

Memorandum



CITY OF DALLAS

DATE May 12, 2008

TO Members of the Finance, Audit & Accounting Committee:
Chair Mitchell Rasansky, Vice-Chair Jerry Allen, Ron Natinsky, Elba Garcia,
Vonciel Jones Hill, Angela Hunt, David Neumann

SUBJECT Quarterly Investment Report as of March 31, 2008

The City of Dallas Investment Policy, adopted by the City Council on November 12, 2007 requires that the City Council and City Manager receive quarterly investment reports. The City's Investment Policy provides the general framework for the investment of City funds, both operating and capital. Bond funds, including debt service and reserve funds, are managed by governing bond ordinances as well as the Investment Policy and the Tax Reform Act of 1986. The Policy emphasizes the City's investment objectives of safety, liquidity and yield, in that order, and complies with the Public Funds Investment Act as amended September 1, 2007.

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 three and includes the percentages of opportunities offered and awarded to M/WBE dealers.

Although not an investment, per se, we include in this report information concerning money held by the City in its demand deposit accounts with Bank of America. As of the close of business on March 31, 2008 the collected balance in our Bank of America checking account was \$1,901,874.26. These accounts were fully collateralized by U.S. Federal Agency securities and the Federal Deposit Insurance Corporation (FDIC).

Memorandum

DATE May 12, 2008

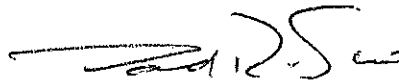
TO Chair and Members of the Finance, Audit & Accountability
Committee

SUBJECT Quarterly Investment Report as of March 31, 2008
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For the quarter ending March 31, 2008 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.



David Cook
Chief Financial Officer



Edward Scott
Interim Director of Financial Services

c: Honorable Mayor & Members of the City Council
Mary K. Suhm, City Manager
Ryan S. Evans, First Assistant City Manager
Ramon F. Miguez, Assistant City Manager
Charles W. Daniels, Assistant City Manager
Jill A. Jordan, Assistant City Manager
A. C. Gonzalez, Assistant City Manager
Craig Kinton, City Auditor

City of Dallas, Texas
Investment Summary by Portfolio Type
For the quarter ending March 31, 2008

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	\$ 1,997,053,000.00	\$ 2,014,298,602.63	\$ 2,039,341,049.71	\$ 14,867,400.77	\$ 2,054,208,450.48	\$ 25,042,447.18	361	4.06%
Convention Center Reserve	2	14,695,000.00	14,651,847.05	15,000,032.81	83,865.11	15,083,897.92	348,185.76	391	4.59%
Water Reserve	3	68,853,000.00	68,629,344.83	69,996,304.69	590,779.31	70,587,084.00	1,366,959.86	438	4.28%
Art Endowment	4	1,811,000.00	1,825,240.16	1,840,428.75	23,498.98	1,863,927.73	15,188.59	263	3.50%
Ida Green Library Fund	5	1,000,000.00	998,133.43	1,018,750.00	2,627.78	1,021,377.78	20,616.57	343	4.50%
Library Endowment	6	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00%
TU Electric Reserve	7	13,430,000.00	13,379,476.15	13,551,709.38	288,884.90	13,840,594.28	172,233.23	186	5.04%
DWU Commercial Paper Program	10	145,086,303.41	145,086,303.41	145,086,303.41	334,686.20	145,420,989.61	0.00	1	2.83%
Sports Arena Reserve 1998A	12	3,545,000.00	3,539,196.79	3,563,832.81	60,486.56	3,624,319.37	24,636.02	430	5.39%
Sports Arena Reserve 1998B	13	2,739,000.00	2,788,229.29	2,901,628.13	16,738.33	2,918,366.46	113,398.84	868	4.19%
Trinity Parkway Escrow	14	1,237,938.89	1,237,938.89	1,237,938.89	1,363.30	1,239,302.19	0.00	1	1.30%
Cityplace TIF Reserve	15	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00%
Oncor Electric Escrow	16	4,524,226.85	4,524,226.85	4,524,226.85	4,191.48	4,528,418.33	0.00	1	0.99%
Total Portfolio		\$ 2,253,974,469.15	\$ 2,270,958,539.38	\$ 2,298,062,205.43	\$ 16,274,522.72	\$ 2,314,336,728.15	\$ 27,103,666.05	339	3.99%

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).

