Quarterly Investment Report

For the Period Ending
November 30, 2006

Prepared by
Financial Services Department

JOHN COOK
MAYOR

Joyce Wilson
CITY MANAGER

CARMEN ARRIETA-CANDELARIA
CHIEF FINANCIAL OFFICER

CITY COUNCIL
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STEVE ORTEGA, DISTRICT 7
BETO O'ROURKE, DISTRICT 8

FINANCIAL SERVICES DEPARTMENT

December 13, 2006

To: Joyce Wilson, City Manager
Through: William Studer, Deputy City Manager WS
Carmen Arrieta-Candelaria, Chief Financial Officer CAC
From: Blanca B. Lorkowski, Treasury Services Coordinator BBL

Subject: Quarterly Investment Report for the Period Ending November 30, 2006

Submitted for your review and acceptance is the City of El Paso first quarter investment report including documentation of investments held and evaluation of investment performance. The Investment Officers have complied with the Public Funds Investment Act, the City's Investment Policy, and adopted Investment Strategies. All funds were invested to meet cash flow requirements for operations, capital projects, and debt service payments.

During this quarter the City did not bid investments and, in fact, sold one investment to cover expenses caused by the El Paso flood. Daily available cash was placed into investment pools which outperformed the interest-bearing accounts. The five investment pools used by the City – TexStar, TexPool, Logic, Wells Fargo and MBIA – had an average yield of 5.278% for the quarter ended November 30, 2006.

The following is a summary comparison of selected information as of August 31, 2006 and November 30, 2006:

	1st Quarter 2007 November 30, 2006	4th Quarter 2006 August 31, 2006
Principal Invested	$127,850,094.84	$153,873,572.46
Portfolio Book Value	$127,607,982.20	$153,133,167.10
Portfolio Fair Value	$127,607,982.20	$152,628,158.64
Weighted Average Maturity	61 Days	137 Days

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BBL \ quarterly report –November 30, 2006

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The yields on portfolio investments and representative market securities are:

	November 30, 2006
Investment Pools	5.278%
U. S. Agency Securities	4.730%
Average 3-month T-bill Rate	4.883%
Average 6-month T-bill Rate	4.900%
Average 6-month CD Rate	5.303%
City Average Portfolio Yield	5.224%

Attached are additional charts and tables portraying the City's portfolio and summarized reports of portfolio position required by the Texas Public Funds Investment Act.

The change in the average portfolio yield for the quarter was 10 basis points lower at the end of quarter compared to the beginning of the quarter. This decrease is due to the decrease in the yields of the investment market in general. The City's current average portfolio yield was higher than the 3-month T-bill rate over the same period by 34.1 basis points.

c: Mayor John Cook and Council Members
City Clerk

ATTACHMENTS:

- Chart - City Portfolio by Investment Type
- Chart - Portfolio Maturity
- Chart - Treasury Benchmark Yield Analysis
- Chart - Portfolio Performance Comparison
- Report - Total Return
- Report - Texas Compliance Summary
- Report - Texas Compliance Details

