

City of Ann Arbor
Activity and Performance Summary
for the period September 1, 2007 - September 30, 2007

<u>Amortized Cost Basis Activity Summary</u>		
Beginning Amortized Cost Value		197,915,826.87
Additions		
Contributions	9,745,551.24	
Interest Received	641,262.43	
Accrued Interest Sold	106,728.50	
Gain on Sales	0.00	
Total Additions		10,493,542.17
Deductions		
Withdrawals	0.00	
Fees Paid	21,078.54	
Accrued Interest Purchased	46,840.28	
Loss on Sales	0.00	
Total Deductions		(67,918.82)
Accretion (Amortization) for the Period		157,022.28
Ending Amortized Cost Value		208,498,472.50
Ending Fair Value		209,572,309.75
Unrealized Gain (Loss)		1,073,837.25

<u>Detail of Amortized Cost Basis Return</u>				
	Interest Earned	Accretion (Amortization)	Realized Gain (Loss)	Total Income
Current Holdings				
Cash and Equivalents	43,593.68	0.00	0.00	43,593.68
Repurchase Agreement	44,341.15	0.00	0.00	44,341.15
Commercial Paper	0.00	114,379.58	0.00	114,379.58
Certificates of Deposit	416.67	0.00	0.00	416.67
U.S. Treasury	272,109.49	31,228.98	0.00	303,338.47
U.S. Instrumentality	223,508.08	4,174.14	0.00	227,682.22
Sales and Maturities				
Repurchase Agreement	80,322.29	0.00	0.00	80,322.29
Commercial Paper	0.00	7,239.58	0.00	7,239.58
U.S. Instrumentality	7,356.56	0.00	0.00	7,356.56
Total	671,647.92	157,022.28	0.00	828,670.20

<u>Annualized Comparative Rates of Return</u>			
	Twelve Month Trailing	Six Month Trailing	For the Month
Fed Funds	5.21%	5.17%	4.99%
Overnight Repo	5.09%	4.96%	4.78%
3 Month T-Bill	4.86%	4.65%	3.99%
6 Month T-Bill	4.96%	4.80%	4.20%
1 Year T-Note	4.86%	4.73%	4.14%
2 Year T-Note	4.67%	4.59%	4.02%
5 Year T-Note	4.63%	4.63%	4.20%

<u>Summary of Amortized Cost Basis Return for the Period</u>		
	Total Portfolio	Excl. Cash Eq.
Interest Earned	671,647.92	628,054.24
Accretion (Amortization)	157,022.28	157,022.28
Realized Gain (Loss) on Sales	<u>0.00</u>	<u>0.00</u>
Total Income on Portfolio	828,670.20	785,076.52
Average Daily Historical Cost	201,953,969.77	194,349,727.07
Annualized Return	4.99%	4.91%
Annualized Return Net of Fees	4.90%	4.81%
Annualized Return Year to Date Net of Fees	4.68%	4.66%
Weighted Average Effective Maturity in Days	410	421

City of Ann Arbor
Activity and Performance Summary
for the period September 1, 2007 - September 30, 2007

<u>Fair Value Basis Activity Summary</u>		
Beginning Fair Value		198,521,370.51
Additions		
Contributions	9,745,551.24	
Interest Received	641,262.43	
Accrued Interest Sold	106,728.50	
Total Additions		10,493,542.17
Deductions		
Withdrawals	0.00	
Fees Paid	21,078.54	
Accrued Interest Purchased	46,840.28	
Total Deductions		(67,918.82)
Change in Fair Value for the Period		625,315.89
Ending Fair Value		209,572,309.75

<u>Detail of Fair Value Basis Return</u>			
	Interest Earned	Change in Fair Value	Total Income
Current Holdings			
Cash and Equivalents	43,593.68	0.00	43,593.68
Repurchase Agreement	44,341.15	0.00	44,341.15
Commercial Paper	0.00	123,049.41	123,049.41
Certificates of Deposit	416.67	0.00	416.67
U.S. Treasury	272,109.49	193,795.00	465,904.49
U.S. Instrumentality	223,508.08	299,124.40	522,632.48
Sales and Maturities			
Repurchase Agreement	80,322.29	0.00	80,322.29
Commercial Paper	0.00	7,209.58	7,209.58
U.S. Instrumentality	7,356.56	2,137.50	9,494.06
Total	671,647.92	625,315.89	1,296,963.81

