

Memorandum



CITY OF DALLAS

DATE February 4, 2010

TO Members of the Budget, Finance & Audit Committee:
Chair Jerry Allen, Vice-Chair Ann Margolin, Vonciel Jones Hill, Angela Hunt, Delia Jasso, Ron Natinsky, David Neumann

SUBJECT Quarterly Investment Report as of December 31, 2009

The City of Dallas Investment Policy, in accordance with the Texas Public Funds Investment Act, requires that the City Council and City Manager receive quarterly investment reports. The purpose of this report is to provide a means for Council members, Council committee members and staff to regularly review and monitor the City's investment position and to demonstrate compliance with the City's Investment Policy and the Public Funds Investment Act. Detail and summary reports on each of the City's portfolios are included as well as summary information on the portfolio as a whole. Trade activity for the quarter is shown on page five and includes the percentages of opportunities offered and awarded to M/WBE dealers.

For the quarter ended December 31, 2009 the City's individual portfolios and the combined portfolio are in compliance with the relevant provisions of the City's Investment Policy and the Public Funds Investment Act.

Additionally, this memo provides an updated status of distributions to the City from the Reserve Primary Fund. The City's investment in the Reserve Primary Fund was frozen on September 17, 2008, when the Fund suffered losses in the value of some of its investments. The City received a sixth distribution of \$139,318 on January 29, 2010. As of today, the City has received a total of \$2,046,831 from The Reserve Primary Fund. As reflected on the following table, the remaining balance is now \$28,390.

Distributions from The Reserve Primary Fund

*Balance as of September 17, 2008: \$ 2,075,221

Distribution Date	Amount	Remaining Balance
10/31/08	\$ 1,052,944	\$ 1,022,277
12/03/08	583,243	439,034
02/20/09	137,672	301,362
04/17/09	93,155	208,207
10/02/09	40,499	167,708
01/29/10	139,318	28,390

for 
David Cook
Chief Financial Officer


Corrine Steeger
Treasury Manager


Edward R. Scott
City Controller

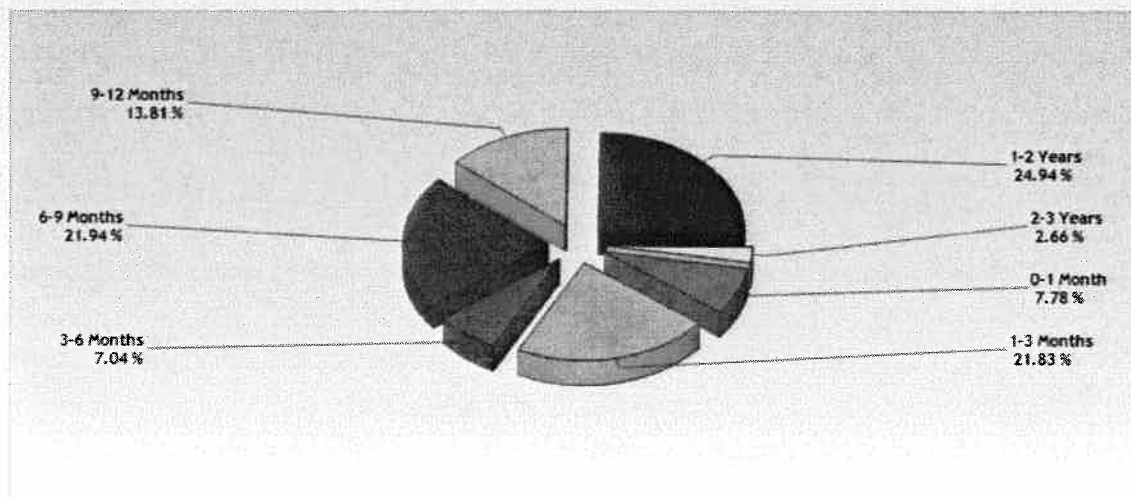
c: Honorable Mayor & Members of the City Council
Mary K. Suhm, City Manager
Ryan S. Evans, First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
A.C. Gonzalez, Assistant City Manager
Forest E. Turner, Assistant City Manager
Craig Kinton, City Auditor

City of Dallas
Cash and Investment Summary
December 31, 2009

Portfolio Summary			
	12/31/09	09/30/09	Net Change
Face Value	\$ 1,512,619,341	\$ 1,736,323,693	\$ (223,704,352)
Book Value	1,527,932,726	1,755,873,356	(227,940,630)
Market Value	1,538,412,069	1,772,511,259	(234,099,190)
Accrued Interest	16,231,449	10,354,374	5,877,075
Cash Value	1,554,643,517	1,782,865,632	(228,222,115)
Unrealized Gain (Loss)	10,479,343	16,637,902	(6,158,560)
Weighted Average Maturity (days)	252	273	-21
Buy Yield	1.93%	1.92%	0.01%

