

 **Roll Call Number**

**Agenda Item Number**  
35

.....  
**Date** October 23, 2006

WHEREAS, the City Treasurer is responsible for managing and investing the City's funds in accordance with the investment policy approved by the City Council; and

WHEREAS, the City's investment portfolio consists of two major categories: pooled cash and investments and non-pooled cash and investments.

WHEREAS, previous Treasurer's Reports have been received and filed on Roll Calls 06-1476, 06-781, 06-178 and 05-2563.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa:

That the attached Quarterly Treasurer's Report as of September 30, 2006 is hereby received and filed.

(copy attached)

MOVED BY \_\_\_\_\_ to receive and file.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
KIERNAN				
HENSLEY				
MAHAFFEY				
VLASSIS				
TOTAL				

**CERTIFICATE**

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED  
  
\_\_\_\_\_ Mayor

\_\_\_\_\_ City Clerk

# QUARTERLY TREASURER'S REPORT

As of September 30, 2006

Prepared by

Heide U. Green, Treasury Manager

Allen Mc Kinley, Finance Director/Treasurer

Quarterly Treasurer's Report  
As of September 30, 2006

**Background**

In accordance with the City's investment policy, State law, and Federal arbitrage and grant regulations, the Finance Director/Treasurer manages the City's funds as follows:

"It is the policy of the City of Des Moines to invest public funds not currently needed in a manner which will provide protection of principal, meet the daily cash flow demands of the City and provide market returns."

Therefore, the primary objectives, in priority order, of the investment activities are:

1. Safety of principal
2. Liquidity
3. Return on investments

(Source: Investment Policy of the City of Des Moines, effective May 2006)

**Purpose**

This report is intended to permit City Council and the public to monitor the Treasurer's compliance with the three objectives stated above.

### Safety of Principal

The first two pages of the report (pie graph of "Portfolio Composition" and "Investment Definitions") provide information with which to assess the safety of the City's principal.

As of September 30, 56.1 percent of the \$152.0 million total portfolio was invested in U.S. government agency securities (Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, and Farm Credit Administration), which are backed by the implied or moral obligation of the U.S. Government. 20.1 percent of the portfolio was invested in certificates of deposit issued by Iowa banks that have the backing of the State Sinking Fund

### Liquidity

The City's portfolio is divided into two major categories: pooled cash and investments, and non-pooled cash and investments. The pooled cash and investments contain the City's day-to-day operating funds. These investments are relatively short-term, to reflect their needed availability. This is apparent at the bottom of the report labeled "Pooled Portfolio Detail." The column labeled "Days-Purchase to Maturity" shows this \$128.9 million portion of the portfolio to have an average maturity of 176 days.

The other major category of the City's portfolio is non-pooled cash and investments. This category contains investments purchased specifically for, and earning interest for only, a particular fund. Bond proceeds, debt service reserve funds, and bond sinking funds for enterprises like the Airport, Sewer

System, and Parking System, are the main components of non-pooled cash and investments. The permanent cemetery maintenance fund and special assessments are also included in this category. These investments are much longer term than the pooled category described in the preceding paragraph. The last line on the second page of the report labeled "Non-Pooled Portfolio Detail" reveals that the average maturity of the \$23.0 million of investments in this category is 594 days.

#### Return on investments

The final two pages of this report are line graphs showing, respectively, the pooled cash and investments portfolio yield and the non-pooled cash and investments portfolio yield—both for fifteen months, and both compared with two benchmarks.

For the pooled portfolio, with its current average maturity of 176 days, the two benchmarks displayed are the 180-day Treasury bill and the one-year Treasury note. For the non-pooled portfolio, with its current average maturity of 594 days, the two benchmarks displayed are the two-year Treasury note and the three-year Treasury note yields.

Generally, because the City uses a "buy-and-hold" approach to investing, the portfolio yields will lag the market. Thus, in times of rising interest rates the yield on the City's portfolio will probably not go up as fast as the benchmark. Conversely, in times of declining interest rates, the yield on the City's portfolio will probably not go down as fast as the benchmark.

## Investment Definitions

### Government Treasuries

*Treasury Notes*: Intermediate term coupon bearing U.S. Treasury Securities having initial maturities of from 1-10 years. Backed by full faith and credit of the U.S. Government.

### Government Agencies

*FNMA (Federal National Mortgage Association)*: Conventional mortgages that are financed by the sale of corporate obligations (debentures and short-term notes) to private investors. Backed by moral or implied obligation of the U.S. Government.

*FHLMC (Federal Home Loan Mortgage Corporation)*: Established to help maintain the availability of mortgage credit for residential housing. Participation is in the conventional loan market. Backed by moral or implied obligation of U.S. Government.

*FHLB (Federal Home Loan Banks)*: The institution that regulates lending to savings and loan associations. Backed by a moral or implied obligation of the U.S. Government.