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.

City of Dallas, Texas
Investment Summary by Security Type & Agency Issuer
For the quarter ending March 31, 2008

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 and Pools	\$ 446,664,469.15	\$ 446,664,469.15	\$ 446,664,469.15	\$ -	1	3.99%	19.67%
Treasury Securities	290,000,000.00	292,111,139.79	296,974,062.50	4,862,922.71	350	3.88%	12.86%
Agency Securities	1,517,310,000.00	1,532,182,930.44	1,554,423,673.78	22,240,743.34	436	4.24%	67.47%
Total Portfolio	\$2,253,974,469.15	\$ 2,270,958,539.38	\$ 2,298,062,205.43	\$ 27,103,666.05	340	4.00%	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)	275,741,000.00	276,311,270.31	279,685,431.25	3,374,160.94	12.19%	AAA/Aaa
Federal Home Loan Mortgage Corp. (FHLMC)	388,076,000.00	389,091,120.41	394,480,103.13	5,388,982.72	17.17%	AAA/Aaa
Federal Home Loan Bank (FHLB)	552,590,000.00	563,183,928.53	571,028,868.77	7,844,940.24	24.85%	AAA/Aaa
Federal Farm Credit Bank (FFCB)	300,903,000.00	303,596,611.19	309,229,270.63	5,632,659.44	13.40%	AAA/Aaa
Total Agency Securities	\$1,517,310,000.00	\$ 1,532,182,930.44	\$ 1,554,423,673.78	\$ 22,240,743.34	67.62%	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.

City of Dallas, Texas
 Activity Summary - All Portfolios Combined
 For the quarter ending March 31, 2008

	Trade Activity		Dealer Activity		Percent of Total Awarded	
	Face Value		Offered	Awarded	2Q FY08	FY to Date
Beginning Balance	\$ 2,083,001,632.67					
Purchased/Deposited	974,385,135.19	Primary Dealers (1)	\$ 865,253,000	\$ 294,911,000	47.57%	33.58%
Matured/Withdrew	(755,582,298.71)	MWBE Secondary Dealers	442,347,000	302,392,000	48.77%	60.56%
Called	(47,830,000.00)	Other Secondary Dealers	123,696,000	22,701,000	3.66%	5.86%
Sold	0.00		\$ 1,431,296,000 (2)	\$ 620,004,000 (3)	100.00%	100.00%
Ending Balance	<u>\$ 2,253,974,469.15</u>					

(1) Primary dealers report directly to the Market Reports Division of the New York Federal Reserve Bank and must meet minimum volume and capital guidelines. Primary dealers are generally able to offer the best price because they have access to the inside market and are able to inventory securities. There are no MWBE primary dealers. Secondary dealers are smaller, regional firms that generally do not hold securities in inventory and must purchase them from primary dealers or other clients.

(2) The amount of trades exceeds the actual amount awarded because three or more competitive bids/offers are sought on each trade.

(3) Dealer Activity summary includes only those trades (purchases and sales) shown to dealers by our investment Advisor, First Southwest Asset Management, Inc.; it does not include repurchase agreements, money market mutual funds, or local government investment pool activity.

