

# Memorandum



CITY OF DALLAS

DATE May 6, 2010

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

SUBJECT Quarterly Investment Report as of March 31, 2010

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.

For the quarter ended March 31, 2010 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.

Handwritten signature of Jeanne Chipperfield in blue ink.

Jeanne Chipperfield  
Chief Financial Officer

Handwritten signature of Edward R. Scott in blue ink.

Edward R. Scott  
City Controller

Handwritten signature of Corrine Steeger in blue ink.

Corrine Steeger  
Treasury Manager

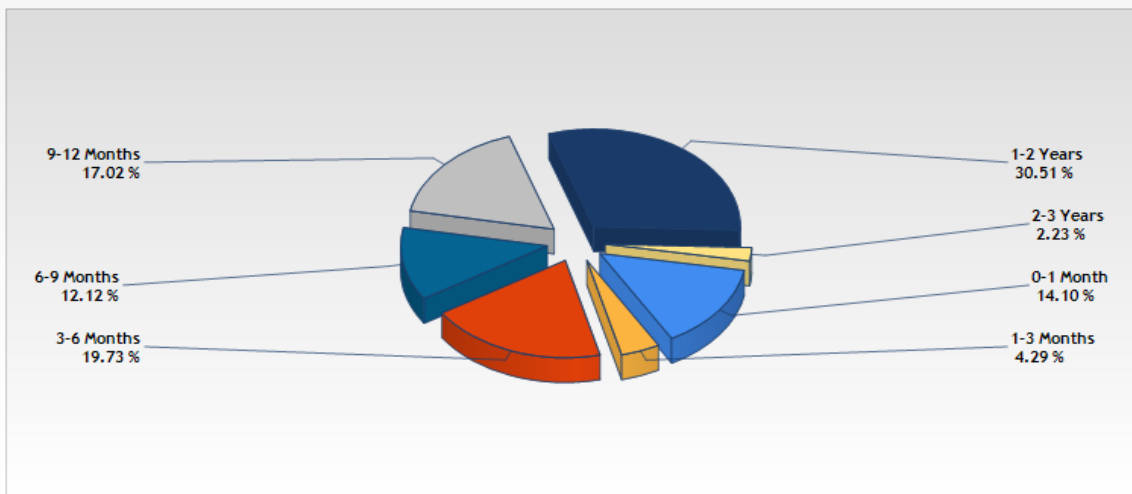
c: Honorable Mayor & Members of the City Council  
Mary K. Suhm, City Manager  
Ryan S. Evans, First Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
A.C. Gonzalez, Assistant City Manager  
Forest E. Turner, Assistant City Manager  
Craig Kinton, City Auditor

**City of Dallas  
Cash and Investment Summary  
March 31, 2010**

<b>Portfolio Summary</b>			
	<b>03/31/10</b>	<b>12/31/09</b>	<b>Net Change</b>
Face Value	\$ 1,883,350,199	\$ 1,580,963,499	\$ 302,386,700
Book Value	1,910,288,382	1,596,271,072	314,017,310
Market Value	1,916,293,114	1,606,756,227	309,536,887
Accrued Interest	11,261,740	16,259,905	(4,998,165)
Cash Value	1,927,554,852	1,623,016,131	304,538,722
Unrealized Gain (Loss)	6,004,732	10,485,155	(4,480,423)
Weighted Average Maturity (days)	281	252	29
Buy Yield	1.28%	1.93%	-0.65%

<b>Investment Summary by Type</b>		
<b>Cash and Investments by Type</b>	<b>Book Value</b>	<b>% of Portfolio</b>
<b>U.S. Government Treasury Securities</b>	<b>\$ 76,418,022</b>	<b>4.00%</b>
<b>U.S. Government &amp; Agency Securities</b>		
Federal Farm Credit Bank (FFCB)	373,580,814	19.56%
Federal Home Loan Bank (FHLB)	377,446,484	19.76%
Federal Home Loan Mortgage Corporation (FHLMC)	492,099,074	25.76%
Federal National Mortgage Association (FNMA)	355,654,789	18.62%
<b>Total U.S. Government &amp; Agency Securities</b>	<b>\$ 1,598,781,161</b>	<b>83.69%</b>
<b>Local Government Investment Pool (TexPool)</b>	<b>\$ 95,524,534</b>	<b>5.00%</b>
<b>Money Market Mutual Funds</b>	<b>\$ 54,036,196</b>	<b>2.83%</b>
<b>Total Investments</b>	<b>\$ 1,824,759,912</b>	<b>95.52%</b>
<b>Closing Available Cash</b>	<b>\$ 85,528,469</b>	<b>4.48%</b>
<b>Total Cash and Investments</b>	<b>\$ 1,910,288,382</b>	<b>100.00%</b>

