

## Investments

Reached out to multiple banks and investment firms to get rates on CD's/options to invest some of the grant money that we have on hand.

MVB- 1-Year CD offered at a little over 2%

Fulton Bank- CD offer under 1%

Edward Jones-CD rates around the 4% rate

Edward Jones- early withdrawal without penalty, (broker cd's) however if rates have gone up since you purchased, it will be a loss. If rates go down, you will sell it at a gain.

Edward Jones corporate doesn't like some of the verbiage in the town's investment policy, more specifically the IX. Safekeeping and Custody item.

They do not like the delivery-versus-payment basis verbiage that we have in there and were hoping that we could make some sort of amendment to our Investment Policy allowing brokerage/investment firms to be "exempt" from that so long as the investment security is FDIC insured.

**Business can be conducted with Brokerage/Investment Firms so long as the investment security is FDIC insured, and the firm's ability to insure custody of our funds with Securities Investor Protection Corporation (SIPC) Insurance.**

Something along those lines?

I have emailed Al Martin for his input on this matter and have followed up via phone call and voice mail. Waiting to hear back from him.

# Current rates - as of 10/6/2022

## FDIC-Insured Certificates of Deposit

Term	Minimum Deposit	Annual Percentage Yield* (%)
3-month	\$1,000.00	3.20%
6-month	\$1,000.00	N/A
9-month	\$1,000.00	3.850%
1-year	\$1,000.00	4.05%
18-month	\$1,000.00	4.20%
2-year	\$1,000.00	4.30%
30-month	\$1,000.00	N/A
3-year	\$1,000.00	4.15%
4-year	\$1,000.00	4.45%
5-year	\$1,000.00	4.50%
7-year	\$1,000.00	N/A
10-year	\$1,000.00	N/A

Maturities and/or rates may not be available in all states.

\*Annual Percentage Yield (APY), effective 10/6/2022 . APY interest cannot remain on deposit; periodic payout of interest is required. Certificates of deposit (CDs) offered by Edward Jones are bank-issued and FDIC-insured up to \$250,000 (principal and interest accrued but not yet paid) per depositor, per depository institution, for each account ownership category. Please visit the [Federal Deposit Insurance Corporation](#) or contact your [Edward Jones financial advisor](#) for additional information. Subject to availability and price change. CD values are subject to interest rate risk such that when interest rates rise, the prices of CDs can decrease. If CDs are sold prior to maturity, the investor can lose principal value. FDIC insurance does not cover losses in market value. Early withdrawal may not be permitted. Yields quoted are net of all commissions. CDs require the distribution of interest and do not allow interest to compound. CDs offered through Edward Jones are issued by banks and thrifts nationwide. All CDs sold by Edward Jones are registered with the Depository Trust Corp. (DTC).

**From:** townclerk@townofboonsboro.com  
**Sent:** Monday, September 19, 2022 9:08 AM  
**To:** 'Paul Mantello'  
**Subject:** FW: Town of Boonsboro CD Rates

From Marie at Fulton regarding rates...

Bryan Wachtel  
Town Clerk/Tax Collector  
Town of Boonsboro  
21 North Main Street  
Boonsboro, MD 21713  
p: (301) 432-5141 ext. 2  
f: (301) 432-4050  
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**From:** Oyster, Marie <MOyster@fultonbank.com>  
**Sent:** Friday, September 16, 2022 5:42 PM  
**To:** townclerk@townofboonsboro.com  
**Subject:** RE: Town of Boonsboro CD Rates

Hi Bryan,

It was a pleasure to meet you in person yesterday. This is a few of the interest rates that I found on our Rate Sheet.

3 month - .25% apy  
6 month - .25% apy  
9 month - .35% apy  
12 month - .45% apy

We do have Financial Advisors that may be able to discuss options as well.

Let's touch base on Monday.

Have a good weekend !