City of Dallas, Texas
Investment Pool
For the quarter ending March 31, 2008

SUMMARY STATEMENT

	Current 3/31/2008	3 Months Ago 12/31/2007	Period Net Change
Money Market Mutual Funds & Pools	\$ 295,816,000	\$ 313,066,000	\$ (17,250,000)
Face Value - Treasuries	290,000,000	272,000,000	18,000,000
Face Value - Agencies	1,411,237,000	1,223,401,000	187,836,000
Total Face Value	\$ 1,997,053,000	\$ 1,808,467,000	\$ 188,586,000
Money Market Mutual Funds & Pools	\$ 295,816,000	\$ 313,066,000	\$ (17,250,000)
Book Value - Treasuries	292,111,140	273,077,275	19,033,865
Book Value - Agencies	1,426,371,463	1,224,504,292	201,867,171
Total Book Value	\$ 2,014,298,603	\$ 1,810,647,567	\$ 203,651,037
Money Market Mutual Funds & Pools	\$ 295,816,000	\$ 313,066,000	\$ (17,250,000)
Market Value - Treasuries	296,974,062.50	274,794,688	22,179,375
Market Value - Agencies	1,446,550,987.21	1,230,920,727	215,630,261
Total Market Value	\$ 2,039,341,050	\$ 1,818,781,415	\$ 220,559,635
Accrued Interest	-	19,940,525	\$ (19,940,525)
Cash Value (Total Market Value + Accrued Interest)	2,039,341,050	1,838,721,940	\$ 200,619,108
Unrealized Gain(Loss)	25,042,447	8,133,848	\$ 16,908,600
Change in Fair Value since 9/30/07 (per GASB 31)*	4,635,347	4,635,347	\$ -
Weighted Average Days to Maturity	361	280	81
Buy Yield	4.06%	4.76%	-0.70%
Portfolio Composition - % of Book Value			
Money Market Mutual Funds and Pools	14.69%	15.54%	-0.87%
Treasuries	14.50%	13.56%	0.93%
Agencies	70.81%	60.79%	10.02%

STRATEGY STATEMENT

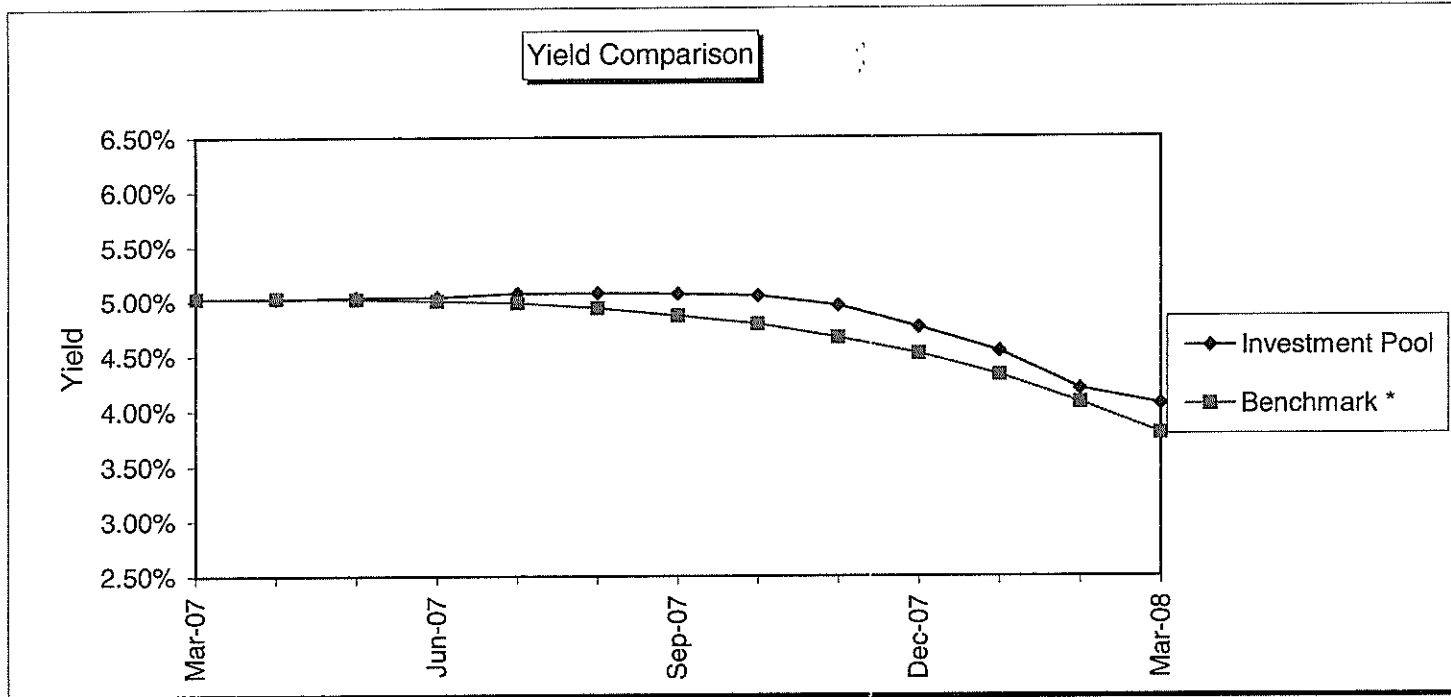
The City's Investment Pool is an aggregation of the majority of City funds that includes tax receipts, enterprise fund revenues, fine and fee revenues, as well as some, but not all, bond proceeds, grants, gifts and endowments. This portfolio is maintained to meet anticipated daily cash needs for City 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 the best feasible yield commensurate with the objectives and restrictions set forth in the Investment Policy by actively 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 March 31, 2008 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.

