

# MONTHLY FINANCIAL REPORT

## PERFORMANCE SUMMARY

November 2017

	Current Month	Year to Date	Chart
<b>GENERAL FUND</b>			
Total Revenues as a % of Budget Compared to Prior Year	N/A	NEUTRAL	A
Total Expenditures as a % Budget Compared to Prior Year	N/A	NEUTRAL	B
Property Tax Collection Analysis	NEGATIVE	NEGATIVE	C
Sales Tax Collection Analysis	POSITIVE	POSITIVE	D
Expenditure Analysis	NEGATIVE	NEGATIVE	E
<b>ENTERPRISE FUND</b>			
Water Billing Analysis	POSITIVE	POSITIVE	F
Sewer Billing Analysis	NEGATIVE	NEUTRAL	G
Expense Analysis	NEGATIVE	NEGATIVE	H
<b>HOTEL OCCUPANCY TAX REVENUE</b>			
Hotel Tax Revenue Analysis (most recent quarter)	N/A	N/A	I
Hotel Tax Revenue Analysis (quarterly comparison for year)	N/A	N/A	J
<b>SEDC</b>			
Sales Tax Collection Analysis	POSITIVE	POSITIVE	J
Expenditure Analysis	NEGATIVE	NEGATIVE	K
<b>CRIME DISTRICT</b>			
Sales Tax Collection Analysis	POSITIVE	POSITIVE	L
Expenditure Analysis	POSITIVE	POSITIVE	M
<b>INVESTMENTS</b>			
Investment Report	N/A	N/A	N

**PERFORMANCE INDICATORS:**

<b>POSITIVE</b>
<b>NEGATIVE</b>
<b>NEUTRAL</b>

Positive = Positive variance as compared to seasonal trend.

Negative = Negative variance as compared to seasonal trend.

Neutral = Variance is less than 1%

# GENERAL FUND



CHART A

## TOTAL REVENUE THROUGH NOVEMBER 2017

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	5,123,473	111,768	2.18%	0.63%
Penalties & Interest	39,000	2,975	7.63%	1.83%
Sales Tax	1,789,038	313,180	17.51%	17.55%
Franchise Tax	750,000	144,393	19.25%	17.66%
Other Tax	133,500	0	0.00%	0.00%
License & Permits	300,000	55,753	18.58%	10.39%
Charges for Services	65,500	2,632	4.02%	6.89%
DOT Fines	90,000	11,510	12.79%	12.11%
Other Municipal Court Fees	414,000	61,398	14.83%	13.77%
Interest Income	58,656	11,321	19.30%	4.18%
Intergovernmental	378,604	57,767	15.26%	15.06%
Other Revenue	40,800	6,933	16.99%	27.34%
Transfers from Enterprise Fund	1,822,415	303,736	16.67%	16.67%
Payment for Services-EDC	<u>227,542</u>	<u>37,924</u>	<u>16.67%</u>	<u>16.67%</u>
<b>Total Revenues</b>	<b>11,232,528</b>	<b>1,121,288</b>	<b>9.98%</b>	<b>9.43%</b>

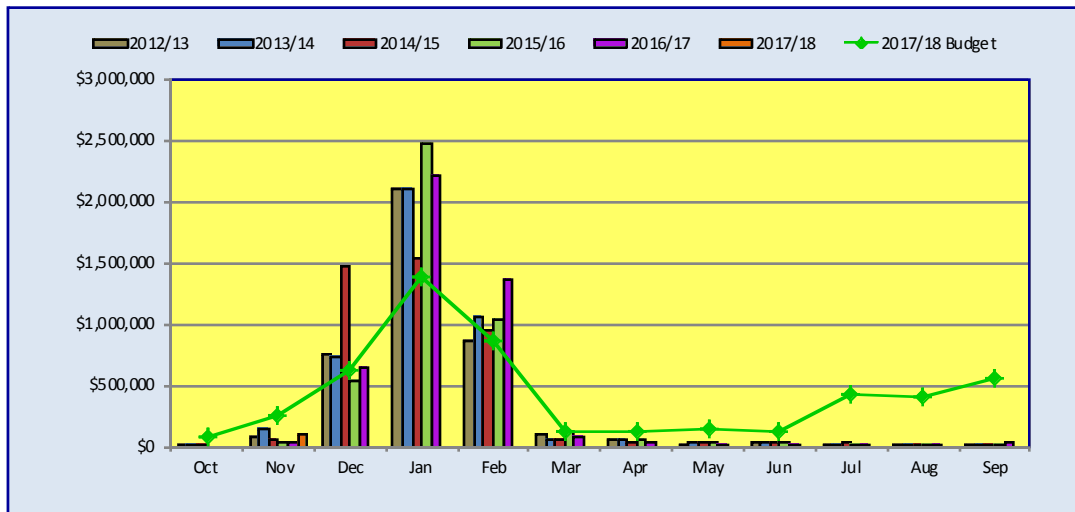
CHART B

## TOTAL EXPENDITURES THROUGH NOVEMBER 2017

	Budget	YTD Expenditures	% of Budget Expended	Prior YTD % of Total Expended
Personnel	7,565,275	1,134,851	15.00%	14.72%
Supplies	292,800	21,505	7.34%	13.09%
Services	2,699,706	652,741	24.18%	23.27%
Capital	<u>303,064</u>	<u>75,466</u>	<u>24.90%</u>	<u>17.93%</u>
<b>Total Expenditures</b>	<b>10,860,845</b>	<b>1,884,564</b>	<b>17.35%</b>	<b>16.97%</b>