*FFC (Federal Farm Credits)*: Supports agricultural loans. Backed by moral or implied obligation of the U.S. Government.

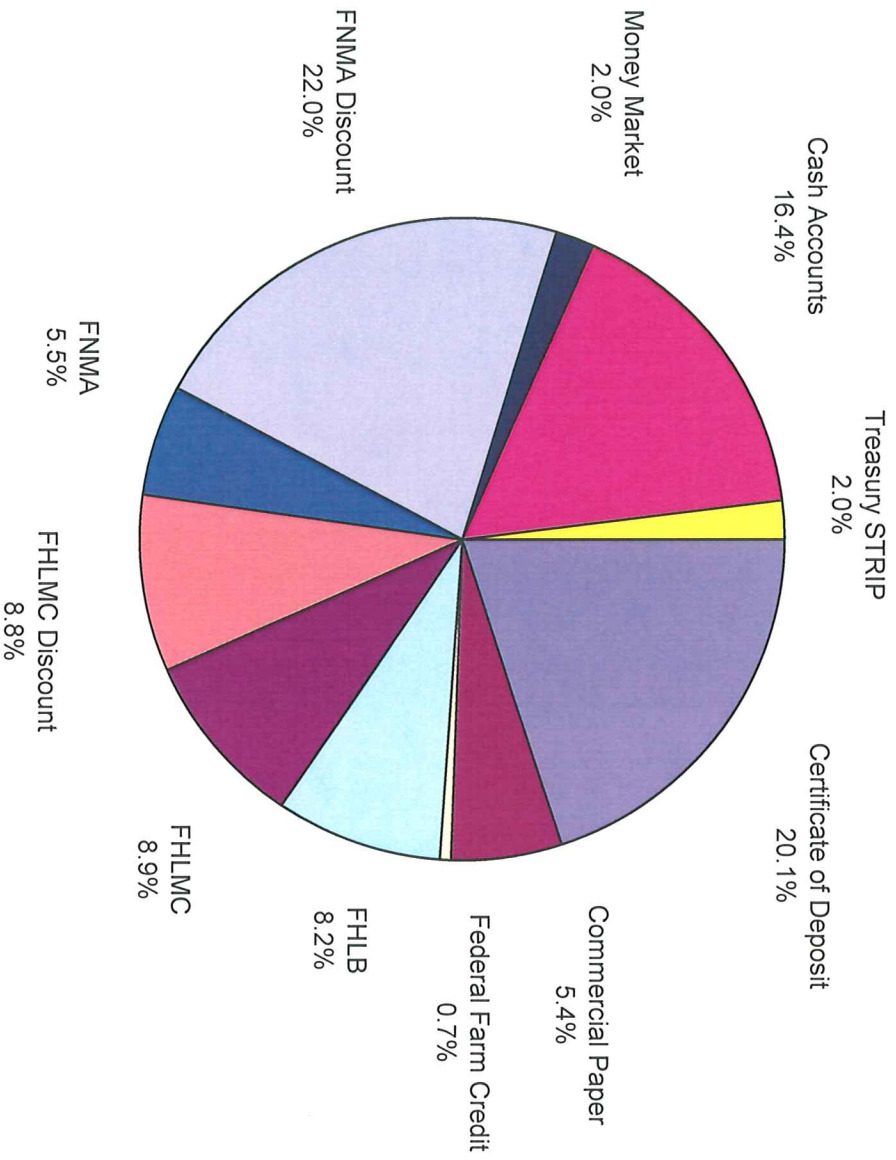
### Other

*Money Market Fund*: A form of mutual fund that restricts investments to relatively safe, relatively short-term instruments. Typical money market funds may invest in short-term U.S. government obligations, commercial paper, and banker's acceptances. Average maturities of fund assets are typically 14 to 28 days.

*Certificate of Deposit*: A time deposit with a specific maturity evidenced by a certificate. Insured by the Federal Deposit Insurance Corporation (FDIC) for \$100,000.

*Commercial Paper*: An unsecured promissory note with a fixed maturity of no more than 270 days. Primarily used by large corporations to finance short-term debt.

