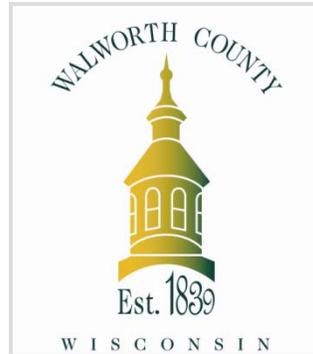

WALWORTH COUNTY, WISCONSIN

QUARTERLY INVESTMENT REPORT

March 31, 2013



**WALWORTH COUNTY FINANCE OFFICE
100 W. WALWORTH STREET
ELKHORN, WI 53121**

<http://www.co.walworth.wi.us/Government%20Center/Finance/Investments/InvestmentHomePage.aspx>

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EXECUTIVE SUMMARY

The County's total investment portfolio shall be defined as all county cash and investments not reserved in a separately maintained account for a specific purpose. Funds are valued in this report at bank statement value as of the date specified. Accounts not included in the total investment portfolio are restricted by a third party.

The key objectives in managing the County's total investment portfolio are to provide safety of principal, to ensure liquidity to meet operating requirements, to generate a market rate of return ("Yield") on the investments, and to manage the portfolio within applicable laws. Cash flow projections match revenues with expenditures to ensure prudent investment principles to enable the County to soundly meet its financial obligations. The Investment Portfolio shall be structured in relation to prevailing budgetary and economic environments, taking into account the County's investment risk constraints and cash flow characteristics.

- Walworth County's investment portfolio is currently in compliance with Wisconsin statutes, the Walworth County Code of Ordinances and the County's Administrative Procedures Manual.
- Walworth County's investment portfolio has been maintained to provide safety of investments and cash flow needs. Investments are diversified into different investment vehicles to provide safety. In addition, all securities held are either backed by the U.S. Government or meet minimum ratings set by specified agencies.
- Investments made prior to the current low interest environment are maturing, with less attractive rates available for reinvestment. The Finance department continues to follow economic news and seek input from brokers and advisors on near and long-term investment yield potential. The Federal Reserve's recent statements reinforce current feedback that rates are expected to remain low for the next 2 to 3 years.
- The Local Government Investment Pool (LGIP) yields continue to remain low. Rates have been under 0.25% since November, 2009. The annualized LGIP rate has a current average of 0.16%.
- Current collateralized money market yields are as follows Mid-America 0.64%, Associated 0.15%, and Chase 0.15%. The money markets provide the County with liquidity and offer a higher yield than a one year treasury currently yielding 0.14%.
- The investment portfolio with BMO remains at \$5 million, yielding 0.78% annually, net of fees, not including market adjustments. Portfolio duration is currently 2.36 years to maturity, and contains \$3.8 million in agency securities and \$1.4 million in treasury notes.
- The brokered portfolio held at Pershing is at \$29.1 million, yielding 0.86% (not including market adjustments) annually which includes \$22.1 million in agency securities and \$7 million in municipal debt. Portfolio duration is currently 2.44 years to maturity.
- The OPEB Trust will be reviewed separately from our operating investment portfolio, as this information is invested with a different investment philosophy due to its long term nature.

INVESTMENT OVERVIEW AND OBJECTIVES

As is mentioned above, the main objectives in managing the County's total investment portfolio are to provide safety of principal, to ensure liquidity to meet operating requirements, to generate a market rate of return ("Yield") on the investments, and to manage the portfolio with applicable laws. The County's total investment portfolio is currently comprised of the following types of investments:

LOCAL GOVERNMENT INVESTMENT POOL – The primary objective of the LGIP is to provide for the prudent management of public funds on behalf of the local government investor. The investment strategy of this fund is prioritized as: safety of the principal, liquidity, and the rate of return. The funds in LGIP may invest in obligations of the U.S. Treasury and its agencies, Commercial Paper, Bank Time Deposits/Certificates of Deposit, Bankers' Acceptances, Asset Backed Securities, and Repurchase Agreements (Repo) secured by the U.S. Government. LGIP does not insure its Commercial Paper.

CERTIFICATES OF DEPOSIT – Certificates of deposit and other evidences of deposits from county board approved financial institutions which are authorized to transact business in the state, which time deposits mature in not more than three years.

THE CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SERVICES, (CDARS) – Financial institutions can offer CDARS because they are members of a special network. When a large deposit is placed with a network member, that institution uses CDARS to place the funds into certificates of deposit issued by banks in the network. This occurs in increments of less than the standard FDIC insurance maximum to ensure that both principal and interest are eligible for full FDIC insurance.

With the help of a sophisticated matching system, network members exchange funds. This exchange occurs on a dollar-for-dollar basis, so that the equivalent of the original deposit comes back to the respective institution and effectively stays local (meaning the full amount can support lending initiatives that build a stronger local community). The full amount of the original deposit becomes eligible for complete FDIC protection, and the institution receives just one regular statement detailing all your holdings.

U.S. GOVERNMENT/TREASURY SECURITIES – Obligations of the United States of America, its agencies and instrumentalities, provided payment of the principal and interest is fully guaranteed by the issuer.

MUNICIPAL DEBT—instruments of any county, city, drainage district, vocational college, village, town or school district of the State of Wisconsin.