CHART C

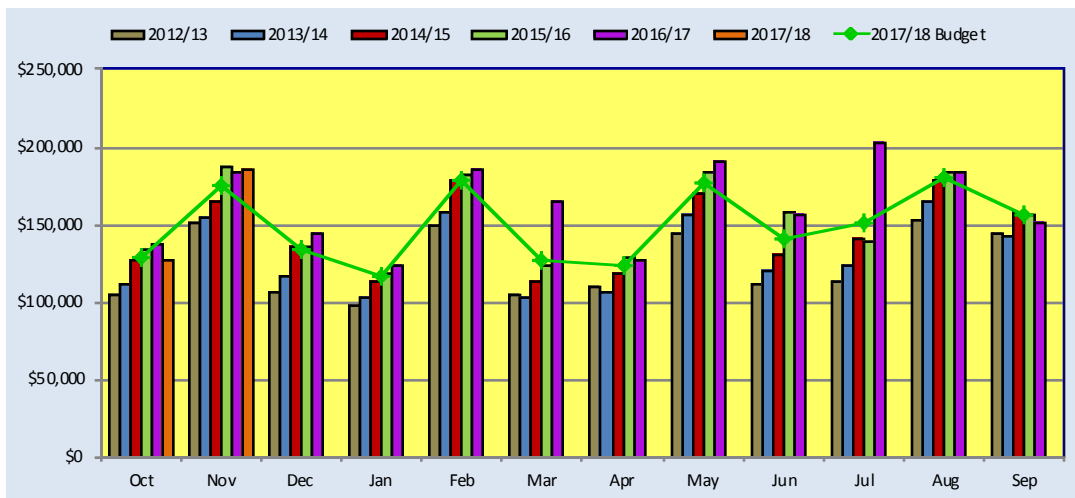
PROPERTY TAX ANALYSIS



Budget is divided into months based on the monthly percentages of the last 5 years' collections.  
 2014/15 December collections were higher than the trend but were offset by lower collections in January

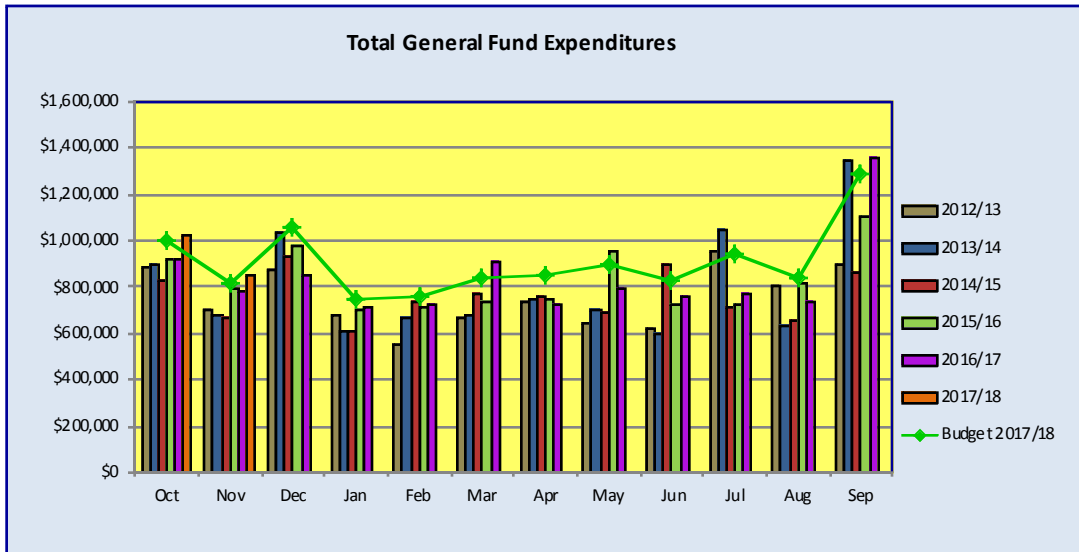
CHART D

SALES TAX ANALYSIS



2013/14 Budget is divided into months based on the monthly percentages of the last 5 years' activity of sales tax revenue.

