash flows requires the maintenance of a somewhat short portfolio. Cash not needed to match immediate cash flow needs (within a nine month rolling horizon of liabilities) is normally extended somewhat to take advantage of higher yields. Longer maturities are used to capture yields at purchase and to capture capital gains during the period.

F. Comparison of Market Value and Book Value. The book value of the portfolio is captured on an amortized cost basis recognizing the position in the securities on a straight-line amortization of premiums and discounts. Book and market values do not include accrued interest on the securities. The market value reflects the *then current* market price at which these securities could be sold in the open market. A comparison of book and market reflects the changes in market rates as well as the performance of the portfolio against the market. Since the shortest portion of the portfolio is matched against anticipated cash flows, rate changes will more directly affect their relative gain/loss positions. A summary of market and book values for the total portfolio for the Quarter are shown below.

Beginning Book Value	\$20,421,085
Beginning Market Value	\$20,435,297
Ending Book Value	\$20,447,472
Ending Market Value	\$20,460,059

At quarter's end, the market value of the portfolio exceeded the book value of securities resulting in an overall unrealized gain in value of \$2,587.

ECONOMIC REVIEW AS OF 6-30-11:

Gross Domestic Product (GDP): The final GDP report for the first quarter of 2011 showed that the U.S. economy had grown at a 1.9% annual rate, a significant decline from the 3.1% pace of the final quarter of 2010 and a disappointment to those who envisioned a self-sustaining recovery. Business inventories added 1.3 percentage points to the first quarter of 2011 GDP, after subtracting 3.4 percentage points in the prior quarter. Real final sales, which excludes the change in inventories, increased by only 0.60%. Consumer spending was up 2.2% in the first quarter of 2011, after a 4.0% gain in the prior quarter. Federal government expenditures and gross investment fell 8.1%, compared to a 0.3% prior quarter decline, defense spending fell 11.8%, compared to a drop of 2.2%, while state and local spending fell by 4.2%, compared to a 2.6% 2010 4th quarter decline. The outlook for the second quarter of 2011 is for marginal improvement, with GDP growth estimated at up 2.3%.

Employment: The spring improvement in the labor markets was apparently shorted-lived. After nonfarm payroll gains averaged 220k per month during the Feb-Apr period, payrolls rose by only 54k in May, well below the 165k median forecast. Unemployment increased from 9.0% to 9.1% in May, as the number of workers entering the workforce far exceeded the number of jobs created. The official number of unemployed Americans held steady at 13.9 million. Of those officially unemployed, 45.1% had been jobless for 27 weeks or more. Those employed part-time for economic reasons, or involuntary part-timers, was unchanged at 8.5 million. Another 2.2 million were not counted among the unemployed because they had not looked for a job in the last four weeks. Thus, the labor picture is considerably bleaker than the 9.1% unemployment rate suggests.

U.S. Home Sales: Despite near record low affordability levels, the U.S. housing market has taken another dip. New home sales fell 2.1% in May to 319k, the first decline in three months and down more than 75% from peak sales in 2005. There are now only 166k new homes available for sale. With sales tumbling, the median new home price fell to \$222k, down 3.4% from the same period in 2010. New homes now make up about 6% of total home sales. During the housing boom six years ago, this number had topped 16%. Existing home sales fell 3.8% in May to a 4.8 million unit pace, down from 5.0 million in April. It was the lowest sales pace in six months. On a year-over-year basis, existing home sales were down 15.3%. Approximately 31% of May sales were on distressed properties, pushing the average existing home price to a 9-yr low of \$166,500.

Retail Sales: The average price for unleaded gasoline rose above \$4 per gallon in May, before gradually dropping below \$3.60 by the end of June. Unfortunately, the higher pump prices robbed consumers of purchasing power, and contributed to an overall drop in consumer spending. Monthly retail sales fell 0.2% in May representing the first outright decline in a year. Much of the decrease was concentrated in auto sales, a sector suffering from low inventory levels due to Japanese supply disruptions. U.S. vehicle sales plunged from a 13.1 million unit annualized pace to 11.7 million in May, the lowest in eight months. If the volatile auto component is excluded from the calculation, sales would actually rise by 0.3%. On a year-over-year basis, overall retail sales have increased by 7.7%, while sales excluding autos are up 8.2%.