**Marie Oyster**

Financial Center Manager  
Boonsboro Financial Center  
NMLS#615439

[moyster@fultonbank.com](mailto:moyster@fultonbank.com) | 📞 301-791-8523 Ext. 19101 | Fax 301-791-8525

[Schedule an appointment](#)

**FULTON BANK**

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**From:** [townclerk@townofboonsboro.com](mailto:townclerk@townofboonsboro.com) <[townclerk@townofboonsboro.com](mailto:townclerk@townofboonsboro.com)>  
**Sent:** Thursday, September 15, 2022 4:14 PM

## Treasury Bills

Daily Rates as of 10/06/2022

Date	4 WEEKS		8 WEEKS		13 WEEKS		26 WEEKS		52 WEEKS	
	BANK DISCOUNT	COUPON EQUIVALENT	BANK DISCOUNT	COUPON EQUIVALENT	BANK DISCOUNT	COUPON EQUIVALENT	BANK DISCOUNT	COUPON EQUIVALENT	BANK DISCOUNT	COUPON EQUIVALENT
10/03/2022	2.75	2.79	3.10	3.16	3.34	3.42	3.86	3.99	3.84	4.00
10/04/2022	2.77	2.81	3.07	3.13	3.32	3.39	3.87	4.00	3.98	4.16
10/05/2022	2.74	2.78	3.05	3.11	3.33	3.40	3.88	4.01	3.96	4.14
10/06/2022	2.94	2.99	3.23	3.29	3.32	3.39	3.91	4.04	4.01	4.19

The Bank Discount rate is the rate at which a Bill is quoted in the secondary market and is based on the par value, amount of the discount and a 360-day year. The Coupon Equivalent, also called the Bond Equivalent, or the Investment Yield, is the bill's yield based on the purchase price, discount, and a 365- or 366-day year. The Coupon Equivalent can be used to compare the yield on a discount bill to the yield on a nominal coupon bond that pays semiannual interest.

Date	4 WEEKS		8 WEEKS		13 WEEKS		26 WEEKS		52 WEEKS	
	BANK DISCOUNT		BANK DISCOUNT		BANK DISCOUNT		BANK DISCOUNT		BANK DISCOUNT	
10/6/2022	2.94%		3.23%		3.32%		3.91%		4.01%	
10/5/2022	2.74		3.05		3.33		3.88		3.96	
10/4/2022	2.77		3.07		3.32		3.87		3.98	
10/3/2022	2.75		3.1		3.34		3.86		3.84	
<b>Purchase Price</b>										
236,000	6,938	242,938	7,623	243,623	7,835	243,835	9,228	245,228	9,464	245,464
237,000	6,968	243,968	7,655	244,655	7,868	244,868	9,267	246,267	9,504	246,504
238,000	6,997	244,997	7,687	245,687	7,902	245,902	9,306	247,306	9,544	247,544
239,000	7,027	246,027	7,720	246,720	7,935	246,935	9,345	248,345	9,584	248,584
240,000	7,056	247,056	7,752	247,752	7,968	247,968	9,384	249,384	9,624	249,624
241,000	7,085	248,085	7,784	248,784	8,001	249,001	9,423	250,423	9,664	250,664
242,000	7,115	249,115	7,817	249,817	8,034	250,034	9,462	251,462	9,704	251,704
243,000	7,144	250,144	7,849	250,849	8,068	251,068	9,501	252,501	9,744	252,744
244,000	7,174	251,174	7,881	251,881	8,101	252,101	9,540	253,540	9,784	253,784
245,000	7,203	252,203	7,914	252,914	8,134	253,134	9,580	254,580	9,825	254,825

Can be purchased directly through TreasuryDirect.

Securities are generally issued to your account within two business days of the purchase date for savings bonds or within one week of the auction date for bills, notes, bonds, FRNs, and TIPS.

-Does this go against the DVP in the investment policy?

When you buy bonds on the secondary market through a broker, you can hold them in an IRA or another tax-free retirement account. Buying on the secondary market also makes it easier to sell Treasury bonds at a later date.

-Would this require us having multiple accounts with a bank/broker/investment firm to stay under the \$250k FDIC coverage?

## U.S. Treasury Bills, Notes and Bonds

U.S. Treasury Bills, Notes and Bonds	YTM (%)
3-Month	2.78%
6-Month	3.53%
2-Year	4.12%
5-Year	3.94%
10-Year	3.69%
30-Year	3.68%

These are exempt from state income tax and backed as to the timely payment of principal and interest.

All rates expressed as yield to maturity as of 10/6/2022 unless otherwise indicated. Yield and market value will fluctuate if sold prior to maturity, and the amount received from the sale of these securities may be less than the amount originally invested.