**City of Des Moines, Iowa  
 Combined Portfolio Composition - Total \$160,335,128.00  
 As of September 30, 2006**



**City of Des Moines  
Non-Pooled Portfolio Detail  
As of September 30, 2006**

CUSIP	Invest Number	Security Description	Issuer	Purchase Date	Maturity Date	Days-Purchase		Yield	Original Cost	Ending Par Value	Earnings To Maturity	Current Market Value
						To Maturity	To Maturity					
	06-0024	Certificate of Deposit	Commercial Federal Bank	9/30/05	1/30/07	487	487	4.4700	1,954,500.00	1,954,500.00	116,567.99	1,954,500.00
	06-0024	Certificate of Deposit	Commercial Federal Bank	9/30/05	1/30/07	487	487	4.4700	962,500.00	962,500.00	57,404.29	962,500.00
	06-0024	Certificate of Deposit	Commercial Federal Bank	9/30/05	1/30/07	487	487	4.4700	854,850.00	854,850.00	50,983.96	854,850.00
	06-0024	Certificate of Deposit	Commercial Federal Bank	9/30/05	1/30/07	487	487	4.4700	516,000.00	516,000.00	30,774.66	516,000.00
	03-0098	Certificate of Deposit	Metabank	5/02/03	5/02/08	1827	1827	3.4600	890,000.00	890,000.00	154,138.73	890,000.00
	06-0090	Certificate of Deposit	Community State Bank	6/02/06	6/02/08	703	703	5.5150	1,404,000.00	1,404,000.00	155,073.34	1,404,000.00
		<b>Certificate of Deposit Total</b>				<b>746</b>	<b>746</b>	<b>4.4758</b>	<b>6,581,850.00</b>	<b>6,581,850.00</b>	<b>564,942.97</b>	<b>6,581,850.00</b>
31331QA80	03-0089	Federal Farm Credit	Cambridge Group	4/07/03	4/07/08	1827	1827	3.5512	75,405.00	75,000.00	13,357.50	73,547.25
		<b>Federal Farm Credit Note Total</b>				<b>1827</b>	<b>1827</b>	<b>3.5512</b>	<b>75,405.00</b>	<b>75,000.00</b>	<b>13,357.50</b>	<b>73,547.25</b>
3133MKED5	02-0055	FHLB	Smith Barney	1/08/02	11/15/06	1772	1772	4.9062	149,796.34	150,000.00	35,485.93	149,907.00
3133X67D2	06-0072	FHLB	Piper Jaffray	3/31/06	4/19/07	384	384	5.0854	488,800.00	500,000.00	15,093.75	493,595.00
3133MYYWK9	03-0099	FHLB	Piper Jaffray	5/21/03	5/21/07	1461	1461	2.7500	2,125,000.00	2,125,000.00	233,750.00	2,091,807.50
3133MYYWK9	03-0100	FHLB	Piper Jaffray	5/21/03	5/21/07	1461	1461	2.7500	1,025,000.00	1,025,000.00	112,750.00	1,008,989.50
3133XDM24	06-0041	FHLB	O'Connor SWS	12/08/05	5/21/07	506	506	4.6957	24,931.50	25,000.00	562.50	78,424.80
3133X4JL6	06-0083	FHLB	Great Pacific	5/16/06	12/24/07	572	572	5.1633	77,850.00	80,000.00	5,047.11	78,424.80
3133X34F7	04-0034	FHLB	Multi-Bank Securities	1/07/04	1/07/08	1461	1461	3.5000	1,100,000.00	1,100,000.00	154,000.00	1,079,034.00
3133X4NE7	04-0048	FHLB	Wells Fargo Instit.	3/17/04	3/17/08	1461	1461	3.3500	75,000.00	75,000.00	10,050.00	73,242.00
3133XGJ88	07-0020	FHLB	Piper Jaffray	9/08/06	9/11/09	1077	1077	5.0468	502,800.00	500,000.00	89,614.58	503,905.00
		<b>FHLB Total</b>				<b>1135</b>	<b>1135</b>	<b>4.0251</b>	<b>5,569,177.84</b>	<b>5,580,000.00</b>	<b>656,353.87</b>	<b>5,478,904.80</b>
313397R52	06-0088	FHLMC Discount	Wells Fargo Instit.	6/05/06	12/01/06	154	154	5.2307	853,116.01	875,000.00	21,883.99	867,650.00
		<b>FHLMC Discount Total</b>				<b>154</b>	<b>154</b>	<b>5.2307</b>	<b>853,116.01</b>	<b>875,000.00</b>	<b>21,883.99</b>	<b>867,650.00</b>
3136F6QX0	05-0031	FNMA	Smith Barney	1/18/05	3/20/07	791	791	3.5500	70,000.00	70,000.00	6,019.22	69,431.60
31359MGH0	01-0141	FNMA	Smith Barney	5/29/01	10/15/07	2330	2330	5.6954	209,810.00	200,000.00	84,505.56	203,000.00
31359MTF0	07-0018	FNMA	Piper Jaffray	9/08/06	9/15/08	716	716	5.0809	487,375.00	500,000.00	37,864.58	488,595.00
3136F5LE9	07-0019	FNMA	Piper Jaffray	9/08/06	3/30/09	912	912	5.0629	486,270.00	500,000.00	60,826.39	497,970.00
		<b>FNMA Total</b>				<b>1187</b>	<b>1187</b>	<b>4.8473</b>	<b>1,263,455.00</b>	<b>1,270,000.00</b>	<b>189,215.75</b>	<b>1,258,996.60</b>
13566872		Cash Account	Bankers Trust	Daily	Daily	1	1	5.3800	2,502.85	2,502.85	N/A	2,502.85
1357052		Cash Account	Bankers Trust	Daily	Daily	1	1	5.3700	269,282.41	269,282.41	N/A	269,282.41
1395763		Cash Account	Bankers Trust	Daily	Daily	1	1	5.3700	698,874.08	698,874.08	N/A	698,874.08
1395797		Cash Account	Bankers Trust	Daily	Daily	1	1	5.3700	895,871.38	895,871.38	N/A	895,871.38
1396813		Cash Account	Bankers Trust	Daily	Daily	1	1	5.3700	2,555,169.37	2,555,169.37	N/A	2,555,169.37
1396839		Cash Account	Bankers Trust	Daily	Daily	1	1	5.3700	19,730.44	19,730.44	N/A	19,730.44
1566815		Cash Account	Bankers Trust	Daily	Daily	1	1	5.3700	338,263.20	338,263.20	N/A	338,263.20
1566879		Cash Account	Bankers Trust	Daily	Daily	1	1	5.3700	308,195.87	308,195.87	N/A	308,195.87
1567298		Cash Account	Bankers Trust	Daily	Daily	1	1	5.3700	549,573.11	549,573.11	N/A	549,573.11
		<b>Cash Account Total</b>				<b>1</b>	<b>1</b>	<b>5.3711</b>	<b>5,637,462.71</b>	<b>5,637,462.71</b>	<b>N/A</b>	<b>5,637,462.71</b>