Investment Summary by Type		
Cash and Investments by Type	Book Value	% of Portfolio
U.S. Government Treasury Securities	\$ 81,436,941	5.10%
U.S. Government & Agency Securities		
Federal Farm Credit Bank (FFCB)	292,177,763	18.30%
Federal Home Loan Bank (FHLB)	515,480,730	32.29%
Federal Home Loan Mortgage Corporation (FHLMC)	299,568,878	18.77%
Federal National Mortgage Association (FNMA)	299,955,073	18.79%
Total U.S. Government & Agency Securities	\$ 1,407,182,444	88.15%
Local Government Investment Pool (TexPool)	\$ 2,270,116	0.14%
Money Market Mutual Funds	\$ 37,043,225	2.32%
Total Investments	\$ 1,527,932,726	95.72%
Closing Available Cash*	\$ 68,344,158	4.28%
Total Cash and Investments	\$ 1,596,276,884	100.00%

Portfolio Holdings Distribution by Maturity Range



City of Dallas, Texas
Investment Summary by Portfolio Type
For the quarter ending December 31, 2009

By Portfolio	ID #	Face Value	Book Value	Market Value	Accrued Interest	Cash Value (Mkt Val + Acc Int)	*Unrealized Gain(Loss)	Weighted Average Maturity (days)	Buy Yield
Investment Pool	1	\$ 1,358,169,345	\$ 1,372,604,889	\$ 1,382,603,996	\$ 15,316,930	\$ 1,397,920,926	\$ 9,999,107	252	2.09%
Convention Center Reserve	2	22,299,000	22,389,443	22,508,903	200,890	22,709,793	119,461	184	1.41%
Water Reserve	3	90,652,000	91,356,953	91,634,635	607,561	92,242,196	277,682	550	1.78%
Art Endowment	4	2,500,000	2,526,901	2,535,938	13,193	2,549,131	9,036	135	1.19%
Ida Green Library Fund	5	1,000,000	999,906	1,003,750	4,375	1,008,125	3,844	259	1.51%
DWU Commercial Paper Program	10	25,368,669	25,368,669	25,368,669	1,807	25,370,476	0	1	0.12%
Sports Arena Reserve 1998A	12	0	0	0	0	0	0	0	0.00%
Sports Arena Reserve 1998B	13	2,739,000	2,751,853	2,814,323	51,356	2,865,679	62,469	228	4.19%
Trinity Parkway Escrow	14	3,154,230	3,154,230	3,154,230	769	3,154,999	0	1	0.14%
Cityplace TIF Reserve	15	2,185,000	2,227,785	2,235,528	37,145	2,272,673	7,743	209	0.57%
Oncor Electric Escrow	16	4,552,097	4,552,097	4,552,097	1,083	4,553,181	0	1	0.15%
Total Portfolio		\$ 1,512,619,341	\$ 1,527,932,726	\$ 1,538,412,069	\$ 16,235,109	\$ 1,554,647,177	\$ 10,479,343	252	1.93%
Cash in Bank**		\$ 68,344,158	\$ 68,344,158	\$ 68,344,158					
Total Cash & Investments		\$ 1,580,963,499	\$ 1,596,276,884	\$ 1,606,756,227					

Note: For all non-pooled portfolios, these values do not exactly correspond to the accounting balances for the respective funds. This report summarizes direct investments only; a fund's accounting balance also includes its equity in the Investment Pool (see individual portfolio summary pages for Investment Pool balances).

* Unrealized gain/loss is the difference between the market value and book value and does not represent an actual gain or loss. Gains and losses are realized only when a security is sold prior to maturity. Since it is the City's practice to hold investments until they mature, the temporary gains and losses shown above are unlikely to be realized.

** 100% of all non-interest bearing bank deposits are FDIC Insured through December 31, 2009. Balance continues to stay higher than normal due to an earnings credit rate offered by BofA (currently 0.85% which results in a higher savings on bank fees than interest earned on the City's Money Market Mutual Funds and TexPool.

City of Dallas, Texas
Investment Summary by Security Type & Agency Issuer
For the quarter ending December 31, 2009

All Portfolios Combined							
By Security Type	Face Value	Book Value	Market Value	*Unrealized Gain(Loss)	Weighted Average Maturity (days)	Buy Yield	% of Total Portfolio
Money Market Mutual Funds	\$ 37,043,225	\$ 37,043,225	\$ 37,043,225	\$ -	1	0.12%	2.32%
Local Government Investment Pools	2,270,116	2,270,116	2,270,116	-	1	0.15%	0.14%
Treasury Securities	80,000,000	81,436,941	81,486,330	49,389.17	276	1.67%	5.10%
Agency Securities	1,393,306,000	1,407,182,444	1,417,612,397	10,429,953	269	1.67%	88.15%
Total Portfolio	\$ 1,512,619,341	\$ 1,527,932,726	\$ 1,538,412,069	\$ 10,479,343	252	1.93%	95.72%
Cash In Bank**	\$ 68,344,158	\$ 68,344,158	\$ 68,344,158				4.28%
Total Cash and Investments	\$ 1,580,963,499	\$ 1,596,276,884	\$ 1,606,756,227				100.00%