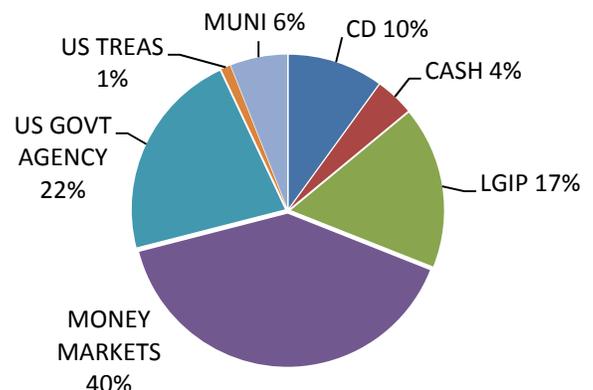
PUBLIC FUNDS MONEY MARKET ACCOUNT – The County has approved by resolution Public Funds money markets that are secured by collateral. These investments are used to provide short-term diversification and increase the current yields.

REQUIREMENTS AND COMPLIANCE

ITEM	DESCRIPTION OF REQUIREMENT	ACTUAL PORTFOLIO
Credit Risk:		
Collateral Policy	Investments other than U.S. Treasury backed securities or investments not under FDIC or WI guarantee shall be collateralized for a minimum of 102-110% of the deposits.	Current financial institutions comply
Security Diversification	No single agency shall hold more than 50% of the core portfolio, currently \$26,898,000.	Current investment holdings comply
Financial Institutions Limits	Investments held at any one institution shall be limited to 50% of the core portfolio, currently \$26,898,000.	All institutions comply
Debt Limits	Government debt held with any one entity shall be limited to \$3 million.	All institutions comply
Liquidity Risk	Liquid cash shall be maintained at \$10 million and available with 1 day notice.	\$ 61.7 million or 53%
Reinvestment Risk	Callable securities shall not exceed 50% of securities held.	\$ 11.9 million or 35%
Market Risk:		
Maturity Restrictions	Investments greater than 3 months and less than 1 year shall not exceed 95% of portfolio.	\$ 12.7 million or 11%
	Investments greater than 1 year and less than 5 years shall not exceed 50% of portfolio.	\$ 30.9 million or 27%

INVESTMENT CATEGORY	MAXIMUM MATURITY	AUTHORIZED LIMIT	ACTUAL PORTFOLIO
Certificates of Deposit	3 years	50%	10%
Operating Cash	N/A	N/A	4%
LGIP	N/A	75%	17%
Money Markets	N/A	95%	40%
U.S. Agency Securities	5 years	75%	22%
U.S. Treasury Securities	5 years	75%	1%
Municipal Debt	5 years	25%	6%

INVESTMENT TYPE	MARKET VALUE
Certificates of Deposit	\$ 11,778,000
Cash - Depository Bank	4,062,000
LGIP	19,763,000
Money Markets	46,039,000
Portfolio Money Markets	34,000
U.S. Gov. Agency Securities	25,820,000
U.S. Treasury Securities	1,448,000
Municipal Debt	7,044,000
Total	\$ 115,988,000



BUDGET PERFORMANCE

The first table below shows the actual and budgeted interest earned for the quarter ended March 31, 2013 by investment type. The second table below shows the actual and budgeted interest earned for the quarter ended March 31, 2013 by account. The interest shown is on the county's total cash and investment portfolio. All accounts receive interest income based on the LGIP interest rate or actual interest earned.

INVESTMENT TYPE	INTEREST EARNED	1 st QTR 2013 BUDGET
Certificate of Deposit	\$ 16,986	\$ 16,000
U.S. Treasury/Govt. Agency	67,736	67,000
Local Gov Inv Pool (LGIP)	6,735	5,500
Depository Bank (Sweep)	905	750
Money Markets	23,976	23,715
Other Accounts Allocated Interest	(14,104)	(6,715)
TOTAL NON-DEPT	\$ 102,234	\$ 106,250
YTD Unrealized Gain/(Loss)*	\$ (31,718)	N/A

*Per County ordinance, this market adjustment will add/subtract from the County's committed fund balance amount available for these temporary gains/losses and will not directly offset the investment income budget. Current available funds in the committed fund balance account are \$1,184,113.

ACCOUNT NAME	INTEREST EARNED	1 st QTR 2013 BUDGET
Non-Department	\$ 102,234	\$ 106,250
Children with Disabilities Ed Bd	4,814	1,154
DPW Buildings Reserve	123	95
DPW Equipment Reserve	882	300
Health Insurance	5,829	3,500
Dental Insurance	208	100
Workers Compensation	879	575
Risk Management	1,369	500
TOTAL PORTFOLIO	\$ 116,338	\$ 112,474
Budget to Actual Variance		\$ 3,864

- The non-departmental budget through the first quarter is \$106,250; returns were short of expectations by \$4,016. The shortfall is due to greater than expected department balances that are allocated a higher than expected LGIP interest rate. Conversely, total portfolio income beat expectations by \$3,864.
- By diversifying into other investment vehicles, we have been able to increase the County's yields by more than three times the LGIP benchmark. If the entire portfolio was invested at the benchmark rate, the forecasted interest earned to date in 2013 would have approximated \$36,332.
- Certificates of deposit currently held on March 31, 2013 have an average return of 0.53%.
- Securities held on March 31, 2013 have a yield to maturity at cost of 0.86% for our brokered securities and 0.78% at the BMO managed portfolio, net of investment fees.

INVESTMENT BENCHMARKS

Overall Investment Portfolio Benchmark

The County has selected the Local Government Investment Pool rate as the benchmark for achievement for the investment portfolio. The following yields are as of March 31, 2013. The interest income amount does not include unrealized gains or losses.

Investment Portfolio	Benchmark (LGIP)	Actual
Current Holdings – Yield to Maturity at Cost	0.15%	0.43%
Year to Date Interest Income Net of Fees	\$ 36,332	\$ 113,745
1st Quarter Average Return at Cost	0.03%	0.11%
Rolling 1 Year Average Return at Cost	0.16%	0.54%

The results show that the County is currently exceeding expectations in comparison to the benchmark. The County expects interest rates to continue to remain low into the next year. The change in strategy to include more diversity of investment types and maturity lengths has proven an increased yield compared to the benchmark.