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City of Des Moines  
Non-Pooled Portfolio Detail  
As of September 30, 2006

CUSIP	Invest Number	Security Description	Issuer	Purchase Date	Maturity Date	Days-Purchase To Maturity	Yield	Original Cost	Ending Par Value	Earnings To Maturity	Current Market Value	
140320268		Money Market	Bankers Trust	Daily	Daily	1	5.1700	58,862.00	58,862.00	N/A	58,862.00	
140320862		Money Market	Bankers Trust	Daily	Daily	1	5.1700	41,276.91	41,276.91	N/A	41,276.91	
140321183		Money Market	Bankers Trust	Daily	Daily	1	5.1700	757,745.99	757,745.99	N/A	757,745.99	
140322157		Money Market	Bankers Trust	Daily	Daily	1	5.1700	1,186,209.52	1,186,209.52	N/A	1,186,209.52	
140322306		Money Market	Bankers Trust	Daily	Daily	1	5.1700	831,993.33	831,993.33	N/A	831,993.33	
140322314		Money Market	Bankers Trust	Daily	Daily	1	5.1700	209,184.63	209,184.63	N/A	209,184.63	
<b>Money Market Total</b>								<b>3,085,272.38</b>	<b>3,085,272.38</b>	<b>N/A</b>	<b>3,085,272.38</b>	
<b>Investment Total</b>							<b>594</b>	<b>4,6136</b>	<b>23,065,738.94</b>	<b>23,104,585.09</b>	<b>1,445,754.08</b>	<b>22,983,683.74</b>

