

# Memorandum



CITY OF DALLAS

DATE November 21, 2007

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 September 30, 2007

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 September 28, 2007 the collected balance in our Bank of America checking account was \$932,608.56. These accounts were fully collateralized by U.S. Federal Agency securities and the Federal Deposit Insurance Corporation (FDIC).

# Memorandum

DATE November 21, 2007

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

SUBJECT Quarterly Investment Report as of September 30, 2007  
Page 2

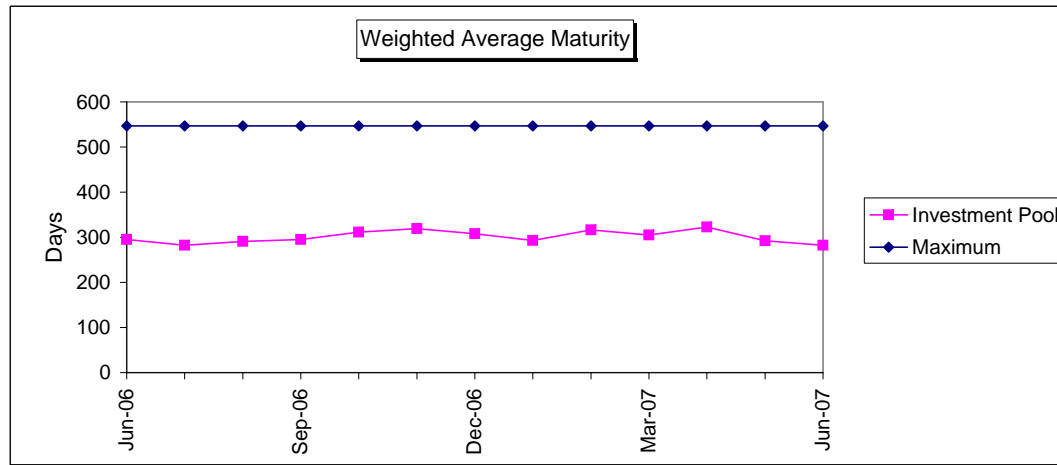
For the quarter ending September 30, 2007 the City's individual portfolios and the combined portfolio are in compliance with the relevant provisions of the City's Investment Policy and the Public Funds Investment Act.

David Cook  
Chief Financial Officer

Maria Alicia Garcia  
Director of Financial Services

James Fawcett  
Assistant Director/Treasury Manager

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



Investment Maturity Schedule - % of Total Pool					
Mnths/Yrs to Maturity	Current 9/30/2007	3 Months Ago 6/30/2007	3 Months Net Change	1 Year Ago 9/30/2006	1 Year Net Change
Less than 3 months:	21.9%	33.0%	-11.1%	20.7%	1.2%
3 months to 6 months:	15.5%	5.6%	9.9%	13.4%	2.1%
6 months to 9 months:	12.6%	13.6%	-1.0%	11.3%	1.3%
9 months to 1 year:	20.6%	10.6%	10.0%	21.7%	-1.1%
1 year to 2 years:	25.2%	32.4%	-7.2%	30.8%	-5.6%
2 years to 5 years:	4.2%	4.8%	-0.6%	2.1%	2.1%
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%
<b>Total:</b>	<b>100.0%</b>	<b>100.0%</b>		<b>100.0%</b>	