EXPENDITURE ANALYSIS



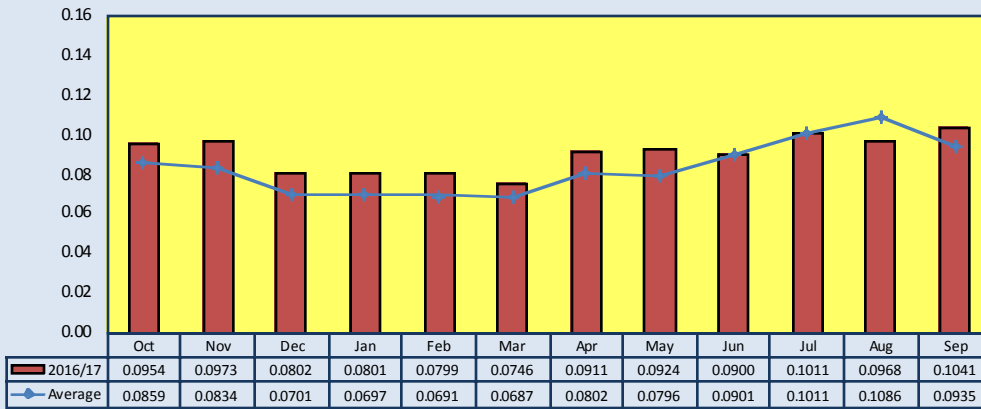
High expenditures in September 2010 are due to city hall A/C replacement.  
 High expenditures in September 2014 are due to Seascape road construction