**City of Des Moines  
Pooled Portfolio Detail  
As of September 30, 2006**

CUSIP	Invest Number	Security Description	Issuer	Purchase Date	Maturity Date	Days-Purchase To Maturity	Yield	Original Cost	Ending Par Value	Earnings To Maturity	Current Market Value
	06-0098	Certificate of Deposit	West Bank	06/23/2006	10/20/2006	112	5.3500	4,000,000.00	4,000,000.00	69,769.86	4,000,000.00
	06-0099	Certificate of Deposit	US Bank	06/23/2006	10/27/2006	119	5.3600	4,000,000.00	4,000,000.00	74,012.05	4,000,000.00
	06-0100	Certificate of Deposit	West Bank	06/23/2006	11/03/2006	126	5.4100	4,000,000.00	4,000,000.00	78,852.60	4,000,000.00
	07-0008	Certificate of Deposit	West Bank	07/27/2006	12/15/2006	107	5.3600	4,000,000.00	4,000,000.00	82,823.01	4,000,000.00
	07-0009	Certificate of Deposit	Bank of the West	07/27/2006	12/22/2006	114	5.3700	4,000,000.00	4,000,000.00	87,096.99	4,000,000.00
	05-0085	Certificate of Deposit	Regions Bank	06/08/2005	12/31/2006	571	3.9400	1,675,000.00	1,675,000.00	103,241.49	1,675,000.00
	06-0055	Certificate of Deposit	First Bank	01/13/2006	01/14/2007	348	4.8500	765,000.00	765,000.00	37,204.15	765,000.00
	06-0055	Certificate of Deposit	First Bank	01/13/2006	01/14/2007	348	4.8500	100,000.00	100,000.00	4,863.29	100,000.00
	07-0021	Certificate of Deposit	Bank of the West	09/22/2006	03/23/2007	174	5.2100	360,000.00	360,000.00	9,352.31	360,000.00
	05-0086	Certificate of Deposit	Regions Bank	06/08/2005	03/31/2007	661	4.0000	1,180,000.00	1,180,000.00	85,477.26	1,180,000.00
		<b>Certificate of Deposit Total</b>				<b>268</b>	<b>4.9700</b>	<b>24,080,000.00</b>	<b>24,080,000.00</b>	<b>632,693.01</b>	<b>24,080,000.00</b>
17307SMV1	07-0010	Commercial Paper	Smith Barney	8/17/06	12/29/06	121	5.4396	3,921,684.44	4,000,000.00	78,315.56	3,921,684.44
17307SN57	07-0011	Commercial Paper	Smith Barney	8/17/06	1/05/07	128	5.4452	4,260,382.75	4,350,000.00	89,617.25	4,260,382.75
		<b>Commercial Paper Total</b>				<b>125</b>	<b>5.4424</b>	<b>8,182,067.19</b>	<b>8,350,000.00</b>	<b>167,932.81</b>	<b>8,182,067.19</b>
31315PCH0	07-0001	Federal Farm Credit	Wells Fargo Insit.	7/06/06	7/06/07	310	5.5500	1,000,000.00	1,000,000.00	13,875.00	1,000,040.00
		<b>Federal Farm Credit Total</b>				<b>310</b>	<b>5.5500</b>	<b>1,000,000.00</b>	<b>1,000,000.00</b>	<b>13,875.00</b>	<b>1,000,040.00</b>
31339XW77	07-0003	FHLB	Piper Jaffray	7/18/06	1/10/07	133	5.5676	492,320.00	500,000.00	5,422.78	495,940.00
3133XDM24	06-0041	FHLB	O'Connor SWS	12/08/05	5/21/07	506	4.6957	1,196,712.00	1,200,000.00	27,000.00	1,194,372.00
3133XBZK4	07-0013	FHLB	Piper Jaffray	8/17/06	6/20/07	294	5.3418	5,201,150.00	5,275,000.00	160,942.46	5,204,725.00
		<b>FHLB Total</b>				<b>311</b>	<b>5.2017</b>	<b>6,890,182.00</b>	<b>6,975,000.00</b>	<b>193,365.24</b>	<b>6,895,037.00</b>
31344ANW0	07-0004	FHLMC	Piper Jaffray	7/18/06	3/15/07	197	5.4750	498,050.00	500,000.00	16,046.87	499,065.00
3128X4JX0	07-0012	FHLMC	Merrill Lynch	8/17/06	4/02/07	215	5.3657	9,389,303.41	9,461,000.00	341,812.92	9,398,425.38
3128X5DT2	07-0015	FHLMC	Smith Barney	8/17/06	12/28/07	485	5.4735	3,766,016.55	3,765,000.00	282,427.29	3,766,246.55
		<b>FHLMC Total</b>				<b>299</b>	<b>5.4381</b>	<b>13,653,369.96</b>	<b>13,726,000.00</b>	<b>640,287.08</b>	<b>13,663,736.93</b>
313397R52	06-0088	FHLMC Discount	Wells Fargo Insit.	6/05/06	12/01/06	154	5.2307	1,949,979.44	2,000,000.00	50,020.56	1,983,200.00
313397R52	06-0088	FHLMC Discount	Wells Fargo Insit.	6/05/06	12/01/06	154	5.2307	623,993.42	640,000.00	16,006.58	634,624.00
313396AE3	07-0016	FHLMC Discount	Great Pacific	8/31/06	1/05/07	127	5.2971	3,927,610.00	4,000,000.00	72,390.00	3,946,400.00
313396AM5	07-0017	FHLMC Discount	Piper Jaffray	9/08/06	1/12/07	104	5.2753	3,928,460.00	4,000,000.00	71,540.00	3,942,800.00
313396BY8	06-0093	FHLMC Discount	Wells Fargo Insit.	6/16/06	2/16/07	231	5.4442	1,157,410.82	1,200,000.00	42,589.18	1,176,960.00
313396BY8	06-0093	FHLMC Discount	Wells Fargo Insit.	6/16/06	2/16/07	231	5.4442	964,509.04	1,000,000.00	35,490.96	980,800.00
		<b>FHLMC Discount Total</b>				<b>167</b>	<b>5.3204</b>	<b>12,551,962.72</b>	<b>12,840,000.00</b>	<b>288,037.28</b>	<b>12,664,784.00</b>
3136F5XX4	07-0005	FNMA	Piper Jaffray	7/18/06	5/10/07	253	5.5280	265,363.00	270,000.00	7,336.50	266,962.50
31355MD42	05-0080	FNMA	Wells Fargo Insit. Brok	6/09/05	6/07/07	281	3.8492	2,026,952.27	2,025,000.00	158,512.50	2,007,999.00
31359MJ87	07-0014	FNMA	Piper Jaffray	8/17/06	9/14/07	380	5.2896	3,424,591.95	3,435,000.00	184,631.25	3,425,032.95
31359MNV6	06-0089	FNMA	Smith Barney	6/05/06	11/30/07	518	5.4348	1,499,250.00	1,500,000.00	120,375.00	1,500,000.00
		<b>FNMA Total</b>				<b>358</b>	<b>5.0254</b>	<b>7,216,177.22</b>	<b>7,230,000.00</b>	<b>470,855.25</b>	<b>7,199,904.45</b>
313569J53	06-0091	FNMA Discount	Wells Fargo Insit.	6/06/06	10/06/06	98	5.2198	3,931,408.89	4,000,000.00	68,591.11	3,997,600.00
313569K44	06-0092	FNMA Discount	Wells Fargo Insit.	6/06/06	10/13/06	105	5.2250	3,927,473.33	4,000,000.00	72,526.67	3,994,000.00
313569M91	06-0101	FNMA Discount	Wells Fargo Insit.	6/30/06	11/03/06	126	5.4120	3,926,640.00	4,000,000.00	73,360.00	3,982,000.00