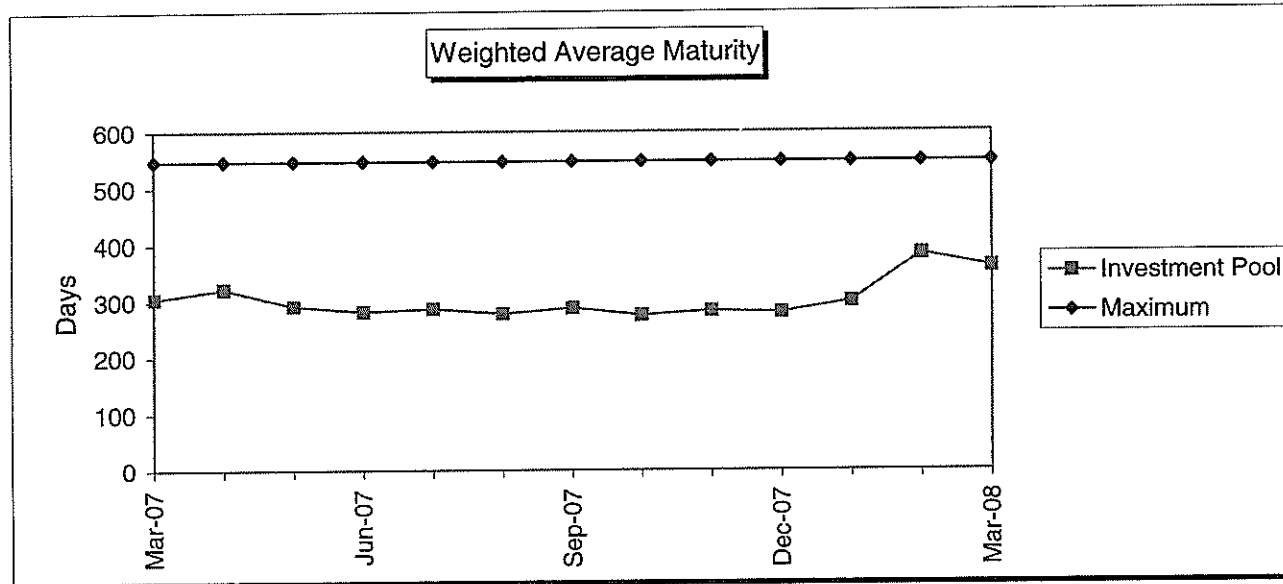
* GASB 31 did not change for 20r. To be updated in 3Q.