Agency Securities By Issuer	Face Value	Book Value	Market Value	*Unrealized Gain(Loss)	% of Total Portfolio	S&P/Moody's Ratings
Federal National Mortgage Assoc. (FNMA)	\$ 297,941,000	\$ 299,955,073	\$ 302,007,698	\$ 2,052,625	18.79%	AAA/Aaa
Federal Home Loan Mortgage Corp. (FHLMC)	296,097,000	299,568,878	301,753,393	2,184,515	18.77%	AAA/Aaa
Federal Home Loan Bank (FHLB)	510,310,000	515,480,730	519,245,138	3,764,408	32.29%	AAA/Aaa
Federal Farm Credit Bank (FFCB)	288,958,000	292,177,763	294,606,169	2,428,406	18.30%	AAA/Aaa
Total Agency Securities	\$ 1,393,306,000	\$ 1,407,182,444	\$ 1,417,612,397	\$ 10,429,953	88.15%	AAA/Aaa

* Unrealized gain/loss is the difference between the market value and book value and does not represent an actual gain or loss. Gains and losses are realized only when a security is sold prior to maturity. Since it is the City's practice to hold investments until they mature, the temporary gains and losses are unlikely to be realized.

** See Note on page 3.

City of Dallas, Texas
 Activity Summary - All Portfolios Combined
 For the quarter ending December 31, 2009

Trade Activity		Dealer Activity		Percent of Total Awarded	
	<u>Face Value</u>	<u>Face Value</u>		<u>1Q FY10</u>	<u>FY to Date</u>
		<u>Offered</u>	<u>Awarded</u>		
Beginning Balance	\$ 1,736,323,693				
Purchased/Deposited	165,382,922	\$ 97,100,000	\$ 44,000,000	58.59%	58.59%
Matured/Withdrew	(389,087,274)	76,200,000	21,100,000	28.10%	28.10%
Called	-	42,000,000	10,000,000	13.32%	13.32%
Sold	-				
Ending Balance	<u>\$ 1,512,619,341</u>	<u>\$ 215,300,000 (2)</u>	<u>\$ 75,100,000 (3)</u>	100.00%	100.00%

SUMMARY STATEMENT

	Current 12/31/2009	Prior Qtr 9/30/2009	Period Net Change
Money Market Mutual Funds & Pools	\$ 6,238,346	\$ 231,950,770	\$ (225,712,425)
Face Value -Treasuries	80,000,000	50,000,000	30,000,000
Face Value - Agencies	1,271,931,000	1,362,317,000	(90,386,000)
Total Face Value	\$ 1,358,169,346	\$ 1,644,267,770	\$ (286,098,425)
Money Market Mutual Funds & Pools	\$ 6,238,346	\$ 231,950,770	\$ (225,712,425)
Book Value - Treasuries	81,436,941	50,254,371	31,182,570
Book Value - Agencies	1,284,929,603	1,380,601,188	(95,671,584)
Total Book Value	\$ 1,372,604,889	\$ 1,662,806,329	\$ (290,201,439)
Money Market Mutual Funds & Pools	\$ 6,238,346	\$ 231,950,770	\$ (225,712,425)
Market Value - Treasuries	81,486,330	50,609,376	30,876,954
Market Value - Agencies	1,294,879,321	1,395,834,091	(100,954,771)
Total Market Value	\$ 1,382,603,996	\$ 1,678,394,238	\$ (295,790,242)
Accrued Interest	15,316,930	9,768,872	\$ 5,548,058
Cash Value (Total Market Value + Accrued Interest)	1,397,920,926	1,688,163,110	\$ (290,242,184)
Unrealized Gain(Loss)	9,999,107	15,587,909	\$ (5,588,802)
Change in Mkt Value since 09/30/09 (per PFIA)	(100,954,771)	(6,112,547)	\$ (94,842,224)
Weighted Average Days to Maturity	252	272	(20)
Buy Yield	2.09%	1.93%	0.16%
Portfolio Composition - % of Book Value			
Money Market Mutual Funds and Pools	0.45%	13.95%	-13.50%
Treasuries	5.93%	3.02%	2.90%
Agencies	93.61%	83.03%	10.58%

STRATEGY STATEMENT

The City's Investment Pool is an aggregation of the majority of City funds that includes tax receipts, enterprise fund revenues, fine and fee revenues, as well as some, but not all, bond proceeds, grants, gifts and endowments. This portfolio is maintained to meet anticipated daily cash needs for City of Dallas operations, capital projects and debt service. In order to ensure the ability of the City to meet obligations and to minimize potential liquidation losses, the dollar-weighted average stated maturity of the Investment Pool shall not exceed 1.5 years. The objectives of this portfolio are to: a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists; b) ensure that anticipated cash flows are matched with adequate investment liquidity; c) limit market and credit risk through diversification; and d) attain a market rate of return commensurate with the objectives and restrictions set forth in the Investment Policy by managing the portfolio to meet or exceed the 12 month moving average yield on treasury one-year constant maturities as reported by Federal Reserve Statistical Release H.15.