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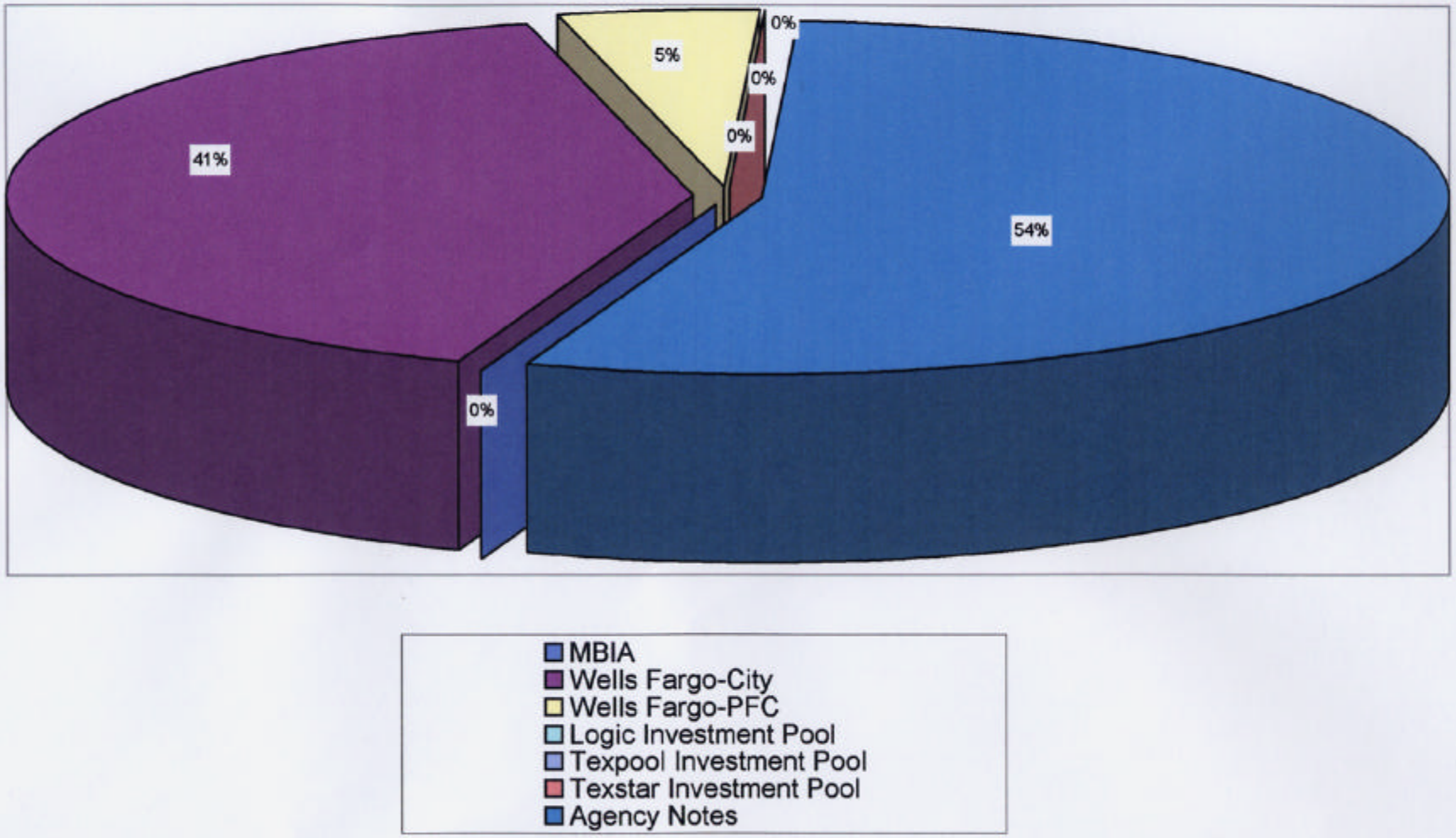