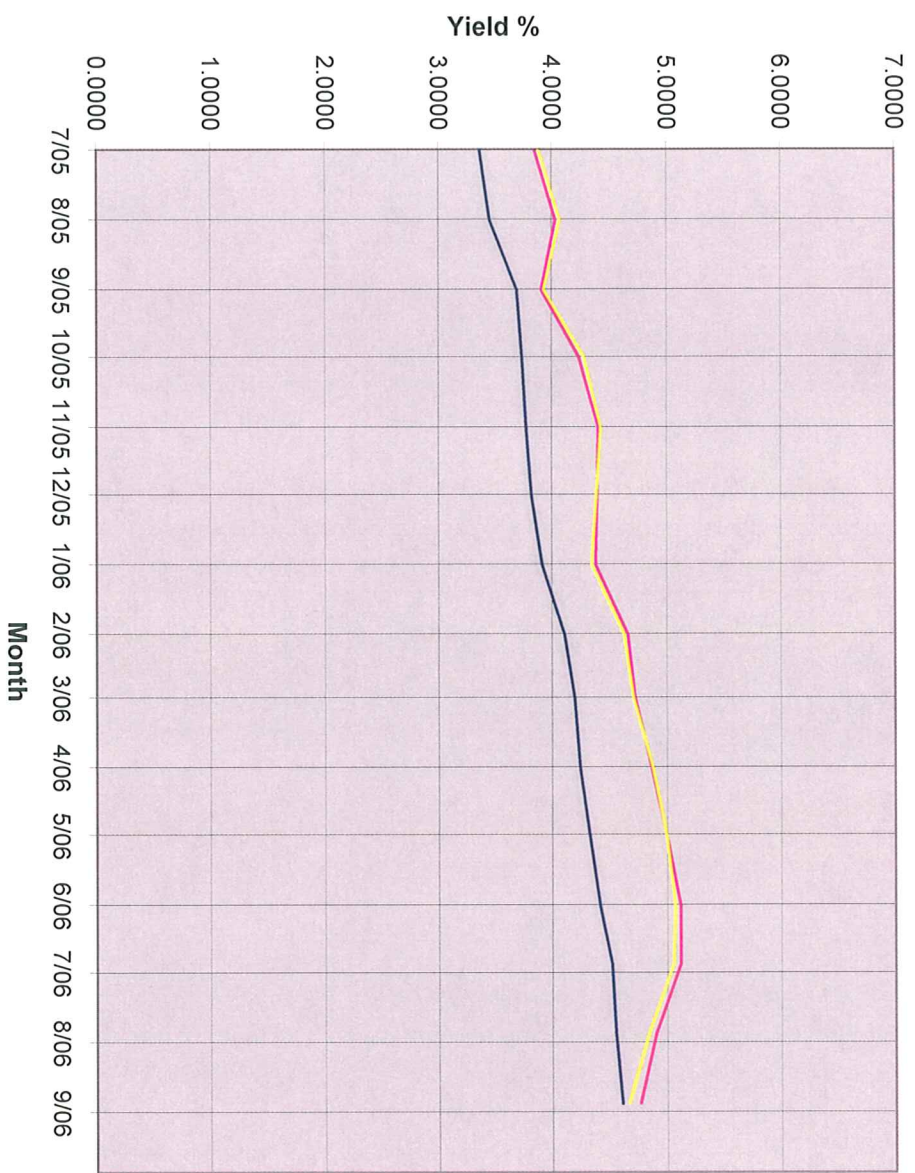
**City of Des Moines**  
**Pooled Portfolio Detail**  
**As of September 30, 2006**