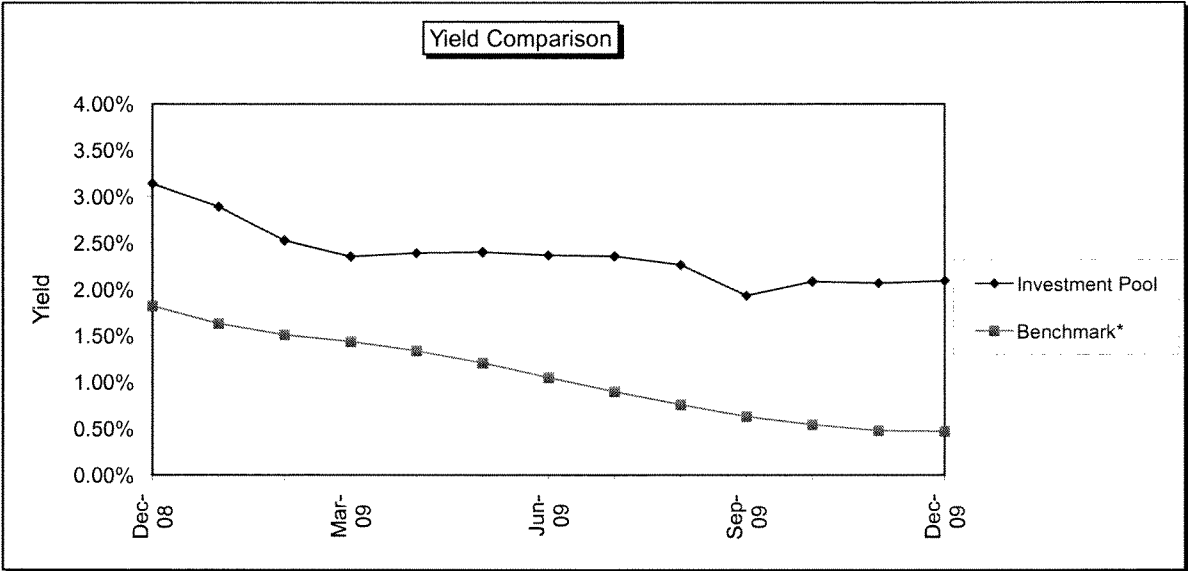
STRATEGY COMPLIANCE STATEMENT

For the quarter ending December 31, 2009, the Investment Pool is in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.1 of the City's Investment Policy.

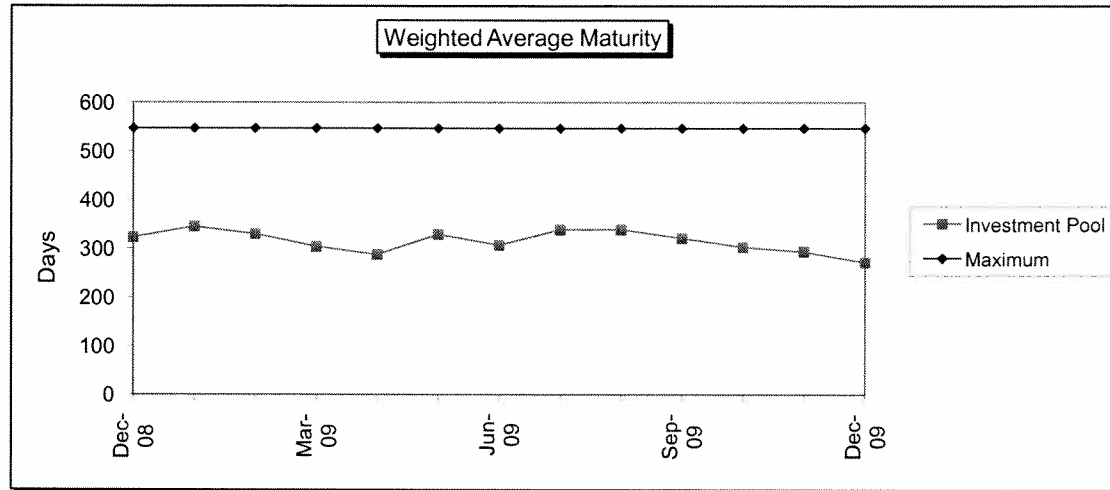
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	Investment Pool	12 mo moving average of 1 yr Treasury Benchmark *	1 yr Constant Maturity		Maximum	Investment Pool
3/31/2002	3.59%	2.91%	2.57%	3/31/2002	547	302
4/30/2002	3.70%	2.79%	2.48%	4/30/2002	547	299
5/31/2002	3.69%	2.67%	2.35%	5/31/2002	547	271
6/30/2002	3.69%	2.55%	2.20%	6/30/2002	547	248

City of Dallas, Texas
Yield Comparison - Investment Pool
For the quarter ending December 31, 2009



* As per Section 17.1 of the City's Investment Policy, the benchmark for the Investment Pool is the 12-month moving average yield on treasury 1 year constant maturities as reported by Federal Reserve Statistical Release H.15.