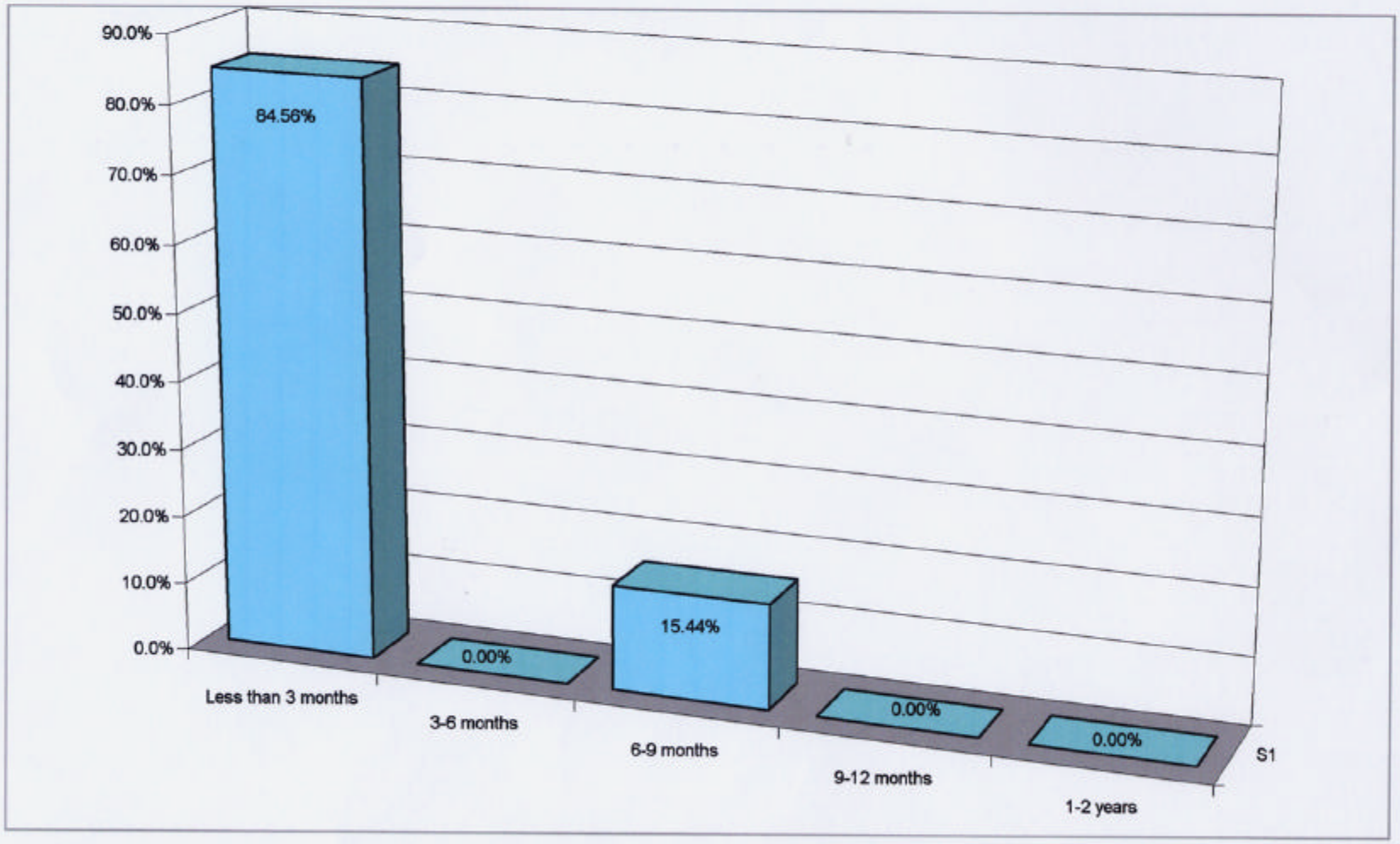
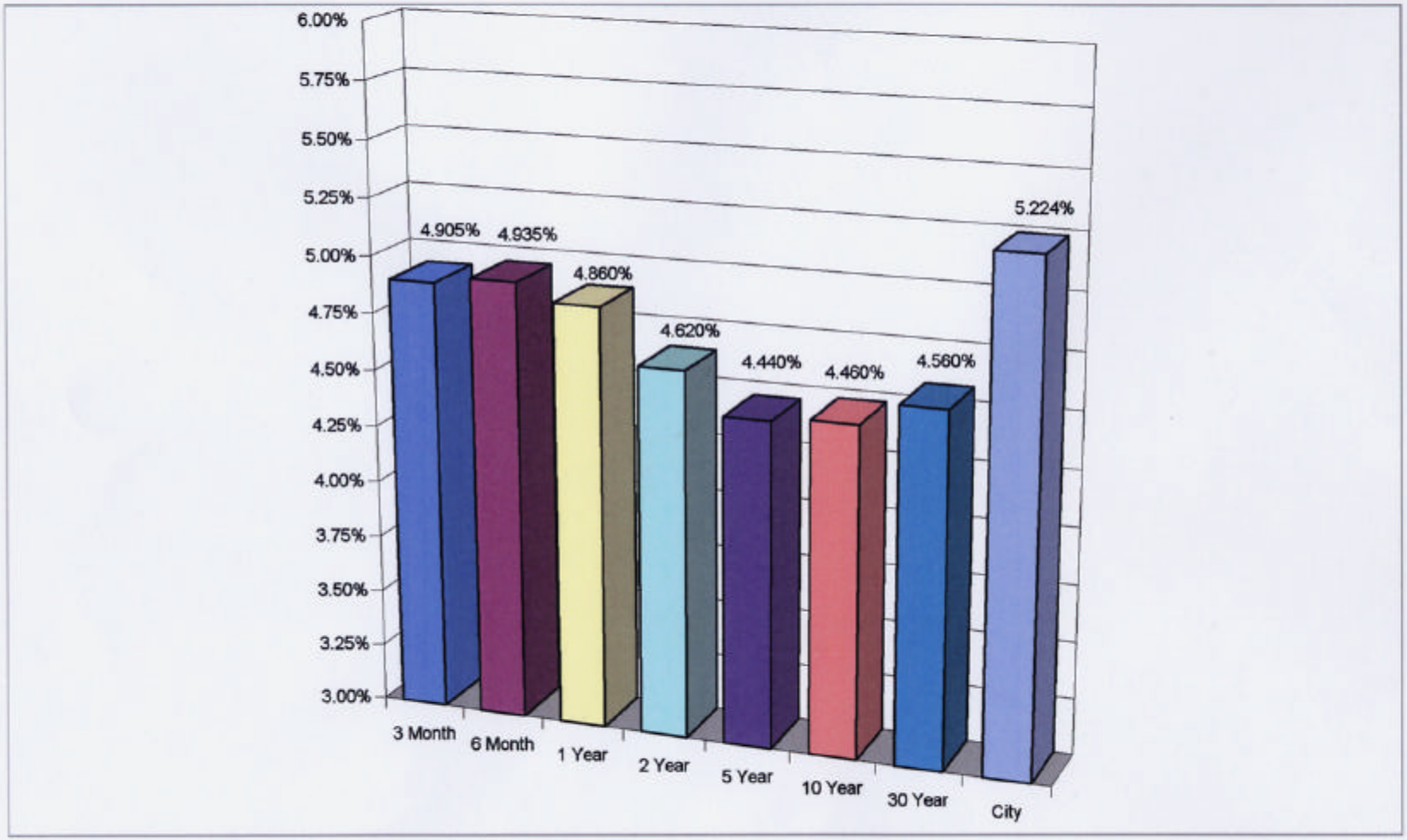
City Portfolio by Investment Type
As of November 30, 2006