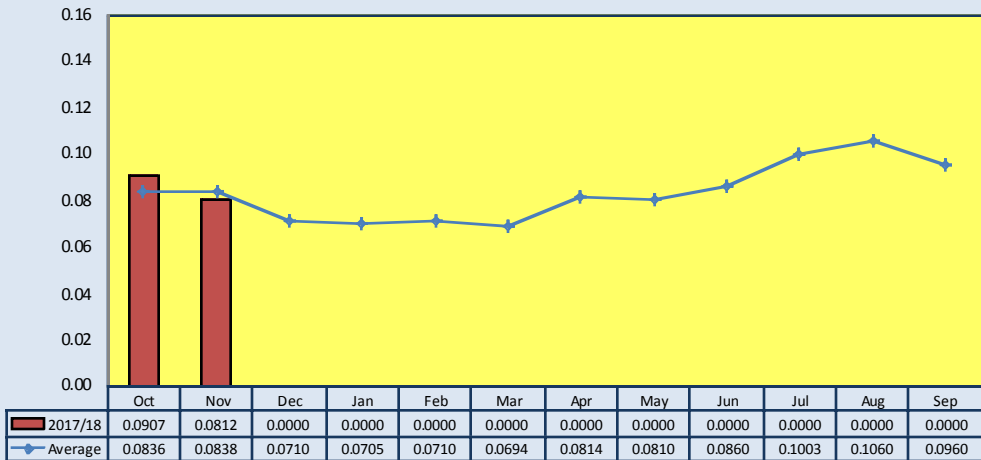
CHART F

WATER BILLING ANALYSIS

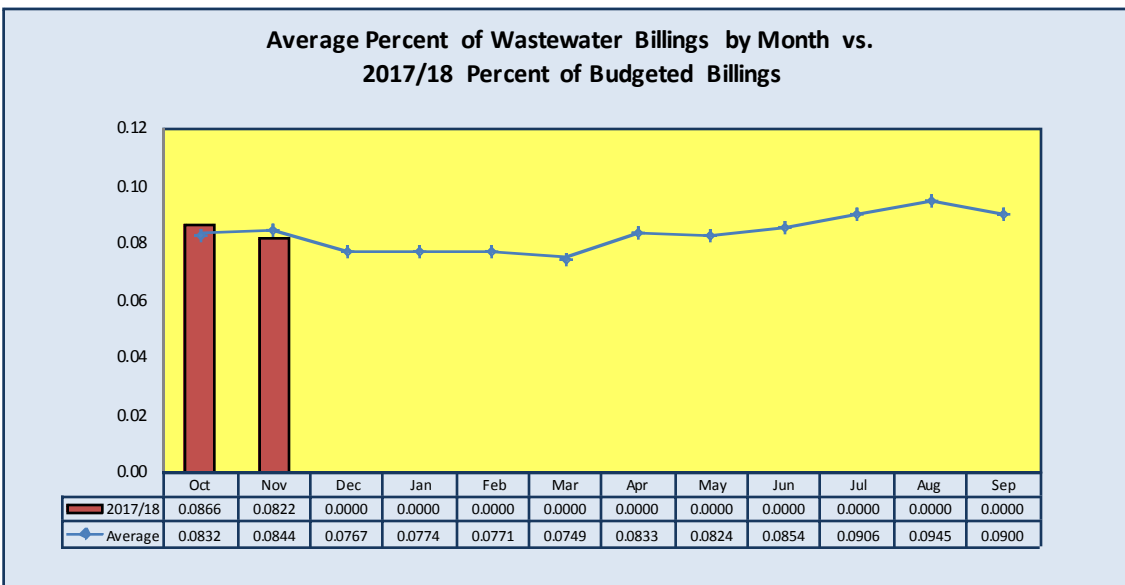
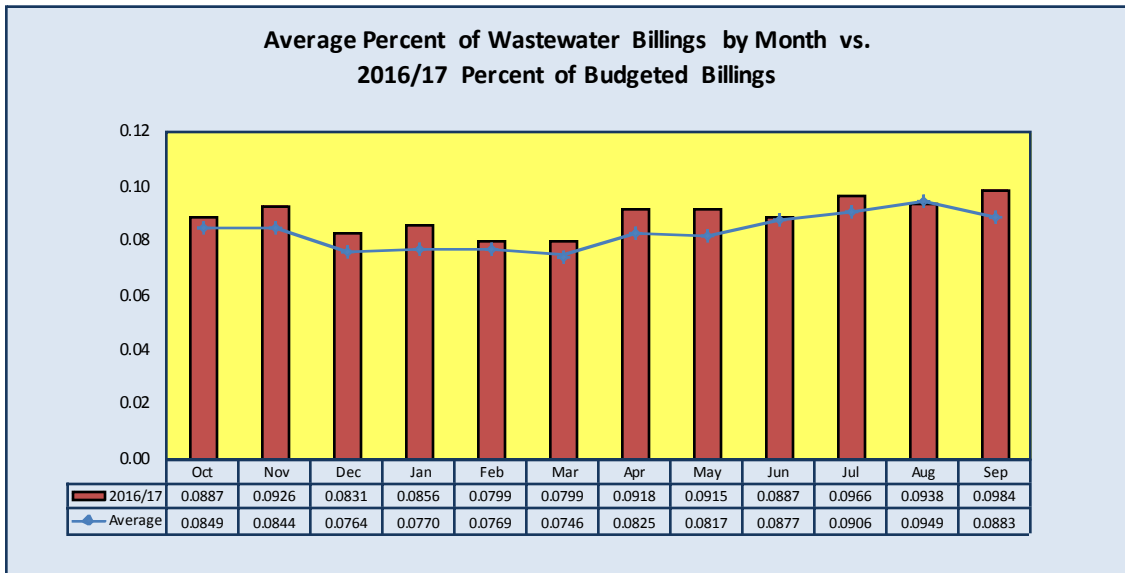
Average Percent of Water Billings by Month vs.  
2016/17 Percent of Budgeted Billings



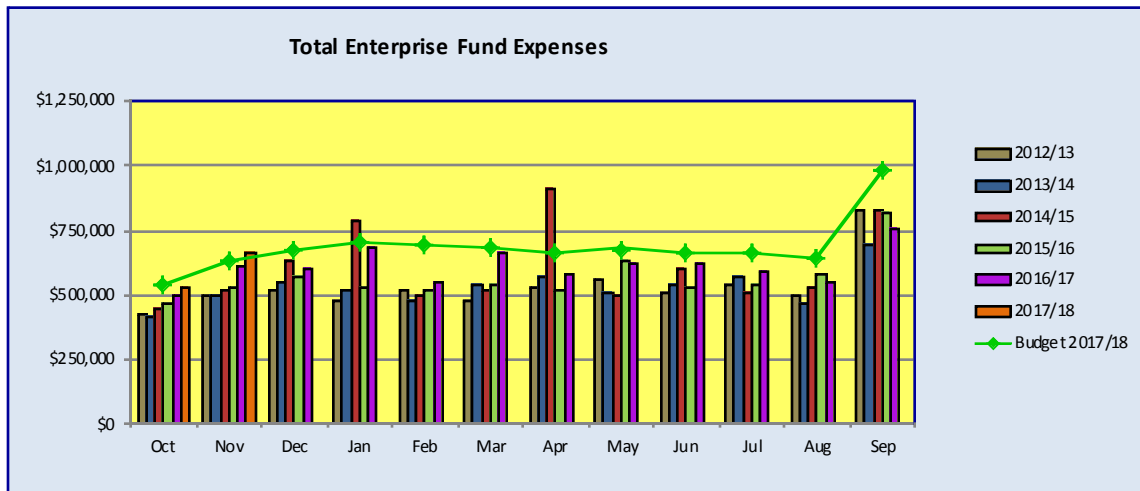
Average Percent of Water Billings by Month vs.  
2017/18 Percent of Budgeted Billings



WASTEWATER BILLING ANALYSIS



EXPENDITURE ANALYSIS



Sept 2013 and Nov 2013 EXCLUDE property acquisition

December 2014 & January 2015 expenses much higher than budgeted due to Lakeside lift station repairs