**Portfolio Holdings Distribution by Maturity Range**



City of Dallas, Texas  
Investment Summary by Portfolio Type  
For the quarter ending March 31, 2010

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	\$ 1,680,178,445	\$ 1,706,485,325	\$ 1,712,069,786	\$ 10,542,474	\$ 1,722,612,260	\$ 5,584,461	292	1.32%
Convention Center Reserve	2	22,499,000	22,546,889	22,610,576	157,576	22,768,152	63,687	271	1.63%
Water Reserve	3	72,252,000	72,802,148	73,143,928	502,500	73,646,427	341,780	451	1.94%
Art Endowment	4	2,500,000	2,508,967	2,511,719	39,006	2,550,724	2,752	45	1.19%
Ida Green Library Fund	5	1,000,000	999,938	1,005,625	625	1,006,250	5,687	169	1.51%
DWU Commercial Paper Program	10	14,134,052	14,134,052	14,134,052	1,044	14,135,096	-	1	0.14%
Trinity Parkway Escrow	14	2,533,900	2,533,900	2,533,900	208	2,534,109	-	1	0.12%
Cityplace TIF Reserve	15	2,185,000	2,209,361	2,215,727	17,972	2,233,698	6,366	119	1.25%
Oncor Electric Escrow	16	539,333	539,333	539,333	335	539,668	-	1	0.12%
<b>Total Portfolio</b>		<b>\$ 1,797,821,730</b>	<b>\$ 1,824,759,912</b>	<b>\$ 1,830,764,644</b>	<b>\$ 11,261,740</b>	<b>\$ 1,842,026,384</b>	<b>\$ 6,004,732</b>	<b>281</b>	<b>1.28%</b>
Cash in Bank**		\$ 85,528,469	\$ 85,528,469	\$ 85,528,469		\$ 85,528,469.49			
<b>Total Cash &amp; Investments</b>		<b>\$ 1,883,350,199</b>	<b>\$ 1,910,288,382</b>	<b>\$ 1,916,293,114</b>	<b>\$ 11,261,740</b>	<b>\$ 1,927,554,853</b>			

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 Bank of America (currently 0.65%), 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 March 31, 2010

<b>All Portfolios Combined</b>								
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	\$ 54,036,196	\$ 54,036,196	\$ 54,036,196	\$ -	1	0.06%	2.83%	
Local Government Investment Pools	95,524,534	95,524,534	95,524,534	-	1	0.11%	5.00%	
Treasury Securities	75,000,000	76,418,022	76,463,650	45,628.28	537	0.74%	4.00%	
Agency Securities	1,573,261,000	1,598,781,161	1,604,740,264	5,959,104	311	1.49%	83.69%	
<b>Total Portfolio</b>	<b>\$ 1,797,821,730</b>	<b>\$ 1,824,759,912</b>	<b>\$ 1,830,764,644</b>	<b>\$ 6,004,732</b>	<b>281</b>	<b>1.28%</b>	<b>95.52%</b>	
Cash In Bank**	\$ 85,528,469	\$ 85,528,469	\$ 85,528,469				4.48%	
<b>Total Cash and Investments</b>	<b>\$ 1,883,350,199</b>	<b>\$ 1,910,288,382</b>	<b>\$ 1,916,293,114</b>				<b>100.00%</b>	
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)	\$ 348,495,000	\$ 355,654,789	\$ 356,745,280	\$ 1,090,490	18.62%	AAA/Aaa		
Federal Home Loan Mortgage Corp. (FHLMC)	480,982,000	492,099,074	493,153,245	1,054,171	25.76%	AAA/Aaa		
Federal Home Loan Bank (FHLB)	373,965,000	377,446,484	379,957,617	2,511,134	19.76%	AAA/Aaa		
Federal Farm Credit Bank (FFCB)	369,819,000	373,580,814	374,884,123	1,303,309	19.56%	AAA/Aaa		
<b>Total Agency Securities</b>	<b>\$ 1,573,261,000</b>	<b>\$ 1,598,781,161</b>	<b>\$ 1,604,740,264</b>	<b>\$ 5,959,104</b>	<b>83.69%</b>	<b>AAA/Aaa</b>		