Investment Maturity Schedule - % of Total Pool					
Mnths/Yrs to Maturity	Current 12/31/2009	4th Qtr 9/30/2009	3 Months Net Change	1 Year Ago 12/31/2008	1 Year Net Change
Less than 3 months:	26.6%	19.4%	7.2%	22.7%	3.9%
3 months to 6 months:	7.7%	21.5%	-13.8%	10.3%	-2.6%
6 months to 9 months:	23.2%	6.3%	16.9%	21.3%	1.9%
9 months to 1 year:	14.8%	22.3%	-7.5%	5.1%	9.7%
1 year to 2 years:	26.2%	29.3%	-3.1%	36.6%	-10.4%
2 years to 5 years:	1.5%	1.2%	0.3%	4.0%	-2.5%
5 years to 10 years:	0.0%	0.0%	0.0%	0.0%	0.0%
More than 10 years:	0.0%	0.0%	0.0%	0.0%	0.0%
Total:	100.0%	100.0%		100.0%	

SUMMARY STATEMENT

	Current 12/31/2009	Prior Qtr 9/30/2009	Period Net Change
Face Value -Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	22,299,000	18,299,000	4,000,000
Total Face Value	\$ 22,299,000	\$ 18,299,000	\$ 4,000,000
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	22,389,443	18,442,769	3,946,674
Total Book Value	\$ 22,389,443	\$ 18,442,769	\$ 3,946,674
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	22,508,903	18,627,808	3,881,096
Total Market Value	\$ 22,508,903	\$ 18,627,808	\$ 3,881,096
Accrued Interest	\$ 200,890	\$ 150,511	\$ 50,379
Cash Value (Market Value + Accrued Interest)	\$ 22,709,793	\$ 18,778,319	\$ 3,931,473
Unrealized Gain(Loss)	\$ 119,461	\$ 185,039	\$ (65,577)
Change in Mkt Value since 09/30/09 (per PFIA)	\$ 3,881,095	\$ (88,852)	\$ 3,969,947
Weighted Average Days to Maturity	184	218	(34)
Buy Yield	1.41%	1.83%	-0.42%
Portfolio Composition - % of Book Value			
Treasuries	0.00%	0.00%	0.00%
Agencies	100.00%	100.00%	0.00%

STRATEGY STATEMENT

Non-pooled reserve funds for outstanding revenue bonds are set at levels required by their respective bond ordinances. These funds will be used to pay principal and/or interest if required to prevent a default. The objectives of this portfolio are to: a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists; b) ensure that anticipated cash flows are matched with adequate investment liquidity; c) manage market and credit risk through diversification; and d) attain the best feasible yield commensurate with the objectives and the restrictions set forth in the Investment Policy and the bond ordinance by managing the portfolio to meet or exceed the bond yield.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending December 31, 2009 the Convention Center Reserve portfolio is in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.3 of the City's Investment Policy.

NOTE: This report summarizes direct investments only; a fund's accounting balance also includes its equity in the Investment Pool.

SUMMARY STATEMENT

	Current 12/31/2009	Prior Qtr 9/30/2009	Period Net Change
Face Value -Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	90,652,000	49,552,000	41,100,000
Total Face Value	\$ 90,652,000	\$ 49,552,000	\$ 41,100,000
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	91,356,953	50,293,811	41,063,142
Total Book Value	\$ 91,356,953	\$ 50,293,811	\$ 41,063,142
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	91,634,635	51,035,043	40,599,592
Total Market Value	\$ 91,634,635	\$ 51,035,043	\$ 40,599,592
Accrued Interest	\$ 607,561	\$ 359,471	\$ 248,090
Cash Value (Market Value + Accrued Interest)	\$ 92,242,196	\$ 51,394,514	\$ 40,847,682
Unrealized Gain(Loss)	\$ 277,682	\$ 741,232	\$ (463,550)
Change in Mkt Value since 09/30/09 (per PFIA)	\$ 40,599,592	\$ 340,456	\$ 40,259,136
Weighted Average Days to Maturity	550	433	117
Buy Yield	1.78%	2.38%	-0.60%
Portfolio Composition - % of Book Value			
Treasuries	0.00%	0.00%	0.00%
Agencies	100.00%	100.00%	0.00%

STRATEGY STATEMENT

Non-pooled reserve funds for outstanding revenue bonds are set at levels required by their respective bond ordinances. These funds will be used to pay principal and/or interest if required to prevent a default. The objectives of this portfolio are to: a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists; b) ensure that anticipated cash flows are matched with adequate investment liquidity; c) manage market and credit risk through diversification; and d) attain the best feasible yield commensurate with the objectives and the restrictions set forth in the Investment Policy and the bond ordinance by managing the portfolio to meet or exceed the bond yield.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending December 31, 2009 the Water Reserve portfolio is in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.3 of the City's Investment Policy.