City of Dallas, Texas
Yield Comparison - Investment Pool
For the quarter ending March 31, 2008



* 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.

City of Dallas, Texas
Maturity Analysis - Investment Pool
For the quarter ending March 31, 2008



Investment Maturity Schedule - % of Total Pool					
Mnth/Yrs to Maturity	Current 3/31/2008	3 Months Ago 12/31/2007	3 Months Net Change	1 Year Ago 3/31/2007	1 Year Net Change
Less than 3 months:	23.9%	29.4%	-5.5%	23.5%	0.4%
3 months to 6 months:	16.3%	10.7%	5.6%	18.7%	-2.4%
6 months to 9 months:	4.0%	18.2%	-14.2%	5.6%	-1.6%
9 months to 1 year:	11.6%	4.5%	7.1%	13.5%	-1.9%
1 year to 2 years:	29.3%	36.1%	-6.8%	33.9%	-4.6%
2 years to 5 years:	14.9%	1.1%	13.8%	4.8%	10.1%
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%	

City of Dallas, Texas
Convention Center Reserve
For the quarter ending March 31, 2008

SUMMARY STATEMENT

	Current 3/31/2008	3 Months Ago 12/31/2007	Period Net Change
Face Value -Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	14,695,000	19,705,000	(5,010,000)
Total Face Value	\$ 14,695,000	\$ 19,705,000	\$ (5,010,000)
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	14,651,847	19,601,838	(4,949,991)
Total Book Value	\$ 14,651,847	\$ 19,601,838	\$ (4,949,991)
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	15,000,033	19,738,836	(4,738,802)
Total Market Value	\$ 15,000,033	\$ 19,738,836	\$ (4,738,802)
Accrued Interest	\$ 233,022	\$ 233,022	\$ -
Cash Value (Market Value + Accrued Interest)	\$ 15,233,055	\$ 19,971,858	\$ (4,738,804)
Unrealized Gain(Loss)	\$ 348,186	\$ 136,998	\$ 211,189
Change in Fair Value since 9/30/07 (per GASB 31)*	\$ 175,207	\$ 175,207	\$ (0)
Weighted Average Days to Maturity	391	378	13
Buy Yield	4.59%	4.15%	0.43%
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 actively managing the portfolio to meet or exceed the bond yield.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending March 31, 2008 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.

1) A portion of this fund totaling \$5,078,887.50 is currently being held in the investment pool.

* GASB 31 did not change for 2Qr. To be updated in 3Q.

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

City of Dallas, Texas
 Water Reserve
 For the quarter ending March 31, 2008

SUMMARY STATEMENT

	Current 3/31/2008	3 Months Ago 12/31/2007	Period Net Change
Face Value -Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	68,853,000	69,061,000	(208,000)
Total Face Value	\$ 68,853,000	\$ 69,061,000	\$ (208,000)
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	68,629,345	68,755,071	(125,726)
Total Book Value	\$ 68,629,345	\$ 68,755,071	\$ (125,726)
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	69,996,305	69,281,134	715,171
Total Market Value	\$ 69,996,305	\$ 69,281,134	\$ 715,171
Accrued Interest	\$ 590,779	\$ 623,692	\$ (32,913)
Cash Value (Market Value + Accrued Interest)	\$ 70,587,084	\$ 69,904,826	\$ 682,258
Unrealized Gain(Loss)	\$ 1,366,960	\$ 526,063	\$ 840,897
Change in Fair Value since 9/30/07 (per GASB 31)*	\$ 735,664	\$ 735,664	\$ -
Weighted Average Days to Maturity	438	501	(63)
Buy Yield	4.28%	4.45%	-0.17%
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 actively managing the portfolio to meet or exceed the bond yield.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending March 31, 2008 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.

* GASB 31 did not change for 2Qr. To be updated in 3Q.