BMO Benchmark

To review the performance of the BMO Short-term Portfolio, the Barclay Government 1-3 year index has been chosen. The investments within the index included US Treasury and Agency securities, which the BMO Short-term Portfolio holdings allow by the County’s investment policy. The following shows the comparison of the BMO Short-term Portfolio to the benchmark selected, net of investment fees.

Time Period	Benchmark*	Actual*
2012		
2 nd Quarter	0.20%	0.52%
3 rd Quarter	0.26%	0.49%
4 th Quarter	0.15%	0.10%
2013		
1 st Quarter	0.12%	0.06%

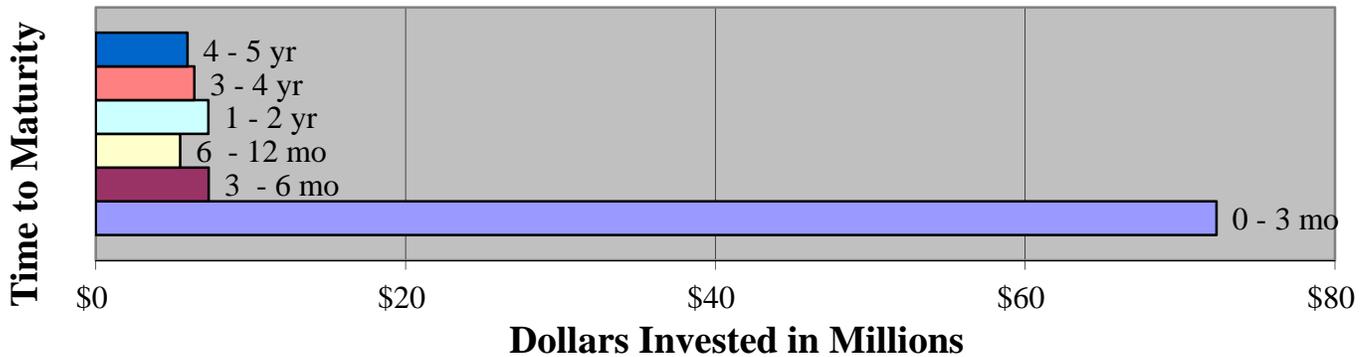
***Note:** Yields shown include unrealized gains or losses on securities which are usually not sold prior to maturity or estimated life of the security. See the U.S Government Agency/Treasury Securities Overview section on page 10 for actual return on investment.

Portfolio Advisor Response: “First quarter, 2013 portfolio performance, net-of-fees, was 0.06% vs. the Barclays 1-3 Yr. Gov’t index return of 0.12%. Underperformance is most likely attributable to the longer than benchmark duration of the portfolio (at 2.4 years vs. 1.9 for the index), as interest rates ticked up slightly during the first quarter. On a trailing year basis, the portfolio return of 1.18% exceeded the index return of 0.66%. At this time the portfolio holds just under 74% in Federal Agency securities, just under 26% in U.S. Treasuries, with a cash position of approximately 0.50%. The index weights are 87% Treasury, 13% Agency. We continue to purchase Agencies based on their yield spread, albeit a slight one. Furthermore, we have been reinvesting maturing securities in the three to five year maturity range given the steepness of the yield curve (beyond which, maturities inside of two years do not carry sufficient yield given the 0.20% fee).”

- John Benjamin, BMO Wealth Management, May 6, 2013

TOTAL PORTFOLIO OVERVIEW

Total Investments by Maturity



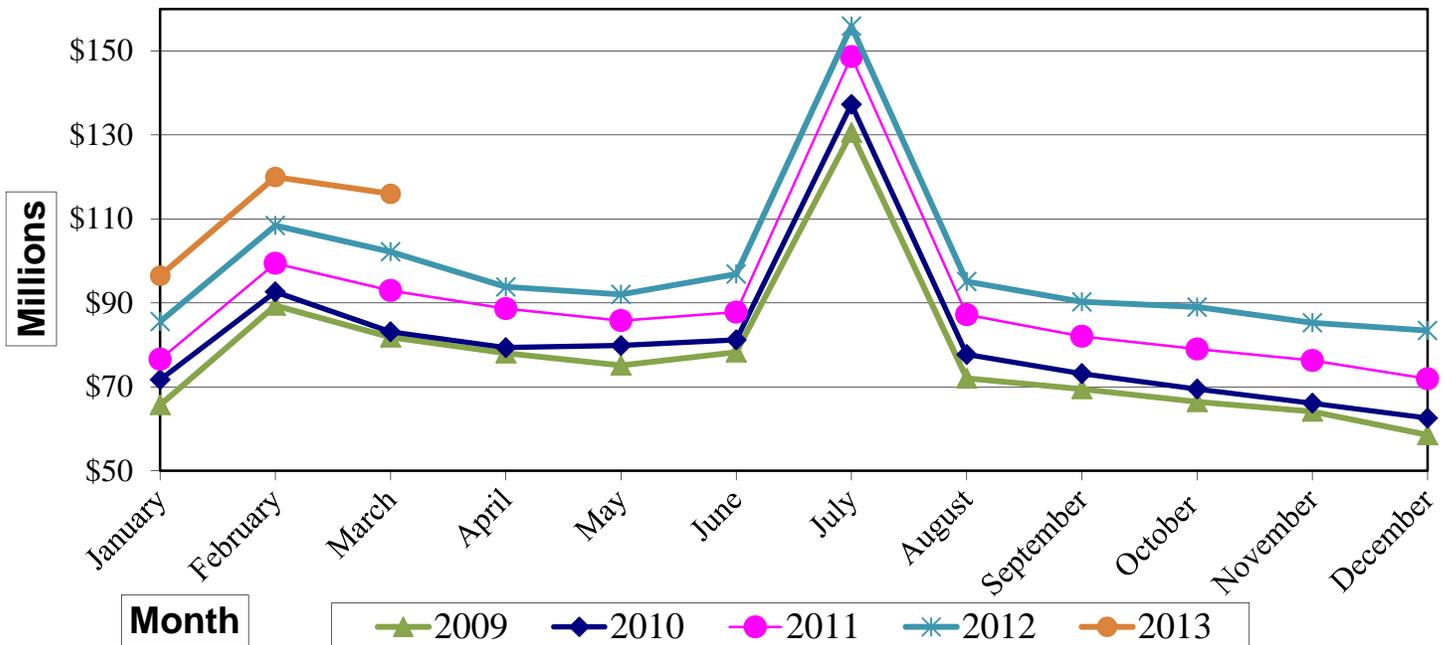
TOTAL PORTFOLIO OVERVIEW – HISTORICAL BALANCES