April 2015 expenses due to wastewater treatment plant upgrades

# HOTEL TAX FUND

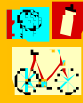
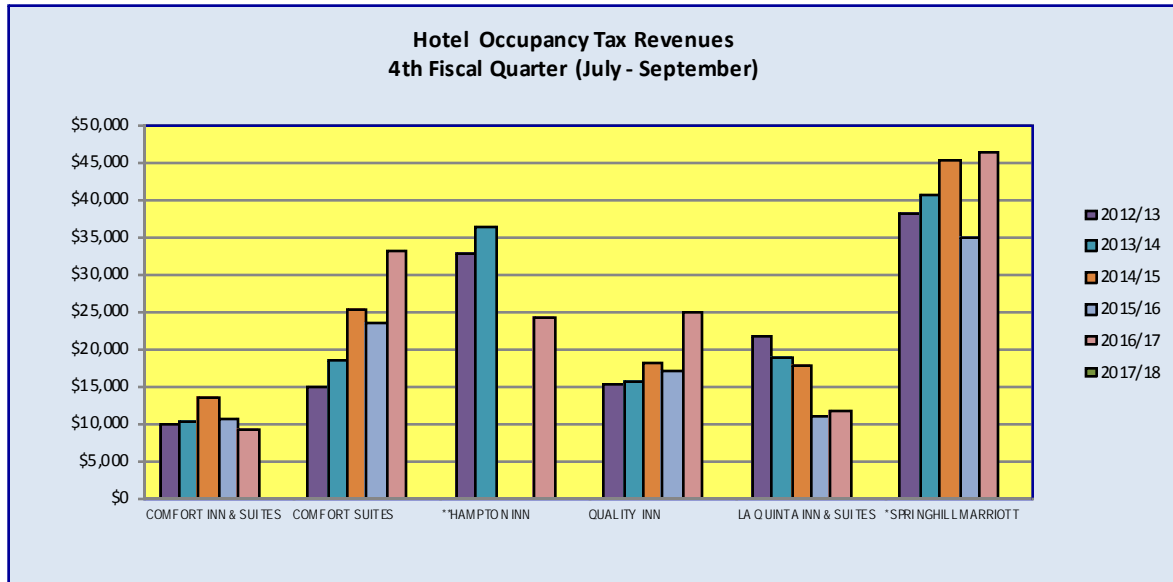


CHART I

## HOTEL TAX REVENUE ANALYSIS

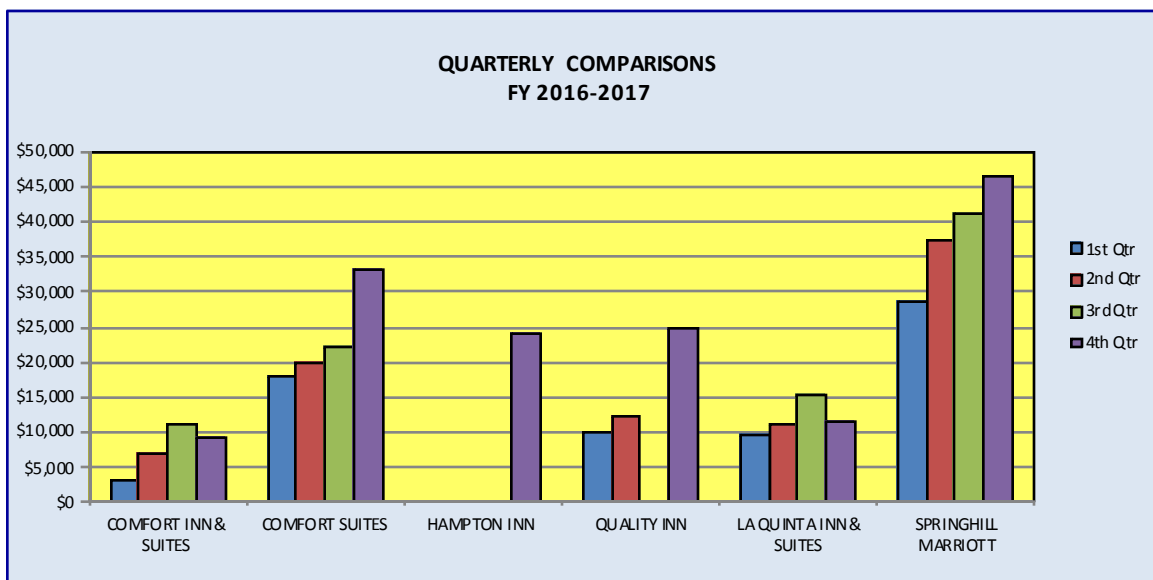


\*Springhill Marriott opened last quarter 2010

\*\* Hampton Inn closed 3rd quarter 2015 due to fire

CHART J

## HOTEL TAX REVENUE



\*\* Hampton Inn closed 3rd quarter 2015 due to fire reopened in 4th quarter 2017