CUSIP	Invest Number	Security Description	Issuer	Purchase Date	Maturity Date	Days-Purchase		Yield	Original Cost	Ending Par Value	Earnings To Maturity	Current Market Value
						To Maturity	To Maturity					
313569M91	06-0101	FNMA Discount	Wells Fargo Insit.	6/30/06	11/03/06	126	5.4120	294,498.00	300,000.00	5,502.00	298,650.00	
313569N82	06-0102	FNMA Discount	Wells Fargo Insit.	6/30/06	11/10/06	133	5.4177	3,922,564.44	4,000,000.00	77,435.56	3,978,000.00	
313569P72	06-0103	FNMA Discount	Wells Fargo Insit.	6/30/06	11/17/06	140	5.4233	3,918,488.89	4,000,000.00	81,511.11	3,974,000.00	
313569Q48	06-0104	FNMA Discount	Wells Fargo Insit.	6/30/06	11/22/06	145	5.4273	3,915,577.78	4,000,000.00	84,422.22	3,971,200.00	
313569R54	07-0006	FNMA Discount	Wells Fargo Insit.	7/18/06	12/01/06	93	5.4306	3,920,666.67	4,000,000.00	79,333.33	3,966,400.00	
313569S46	07-0007	FNMA Discount	Wells Fargo Insit.	7/18/06	12/08/06	100	5.4363	3,916,583.33	4,000,000.00	83,416.67	3,962,400.00	
313568FD2	06-0094	FNMA Discount	Wells Fargo Insit.	6/16/06	5/04/07	308	5.4647	1,430,233.33	1,500,000.00	69,766.67	1,455,450.00	
<b>FNMA Discount Total</b>						<b>137</b>	<b>5.3869</b>	<b>33,104,134.66</b>	<b>33,800,000.00</b>	<b>695,865.34</b>	<b>33,579,700.00</b>	
912833FZ8	05-0017	Treasury STRIP	Merrill Lynch	10/18/04	11/15/06	758	2.4999	2,849,190.00	3,000,000.00	150,810.00	2,982,780.00	
<b>Treasury STRIP Total</b>						<b>758</b>	<b>2.4999</b>	<b>2,849,190.00</b>	<b>3,000,000.00</b>	<b>150,810.00</b>	<b>2,982,780.00</b>	
<b>Cash Account Total</b>						<b>1</b>	<b>5.3709</b>	<b>19,443,683.00</b>	<b>19,443,683.00</b>	<b>N/A</b>	<b>19,443,683.00</b>	

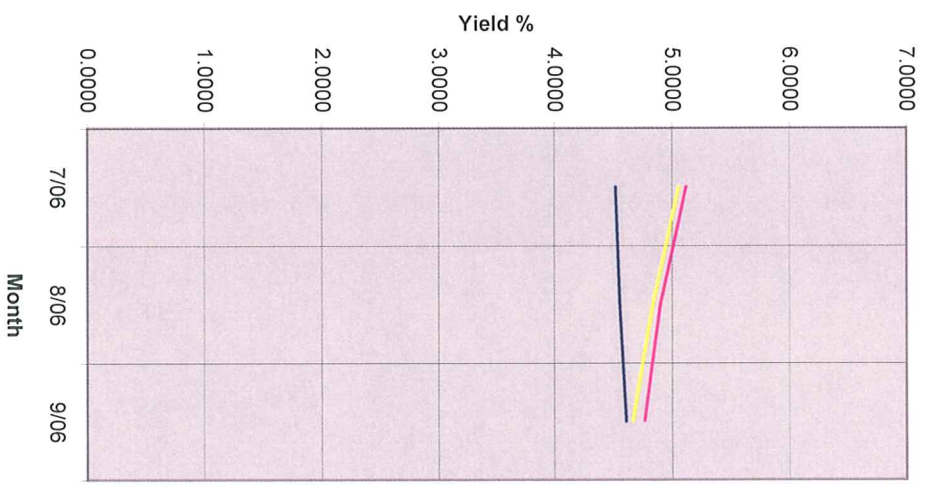
**Investment Total**      **176**      **5.2445**      **128,970,766.75**      **130,444,683.00**      **3,253,721.01**      **129,691,732.57**

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**City of Des Moines  
Non-Pooled Cash Portfolio Yield  
For the Fifteen Months Ended September 30, 2006**