\* 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 March 31, 2010

<b>Trade Activity</b>						
Description	Beginning Face Amount/Shares	Beginning YTM	Purchased/Deposited	Matured/Withdrew/Sold/Called	Ending Face Amount/Shares	Ending YTM
FFC Bond	288,958,000	2.05	110,600,000	29,739,000	369,819,000	1.63
FHLB Bond	510,310,000	2.25	17,050,000	153,395,000	373,965,000	1.98
FHLMC Bond	296,097,000	1.90	255,455,000	70,570,000	480,982,000	1.18
FNMA Bond	297,941,000	2.09	201,570,000	151,016,000	348,495,000	1.22
Local Government Investment Pool	2,270,116	0.15	706,290,513	613,036,095	95,524,534	0.11
Money Market	37,043,225	0.12	245,010,384	228,017,413	54,036,196	0.06
Treasury Bond	80,000,000	2.11	45,000,000	50,000,000	75,000,000	0.74
<b>Total / Average</b>	<b>1,512,619,341</b>	<b>1.94</b>	<b>1,580,975,897</b>	<b>1,295,773,508</b>	<b>1,797,821,730</b>	<b>1.28</b>

**SUMMARY STATEMENT**

	Current 3/31/2010	Prior Qtr 12/31/2009	Period Net Change
Money Market Mutual Funds & Pools	\$ 132,353,445	\$ 6,238,346	\$ 126,115,099
Face Value - Treasuries	75,000,000	80,000,000	(5,000,000)
Face Value - Agencies	1,472,825,000	1,271,931,000	200,894,000
Total Face Value	\$ 1,610,249,847	\$ 1,358,169,346	\$ 252,080,501
Money Market Mutual Funds & Pools	\$ 132,353,445	\$ 6,238,346	\$ 126,115,099
Book Value - Treasuries	76,418,022	81,436,941	(5,018,919)
Book Value - Agencies	1,497,713,858	1,284,929,603	212,784,255
Total Book Value	\$ 1,706,485,325	\$ 1,372,604,890	\$ 333,880,435
Money Market Mutual Funds & Pools	\$ 132,353,445	\$ 6,238,346	\$ 126,115,099
Market Value - Treasuries	76,463,650	81,486,330	(5,022,680)
Market Value - Agencies	1,503,252,691	1,294,879,321	208,373,370
Total Market Value	\$ 1,712,069,786	\$ 1,382,603,997	\$ 329,465,789
Accrued Interest	10,542,474	15,316,930	\$ (4,774,456)
Cash Value (Total Market Value + Accrued Interest)	1,722,612,260	1,397,920,927	\$ 324,691,333
Unrealized Gain(Loss)	5,584,461	9,999,107	\$ (4,414,646)
Weighted Average Days to Maturity	292	252	40
Buy Yield	1.32%	2.09%	-0.77%
Portfolio Composition - % of Book Value			
Money Market Mutual Funds and Pools	7.76%	0.45%	7.29%
Treasuries	4.48%	5.93%	-1.46%
Agencies	87.77%	93.61%	-5.85%
	100.00%	100.00%	

