



CITY OF FRESNO
MONTHLY INVESTMENT REPORT
MONTH ENDED MAY 31, 2007

PORTFOLIO SUMMARY BY INVESTMENT TYPE

Investments	Amortized Cost	Pct. of Portfolio	Market Value	Par Value	Par Value + Accum. Future Earnings
Federal Agency Notes	227,843,252	70.68%	227,168,027	228,150,000	253,026,261
Local Agency Investment Fund*	40,000,000	12.41%	40,000,000	40,000,000	40,000,000
Commercial Paper	10,000,000	3.10%	9,943,241	10,000,000	10,000,000
Mutual Funds*	<u>44,538,613</u>	<u>13.82%</u>	<u>44,538,613</u>	<u>44,538,613</u>	<u>44,538,613</u>
Total Investments	<u>\$ 322,381,865</u>	<u>100.00%</u>	<u>\$ 321,649,881</u>	<u>\$ 322,688,613</u>	<u>\$ 347,564,874</u>

*Future Earnings Indeterminate

PORTFOLIO ANALYSIS

Description	May 2006	May 2007	Change
Amortized Cost of Investments	\$ 314,506,381	\$ 322,381,865	\$ 7,875,484
Market Value of Investments	\$ 312,069,360	\$ 321,649,881	\$ 9,580,521
Maturity Value of Investments	\$ 314,806,630	\$ 322,688,613	\$ 7,881,983
Average Days to Maturity	432	462	30
Monthly Yield/Return on Investment	4.23%	5.04%	0.81%
Rolling 12-Month Return on Investment	3.49%	4.78%	1.29%
Earned Interest: Current Month	\$ 1,163,460	\$ 1,434,905	\$ 271,445
Earned Interest: Year-to-Date	\$ 10,493,419	\$ 14,472,255	\$ 3,978,836
Number of Securities	31	27	(4)

Interest rates generally increased between May 2006 and May 2007. The yield earned on the portfolio followed this trend and increased as well. The yield earned was 4.23 percent for the month ended May 2006, while it was 5.04 percent for the month ended May 2007, an increase of .81 percent. The interest earned year to date has increased by \$3,978,836. The size of the Portfolio increased by \$7,875,484, while the market value increased by \$9,580,521. The difference of \$1,705,038 is an increase in the market value of the Portfolio.

Amortized Cost - the total amount at which investments are carried on the City books. This amount includes the amortization and accretion of premiums and discounts, respectively.

Market Value - the total amount at which investments are being sold in the market. Market prices are provided by the Bank of New York.

Par Value - (also referred to as "par value") the total amount of the face or stated value of the investments at maturity.

Par Value + Accumulated Future Earnings - Par Value plus the future interest earnings on the investments if they were held to maturity.