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

City of Dallas, Texas
 Art Endowment
 For the quarter ending March 31, 2008

SUMMARY STATEMENT

	Current 3/31/2008	3 Months Ago 12/31/2007	Period Net Change
Face Value -Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	1,811,000	1,835,000	(24,000)
Total Face Value	\$ 1,811,000	\$ 1,835,000	\$ (24,000)
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	1,825,240	1,834,844	(9,604)
Total Book Value	\$ 1,825,240	\$ 1,834,844	\$ (9,604)
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	1,840,429	1,835,000	5,429
Total Market Value	\$ 1,840,429	\$ 1,835,000	\$ 5,429
Accrued Interest	\$ 23,499	\$ 42,243	\$ (18,744)
Cash Value (Market Value + Accrued Interest)	\$ 1,863,928	\$ 1,877,243	\$ (13,316)
Unrealized Gain(Loss)	\$ 15,189	\$ 156	\$ 15,032
Change in Fair Value since 9/30/07 (per GASB 31)*	\$ 573	\$ 573	\$ -
Weighted Average Days to Maturity	263	11	252
Buy Yield	3.50%	5.09%	-1.59%
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 the best feasible yield commensurate with the objectives and the restrictions set forth in the Investment Policy.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending March 31, 2008 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.

* GASB 31 did not change for 2Qr. To be updated in 3Q.

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

City of Dallas, Texas
 Ida Green Library Fund
 For the quarter ending March 31, 2008

SUMMARY STATEMENT

	Current 3/31/2008	3 Months Ago 12/31/2007	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	998,133	997,653	481
Total Book Value	\$ 998,133	\$ 997,653	\$ 481
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	1,018,750	1,005,000	13,750
Total Market Value	\$ 1,018,750	\$ 1,005,000	\$ 13,750
Accrued Interest	\$ 2,628	\$ 13,378	\$ (10,750)
Cash Value (Market Value + Accrued Interest)	\$ 1,021,378	\$ 1,018,378	\$ 2,999
Unrealized Gain(Loss)	\$ 20,617	\$ 7,348	\$ 13,268
Change in Fair Value since 9/30/07 (per GASB 31)*	\$ 7,188	\$ 7,188	\$ -
Weighted Average Days to Maturity	343	434	(91)
Buy Yield	4.50%	4.50%	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 the best feasible yield commensurate with the objectives and the restrictions set forth in the Investment Policy.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending March 31, 2008 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.

* GASB 31 did not change for 2Qr. To be updated in 3Q.

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

City of Dallas, Texas
 Library Endowment
 For the quarter ending March 31, 2008

SUMMARY STATEMENT

	Current * 3/31/2008	Current 12/31/2007	Period Net Change
Face Value -Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	-	-	-
Total Face Value	\$ -	\$ -	\$ -
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	-	-	-
Total Book Value	\$ -	\$ -	\$ -
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	-	-	-
Total Market Value	\$ -	\$ -	\$ -
Accrued Interest	\$ -	\$ -	\$ -
Cash Value (Market Value + Accrued Interest)	\$ -	\$ -	\$ -
Unrealized Gain(Loss)	\$ -	\$ -	\$ -
Change in Fair Value since 9/30/07 (per GASB 31)*	\$ -	\$ -	\$ -
Weighted Average Days to Maturity	0	0	0
Buy Yield	0.00%	0.00%	0.00%
Portfolio Composition - % of Book Value			
Treasuries	0.00%	0.00%	0.00%
Agencies	0.00%	0.00%	0.00%

STRATEGY STATEMENT

The Library Endowment Fund was created from the sale of the former downtown public library pursuant to Resolution No. 81-2936. Its purpose, as amended by Resolution No. 95-1568, is to provide a permanent and perpetual source of revenue to be dedicated to equipment acquisition, maintenance and enhancement of the library automation system. 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 the best feasible yield commensurate with the objectives and the restrictions set forth in the Investment Policy.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending March 31, 2008 the Library 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.

* GASB 31 did not change for 2Qr. To be updated in 3Q.