# SEABROOK EDC



CHART K

## SALES TAX REVENUE ANALYSIS

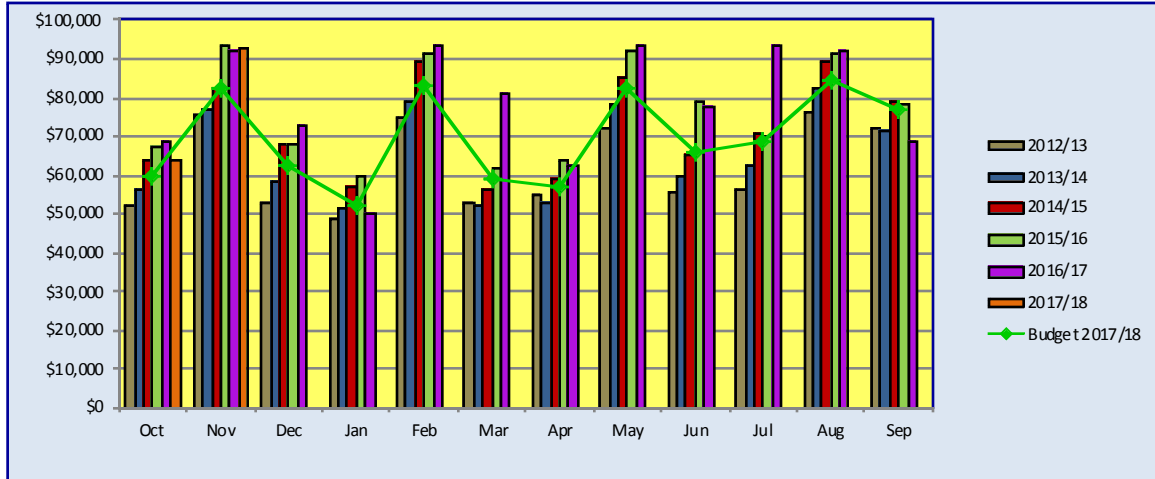
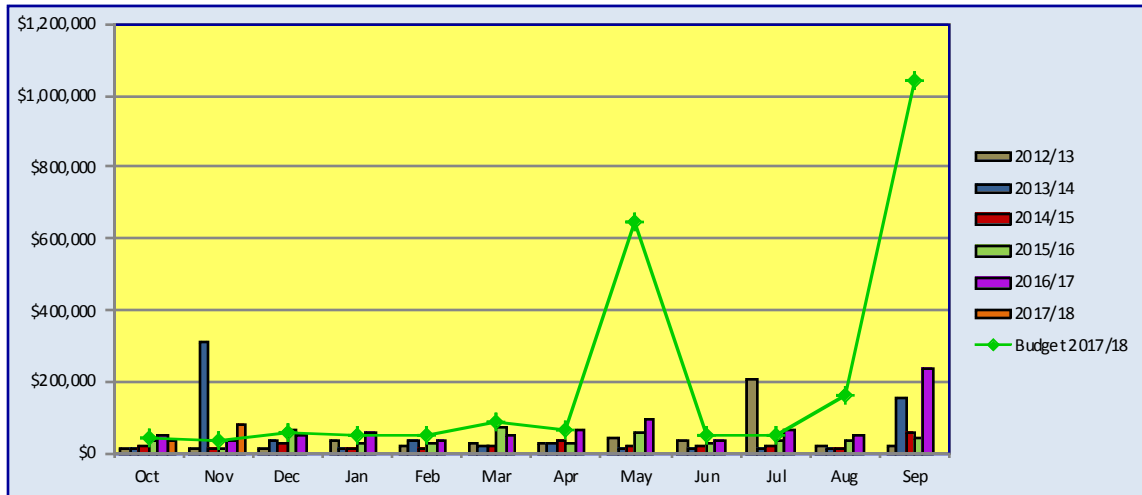


CHART L

## EXPENDITURE ANALYSIS



2015/16 September budget reflects appropriations for incentives and Business relocation off HWY 146  
 High exp in Nov 2011 was due to Gateway sign. High exp Nov 2014 was for the waterfront project July expenditures prior to 2013/14 included debt service payments.