SUMMARY DATA

Table 4

PORTFOLIO COMPOSITION				
Vistancia CFD Bonds, Series 2002				
Security Type	FY 11 – Q1 Ending 09/30/10	FY 11 – Q2 Ending 12/31/10	FY 11 – Q3 Ending 03/31/11	FY 11 – Q4 Ending 06/30/11
Money Market	\$56,835	\$56,836	\$1,065,365	\$13,832
Agency Securities	\$2,006,073	\$2,002,895	\$1,000,000	\$2,050,409
Treasury Notes	\$0	\$0	\$0	\$0
Treasury Bills	\$0	\$0	\$0	\$0
Commercial Paper	\$0	\$0	\$0	\$0
Repurchase Agreements	\$0	\$0	\$0	\$0
Totals:	\$2,062,908	\$2,059,731	\$2,065,365	\$2,064,241
Avg Yield	0.87	0.87	0.47	0.70
Avg Maturity (Years)	1.17	0.93	0.72	1.35

Table 5

PORTFOLIO COMPOSITION				
Vistancia CFD Bonds, Series 2005				
Security Type	FY 11 – Q1 Ending 09/30/10	FY 11 – Q2 Ending 12/31/10	FY 11 – Q3 Ending 03/31/11	FY 11 – Q4 Ending 06/30/11
Money Market	\$352,560	\$355,320	\$354,190	\$1,006,431
Agency Securities	\$1,999,563	\$1,999,710	\$1,999,858	\$1,350,136
Treasury Notes	\$0	\$0	\$0	\$0
Treasury Bills	\$0	\$0	\$0	\$0
Commercial Paper	\$0	\$0	\$0	\$0
Repurchase Agreements	\$0	\$0	\$0	\$0
Totals:	\$2,352,123	\$2,355,030	\$2,354,048	\$2,356,567
Avg Yield	0.81	0.82	0.54	0.56
Avg Maturity (Years)	1.13	0.92	0.74	0.76

Table 6

PORTFOLIO COMPOSITION Vistancia CFD Bonds, Series 2006				
Security Type	FY 11 – Q1 Ending 09/30/10	FY 11 – Q2 Ending 12/31/10	FY 11 – Q3 Ending 03/31/11	FY 11 – Q4 Ending 06/30/11
Money Market	\$2,417,679	\$2,415,384	\$4,491,812	\$4,505,239
Agency Securities	\$8,042,505	\$8,040,630	\$6,014,985	\$6,009,942
Treasury Notes	\$3,013,513	\$3,009,000	\$3,004,500	\$3,017,316
Treasury Bills	\$0	\$0	\$0	\$0
Commercial Paper	\$2,494,965	\$2,498,160	\$2,490,375	\$2,494,167
Repurchase Agreements	\$0	\$0	\$0	\$0
Totals:	\$15,968,662	\$15,963,174	\$16,001,672	\$16,026,664
Avg Yield	0.50	0.45	0.44	0.43
Avg Maturity (Years)	0.52	0.40	0.39	0.41

City of Peoria
Detail of Security Holdings
As of 06/30/2011

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	My Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value
Vistancia Project 2002 - Debt Service Re													
WF-ADVGOV		MMF	Wells Fargo Adv Govt MMF					13,831.96	100.000	13,831.96	13,831.96	100.000	13,831.96
3134G1W26	01/27/11	AGCY CALL	FHLMC	0.650	07/27/12	07/27/11	QRTLY	1,000,000.00	100.000	1,000,000.00	1,000,000.00	100.017	1,000,170.00
3134G16J8	04/14/11	AGCY CALL	FHLMC	0.800	12/14/12	09/14/11	QRTLY	1,050,000.00	100.080	1,050,840.00	1,050,408.80	100.110	1,051,155.00
Total for Vistancia Project 2002 - Debt Service Re								2,063,831.96		2,064,671.96	2,064,240.76		2,065,156.96
Vistancia Project 2005 - Reserve Fund													
WF-ADVGOV		MMF	Wells Fargo Adv Govt MMF					1,006,431.01	100.000	1,006,431.01	1,006,431.01	100.000	1,006,431.01
3134G1W26	01/27/11	AGCY CALL	FHLMC	0.650	07/27/12	07/27/11	QRTLY	1,000,000.00	100.000	1,000,000.00	1,000,000.00	100.017	1,000,170.00
3134G16J8	04/14/11	AGCY CALL	FHLMC	0.800	12/14/12	09/14/11	QRTLY	350,000.00	100.080	350,280.00	350,136.27	100.110	350,385.00
Total for Vistancia Project 2005 - Reserve Fund								2,356,431.01		2,356,711.01	2,356,567.28		2,356,986.01
Vistancia Project 2006 - Construction													
WF-ADVGOV		MMF	Wells Fargo Adv Govt MMF					4,505,238.92	100.000	4,505,238.92	4,505,238.92	100.000	4,505,238.92
31331JFT5	05/05/10	AGCY BULET	FFCB	0.680	09/01/11			3,000,000.00	99.888	2,996,637.00	2,999,575.32	100.100	3,003,000.00
3024A1YJ6	02/23/11	CP - DISC	FCAR Owner Trust		11/18/11			2,500,000.00	99.553	2,488,833.33	2,494,166.68	99.855	2,496,377.50
3137EACE4	12/23/10	AGCY BULET	FHLMC	1.125	12/15/11			3,000,000.00	100.741	3,022,230.00	3,010,366.50	100.450	3,013,500.00
912828NB2	04/13/11	TREAS NOTE	U.S. Treasury	1.000	04/30/12			3,000,000.00	100.727	3,021,796.88	3,017,316.27	100.660	3,019,800.00
Total for Vistancia Project 2006 - Construction								16,005,238.92		16,034,736.13	16,026,663.69		16,037,916.42
Total for City of Peoria								20,425,501.89		20,456,119.10	20,447,471.73		20,460,059.39