NOTE: This report summarizes direct investments only; a fund's accounting balance also includes its equity in the Investment Pool.

SUMMARY STATEMENT

	Current 12/31/2009	Prior Qtr 9/30/2009	Period Net Change
Face Value -Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	2,500,000	2,500,000	-
Total Face Value	\$ 2,500,000	\$ 2,500,000	\$ -
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	2,526,901	2,545,410	(18,509)
Total Book Value	\$ 2,526,901	\$ 2,545,410	\$ (18,509)
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	2,535,938	2,558,594	(22,656.50)
Total Market Value	2,535,938	2,558,594	\$ (22,657)
Accrued Interest	\$ 13,193	\$ 38,958	\$ (25,765)
Cash Value (Market Value + Accrued Interest)	\$ 2,549,131	\$ 2,597,552	\$ (48,421)
Unrealized Gain(Loss)	\$ 9,036	\$ 13,184	\$ (4,148)
Change in Mkt Value since 09/30/09 (per PFIA)	\$ (22,657)	\$ (48,525)	\$ 25,869
Weighted Average Days to Maturity	135	227	(92.00)
Buy Yield	1.19%	1.19%	0.00%
Portfolio Composition - % of Book Value			
Treasuries	0.00%	0.00%	0.00%
Agencies	100.00%	100.00%	0.00%

STRATEGY STATEMENT

The Art Endowment Fund was created from a repayment to the General Fund from the Convention Center pursuant to Resolution No. 84-311. Funds received as gifts to the City with instructions that the income generated by the investment of said funds be used for specified purposes are invested as separate non-pooled portfolios in order to maximize return. The objectives of this portfolio are to: a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists; b) ensure that anticipated cash flows are matched with adequate investment liquidity; c) manage market and credit risk through diversification; and d) attain a market value commensurate with the objectives and the restrictions set forth in the Investment Policy.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending December 31, 2009 the Art Endowment portfolio is in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.4 of the City's Investment Policy.

NOTE: This report summarizes direct investments only; a fund's accounting balance also includes its equity in the Investment Pool.

SUMMARY STATEMENT

	Current 12/31/2009	Prior Qtr 9/30/2009	Period Net Change
Face Value - Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	1,000,000	1,000,000	-
Total Face Value	1,000,000	1,000,000	\$ -
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	999,906	999,872	34
Total Book Value	\$ 999,906	\$ 999,872	\$ 34
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	1,003,750	1,009,063	(5,313)
Total Market Value	\$ 1,003,750	\$ 1,009,063	\$ (5,313)
Accrued Interest	\$ 4,375	\$ 625	\$ 3,750
Cash Value (Market Value + Accrued Interest)	\$ 1,008,125	\$ 1,009,688	\$ (1,564)
Unrealized Gain(Loss)	\$ 3,844	\$ 9,191	\$ (5,348)
Change in Mkt Value since 09/30/09 (per PFIA)	\$ (5,313)	\$ 4,888	\$ (10,201)
Weighted Average Days to Maturity	259	351	(92)
Buy Yield	1.51%	1.51%	0.00%
Portfolio Composition - % of Book Value			
Treasuries	0.00%	0.00%	0.00%
Agencies	100.00%	100.00%	0.00%

STRATEGY STATEMENT

The Ida M. Green Endowment Fund was created with the proceeds from the sale of stock from the estate of Ms. Green pursuant to Resolution No. 87-0836. Its purpose is to provide funds for the operating and capital expenses of the library's Texas Center for the Book and Children's Center. Funds received as gifts to the City with instructions that the income generated by the investment of said funds be used for specified purposes are invested as separate non-pooled portfolios in order to maximize return. The objectives of this portfolio are to: a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists; b) ensure that anticipated cash flows are matched with adequate investment liquidity; c) manage market and credit risk through diversification; and d) attain a market value commensurate with the objectives and the restrictions set forth in the Investment Policy.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending December 31, 2009 the Ida Green Library Fund portfolio is in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.4 of the City's Investment Policy.

NOTE: This report summarizes direct investments only; a fund's accounting balance also includes its equity in the Investment Pool.