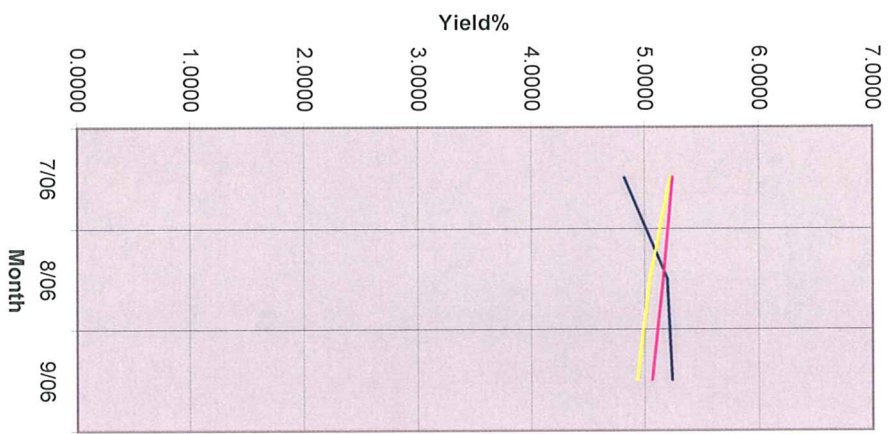
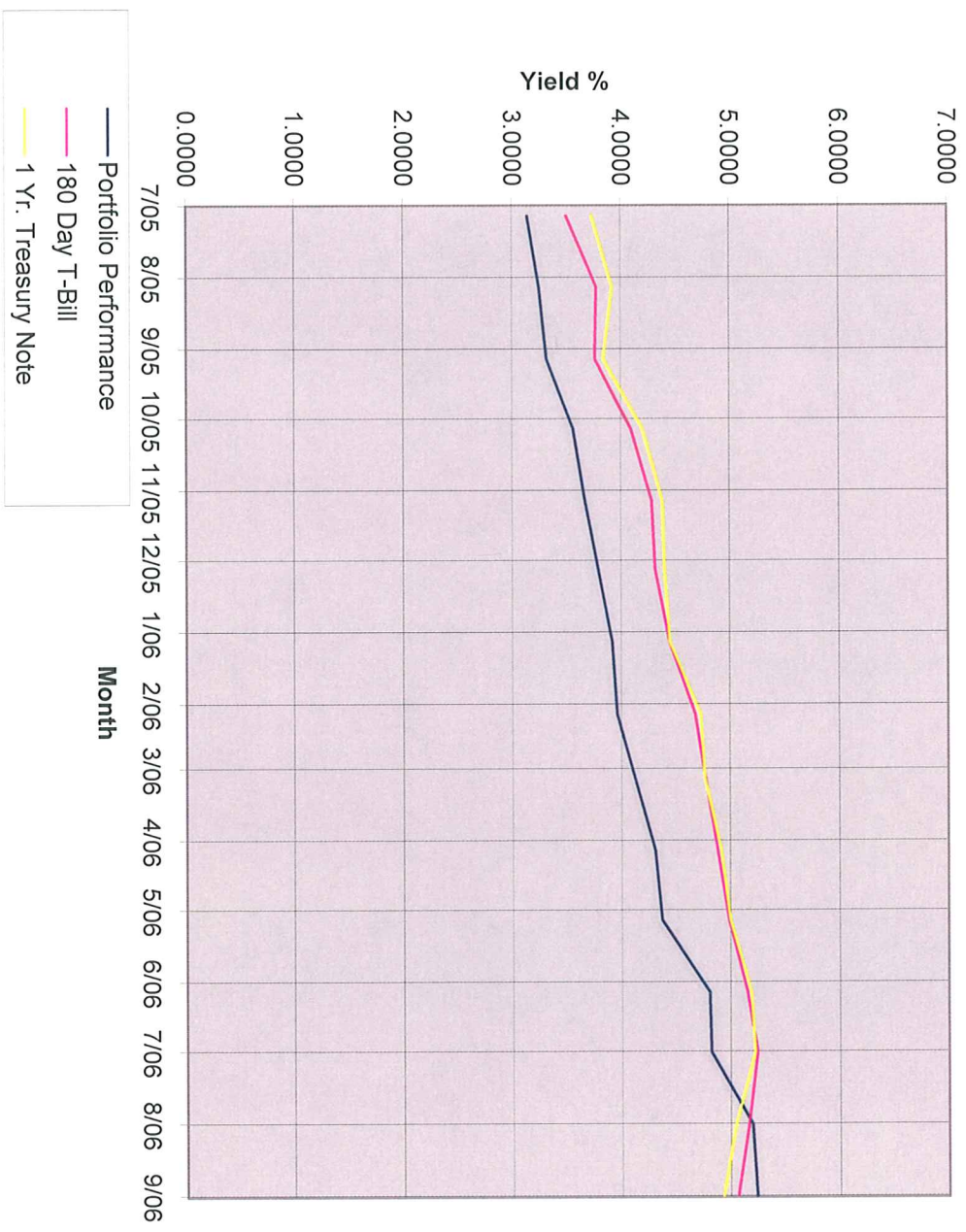


— Portfolio Performance  
— 2 Yr. Treasury Note  
— 3 Yr. Treasury Note



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**City of Des Moines  
Pooled Cash Portfolio Yield  
For the Fifteen Months Ended September 30, 2006**



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