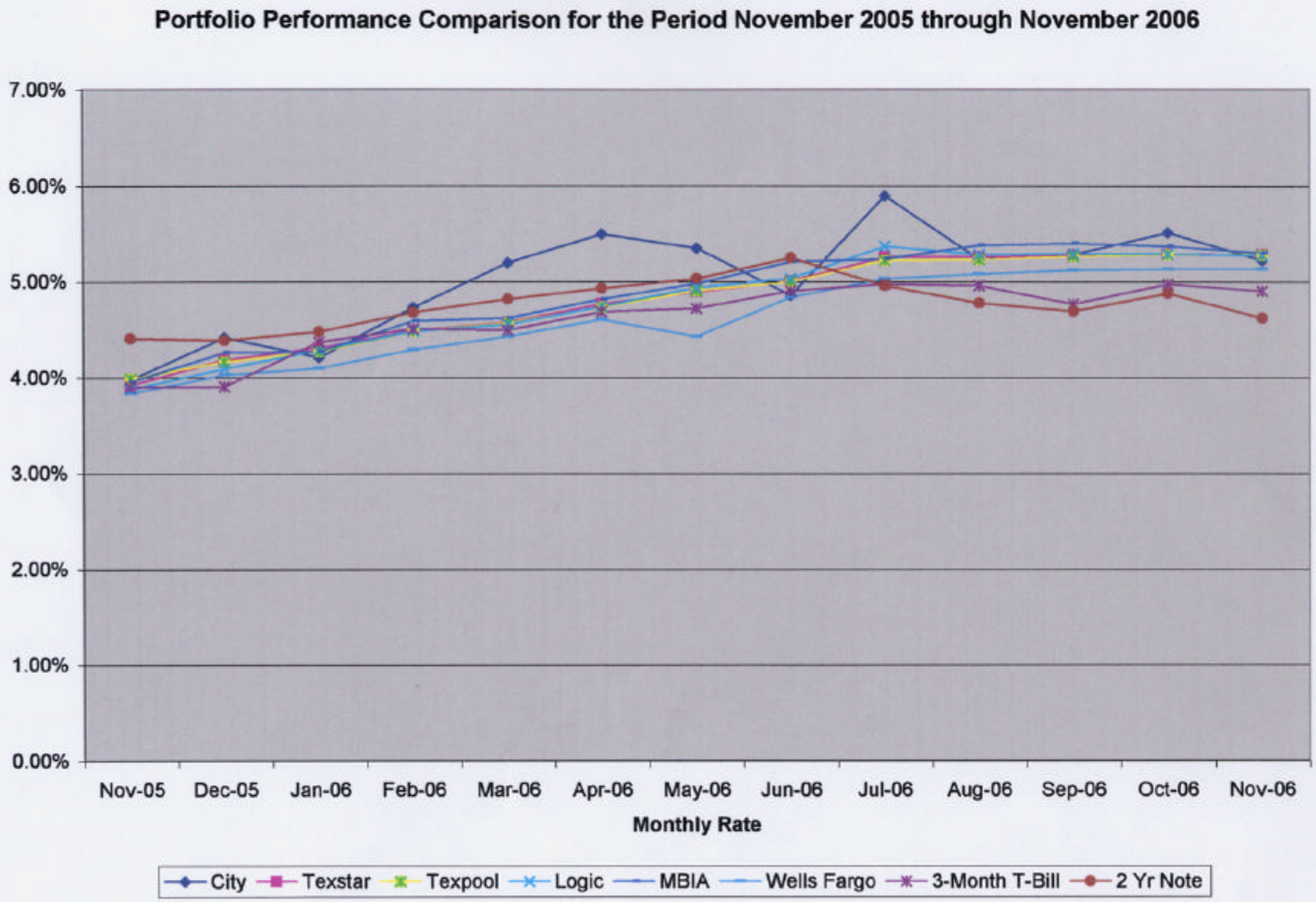


Portfolio Maturity
As of November 30, 2006



Treasury Benchmark Yield Analysis
As of November 30, 2006




Portfolio Performance Comparison for the Period November 2005 through November 2006
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
Nov-05
Dec-05
Jan-06
Feb-06
Mar-06
Apr-06
May-06
Jun-06
Jul-06
Aug-06
Sep-06
Oct-06
Nov-06
Monthly Rate
City
Texstar
Texpool
Logic
MBIA
Wells Fargo
3-Month T-Bill
2 Yr Note

City of El Paso
Total Return
September 1, 2006 - November 30, 2006
Yield on Time Weighted Value