The following chart shows the historic cash balances of the County portfolio (excluding restricted accounts) with a one year average and 3 year average cumulative cash balance based on monthly balances.

Average Balance	<u>2011</u>	<u>2012</u>	<u>2013</u>
Cash (1 year)	\$89,670,000	\$98,145,000	\$101,171,000
Cumulative Cash (3 year)	\$82,758,000	\$89,660,000	\$92,022,000

CASH FLOW HISTORY

Walworth County Cash and Investment Balance



LOCAL GOVERNMENT INVESTMENT POOL (LGIP) OVERVIEW**Overview of Fund**

The Wisconsin Local Government Investment Pool (LGIP) was created in 1975 to give local governments the opportunity to combine their idle cash to make short-term investments equal to those afforded to state government or large local governments. The LGIP has been designed to consistently maintain the integrity of local funds within a diversified and safe portfolio, provide liquidity, and offer rates of return competitive with comparable investments. The funds from the LGIP are combined with the cash balances of the State of Wisconsin and its agencies, the excess cash of the retirement funds invested by the State of Wisconsin Investment Board (SWIB) and managed as one fund called the State Investment Fund (SIF).

Investment Objectives

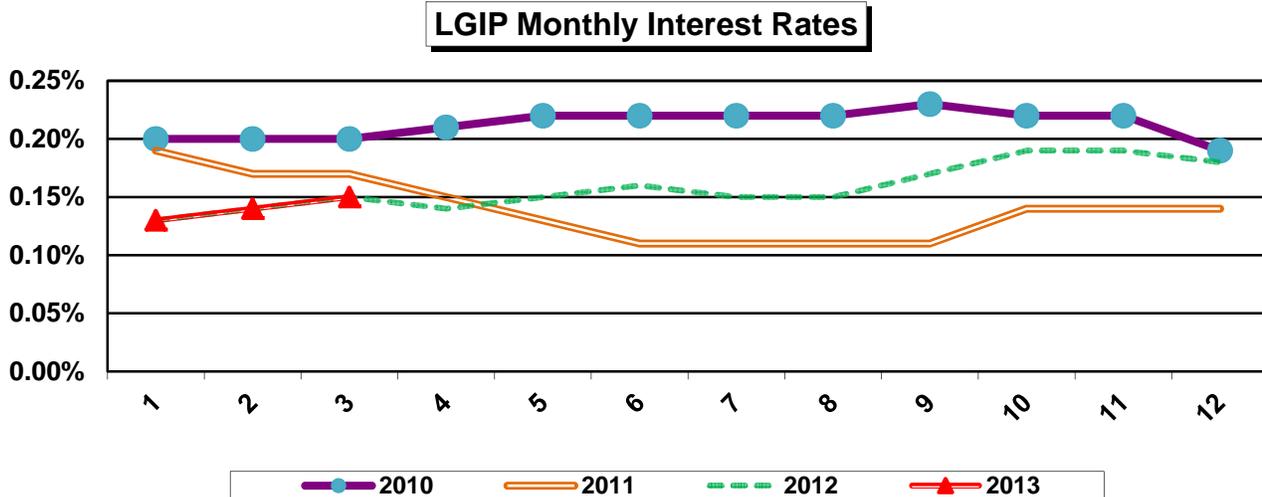
The primary objective of the LGIP is to provide for the prudent management of public funds on behalf of the local government investor. The strategy for meeting this objective is to apply the prudent investor standard and insure that the investment of pool assets is prioritized as follows: safety of principal, liquidity, and rate of return.

Liquidity Considerations

The investment portfolio needs to remain liquid to meet the daily operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands.

Walworth County expends approximately \$10 million per month. In order to keep cash in our checking account low and still pay bills on time, the County maintains a cash balance with the LGIP as it offers same day liquidity. Over the past twelve months, the LGIP balance has averaged \$14.7 million. The County's cash flow spikes in February and July occur as a result of temporary investment of property tax receipts. These receipts may be reinvested into securities when interest rates allow for a better return than LGIP.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP*) OVERVIEW (Continued)



MONEY MARKET OVERVIEW

Money markets allow for liquid investments similar to the local government investment pool that may be drawn upon with less than one week advance notice. Open money markets are restricted to investments within the Wisconsin Statutes Section 66.063(1m) and limited to an average maturity of one hundred twenty days or less. The County also allows for collateralized public investment money markets with allowable investment types. The following is a summary of the current investment portfolios and money market accounts.