SUMMARY STATEMENT

	Current 9/30/2009	Prior Qtr 9/30/2009	Period Net Change
Face Value - Money Market Mutual Funds	\$ 25,368,669	\$ 7,103,398	\$ 18,265,271
Book Value - Money Market Mutual Funds	\$ 25,368,669	\$ 7,103,398	\$ 18,265,271
Market Value - Money Market Mutual Funds	\$ 25,368,669	\$ 7,103,398	\$ 18,265,271
Accrued Interest	\$ 1,807	\$ 1,227	\$ 580
Cash Value (Market Value + Accrued Interest)	\$ 25,370,476	\$ 7,104,625	\$ 18,265,851
Unrealized Gain(Loss)	\$ -	\$ -	\$ -
Change in Mkt Value since 09/30/09 (per PFIA)	\$ -	\$ -	\$ -
Weighted Average Days to Maturity	1	1	0
Buy Yield	0.12%	0.21%	-0.09%
Portfolio Composition - % of Book Value			
Money Market Mutual Funds	100.00%	100.00%	0.00%

STRATEGY STATEMENT

Water Utilities issues tax-exempt commercial paper notes as an interim financing tool for construction projects. Proceeds from the issuance of commercial paper debt must be liquid in order to fund periodic payments to contractors and must be invested in tax-exempt securities in order to avoid costly and complex arbitrage rebate computations. In order to meet these requirements, commercial paper proceeds will be invested in tax-exempt money market mutual funds. The objectives of this portfolio are to: a) ensure safety of principal by investing only in AAA-rated tax-exempt money market mutual funds; b) ensure that anticipated cash flows are matched with adequate investment liquidity; c) manage market and credit risk through diversification; and d) attain a market value commensurate with the objectives and the restrictions set forth in the Investment Policy and governing bond ordinances.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending December 31, 2009 the Water Commercial Paper Program Portfolio is in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.7 of the City's Investment Policy.

SUMMARY STATEMENT

	Sports Arena Reserve 1998A			Sports Arena Reserve 1998B - Taxable		
	Current 12/31/2009	Prior Qtr 9/30/2009	Period Net Change	Current 12/31/2009	Prior Qtr 9/30/2009	Period Net Change
Face Value -Treasuries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Face Value - Agencies	-	-	-	2,739,000	2,739,000	-
Total Face Value	\$ -	\$ -	\$ -	\$ 2,739,000	\$ 2,739,000	\$ -
Book Value - Treasuries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Book Value - Agencies	-	-	-	2,751,853	2,757,318	(5,465)
Total Book Value	\$ -	\$ -	\$ -	\$ 2,751,853	\$ 2,757,318	\$ (5,465)
Market Value - Treasuries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Market Value - Agencies	-	-	-	2,814,323	2,846,848	(32,526)
Total Market Value	\$ -	\$ -	\$ -	\$ 2,814,323	\$ 2,846,848	\$ (32,526)
Accrued Interest	\$ -	\$ -	\$ 1	\$ 51,356	\$ 16,738	\$ 34,618
Cash Value (Market Value + Accrued Interest)	\$ -	\$ -	\$ -	\$ 2,865,679	\$ 2,863,586	\$ 2,093
Unrealized Gain(Loss)	\$ -	\$ -	\$ (1)	\$ 62,469	\$ 89,530	\$ (27,061)
Change in Mkt Value since 09/30/09 (per PFIA)	\$ -	\$ (22,290)	\$ 22,290	\$ (32,526)	\$ 24,822	\$ (57,348)
Weighted Average Days to Maturity	0	0	0	228	320	-92
Buy Yield	0.00%	0.00%	0.00%	4.19%	4.19%	0.00%
Portfolio Composition - % of Book Value						
Treasuries	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Agencies	0.00%	100.00%	-100.00%	100.00%	100.00%	0.00%

STRATEGY STATEMENT

Non-pooled reserve funds for outstanding revenue bonds are set at levels required by their respective bond ordinances. These funds will be used to pay principal and/or interest if required to prevent a default. The objectives of this portfolio are to: a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists; b) ensure that anticipated cash flows are matched with adequate investment liquidity; c) manage market and credit risk through diversification; and d) attain a market value commensurate with the objectives and the restrictions set forth in the Investment Policy and the bond ordinance by managing the portfolio to meet or exceed the bond yield.

For the quarter ending December 31, 2009 the Sports Arena Reserve portfolios are in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.3 of the City's Investment Policy.

NOTE: This report summarizes direct investments only; a fund's accounting balance also includes its equity in the Investment Pool.