# CRIME DISTRICT



CHART M

## SALES TAX REVENUE ANALYSIS

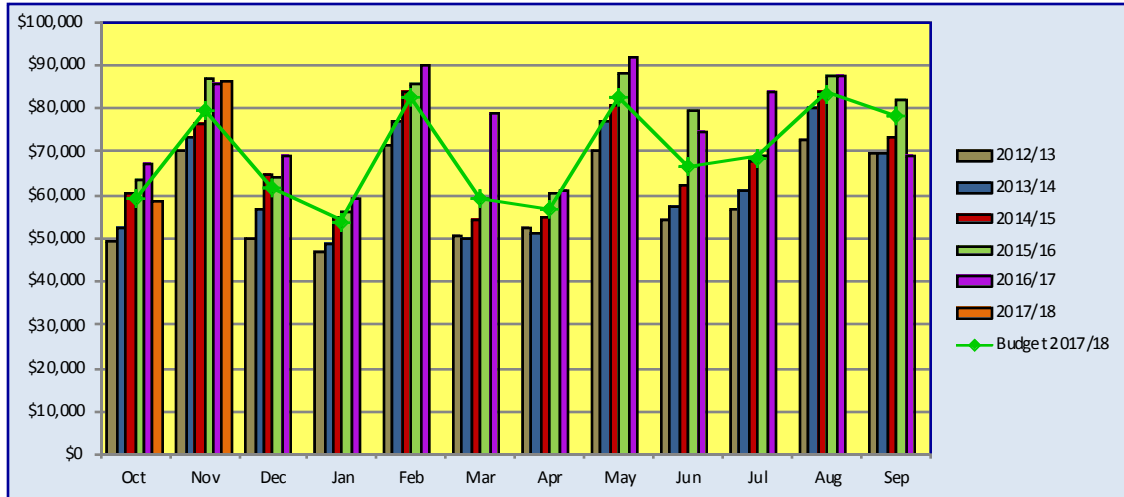
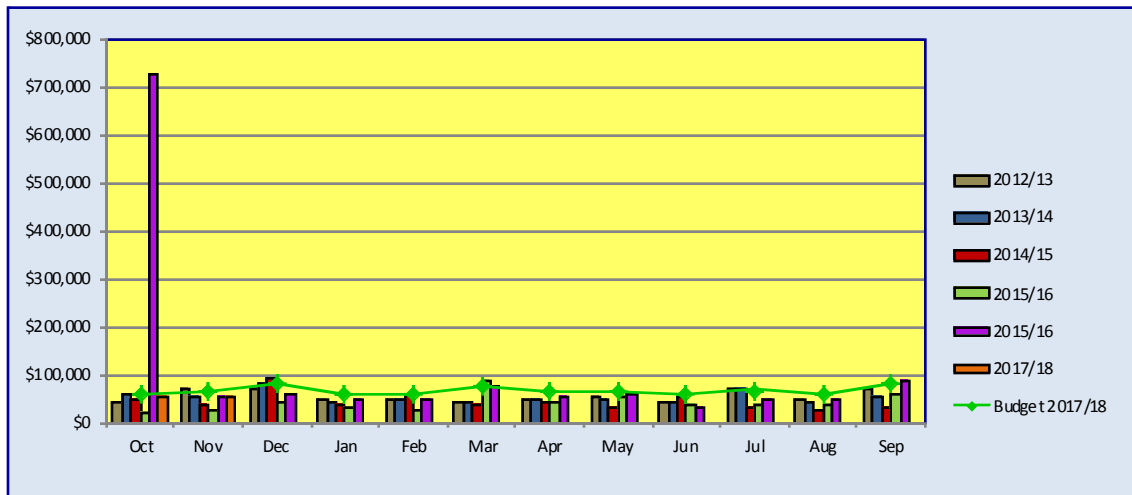


CHART N

## EXPENDITURE ANALYSIS



Large December expenditures included vehicles. March 2016 includes reallocation of personnel expense.  
 Large October expenditure includes initial payment to PSVERF.

# INVESTMENTS



CHART O

## MONTHLY INVESTMENT REPORT

### TEXPOOL REPORT

MONTH OF NOVEMBER 2017

1.0483%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Nov)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	4,846,739.16	(338,260.83)	5,389.40	4,513,867.73	Working capital
GENERAL FUND - RESTRICTED	1,600,000.00	0.00	incl in above	1,600,000.00	
ENTERPRISE FUND - UNRESTRIC	2,549,139.52	61,516.14	2,340.40	2,612,996.06	Working capital
ENTERPRISE FUND - RESTRICTE	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,688,750.41	0.00	2,321.75	2,691,072.16	Water & sewer lines extensions & expansions
PARK FEES	89,208.19	(10,000.00)	76.74	79,284.93	Reserved for acquisition & development of park land
SEIZURE	33,827.31	0.00	29.21	33,856.52	Solely to purchase equipment for Law Enforcement
CHILD SAFETY PROGRAMS	32,487.60	0.00	28.05	32,515.65	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	15,175.80	0.00	13.10	15,188.90	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	1,178,629.98	(20,000.00)	1,017.16	1,159,647.14	Restricted for promotion of tourism
DEBT SERVICE FUND	1,778,702.47	0.00	1,535.92	1,780,238.39	Restricted for General fund reserves & yearly debt service
CAPITAL PROJECT BONDS	6,575,695.23	0.00	5,678.14	6,581,373.37	2016A CO WW Plant, Clarifier & Todville 2016 Sewer
WTR/SWR BONDS	1,410,826.74	(130,000.00)	1,214.44	1,282,041.18	Funds transferred from Bond Mkt Acct to allow liquidity
IT BONDS	58,157.47	(10,000.00)	49.93	48,207.40	Fiber Optics
PD & GF BONDS	0.00	0.00	0.00	0.00	Public Wokrks Facility
PD & GF BONDS (GEN FUND Reser	423,628.81	0.00	365.81	423,994.62	Public Wokrks Facility funds provided by GF Reserve
FIRE BONDS	25,431.59	0.00	21.96	25,453.55	Fire Engine
LAKESIDE DRIVE CERT DEP	(0.00)	0.00	0.00	(0.00)	
CAROTHERS	77,237.97	0.00	66.70	77,304.67	Carother Facility & Park
ANIMAL	755.63	0.00	0.65	756.28	Animal Shelter Needs - Donation
CRIME DISTRICT	552,587.91	(16,509.44)	463.35	536,541.82	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - RESTRICTED FOR BONI	0.00	0.00	incl in above	0.00	SEDC II - Reserve for revenue bond debt service
SEDC II - RESTRICT FOR EMERG	180,000.00	0.00	incl in above	180,000.00	Emergency Reserve
STEP FUND	13,460.61	0.00	11.62	13,472.23	
PUBLIC SAFETY	291,244.02	928.23	252.27	292,424.52	Public Safety Needs
MUNI COURT - SECURITY FUND	27,130.72	0.00	23.43	27,154.15	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	15,106.97	0.00	13.04	15,120.01	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUNI	10,739.63	0.00	9.27	10,748.90	Fund court on technology
PUBLIC SAFETY VERF	526,855.24	(26,593.42)	465.35	500,727.17	Public Safety Vehicle Equipment Replacement
PEG Fund	113,749.81	0.00	98.22	113,848.03	Public Education and Government Access
STABILIZATION FUND	810,588.80	0.00	699.95	811,288.75	Highway 146 Project
WATER RATE STABILIZATION	70,474.74	0.00	60.86	70,535.60	
<b>TOTAL TEXPOOL FUND</b>	<b>29,573,328.65</b>	<b>(500,000.00)</b>	<b>25,232.91</b>	<b>\$29,098,561.56</b>	