NOTE: This report summarizes direct investments only; a fund's accounting balance also includes its equity in the Investment Pool.
 * As of 3/31/08 all of the Library Endowment Fund was invested in the Investment Pool.

City of Dallas, Texas
 TU Electric Reserve
 For the quarter ending March 31, 2008

SUMMARY STATEMENT

	Current 3/31/2008	3 Months Ago 12/31/2007	Period Net Change
Face Value -Treasuries			\$ -
Face Value - Agencies	13,430,000	13,430,000	-
Total Face Value	\$ 13,430,000	\$ 13,430,000	\$ -
Book Value - Treasuries			\$ -
Book Value - Agencies	13,379,476	13,365,396	14,080
Total Book Value	\$ 13,379,476	\$ 13,365,396	\$ 14,080
Market Value - Treasuries			\$ -
Market Value - Agencies	13,551,709	13,425,803	125,907
Total Market Value	\$ 13,551,709	\$ 13,425,803	\$ 125,907
Accrued Interest	\$ 288,885	\$ 141,994	\$ 146,891
Cash Value (Market Value + Accrued Interest)	\$ 13,840,594	\$ 13,567,797	\$ 272,796
Unrealized Gain(Loss)	\$ 172,233	\$ 60,407	\$ 111,826
Change in Fair Value since 9/30/07 (per GASB 31)*	\$ 46,166	\$ 46,166	\$ -
Weighted Average Days to Maturity	186	277	(91)
Buy Yield	5.04%	5.04%	0.00%
Portfolio Composition - % of Book Value			
Treasuries	0.00%	0.00%	0.00%
Agencies	100.00%	100.00%	0.00%

STRATEGY STATEMENT

The TU Electric Reserve portfolio was established by City Ordinance for the deposit of Texas Utilities Electric Company prepaid franchise fees. Interest earnings on this portfolio will be used to fund future ratemaking expenses pursuant to the TUEC franchise ordinance and to provide an additional source of funds for the General Fund during the 15-year franchise term. In order to maximize the interest income generated by this portfolio, City Council adopted Ordinance 21665 on May 12, 1993 authorizing investments in securities purchased for this portfolio to have maturities up to 15 years. The TUEC franchise term ends in October 2008 and therefore investment maturities should not exceed that date. 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 Ordinance 21665.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending March 31, 2008 the TU Electric Reserve portfolio is in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.6 of the City's Investment Policy.

* GASB 31 did not change for 2Qr. To be updated in 3Q.

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

City of Dallas, Texas
Water Commercial Paper Program
For the quarter ending March 31, 2008

SUMMARY STATEMENT

	Current 3/31/2008	3 Months Ago 12/31/2007	Period Net Change
Face Value - Money Market Mutual Funds	\$ 145,086,303	\$ 156,559,602	\$ (11,473,299)
Book Value - Money Market Mutual Funds	\$ 145,086,303	\$ 156,559,602	\$ (11,473,299)
Market Value - Money Market Mutual Funds	\$ 145,086,303	\$ 156,559,602	\$ (11,473,299)
Accrued Interest	\$ 334,686	\$ 410,088	\$ (75,402)
Cash Value (Market Value + Accrued Interest)	\$ 145,420,990	\$ 156,969,690	\$ (11,548,700)
Unrealized Gain(Loss)	\$ -	\$ -	\$ -
Change in Fair Value since 9/30/07 (per GASB 31)*	\$ -	\$ -	\$ -
Weighted Average Days to Maturity	1	1	0
Buy Yield	2.83%	3.15%	-0.32%
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 the best feasible yield commensurate with the objectives and the restrictions set forth in the Investment Policy and governing bond ordinances.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending March 31, 2008 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.

* GASB 31 did not change for 2Qr. To be updated in 3Q.