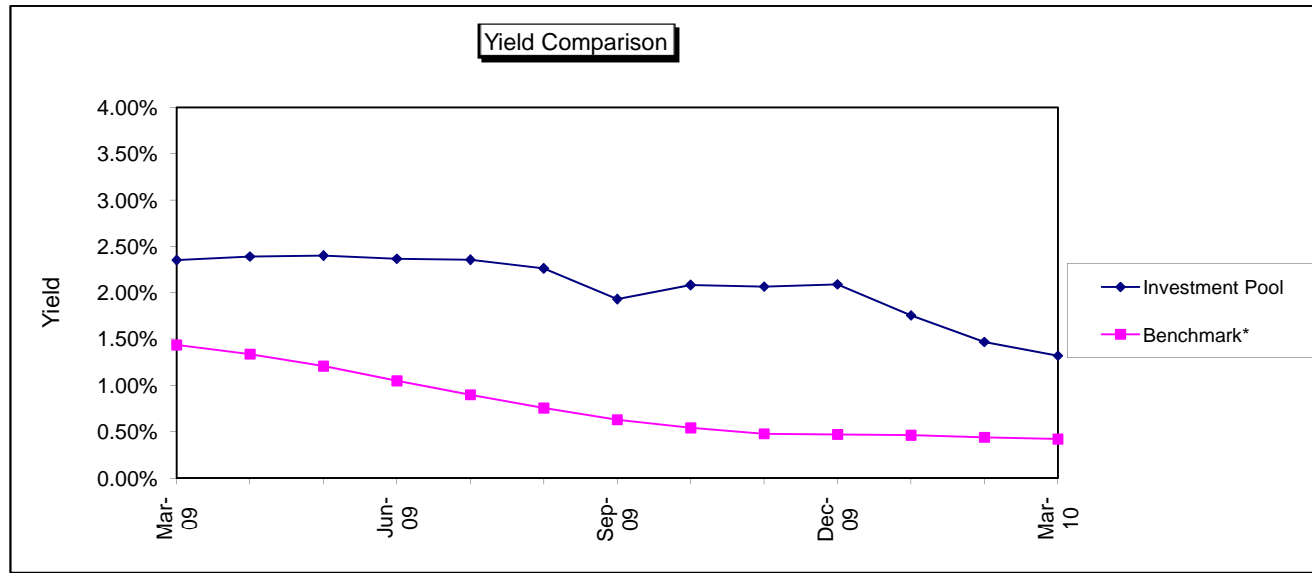
**STRATEGY STATEMENT**

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**

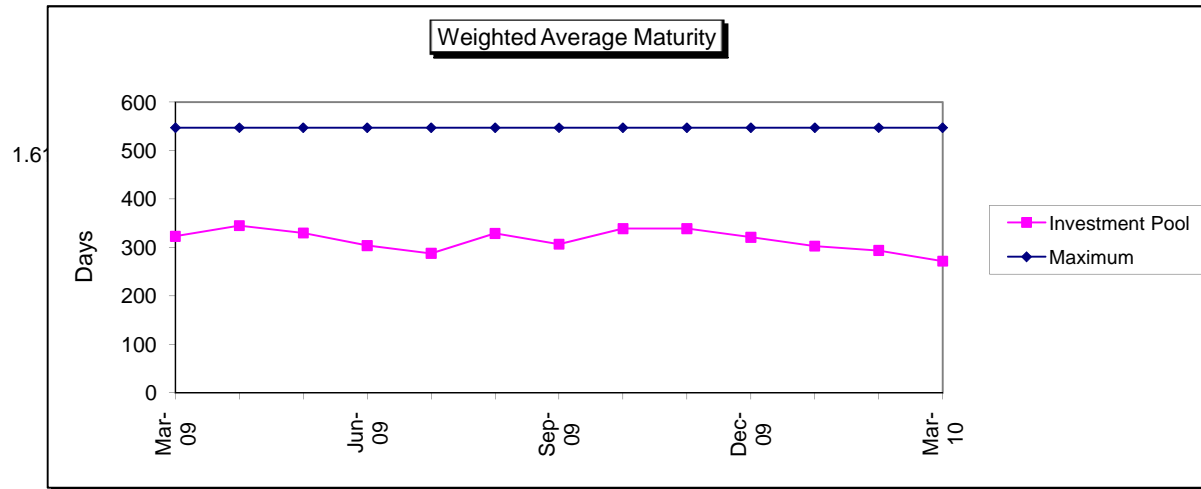
For the quarter ending March 31, 2010, the Investment Pool is in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategy adopted in Sec. 17.1 of the City's Investment Policy.

City of Dallas, Texas  
Yield Comparison - Investment Pool  
For the quarter ending March 31, 2010



\* 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, 2010



Investment Maturity Schedule - % of Total Pool					
Mnths/Yrs to Maturity	Current 3/31/2010	1st Qtr 12/31/2009	3 Months Net Change	1 Year Ago 3/31/2009	1 Year Net Change
Less than 3 months:	14.1%	26.6%	-12.6%	22.5%	-8.4%
3 months to 6 months:	20.4%	7.7%	12.8%	18.7%	1.7%
6 months to 9 months:	12.6%	23.2%	-10.6%	4.3%	8.3%
9 months to 1 year:	18.8%	14.8%	4.0%	17.0%	1.8%
1 year to 2 years:	32.9%	26.2%	6.7%	35.6%	-2.7%
2 years to 5 years:	1.2%	1.5%	-0.3%	2.0%	-0.8%
<b>Total:</b>	<b>100.0%</b>	<b>100.0%</b>		<b>100.0%</b>	



City of Dallas, Texas  
Convention Center Reserve  
For the quarter ending March 31, 2010

