CITY OF DESOTO
211 E. PLEASANT RUN RD.
DESOTO, TEXAS 75115-3939

Investment Portfolio Summary - As of September 30, 2010

Investment Types	% of Total Investments	Amount
Investment Pools (TexPool and MBIA)	*100.00%*	*$ 43,767,173.98*
Total Market Value at 09/30/2010	*100.00%*	*$ 43,767,173.98*

COMPLIANCE STATEMENT

The investment portfolio presented in these reports conforms in all respects to the investment policies of the City of DeSoto and is being managed under the investment strategy developed and approved by the DeSoto City Council.

Edena J. Atmore, Assistant Director of Finance — Date 2/18/11

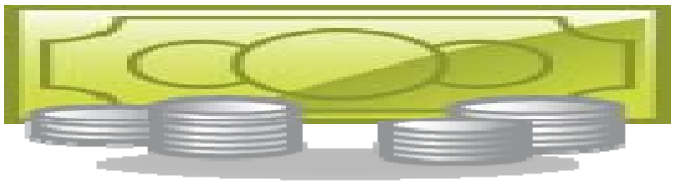
Camelia Browder, Managing Director Financial Services — Date 2-18-11

Tarron J. Richardson, Assistant City Manager — Date 2/18/11

Jim Baugh, City Manager — Date 2/18/2011

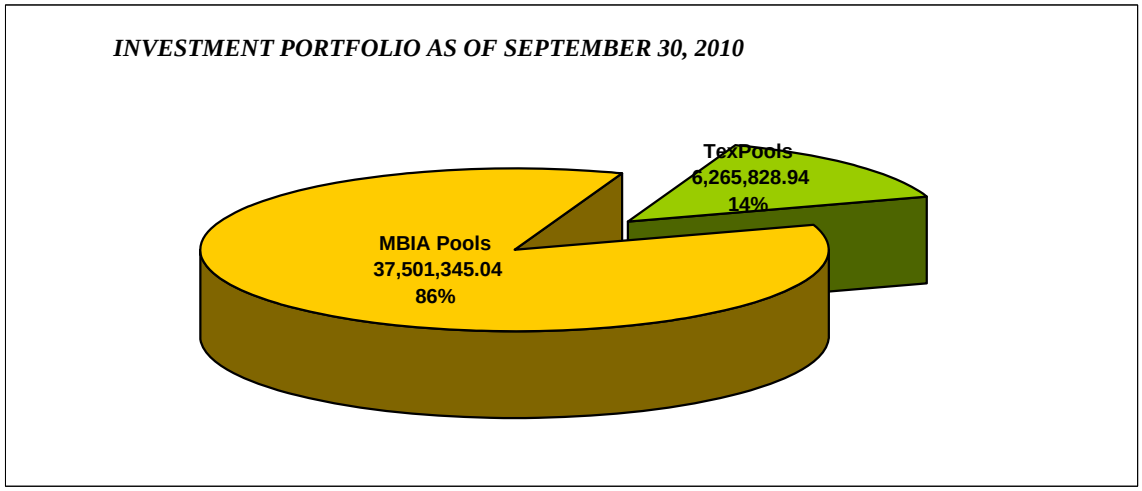
INVESTMENT COMMITTEE MEETING
As Of September 30, 2010
4th Qtr of Fiscal Year 2009-10

Jim Baugh, City Manager
Tarron Richardson, Assistant City Manager
Camelia Browder, Managing Director, Financial Services
Edena Atmore, Assistant Finance Director



Maturities this Quarter
None this quarter.

Next Quarter
No Maturities Due. All funds in TexPools and MBIA Pools



The City's investment program pursues maximum interest income revenues while maintaining safety and liquidity using the following strategy:

- ***-immediately deposit all receipts, utilizing wire transfers and ACH;***
- ***-slow down disbursement of funds using ACH, wire transfers, etc.;***
- ***-to minimize cash at bank;***
- ***-purchase diversified investments and hold to maturity.***

Market Information

Total City of DeSoto Average Portfolio Investment Yield as of 09/30/2010 is *0.28%*

Average Yields	**Current Qtr.**	***Prior Qtr.***
Tex Pool Yield:	**0.22%**	0.17%
MBIA Texas CLASS Yield:	**0.29%**	0.24%