Financial Institution/Manager	Type of Account	Current Rate	Amount
Mid America	Collateralized Money Market	0.64%	\$ 8,244,922
JPMorgan Chase Bank	Collateralized Money Market	0.15%	18,583,698
Associated Bank	Collateralized Money Market	0.15%	19,209,694
BMO Portfolio Money Market	Government Money Market	0.01%	21,648
Pershing Money Market	Portfolio Money Market	0.00%	12,750
Total Money Market		0.24%	\$ 46,072,712

Mid America Money Market

Rates are established by Mid America Bank at the end of each month based on the LGIP rate. Mid America has guaranteed to be at least 0.50% higher than the prior month LGIP rate. These funds are collateralized and available with one week notice.

JP Morgan and Associated Bank Money Markets

Rates are established by each bank and are reviewed and adjusted based on the market, with the intent to exceed the LGIP rate. Investment is collateralized at a cost included in the earned interest rate. These accounts can be withdrawn with one day’s notice, up to 6 times per month.

CERTIFICATES OF DEPOSIT OVERVIEW

CERTIFICATES OF DEPOSIT are short or medium-term, interest-bearing, FDIC-insured debt instrument offered by banks and savings and loans. CDs offer higher rates of return than most comparable investments, in exchange for tying up invested money for the duration of the certificate's maturity. Money removed before maturity is subject to a penalty. CDs are low risk, low return investments, and are also known as "time deposits", because the account holder has agreed to keep the money in the account for a specified amount of time, anywhere from three months to three years.

Financial Institution	Purchase Date	Maturity Date	Amount	Rate %
Associated Bank	6/3/2011	7/3/2013	\$ 1,000,000	0.60%
Associated Bank	11/17/2011	11/13/2014	1,500,000	1.21%
Associated Bank	6/28/2012	6/27/2013	1,000,000	0.37%
Associated Bank	6/28/2012	6/27/2014	1,000,000	0.46%
Associated Bank	2/22/2013	8/1/2013	1,000,000	0.20%
Associated Bank	2/22/2013	2/22/2014	1,000,000	0.20%
Associated Bank	2/22/2013	2/23/2015	1,000,000	0.36%
Citizens Bank	12/7/2011	12/7/2013	225,000	1.06%
Citizens Bank	2/8/2012	2/8/2014	225,000	0.76%
Citizens Bank	8/23/2012	8/22/2013	1,000,000	0.23%
Citizens Bank	2/26/2013	2/26/2014	1,000,000	0.20%
Citizens Bank of Mukwonago	8/5/2011	8/5/2013	225,000	1.30%
Citizens Bank of Mukwonago	1/8/2012	1/8/2014	225,000	1.00%
Commercial Bank	12/7/2012	12/7/2014	225,000	0.30%
First Citizens State Bank	8/16/2012	8/16/2014	225,000	0.85%
First Citizens State Bank	2/25/2013	2/25/2015	225,000	0.60%
Southern Lakes Credit Union	1/15/2013	7/11/2015	250,000	0.80%
Talmer Bank & Trust	8/16/2012	8/6/2014	225,000	0.45%
Walworth State Bank	6/2/2011	6/2/2013	227,773	0.70%
<i>Yield to Maturity at March 31, 2013</i>			\$ 11,777,773	0.53%

During the first quarter, \$4,475,393 of certificates of deposit were purchased, and \$3,950,000 of certificates of deposit matured. The average duration of the certificates of deposit at March 31, 2013 is 0.95 years.

SECURITIES/DEBT PORTFOLIO OVERVIEW

U.S. Treasury Securities – such as bills, notes and bonds are debt obligations of the U.S. government. When you buy a treasury security, you are lending money to the federal government for a specific period of time. Because these debt obligations are backed by the “full faith and credit” of the government, they are considered the safest of all investments. The primary advantage of the Treasury securities is safety. In addition, Treasuries generally do not have a “call” provision.

U.S. Government Agency Securities are debt obligations issued by federal agencies or federally sponsored agencies. Federal agencies are direct arms of the U.S. government; federally sponsored agencies are privately owned and publicly chartered organizations which were created by acts of Congress to support a specific public purpose.

Government Debt Instruments of any county, city, drainage district, technical college district, village, town or school district of the State of Wisconsin, if the bond or security is rated in one of the two highest rating categories assigned by Standard and Poor’s Corporation, Moody’s Investors Service, Inc., or other nationally recognized rating agency.

Currently the County has agency securities and treasury notes with BMO and agency, treasury, and debt instruments with Pershing. Please see Appendix B and C for individual holding details.

PORTFOLIO SUMMARY

Institution	Book Value	Market Value	Total Unrealized Gain/(Loss)	YTD Unrealized Gain/(Loss)	Yield to Maturity at Cost	Average Duration
BMO Portfolio	\$ 5,158,864	\$ 5,223,933	\$ 65,069	\$ (6,692)	0.78%	2.36
Pershing Portfolio	\$29,039,036	\$29,123,070	\$ 84,034	\$ (25,026)	0.86%	2.44
Total Securities	\$34,197,900	\$34,347,003	\$ 149,103	\$ (31,718)		

General Investment Portfolio Information

The yield to maturity at cost and average duration are per the calculations computed in Tracker, our investment software, for the investments currently held.

BMO Short Term Investment Portfolio

This portfolio was established on July 29, 2009, within the current ordinance guidelines for the purchase of agency and treasury securities at an average of 1 to 3 years maturity. BMO does not charge commission fees per trade transaction. The cost is 20 basis points annually with a minimum balance of \$5 million.

Pershing Portfolio

The County works with four brokers to obtain quotes and bids on investments. The securities are held at Pershing, a subsidiary of Bank of New York Mellon, for safekeeping. During the first quarter, \$5,500,000 of agency securities were purchased, \$2,000,000 were called, and \$2,000,000 matured. We also purchased \$1,205,000 of municipal debt, and had \$435,000 mature.

