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

Investment Portfolio Summary - As of December 31, 2010

Investment Types	% of Total Investments	Amount
Investment Pools (TexPool and MBIA)	*77.63%*	*$ 39,391,309.60*
Wells Fargo Investment Account	*22.37%*	*11,351,062.64*
Total Market Value at 12/31/2010	*100.00%*	*$ 50,742,372.24*

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

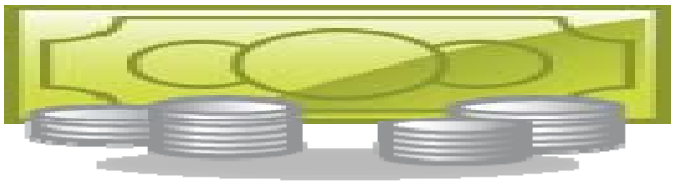
Camelia Browder, Managing Director Financial Services — Date 2-18-11

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

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

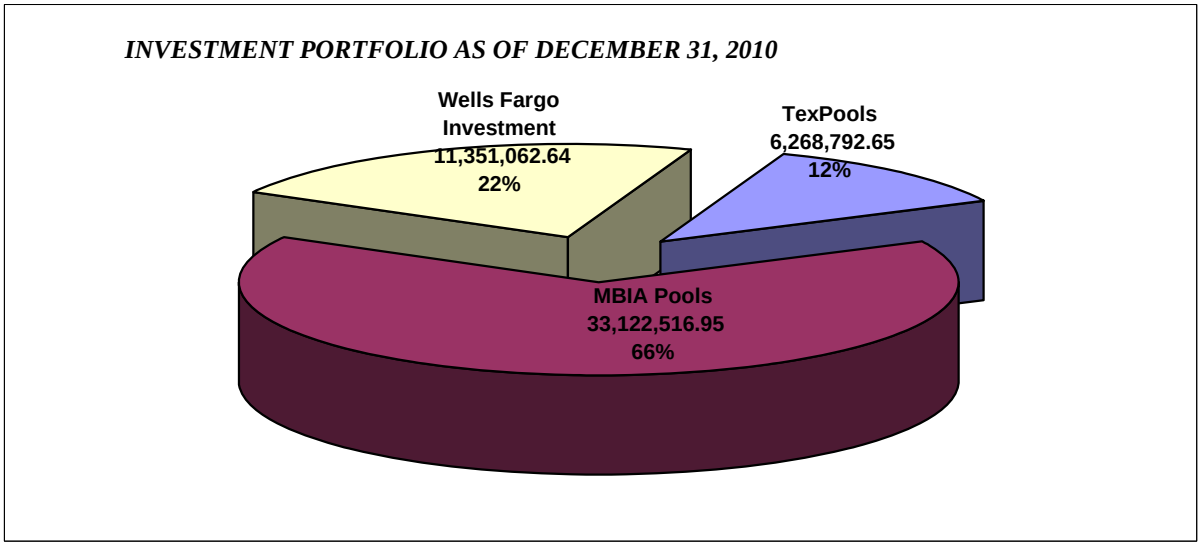
INVESTMENT COMMITTEE MEETING
As Of December 31, 2010
1st Qtr of Fiscal Year 2010-11

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, MBIA Pools and Wells Fargo Investment Account



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 12/31/2010 is *0.26%*

Average Yields	**Current Qtr.**	***Prior Qtr.***
Tex Pool Yield:	**0.19%**	0.22%
MBIA Texas CLASS Yield:	**0.25%**	0.29%
Wells Fargo Investment Account:	**0.33%**	N-A

Money Rates
(12/31/2010)

3 month Treasury Bill: 0.12 %
Federal Funds Rate : 0.25%
WAM (weighted average maturity): 1 day

PORTFOLIO YIELD TREND

Fiscal Year	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**
2011	**0.26%**			
2010	0.27%	0.26%	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

12/31/2010

	1st Qtr Avg. Yield (%)	**2nd Qtr Avg Yield (%)**	**3rd Qtr Avg Yield (%)**	**4th Qtr Avg Yield (%)**
DeSoto	**0.26%**			
Other Cities				
McKinney	1.46%			
Hurst	*N-A*			
Flower Mound	*0.23%*			
Euless	*N-A*			
Coppell	*0.21%*			
Bedford	*0.81%*			

CITY OF DESOTO

Investment Compliance Report - Fund Details

Security ID #	Security Name	Maturity	September 30, 2010 Book Value	September 30, 2010 Market Value	Accrued Interest	December 31, 2010 Book Value	December 31, 2010 Market Value
TXPL-02	TexPool GENERAL	OPEN	6,077,387.46	6,077,387.46	-	6,268,792.65	6,268,792.65
TXPL-08	TexPool 2002 GO Bonds	OPEN	188,441.48	188,441.48	-	-	-
	TexPool Totals		**6,265,828.94**	**6,265,828.94**	**-**	**6,268,792.65**	**6,268,792.65**
MBIA-01	TxClass - General	OPEN	16,816,815.33	16,816,815.33	-	12,475,092.29	12,475,092.29
MBIA-02	2004 Street Improvements	OPEN	611,978.12	611,978.12	-	612,359.99	612,359.99
MBIA-14	2007 Street Improvements	OPEN	1,910,403.31	1,910,403.31	-	1,911,595.16	1,911,595.16
MBIA-16	2007 Park & Recreation Improvements	OPEN	188,323.23	188,323.23	-	138,430.05	138,430.05
MBIA-23	2007 SWRCC Radio Replacement	OPEN	415,303.32	415,303.32	-	415,562.48	415,562.48
MBIA-25	2008 Town Center Remodel	OPEN	136,864.35	136,864.35	-	136,949.76	136,949.76
MBIA-27	2008 Street Improvements	OPEN	1,301,689.50	1,301,689.50	-	1,302,501.73	1,302,501.73
MBIA-28	2006 Street/Drainage Improvements	OPEN	932,058.15	932,058.15	-	932,639.64	932,639.64
MBIA-29	2009 Street Improvements-GO	OPEN	1,003,869.10	1,003,869.10	-	1,004,495.45	1,004,495.45
MBIA-30	2009 Street Improvements-CO	OPEN	4,524,483.41	4,524,483.41	-	4,527,306.36	4,527,306.36
MBIA-31	2006 Drainage Improvements	OPEN	1,045,343.08	1,045,343.08	-	1,045,995.28	1,045,995.28
MBIA-32	2009 Water CIP COs	OPEN	8,614,214.14	8,614,214.14	-	8,619,588.76	8,619,588.76
	MBIA Pool Totals		**37,501,345.04**	**37,501,345.04**	**-**	**33,122,516.95**	**33,122,516.95**
	Subtotal - Investment Pools		***43,767,173.98***	***43,767,173.98***	**-**	***39,391,309.60***	***39,391,309.60***
	Wells Fargo Investment Account	OPEN	**-**	**-**		***11,351,062.64***	***11,351,062.64***
	GRAND TOTALS		**$ 43,767,173.98**	**$ 43,767,173.98**	**$ -**	**$ 50,742,372.24**	**$ 50,742,372.24**