CUSIP	Investment #	Fund	Investment Class	Beginning Invested Value	Time Weighted Invested Value	Ending Invested Value	Maturity Date	Current Rate	Total Return	Investment Income: Interest Earned	Investment Income: Adjustment in Value	Investment Income: Net Investment Income
Issuer: Federal Home Loan Bank												
3133X92A7	510000044	01	Fair Value	5,000,000.00	3,791,208.79 *	0.00	11/09/2006	3.030	3.028	28,616.67	0.00 *	28,616.67
3128X4SJ1	511000045	01	Fair Value	14,998,500.00	11,372,489.01	0.00	11/09/2006	4.500	4.550	127,500.00	1,500.00	129,000.00
3133X2P41	511000046	01	Fair Value	19,635,000.00	19,635,000.00	19,635,000.00	06/11/2007	3.280	3.350	164,000.00	0.00	164,000.00
			Subtotal	**39,633,500.00**	**34,798,697.80 ***	**19,635,000.00 ***			**3.707***	**320,116.67**	**1,500.00 ***	**321,616.67**
Issuer: Federal National Mortgage Assn												
31359MNT3	5110000050	01	Amortized	25,151,171.39	20,728,987.41	0.00	11/15/2006	2.625	5.229	136,433.65	133,828.61	270,262.26
31359MNT3	5110000051	01	Amortized	24,884,099.69	5,742,484.54	0.00	11/15/2006	2.625	5.296	38,281.25	37,546.46	75,827.71
313589U76	51000052	01	Fair Value	9,732,522.22	9,732,522.22	9,732,522.22	12/27/2006	5.557	5.725	138,925.00	0.00	138,925.00
31359MYS6	5110047	01	Amortized	39,871,945.92	39,871,945.92	39,937,058.16	02/28/2007	4.000	4.679	400,000.00	65,112.24	465,112.24
			Subtotal	**99,639,739.22**	**76,075,940.09**	**49,669,580.38**			**5.009**	**713,639.90**	**236,487.31**	**950,127.21**
Issuer: Logic Investment Pool												
746000749	5010000007	01	Fair Value	260,414.53	56,438.26	37,614.85		5.274	6.441	906.30	0.00	906.30
	5010000008	01	Amortized	0.00	0.00	0.00				0.00	0.00	0.00
			Subtotal	**260,414.53**	**56,438.26**	**37,614.85**			**6.441**	**906.30**	**0.00**	**906.30**
Issuer: MUNICIPAL INVESTORS SVC CORP.												
TX0103050001	501000007	01	Fair Value	523,802.08	65,154.65	32,610.62		5.300	6.153	999.46	0.00	999.46
			Subtotal	**523,802.08**	**65,154.65**	**32,610.62**			**6.153**	**999.46**	**0.00**	**999.46**
Issuer: TEXPOOL Investment Pool												
071031111000	5020000007	01	Fair Value	700,402.34	62,120.43	17,408.99		5.278	5.743	889.45	0.00	889.45
			Subtotal	**700,402.34**	**62,120.43**	**17,408.99**			**5.743**	**889.45**	**0.00**	**889.45**
Issuer: Texstar												
746000749	5030000007	01	Fair Value	1,026,933.66	126,169.12	50,008.05		5.279	5.955	1,873.16	0.00	1,873.16
			Subtotal	**1,026,933.66**	**126,169.12**	**50,008.05**			**5.955**	**1,873.16**	**0.00**	**1,873.16**
Issuer: Vista Investment Pool												
608352	5060000007	01	Amortized	0.00	0.00	0.00		0.836		0.00	0.00	0.00
332150	5060000008	02	Amortized	0.00	0.00	0.00		2.350		0.00	0.00	0.00

* - Adjustment and Investment Value cannot be calculated due to missing or outdated Market price data.