RESTRICTED ACCOUNT BUDGET PERFORMANCE SUMMARY

Restricted cash and investments in funds/departments receive interest income based on the LGIP interest rate or actual interest earned based on investments held by fiscal agents.

ACCOUNT NAME	INTEREST EARNED 2013	1st QTR 2013 BUDGET
Land Information Fees	\$ 193	\$ 150
Risk Management	1,909	500
Clerk of Courts	332	875
Waddell Donations	29	21
Harrison Trust	14	-
Total	\$ 2,477	\$ 1,546

WALWORTH COUNTY INVESTMENT REPORT
VALUATION AT COST
As of 03/31/2013

Definitions of each section below:

Investment Yield is the investment revenue divided by the average daily balance to show the quarterly yield and a one year rolling yield.
Investment Revenue shows the interest earned by each investment tool on a quarterly and one year rolling period.
Average Daily Balance shows the average daily cash balance invested for each investment tool on a quarterly and one year rolling period.

Investment Yield (Net of Management Fees)

Time Period	Local Gov Investment Pool	Mid Amer Money Market	CD	Chase Money Market	Associated Bank Money Market	Pershing Portfolio	BMO Portfolio	JP Morgan Chase Banking	Total Investments
2012 2nd Quarter	0.04%	0.16%	0.31%	0.04%	0.06%	0.27%	0.20%	0.04%	0.16%
3rd Quarter	0.04%	0.16%	0.21%	0.04%	0.06%	0.25%	0.16%	0.04%	0.12%
4th Quarter	0.05%	0.18%	0.20%	0.04%	0.06%	0.24%	0.21%	0.04%	0.15%
2013 1st Quarter	0.03%	0.16%	0.16%	0.04%	0.04%	0.21%	0.14%	0.04%	0.11%
One Year Ending									
2012 2nd Quarter	0.15%	0.64%	1.27%	0.17%	0.27%	1.13%	0.75%	0.15%	0.65%
3rd Quarter	0.16%	0.64%	1.14%	0.16%	0.25%	1.09%	0.75%	0.16%	0.64%
4th Quarter	0.17%	0.66%	1.03%	0.16%	0.24%	1.03%	0.74%	0.16%	0.59%
2013 1st Quarter	0.16%	0.66%	0.88%	0.16%	0.22%	0.97%	0.71%	0.16%	0.54%

Investment Revenue (Net of Management Fees/Gross of Market Adjustments)

Time Period	Local Gov Investment Pool	Mid Amer Money Market	CD	Chase Money Market	Associated Bank Money Market	Pershing Portfolio	BMO Portfolio	JP Morgan Chase Banking	Total Investments
2012 2nd Quarter	2,426	16,410	37,618	5,484	11,640	63,943	10,359	864	148,744
3rd Quarter	9,369	13,372	24,843	6,225	10,782	68,740	8,373	1,803	143,507
4th Quarter	3,990	14,462	22,785	2,156	10,437	66,199	10,961	893	131,883
2013 1st Quarter	6,735	12,925	16,986	4,004	7,046	57,634	7,510	905	113,745
One Year Ending									
2012 2nd Quarter	15,735	64,672	154,551	19,212	42,029	261,274	38,675	3,676	599,824
3rd Quarter	18,434	61,959	142,319	18,047	39,196	267,258	38,964	4,399	590,576
4th Quarter	20,587	60,482	125,746	17,523	41,553	261,984	38,516	4,434	570,825
2013 1st Quarter	22,520	57,169	102,232	17,869	39,905	256,516	37,203	4,465	537,879

Average Daily Balance

Time Period	Local Gov Investment Pool	Mid Amer Money Market	CD	Chase Money Market	Associated Bank Money Market	Pershing Portfolio	BMO Portfolio	JP Morgan Chase Banking	Total Investments
2012 2nd Quarter	6,420,533	9,996,042	12,230,991	14,710,648	18,726,690	23,989,771	5,125,406	2,279,446	93,479,526
3rd Quarter	24,722,637	8,209,020	11,972,892	16,508,705	17,157,385	27,273,043	5,133,807	4,702,361	115,679,850
4th Quarter	8,402,485	8,222,540	11,606,053	5,529,619	17,168,165	28,087,897	5,219,532	2,329,385	86,565,677
2013 1st Quarter	19,356,880	8,236,721	10,860,980	11,263,883	18,222,416	27,624,872	5,219,607	2,412,503	103,197,863
One Year Ending									
2012 2nd Quarter	12,302,828	10,113,171	12,238,131	11,405,813	15,377,874	23,364,000	5,095,249	2,420,345	92,317,412
3rd Quarter	12,463,216	9,631,261	12,470,892	12,019,847	15,164,440	24,680,461	5,118,703	2,884,350	94,433,170
4th Quarter	13,262,510	9,146,093	12,192,145	11,673,311	16,762,011	25,865,142	5,192,487	2,907,188	97,000,887
2013 1st Quarter	14,723,011	8,664,790	11,670,606	11,999,847	17,813,964	26,807,664	5,206,215	2,935,549	99,821,647

Comparison to Benchmark:		
Description	LGIP	Portfolio
Rate of Return - Quarterly	0.03%	0.11%
Rate of Return - Annualized	0.16%	0.54%

Walworth County Investment Report
Portfolio Holdings as of 03/31/2013
Pershing (Custodian for Broker/Dealer Transactions)

Description	Maturity	Quantity	Cost	Market	Unrealized Gain/Loss-BV
Pershings MM	N/A	12,750	\$ 12,750	\$ 12,750	\$ -
Subtotal Cash & Cash Equivalent		12,750	\$ 12,750	\$ 12,750	\$ -