**SUMMARY STATEMENT**

	Current 3/31/2010	Prior Qtr 12/31/2009	Period Net Change
Face Value -Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	22,499,000	22,299,000	200,000
Total Face Value	\$ 22,499,000	\$ 22,299,000	\$ 200,000
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	22,546,889	22,389,443	157,446
Total Book Value	\$ 22,546,889	\$ 22,389,443	\$ 157,446
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	22,610,576	22,508,903	101,673
Total Market Value	\$ 22,610,576	\$ 22,508,903	\$ 101,674
Accrued Interest	\$ 157,576	\$ 150,511	\$ 7,065
Cash Value (Market Value + Accrued Interest)	22,768,152	22,659,414	108,737
Unrealized Gain(Loss)	63,687	119,460	(55,772)
Weighted Average Days to Maturity	271	218	53
Buy Yield	1.63%	1.83%	-0.20%
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 at final maturity or if called prior to final maturity. 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 March 31, 2010 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.

City of Dallas, Texas  
Water Reserve  
For the quarter ending March 31, 2010

**SUMMARY STATEMENT**

	Current 3/31/2010	Prior Qtr 12/31/2009	Period Net Change
Face Value -Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	72,252,000	80,652,000	(8,400,000)
Total Face Value	\$ 72,252,000	\$ 80,652,000	\$ (8,400,000)
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	72,802,148	81,327,672	(8,525,524)
Total Book Value	\$ 72,802,148	\$ 81,327,672	\$ (8,525,524)
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	73,143,928	81,647,135	(8,503,208)
Total Market Value	\$ 73,143,928	\$ 81,647,135	\$ (8,503,208)
Accrued Interest	\$ 502,500	\$ 613,579	\$ (111,079)
Cash Value (Market Value + Accrued Interest)	73,646,427	82,260,714	(8,614,287)
Unrealized Gain(Loss)	341,780	319,464	22,316
Weighted Average Days to Maturity	451	531	(80)
Buy Yield	1.94%	1.95%	-0.01%
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 at final maturity or if called prior to final maturity. 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 March 31, 2010 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 3/31/2010	Prior Qtr 12/31/2009	Period Net Change
Face Value - Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	2,500,000	2,500,000	-
Total Face Value	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>	<u>\$ -</u>
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	2,508,967	2,526,901	(17,934)
Total Book Value	<u>\$ 2,508,967</u>	<u>\$ 2,526,901</u>	<u>\$ (17,934)</u>
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	2,511,719	2,535,938	(24,219)
Total Market Value	<u>\$ 2,511,719</u>	<u>\$ 2,535,938</u>	<u>\$ (24,219)</u>
Accrued Interest	\$ 39,006	\$ 13,193	\$ 25,813
Cash Value (Market Value + Accrued Interest)	2,550,724	2,549,131	1,593
Unrealized Gain(Loss)	2,752	9,037	(6,285)
Weighted Average Days to Maturity	45	135	(90.00)
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 March 31, 2010 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 3/31/2010	Prior Qtr 12/31/2009	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	999,938	999,906	32
Total Book Value	\$ 999,938	\$ 999,906	\$ 32
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	1,005,625	1,003,750	1,875
Total Market Value	\$ 1,005,625	\$ 1,003,750	\$ 1,875
Accrued Interest	\$ 625	\$ 4,375	\$ (3,750)
Cash Value (Market Value + Accrued Interest)	1,006,250	1,008,125	(1,876)
Unrealized Gain(Loss)	5,687	3,844	1,842
Weighted Average Days to Maturity	169	259	(90)
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 March 31, 2010 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 3/31/2010	Prior Qtr 12/31/2009	Period Net Change
Face Value - Money Market Mutual Funds	\$ 14,134,052	\$ 25,368,669	\$ (11,234,617)
Book Value - Money Market Mutual Funds	\$ 14,134,052	\$ 25,368,669	\$ (11,234,617)
Market Value - Money Market Mutual Funds	\$ 14,134,052	\$ 25,368,669	\$ (11,234,617)
Accrued Interest	\$ 1,044	\$ 1,807	\$ (763)
Cash Value (Market Value + Accrued Interest)	14,135,096	25,370,476	(11,235,380)
Unrealized Gain(Loss)	-	-	-
Weighted Average Days to Maturity	1	1	0
Buy Yield	0.14%	0.12%	0.02%
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.

0.00%

**STRATEGY COMPLIANCE STATEMENT**

For the quarter ending March 31, 2010 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.