Money Rates
(09/30/2010)

3 month Treasury Bill: 0.16 %

Federal Funds Rate : 0.25%

WAM (weighted average maturity): 1 day

PORTFOLIO YIELD TREND

Fiscal Year	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**
2010	0.27%	0.28%	**0.23%**	**0.28%**
2009	1.79%	0.79%	0.46%	0.34%
2008	4.84%	3.82%	2.90%	2.77%
2007	5.24%	5.29%	5.27%	5.28%
2006	4.08%	4.54%	4.87%	5.12%
2005		2.69%	3.01%	3.67%

COMPARISON OF BENCHMARK CITIES
9/30/2010

	1st Qtr Avg. Yield (%)	**2nd Qtr Avg Yield (%)**	**3rd Qtr Avg Yield (%)**	**4th Qtr Avg Yield (%)**
DeSoto	**0.27%**	**0.28%**	**0.23%**	**0.28%**
Other Cities				
McKinney	N-A	***1.69%***	***1.30%***	***1.45%***
Hurst	***1.49%***	N-A	N-A	N-A
Flower Mound	***0.51%***	***0.48%***	***0.34%***	***0.26%***
Euless	***0.72%***	N-A	N-A	N-A
Coppell	***0.25%***	***0.20%***	***0.22%***	***0.21%***
Bedford	***0.97%***	N-A	N-A	***0.90%***

CITY OF DESOTO

Investment Compliance Report - Fund Details

Security ID #	Security Name	Maturity	June 30, 2010 Book Value	June 30, 2010 Market Value	Accrued Interest	September 30, 2010 Book Value	September 30, 2010 Market Value
TXPL-02	TexPool GENERAL	OPEN	8,091,527.00	8,091,527.00	-	6,077,387.46	6,077,387.46
TXPL-08	TexPool 2002 GO Bonds	OPEN	188,335.30	188,335.30	-	188,441.48	188,441.48
	TexPool Totals		**8,279,862.30**	**8,279,862.30**	**-**	**6,265,828.94**	**6,265,828.94**
MBIA-01	TxClass - General	OPEN	18,029,992.78	18,029,992.78	-	16,816,815.33	16,816,815.33
MBIA-02	2004 Street Improvements	OPEN	611,528.04	611,528.04	-	611,978.12	611,978.12
MBIA-14	2007 Street Improvements	OPEN	1,908,998.49	1,908,998.49	-	1,910,403.31	1,910,403.31
MBIA-16	2007 Park & Recreation Improvements	OPEN	193,181.90	193,181.90	-	188,323.23	188,323.23
MBIA-23	2007 SWRCC Radio Replacement	OPEN	414,997.96	414,997.96	-	415,303.32	415,303.32
MBIA-24	2008 Town Center Project	OPEN	219,640.21	219,640.21	-	-	-
MBIA-25	2008 Town Center Remodel	OPEN	136,763.70	136,763.70	-	136,864.35	136,864.35
MBIA-27	2008 Street Improvements	OPEN	1,500,619.49	1,500,619.49	-	1,301,689.50	1,301,689.50
MBIA-28	2006 Street/Drainage Improvements	OPEN	1,031,316.39	1,031,316.39	-	932,058.15	932,058.15
MBIA-29	2009 Street Improvements-GO	OPEN	1,003,130.94	1,003,130.94	-	1,003,869.10	1,003,869.10
MBIA-30	2009 Street Improvements-CO	OPEN	5,020,874.25	5,020,874.25	-	4,524,483.41	4,524,483.41
MBIA-31	2006 Drainage Improvements	OPEN	1,044,574.40	1,044,574.40		1,045,343.08	1,045,343.08
MBIA-32	2009 Water CIP COs	OPEN	8,607,879.63	8,607,879.63		8,614,214.14	8,614,214.14
	MBIA Pool Totals		**39,723,498.18**	**39,723,498.18**	**-**	**37,501,345.04**	**37,501,345.04**
	GRAND TOTALS		**$ 48,003,360.48**	**$ 48,003,360.48**	**$ -**	**$ 43,767,173.98**	**$ 43,767,173.98**