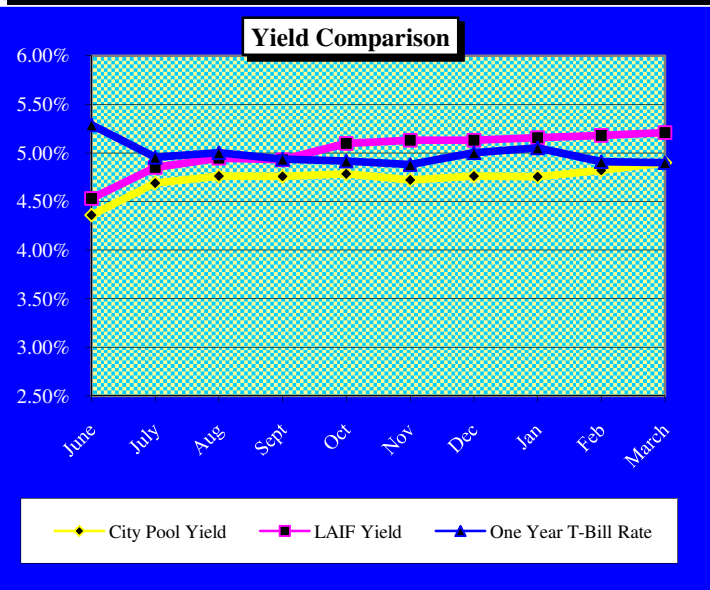
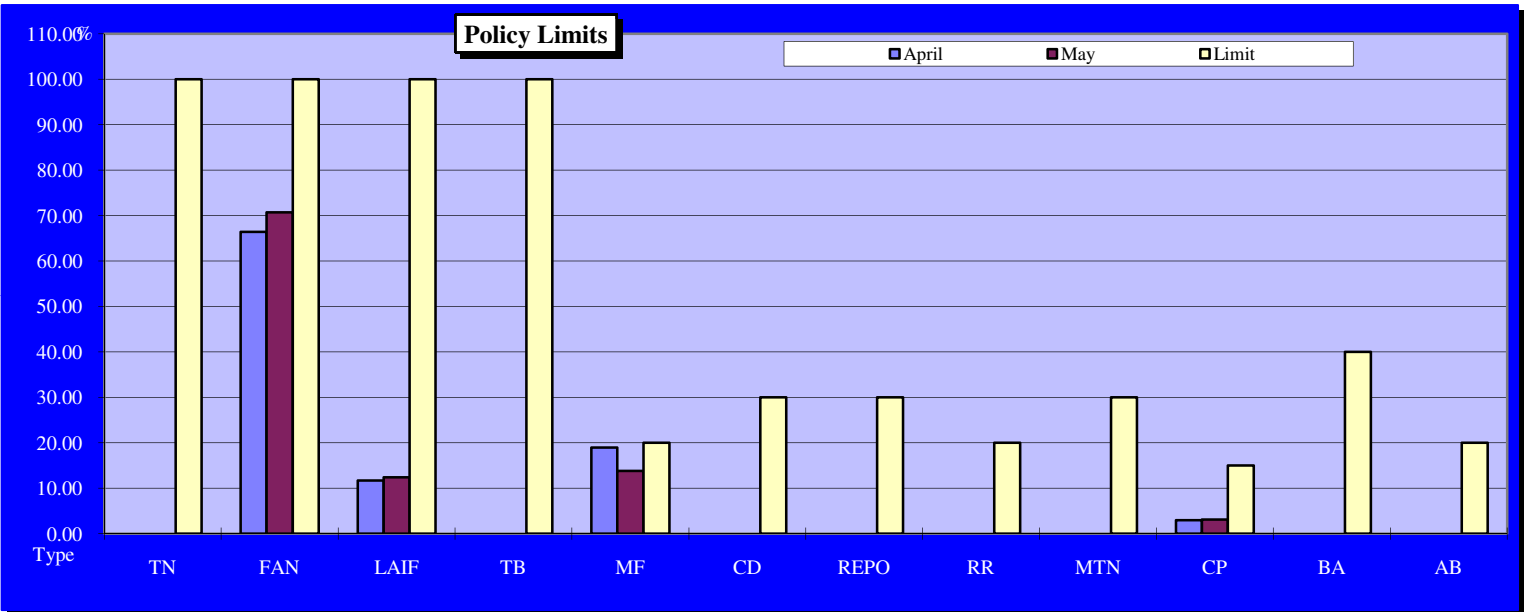
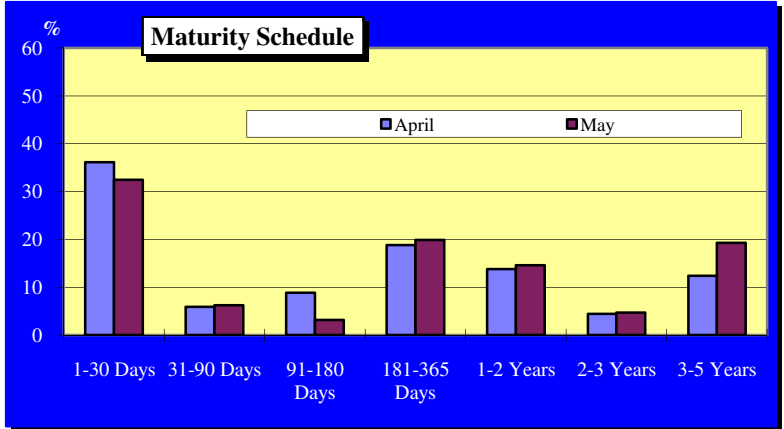
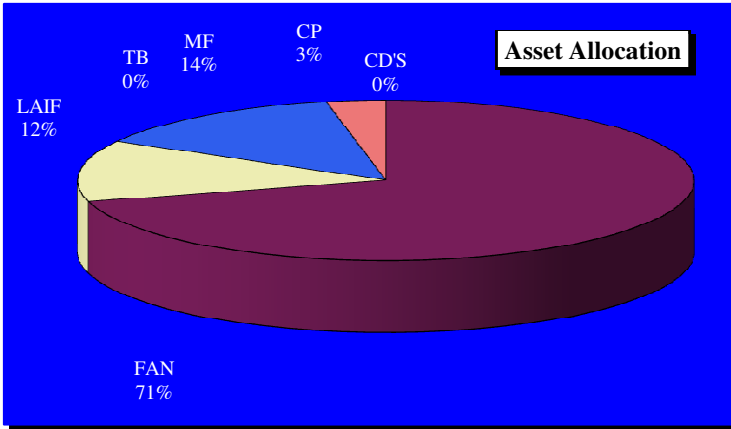
Average Days to Maturity - the average time in days left in the maturity of the investments.

Monthly Yield - the rate of return on investments as expressed in a percentage.

Rolling 12-Month Return - same Monthly yield, but for the past 12 months.

Earned Interest - the amount of income realized by all investments.

**CITY OF FRESNO
FINANCE DIVISION
PORTFOLIO STATUS REPORT
AS OF MAY 2007**



Key	Investments	Par Value	
		April	May
TN	Treasury Notes	\$0	\$0
FAN	Federal Agency Notes	\$226,780,000	\$228,150,000
LAIF	Local Agency Investment Fund	\$40,000,000	\$40,000,000
MF	Mutual Funds	\$64,637,038	\$44,538,613
CD	Collateralized Deposits	\$0	\$0
REPO	Repurchase Agreements	\$0	\$0
RR	Reverse Repurchase	\$0	\$0
MTN	Medium Term Notes	\$0	\$0
CP	Commerical Paper	\$10,000,000	\$10,000,000
BA	Bankers Acceptance Notes	\$0	\$0
AB	Asset-Backed Securities	\$0	\$0
TB	Treasury Bills	\$0	\$0
	Total	\$341,417,038	\$322,688,613