City of Dallas, Texas
 Trinity Parkway Escrow
 For the quarter ending March 31, 2008

SUMMARY STATEMENT

	Current 3/31/2008	3 Months Ago 12/31/2007	Period Net Change
Face Value - Money Market Mutual Funds	\$ 1,237,939	\$ 1,230,031	\$ 7,909
Book Value - Money Market Mutual Funds	\$ 1,237,939	\$ 1,230,031	\$ 7,909
Market Value - Money Market Mutual Funds	\$ 1,237,939	\$ 1,230,031	\$ 7,909
Accrued Interest	\$ 1,363	\$ 2,995	\$ (1,632)
Cash Value (Market Value + Accrued Interest)	\$ 1,239,302	\$ 1,233,026	\$ 6,277
Unrealized Gain(Loss)	\$ -	\$ -	\$ -
Change in Fair Value since 9/30/07 (per GASB 31)*	\$ -	\$ -	\$ -
Weighted Average Days to Maturity	1	1	0
Buy Yield	1.30%	3.32%	-2.02%
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 the best feasible yield commensurate with the objectives and restrictions set forth in the Agreement.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending March 31, 2008 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.

City of Dallas, Texas
Cityplace TIF Reserve
For the quarter ending March 31, 2008

SUMMARY STATEMENT

	Current ¹ 3/31/2008	3 Months Ago 12/31/2007	Period Net Change
Face Value -Treasuries	\$ -	\$ 2,365,000	\$ (2,365,000)
Face Value - Agencies	-	-	-
Total Face Value	\$ -	\$ 2,365,000	\$ (2,365,000)
Book Value - Treasuries	-	-	\$ -
Book Value - Agencies	-	2,363,367	(2,363,367)
Total Book Value	\$ -	\$ 2,363,367	\$ (2,363,367)
Market Value - Treasuries	-	-	\$ -
Market Value - Agencies	-	2,373,130	(2,373,130)
Total Market Value	\$ -	\$ 2,373,130	\$ (2,373,130)
Accrued Interest	\$ -	\$ 27,495	\$ (27,495)
Cash Value (Market Value + Accrued Interest)	\$ -	\$ 2,400,624	\$ (2,400,624)
Unrealized Gain(Loss)	\$ -	\$ 9,763	\$ (9,762)
Change in Fair Value since 9/30/07 (per GASB 31)*	\$ -	\$ 2,956	\$ (2,956)
Weighted Average Days to Maturity	0	91	-91
Buy Yield	0.00%	4.92%	-4.92%
Portfolio Composition - % of Book Value			
Treasuries	0.00%	100.00%	-100.00%
Agencies	0.00%	0.00%	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 actively managing the portfolio to meet or exceed the bond yield.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending March 31, 2008 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.

1) Fund totaling \$2,419,690.63 temporarily being held in the investment pool.

* GASB 31 did not change for 2Qr. To be updated in 3Q.

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 March 31, 2008

SUMMARY STATEMENT

	Current 3/31/2008	3 Months Ago 12/31/2007	Period Net Change
Face Value - Money Market Mutual Funds	\$ 4,524,227	\$ 4,500,000	\$ 24,228
Book Value - Money Market Mutual Funds	\$ 4,524,227	\$ 4,500,000	\$ 24,228
Market Value - Money Market Mutual Funds	\$ 4,524,227	\$ 4,500,000	\$ 24,228
Accrued Interest	\$ 4,191	\$ 9,390	\$ (5,198)
Cash Value (Market Value + Accrued Interest)	\$ 4,528,418	\$ 4,509,390	\$ 19,029
Unrealized Gain(Loss)	\$ -	\$ -	\$ -
Change in Fair Value since 9/30/07 (per GASB 31)*	\$ -	\$ -	\$ -
Weighted Average Days to Maturity	1	1	0
Buy Yield	0.99%	3.05%	-2.06%
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 the best feasible yield commensurate with the objectives and restrictions set forth in the Agreement.

STRATEGY COMPLIANCE STATEMENT

For the quarter ending March 31, 2008 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.