FAMC 2 7/27/2016	7/27/2016	500,000	523,567	522,865	(702)
FFCB 0.36 8/14/2015	8/14/2015	500,000	500,313	499,965	(348)
FFCB 1.05 3/28/2016	3/28/2016	1,000,000	999,925	1,019,940	20,015
FHLB 1 9/13/2013	9/13/2013	1,000,000	999,764	1,003,930	4,166
FHLB 1.125 4/11/2016-13	4/11/2016	1,000,000	1,000,000	1,000,320	320
FHLB 1.375 12/11/2015	12/11/2015	500,000	513,141	513,265	124
FHLMC 1 3/14/2016-14	3/14/2016	1,000,000	997,401	1,006,790	9,389
FHLMC 1 9/27/2017-13	9/27/2017	1,000,000	1,002,476	1,002,680	204
FNMA 0.375 12/21/2015	12/21/2015	1,000,000	999,325	998,820	(505)
FNMA 0.5 9/28/2015	9/28/2015	1,000,000	1,000,096	1,002,480	2,384
FNMA 0.6 7/17/2015-13	7/17/2015	1,000,000	1,000,000	1,001,000	1,000
FNMA 0.75 4/9/2015-13	4/9/2015	1,000,000	1,000,000	1,000,190	190
FNMA 1 2/27/2017-15	2/27/2017	1,000,000	1,007,219	1,006,910	(309)
FNMA 1 4/25/2017-13	4/25/2017	1,000,000	1,000,000	1,002,880	2,880
FNMA 1 6/27/2016-13	6/27/2016	500,000	503,342	502,885	(457)
FNMA 1 9/23/2013	9/23/2013	1,000,000	999,764	1,004,060	4,296
FNMA 1.125 4/27/2017	4/27/2017	1,000,000	1,013,802	1,018,250	4,448
FNMA 1.25 1/30/2017	1/30/2017	500,000	511,123	510,915	(208)
FNMA 1.25 8/20/2013	8/20/2013	1,000,000	1,002,580	1,004,270	1,690
FNMA 1.5 10/28/2016-13	10/28/2016	1,000,000	1,000,000	1,007,180	7,180
FNMA 1.625 10/26/2015	10/26/2015	1,000,000	1,029,157	1,031,180	2,023
FNMA Step 11/16/2015-13	11/16/2015	1,000,000	1,000,000	1,000,320	320
FNMA Step 4/12/2017-13	4/12/2017	400,000	400,000	400,032	32
FNMA Step 7/26/2017-13	7/26/2017	1,000,000	1,000,000	1,002,170	2,170
FNMA Step 7/26/2017-13	7/26/2017	1,000,000	999,784	1,002,460	2,676
Subtotal Government Agency Coupon Securities		21,900,000	\$ 22,002,779	\$ 22,065,757	\$ 62,978

Milwaukee Area Tech College 2 6/1/2014	6/1/2014	350,000	356,545	356,132	(413)
Milwaukee Area Tech College 2 6/1/2015	6/1/2015	500,000	515,305	515,035	(270)
Milwaukee Area Tech College 2 6/1/2016	6/1/2016	355,000	369,110	368,728	(382)
Outagamie County 1.3 9/1/2013	9/1/2013	825,000	825,000	828,151	3,151
Pewaukee Wisconsin 2 3/1/2014	3/1/2014	110,000	110,000	111,538	1,538
Racine County School District 2.55 6/1/2015	6/1/2015	285,000	285,000	296,112	11,112
Waukesha County Tech College 2 4/1/2013	4/1/2013	1,025,000	1,025,031	1,025,000	(31)
Waupaca County 2 3/1/2014	3/1/2014	930,000	938,418	942,918	4,500
Winnebago County 2 4/1/2014	4/1/2014	1,255,000	1,275,216	1,275,921	705
Winnebago County 2 4/1/2015	4/1/2015	1,285,000	1,323,882	1,325,028	1,146
Subtotal Municipal Debt		6,920,000	\$ 7,023,507	\$ 7,044,563	\$ 21,056

TOTAL PERSHING PORTFOLIO	28,832,750	\$ 29,039,036	\$ 29,123,070	\$ 84,034
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Diversification:					
Cash & Cash Equivalents	1%	12,750	\$ 12,750	\$ 12,750	\$ -
Government Agency Securities	75%	21,900,000	22,002,779	22,065,757	62,978
US Treasury Notes	0%	-	-	-	-
Municipal Debt	24%	6,920,000	7,023,507	7,044,563	21,056
Total PERSHING PORTFOLIO	100%	28,832,750	\$ 29,039,036	\$ 29,123,070	\$ 84,034

Breakout by Security Type:

FAMC	\$ 522,865
FFCB	1,519,905
FHLB	2,517,515
FHLMC	2,009,470
FNMA	15,496,002
Municipal Debt	7,044,563
Total	\$ 29,110,320

Maturity Schedule (assumes no-call)

0-3 month	\$ 1,037,750
3 - 6 month	3,840,412
6 - 12 month	2,330,376
1 - 2 year	1,681,160
2 - 3 year	9,885,097
3 - 4 year	4,919,803
4 - 5 year	5,428,472
Total	\$ 29,123,070

Portion Callable or Mature within 2 years

Callable	\$ 11,935,817
Maturity	8,889,698
Total	\$ 20,825,515

Walworth County Investment Portfolio
Portfolio Holdings as of 03/31/2013
BMO Portfolio