City of Dallas, Texas  
 Sports Arena Reserve  
 For the quarter ending March 31, 2010

**SUMMARY STATEMENT**

Sports Arena Reserve 1998B - Taxable			
	Current 3/31/2010	Prior Qtr 12/31/2009	Period Net Change
Face Value - Treasuries	\$ -	\$ -	\$ -
Face Value - Agencies	-	2,739,000	(2,739,000.00)
<b>Total Face Value</b>	<b>\$ -</b>	<b>\$ 2,739,000</b>	<b>\$ (2,739,000.00)</b>
Book Value - Treasuries	\$ -	\$ -	\$ -
Book Value - Agencies	-	2,751,853	(2,751,853.00)
<b>Total Book Value</b>	<b>\$ -</b>	<b>\$ 2,751,853</b>	<b>\$ (2,751,853.00)</b>
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	-	2,814,323	(2,814,323.00)
<b>Total Market Value</b>	<b>\$ -</b>	<b>\$ 2,814,323</b>	<b>\$ (2,814,323.00)</b>
Accrued Interest	\$ -	\$ 51,356	\$ (51,356)
Cash Value (Market Value + Accrued Interest)	-	\$ 2,865,679	(2,865,679)
Unrealized Gain(Loss)	-	\$ 62,470	(62,470)
Weighted Average Days to Maturity	0	228	-228
Buy Yield	0.00%	4.19%	-4.19%
Portfolio Composition - % of Book Value			
Treasuries	0.00%	0.00%	0.00%
Agencies	0.00%	100.00%	-100.00%

**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 at final maturity or if called prior to final maturity. 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 March 31, 2010 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 3/31/2010	Prior Qtr 12/31/2009	Period Net Change
Face Value - Money Market Mutual Funds	\$ 2,533,900	\$ 3,154,230	\$ (620,330)
Book Value - Money Market Mutual Funds	\$ 2,533,900	\$ 3,154,230	\$ (620,330)
Market Value - Money Market Mutual Funds	\$ 2,533,900	\$ 3,154,230	\$ (620,330)
Accrued Interest	\$ 208.29	\$ 768.85	\$ (561)
Cash Value (Market Value + Accrued Interest)	2,534,109	3,154,999	(620,890)
Unrealized Gain(Loss)	-	-	-
Weighted Average Days to Maturity	1	1	0
Buy Yield	0.12%	0.10%	0.02%
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 a market rate of return commensurate with the objectives and restrictions set forth in the Agreement.

**STRATEGY COMPLIANCE STATEMENT**

For the quarter ending March 31, 2010 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, 2010

**SUMMARY STATEMENT**

	Current 3/31/2010	Prior Qtr 12/31/2009	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	2,209,361	2,227,785	(18,424)
Total Book Value	\$ 2,209,361	\$ 2,227,785	\$ (18,424)
Market Value - Treasuries	\$ -	\$ -	\$ -
Market Value - Agencies	2,215,727	2,235,528	(19,801)
Total Market Value	\$ 2,215,727	\$ 2,235,528	\$ (19,801)
Accrued Interest	17,972	37,145	(19,173)
Cash Value (Market Value + Accrued Interest)	2,233,698	2,272,673	(38,975)
Unrealized Gain(Loss)	6,366	7,743	(1,376)
Weighted Average Days to Maturity	119	209	-90
Buy Yield	1.25%	1.25%	0.00%
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 at final maturity or if called prior to final maturity. 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 March 31, 2010 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 March 31, 2010

**SUMMARY STATEMENT**

	Current 3/31/2010	Prior Qtr 12/31/2009	Period Net Change
Face Value - Money Market Mutual Funds	\$ 539,333	\$ 4,552,097	\$ (4,012,764)
Book Value - Money Market Mutual Funds	\$ 539,333	\$ 4,552,097	\$ (4,012,764)
Market Value - Money Market Mutual Funds	\$ 539,333	\$ 4,552,097	\$ (4,012,764)
Accrued Interest	\$ 335	\$ 1,083	\$ (748)
Cash Value (Market Value + Accrued Interest)	539,668	4,553,180	(4,013,513)
Unrealized Gain(Loss)		-	-
Weighted Average Days to Maturity	1	1	0
Buy Yield	0.12%	0.15%	-0.03%
Portfolio Composition - % of Book Value			
Money Market Mutual Funds	100.00%	100.00%	0.00%

**STRATEGY COMPLIANCE STATEMENT**

For the quarter ending March 31, 2010 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.