City of El Paso
Total Return
September 1, 2006 - November 30, 2006

CUSIP	Investment #	Fund	Investment Class	Beginning Invested Value	Time Weighted Invested Value	Ending Invested Value	Maturity Date	Current Rate	Total Return	Investment Income: Interest Earned	Investment Income: Adjustment In Value	Investment Income: Net Investment Income
			Subtotal	0.00	0.00	0.00				0.00	0.00	0.00
Issuer: WELLS FARGO GOVERNMENT MMF INS												
12828893	506000009	02	Fair Value	6,997,499.63	6,095,482.46	5,837,582.28		5.130	6.555	99,616.35	0.00	99,616.35
12826111	506000010	01	Fair Value	4,079,520.22	17,928,105.23	51,874,870.05		5.130	8.630	385,730.71	0.00	385,730.71
			Subtotal	**11,077,019.85**	**24,023,587.69**	**57,712,452.33**			**8.103**	**485,347.06**	**0.00**	**485,347.06**
			Total	**152,861,811.68**	**135,208,108.04***	**127,154,675.22***			**5.226***	**1,523,772.00**	**237,987.31***	**1,761,759.31**

Components of Return:	
Interest:	4.520
Amortization:	0.702
Market Value:	0.004

* - Adjustment and Investment Value cannot be calculated due to missing or outdated Market price data.

City of El Paso
Texas Compliance Summary
Sorted by Investment Class
September 1, 2006 - November 30, 2006

Investment Class		Par Value	Market Value	Book Value	Accrued Interest
Fair Value	Value beginning 09/01/2006	63,588,572.46	63,206,296.45	63,207,513.12	5,298,000.01
	Net Change	24,261,522.38	24,464,627.59	24,463,410.92	280,649.85
	Value ending 11/30/2006	87,850,094.84	87,670,924.04	87,670,924.04	5,578,649.86
Amortized Cost	Value beginning 09/01/2006	90,285,000.00	89,907,217.00	89,907,217.00	1,199,943.82
	Net Change	-50,285,000.00	-49,970,158.84	-49,970,158.84	43,560.56
	Value ending 11/30/2006	40,000,000.00	39,937,058.16	39,937,058.16	1,243,504.38
Total	Value beginning 09/01/2006	153,873,572.46	153,113,513.45	153,114,730.12	6,497,943.83
	Net Change	-26,023,477.62	-25,505,531.25	-25,506,747.92	324,210.41
	Value ending 11/30/2006	127,850,094.84	127,607,982.20	127,607,982.20	6,822,154.24

City of El Paso
Texas Compliance Details
Sorted by Investment Class
November 30, 2006

CUSIP	Investment #	Fund	Issuer	Investment Type	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Investment Class: Fair Value												
746000749	5010000007	01	Logic Investment Pool	PA1	37,614.85			5.274	100.000	08/31/1999	37,614.85	37,614.85
071031111000	5020000007	01	TEXPOOL Investment Pool	PA1	17,408.99			5.278	100.000	05/31/2000	17,408.99	17,408.99
746000749	5030000007	01	Texstar	PA1	50,008.05			5.279	100.000	02/29/2004	50,008.05	50,008.05
TX0103050001	501000007	01	MUNICIPAL INVESTORS SVC CORP	PA1	32,610.62			5.300	100.000	01/31/2004	32,610.62	32,610.62
12828893	506000009	02	WELLS FARGO GOVERNMENT MMF INS	PA1	5,837,582.28			5.130	100.000	03/09/2005	5,837,582.28	5,837,582.28
12826111	506000010	01	WELLS FARGO GOVERNMENT MMF INS	PA1	51,874,870.05			5.130	100.000	04/05/2005	51,874,870.05	51,874,870.05
313589U76	51000052	01	Federal National Mortgage Assn	FAC	10,000,000.00	12/27/2006		5.557			9,960,930.21	9,960,930.21
3133X2P41	511000046	01	Federal Home Loan Bank	FAC	20,000,000.00	06/11/2007		3.280			19,859,898.99	19,859,898.99
				Subtotal	**87,850,094.84**						**87,670,924.04**	**87,670,924.04**
Investment Class: Amortized Cost												
31359MYS6	5110047	01	Federal National Mortgage Assn	FAC	40,000,000.00	02/28/2007		4.000			39,937,058.16	39,937,058.16
				Subtotal	**40,000,000.00**						**39,937,058.16**	**39,937,058.16**
				Total	**127,850,094.84**						**127,607,982.20**	**127,607,982.20**