Description	Maturity Date	Quantity	Cost	Market	Unrealized Gain/Loss
BMO Cash	N/A	2	\$ 2	\$ 2	\$ -
BMO Government MM	N/A	21,648	21,648	21,648	-
Subtotal Cash & Cash Equivalent		21,650	\$ 21,650	\$ 21,650	\$ -

FHLB 1 6/21/2017	6/21/2017	175,000	176,928	176,867	(61)
FHLB 1.375 12/11/2015	12/11/2015	150,000	152,932	153,979	1,047
FHLB 1.375 5/28/2014	5/28/2014	100,000	101,051	101,379	328
FHLB 1.625 9/28/2015	9/28/2015	150,000	152,475	154,656	2,181
FHLB 1.63 8/20/2015	8/20/2015	200,000	203,901	206,332	2,431
FHLB 2.125 6/10/2016	6/10/2016	100,000	102,836	105,279	2,443
FHLB 2.5 6/13/2014	6/13/2014	80,000	81,496	82,220	724
FHLMC 1 3/8/2017	3/8/2017	150,000	149,677	151,830	2,153
FHLMC 1 8/27/2014	8/27/2014	150,000	151,039	151,712	673
FHLMC 1.75 9/10/2015	9/10/2015	150,000	153,170	155,085	1,915
FHLMC 2 8/25/2016	8/25/2016	150,000	153,578	157,429	3,851
FHLMC 2.875 2/9/2015	2/9/2015	125,000	127,024	131,025	4,001
FNMA 0.5 3/30/2016	3/30/2016	150,000	150,168	150,285	117
FNMA 0.875 10/26/2017	10/26/2017	200,000	200,304	200,492	188
FNMA 0.875 12/20/2017	12/20/2017	120,000	119,961	120,041	80
FNMA 1 9/23/2013	9/23/2013	100,000	100,161	100,406	245
FNMA 1.125 10/8/2013	10/8/2013	150,000	150,522	150,789	267
FNMA 1.125 6/27/2014	6/27/2014	85,000	85,117	85,999	882
FNMA 1.25 1/30/2017	1/30/2017	300,000	299,906	306,549	6,643
FNMA 1.25 9/28/2016	9/28/2016	150,000	152,225	153,759	1,534
FNMA 1.25 9/28/2016	9/28/2016	100,000	100,045	102,506	2,461
FNMA 1.35 2/24/2014	2/24/2014	65,000	65,117	65,701	584
FNMA 1.375 11/15/2016	11/15/2016	150,000	151,810	154,617	2,807
FNMA 1.375 11/15/2016	11/15/2016	150,000	152,232	154,617	2,385
FNMA 1.5 10/28/2015	10/28/2015	100,000	101,338	102,660	1,322
FNMA 1.5 9/8/2014	9/8/2014	175,000	177,279	177,821	542
Subtotal Government Agency Coupon Securities		3,675,000	\$ 3,712,292	\$ 3,754,035	\$ 41,743

T-Note 0.625 4/30/2013	4/30/2013	100,000	100,016	100,055	39
T-Note 0.75 12/15/2013	12/15/2013	150,000	149,581	150,657	1,076
T-Note 0.75 6/15/2014	6/15/2014	150,000	150,003	151,026	1,023
T-Note 0.75 9/15/2013	9/15/2013	100,000	100,004	100,301	297
T-Note 0.75 9/15/2013	9/15/2013	25,000	24,987	25,075	88
T-Note 1.25 10/31/2015	10/31/2015	75,000	73,629	76,799	3,170
T-Note 1.25 10/31/2015	10/31/2015	50,000	49,142	51,200	2,058
T-Note 1.25 4/15/2014	4/15/2014	150,000	150,855	151,688	833
T-Note 1.375 5/15/2013	5/15/2013	100,000	100,115	100,168	53
T-Note 1.5 6/30/2016	6/30/2016	150,000	148,904	155,286	6,382
T-Note 1.75 1/31/2014	1/31/2014	75,000	75,263	76,008	745
T-Note 1.75 7/31/2015	7/31/2015	60,000	60,762	62,048	1,286
T-Note 1.75 7/31/2015	7/31/2015	40,000	39,998	41,366	1,368
T-Note 1.75 7/31/2015	7/31/2015	50,000	49,757	51,707	1,950
T-Note 2.375 9/30/2014	9/30/2014	100,000	101,212	103,243	2,031
T-Note 2.375 9/30/2014	9/30/2014	50,000	50,694	51,621	927
Subtotal US Treasury Notes		1,425,000	\$ 1,424,922	\$ 1,448,248	\$ 23,326

TOTAL BMO WEALTH MANAGEMENT PORTFOLIO	5,121,650	\$ 5,158,864	\$ 5,223,933	\$ 65,069
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Diversification:					
Cash & Cash Equivalents	1%	21,650	\$ 21,650	\$ 21,650	\$ -
Government Agency Securities	71%	3,675,000	3,712,292	3,754,035	41,743
US Treasury Notes	28%	1,425,000	1,424,922	1,448,248	23,326
Municipal Debt	0%	-	-	-	-
Total BMO PORTFOLIO	100%	5,121,650	\$ 5,158,864	\$ 5,223,933	\$ 65,069

Breakout by Security Type:

FHLB	\$ 980,712
FHLMC	747,081
FNMA	2,026,242
US Treasury Notes	1,448,248
Total	\$ 5,202,283

Maturity Schedule (assumes no-call)

0-3 month	\$ 221,873
3 - 6 month	225,782
6 - 12 month	443,155
1 - 2 year	1,187,733
2 - 3 year	1,206,117
3 - 4 year	1,441,873
4 - 5 year	497,400
Total	\$ 5,223,933

Portion Callable or Mature within 2 years

Callable	\$ -
Maturity	2,078,543
Total	\$ 2,078,543