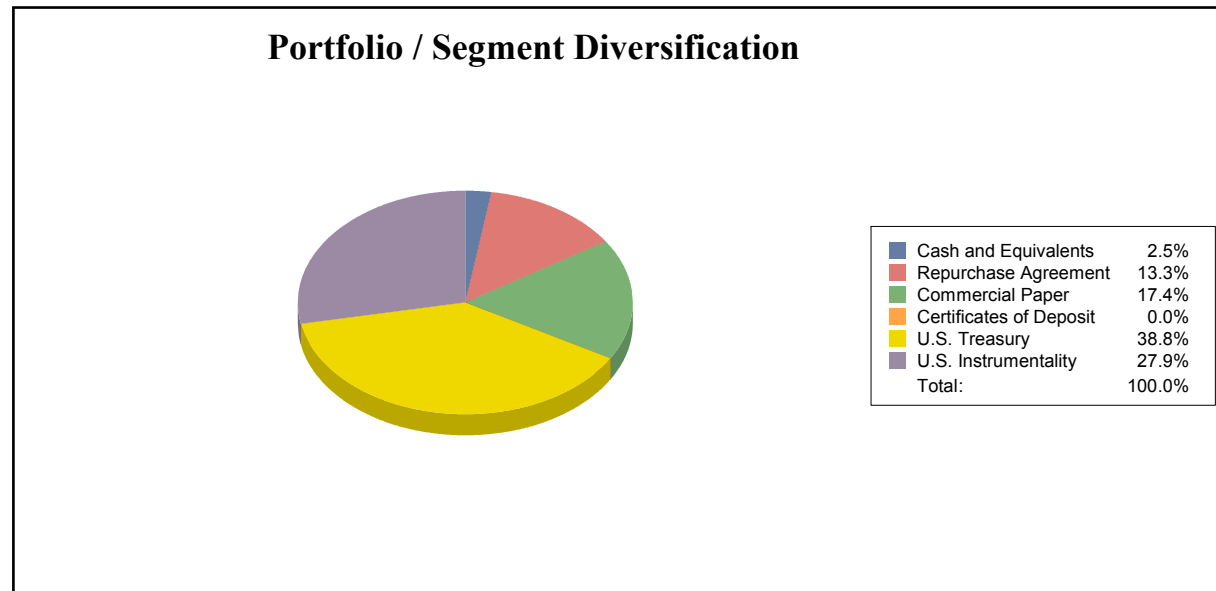
<u>Annualized Comparative Rates of Return</u>			
	Twelve Month Trailing	Six Month Trailing	For the Month
Fed Funds	5.21%	5.17%	4.99%
Overnight Repo	5.09%	4.96%	4.78%
3 Month T-Bill	5.16%	5.29%	4.75%
6 Month T-Bill	5.39%	5.74%	4.99%
1 Year T-Note	5.38%	6.02%	7.54%
2 Year T-Note	5.58%	6.40%	8.03%
5 Year T-Note	5.89%	7.12%	6.21%

<u>Summary of Fair Value Basis Return for the Period</u>		
	Total Portfolio	Excl. Cash Eq.
Interest Earned	671,647.92	628,054.24
Change in Fair Value	<u>625,315.89</u>	<u>625,315.89</u>
Total Income on Portfolio	1,296,963.81	1,253,370.13
Average Daily Historical Cost	201,953,969.77	194,349,727.07
Annualized Return	7.81%	7.85%
Annualized Return Net of Fees	7.72%	7.75%
Annualized Return Year to Date Net of Fees	5.83%	5.84%
Weighted Average Effective Maturity in Days	410	421

**City of Ann Arbor
Recap of Securities Held
September 30, 2007**

	Historical Cost	Amortized Cost	Fair Value	Unrealized Gain (Loss)	Weighted Average Final Maturity (Days)	Weighted Average Effective Maturity (Days)	% Portfolio/Segment	Weighted Average Yield *	Weighted Average Market Duration (Years)
Cash and Equivalents	5,245,992.11	5,245,992.11	5,245,992.11	0.00	1	1	2.52	4.75	0.00
Repurchase Agreement	27,728,872.54	27,728,872.54	27,728,872.54	0.00	1	1	13.32	3.95	0.00
Commercial Paper	36,209,215.79	36,372,566.20	36,378,555.20	5,989.00	15	15	17.40	6.07	0.05
Certificates of Deposit	100,000.00	100,000.00	100,000.00	0.00	124	124	0.05	5.00	0.33
U.S. Treasury	80,686,603.56	80,998,893.72	81,688,742.50	689,848.78	453	453	38.77	4.58	1.16
U.S. Instrumentality	58,150,645.70	58,052,147.93	58,430,147.40	377,999.47	1,073	831	27.94	4.90	2.07
TOTAL	208,121,329.70	208,498,472.50	209,572,309.75	1,073,837.25	478	410	100.00	4.85	1.04

* Weighted Average Yield is calculated on a "yield to worst" basis.



City of Ann Arbor
Maturity Distribution of Securities Held
September 30, 2007

Maturity	Historical Cost	Percent
Under 90 Days	82,719,975.27	39.75%
90 To 180 Days	13,594,460.00	6.53%
180 Days to 1 Year	28,413,302.83	13.65%
1 To 2 Years	34,232,510.71	16.45%
2 To 5 Years	41,799,580.89	20.08%
Over 5 Years	7,361,500.00	3.54%
	208,121,329.70	100.00%

Maturity Distribution