SUMMARY STATEMENT

	Current 12/31/2009	Prior Qtr 9/30/2009	Period Net Change
Face Value - Money Market Mutual Funds	\$ 3,154,230	\$ 4,127,159	\$ (972,929)
Book Value - Money Market Mutual Funds	\$ 3,154,230	\$ 4,127,159	\$ (972,929)
Market Value - Money Market Mutual Funds	\$ 3,154,230	\$ 4,127,159	\$ (972,929)
Accrued Interest	\$ 768.85	\$ -	\$ 769
Cash Value (Market Value + Accrued Interest)	\$ 3,154,999	\$ 4,127,159	\$ (972,160)
Unrealized Gain(Loss)	\$ -	\$ -	\$ -
Change in Mkt Value since 09/30/09 (per PFIA)	\$ -	\$ -	\$ -
Weighted Average Days to Maturity	1	1	0
Buy Yield	0.14%	0.10%	0.04%
Portfolio Composition - % of Book Value			
Money Market Mutual Funds	100.00%	100.00%	0.00%

STRATEGY STATEMENT

The Trinity Parkway Escrow portfolio was created with the deposit of \$5,000,000 on November 16, 1999 in an escrow account in accordance with an Agreement dated as of January 1, 1999 between the City and the North Texas Tollway Authority ("NTTA") pertaining to development of the Trinity Parkway. These funds will be used to reimburse NTTA for specified payments related to project feasibility. Permitted investments for this account are defined in the Escrow Agreement as those that are consistent with the Public Funds Investment Act. The objectives of this portfolio are to: a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists; b) ensure that anticipated cash flows are matched with adequate investment liquidity; c) manage market and credit risk through diversification; and d) attain a market rate of return commensurate with the objectives and restrictions set forth in the Agreement.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending December 31, 2009 the Trinity Parkway Escrow portfolio is in compliance with the provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.8 of the City's Investment Policy.

SUMMARY STATEMENT

	Current 12/31/2009	Prior Qtr 9/30/2009	Period Net Change
Face Value - Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	2,185,000	2,185,000	-
Total Face Value	\$ 2,185,000	\$ 2,185,000	\$ -
Book Value - Treasuries	-	-	\$ -
Book Value - Agencies	2,227,785	2,246,925	(19,140)
Total Book Value	\$ 2,227,785	\$ 2,246,925	\$ (19,140)
Market Value - Treasuries	-	-	\$ -
Market Value - Agencies	2,235,528	2,258,744	(23,216)
Total Market Value	\$ 2,235,528	\$ 2,258,744	\$ (23,216)
Accrued Interest	\$ 37,145	\$ 17,972	\$ 19,173
Cash Value (Market Value + Accrued Interest)	\$ 2,272,673	\$ 2,276,716	\$ (4,043)
Unrealized Gain(Loss)	\$ 7,743	\$ 11,819	\$ (4,075)
Change in Mkt Value since 09/30/09 (per PFIA)	\$ (23,216)	\$ (37,489)	\$ 14,273
Weighted Average Days to Maturity	209	301	-92
Buy Yield	0.57%	1.25%	-0.68%
Portfolio Composition - % of Book Value			
Treasuries	0.00%	0.00%	0.00%
Agencies	100.00%	100.00%	0.00%

STRATEGY STATEMENT

Non-pooled reserve funds for outstanding revenue bonds are set at levels required by their respective bond ordinances. These funds will be used to pay principal and/or interest if required to prevent a default. The objectives of this portfolio are to: a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists; b) ensure that anticipated cash flows are matched with adequate investment liquidity; c) manage market and credit risk through diversification; and d) attain a market rate of return commensurate with the objectives and the restrictions set forth in the Investment Policy and the bond ordinance by managing the portfolio to meet or exceed the bond yield.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending December 31, 2009 the Cityplace TIF Reserve portfolio is in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.3 of the City's Investment Policy.

NOTE: This report summarizes direct investments only; a fund's accounting balance also includes its equity in the Investment Pool.

City of Dallas, Texas
 Oncor Electric Escrow
 For the quarter ending December 31, 2009

SUMMARY STATEMENT

	Current 9/30/2009	Prior Qtr 9/30/2009	Period Net Change
Face Value - Money Market Mutual Funds	\$ 4,552,097	\$ 4,550,366	\$ 1,731
Book Value - Money Market Mutual Funds	\$ 4,552,097	\$ 4,550,366	\$ 1,731
Market Value - Money Market Mutual Funds	\$ 4,552,097	\$ 4,550,366	\$ 1,731
Accrued Interest	\$ 1,083	\$ -	\$ 1,083
Cash Value (Market Value + Accrued Interest)	\$ 4,553,181	\$ 4,550,366	\$ 2,815
Unrealized Gain(Loss)	\$ -	\$ -	\$ -
Change in Mkt Value since 09/30/09 (per PFIA)	\$ -	\$ -	\$ -
Weighted Average Days to Maturity	1	1	0
Buy Yield	0.15%	0.10%	0.05%
Portfolio Composition - % of Book Value			
Money Market Mutual Funds	100.00%	100.00%	0.00%

STRATEGY COMPLIANCE STATEMENT

For the quarter ending December 31, 2009 the Oncor Electric Escrow portfolio is in compliance with the provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.8 of the City's Investment Policy.