City of Peoria

Security Definitions

AGENCIES - The following are Government-Related Enterprises, originally created by an act of Congress.

FFCB	Federal Farm Credit Bank
FHLB	Federal Home Loan Bank
FNMA	Federal National Mortgage Association or “Fannie Mae”
FHLMC	Federal Home Loan Mortgage Corporation or “Freddie Mac”

COMMERCIAL PAPER

FCAR Owner Trust	Ford Credit Asset Receivable
GE Capital Corp	General Electric Capital Corp

Johns Hopkins Health System

Toyota Motor Credit

GLOSSARY

Federal Farm Credit Bank (FFCB): The Federal Farm Credit Bank System is the oldest of the government sponsored enterprises, created by an act of congress in 1916. Its mission is to provide a reliable and low cost source of funds to support agriculture in the United States. FFCB debt obligations are highly liquid and its senior debt is AAA-rated. Yields on FFCB obligations are often slightly lower than yields on FHLB, FNMA or FHLMC obligations because they issue fewer bonds and are in demand as portfolio diversifiers.

Federal Home Loan Bank (FHLB): The Federal Home Loan Bank system was created by an act of Congress in 1932 as a system of 12 regional banks that provide funds to its member banks. FHLB’s primary mission is to support residential and community lending. Its membership of more than 8,000 financial institutions includes savings banks, commercial banks, credit unions and insurance companies active in housing finance. FHLB debt obligations are highly liquid and its senior debt is AAA-rated.

Federal National Mortgage Association (FNMA or “Fannie Mae”): Fannie Mae was chartered in 1938 under the Federal National Mortgage Association Act to provide a secondary market for mortgage loans in the United States, by purchasing existing home loans and pooling them together to create mortgage-backed securities that can then be sold to investors, along with a guaranty of the timely payment of principal and interest on the underlying loans. Fannie Mae was privatized in 1968, and operated as a private stockholder-owned company for 40 years before the housing market collapse forced them into federal government conservatorship in September 2008. Fannie Mae currently continues operation under government control and has been instrumental in the government’s attempts to revive the housing sector. Fannie Mae debt obligations are highly liquid and its senior debt is AAA-rated.

Federal Home Loan Mortgage Corporation (FHLMC or “Freddie Mac”): Freddie Mac was created by an act of Congress in 1970 as a shareholder-owned company to further expand the secondary market for mortgage loans in the United States. Freddie Mac buys existing mortgages and pools them together to create mortgage-backed securities that can then be sold to investors, thereby providing liquidity to lenders who can then make additional loans. Along with Fannie Mae, Freddie Mac was placed into government conservatorship in September 2008, but continues full operations under government control and has been instrumental in the government’s attempt to revive the housing sector. Freddie Mac securities are highly liquid and its senior debt is AAA-rated.

Federal Agency – A general term for a debt instrument issued by Fannie Mae, Freddie Mac, FFCB and FHLB among others. These are widely considered to be among the safest types of fixed income securities, although they are not explicitly guaranteed by the Federal government.