The investment portfolio of the City of Seabrook is in compliance with the investment strategies expressed in the City's Investment Policy and relevant provisions of Chapter 2256 of the Local Government Code.

*Michael Gibbs*

Finance Director



# Monthly Newsletter: December 2017

## ANNOUNCEMENTS

### We welcome the following entities who joined TexPool in November 2017:

**TexPool**  
 Williamson County MUD 30  
 East Fort Bend County Development Authority  
 Whitesboro Economic Development Corporation  
 Whitesboro Industrial Development Corporation

**TexPool Prime**  
 Whitesboro Economic Development Corporation  
 Whitesboro Industrial Development Corporation

### Upcoming Events

Dec 03, 2017 - Dec 06, 2017,  
 Hilton Houston Post Oak, Houston  
 GTOT 2017 Winter Seminar

Jan 28, 2018 - Jan 31, 2018,  
 Austin Convention Center, Austin  
 TASA Mid-Winter Conference

Feb 26, 2018 - Mar 02, 2018,  
 Ft. Worth Convention Center, Ft. Worth  
 2018 TASBO Annual Conference

Apr 15, 2018 - Apr 17, 2018,  
 Renaissance, Austin  
 GFOAT 2018 Spring Conference

### TexPool Advisory Board Members

Jose Elizondo, Jr.	Vivian Wood
Belinda Erwin	Jerry Dale
Patrick Krishock	Sharon Matthews
Michele Tuttle	David Landeros

Overseen by the State of Texas Comptroller of Public Accounts Glenn Hegar.

Operated under the supervision of the Texas Treasury Safekeeping Trust Company

## Economic and Market Commentary: Unknowns at the Fed

December 1, 2017

An already improving U.S. economy kept its momentum over the course of November, setting up a near certainty that the Federal Reserve (Fed) will raise rates at its policy meeting ending on Dec. 13. Other positive Fed news came with a “so far, so good” effect that the tapering of the central bank’s massive balance sheet had on the short end of the yield curve. At the end of this year, the Fed will have retired \$30 billion in Treasuries and mortgage-backed securities, and that number will rise in upcoming quarters. During November, the tapering led to an uptick in supply of Treasuries and slightly higher rates, both welcome developments. This massive roll-off is uncharted territory. We think it should go smoothly, however no one knows for certain.

The consensus is that soon-to-be confirmed chairman, Jerome Powell, will maintain the policy of the departing Janet Yellen. He agrees with her outlook and has voted with her every time. But when Yellen leaves, there could be four empty seats on the board of governors and thus on the policy-setting Federal Open Market Committee (FOMC). If New York Fed President William Dudley makes good on his intention to retire in mid-2018, there’s a potential for five vacancies. Even if President Trump announces more nominations soon—

*(continued page 6)*

### Performance as of November 30, 2017

	TexPool	TexPool Prime
Current Invested Balance	\$14,991,999,060.79	\$4,445,346,560.57
Weighted Average Maturity	33	38
Weighted Average Life	99	81
Net Asset Value	0.99991	1
Total Number of Participants	2,443	292
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$13,237,443.25	\$4,625,156.47
Management Fee Collected	\$573,184.70	\$193,246.68
Standard & Poor’s Current Rating	AAAm	AAAm
<b>Month Averages</b>		
Average Invested Balance	\$15,339,841,222.81	\$4,387,453,423.36
Average Monthly Rate	1.0506%	1.2826%
Average Weighted Average Maturity	33	43
Average Weighted Average Life	99	78

\*This average monthly rate for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.

\*\*See page 2 for definitions.

Past performance is no guarantee of future results.

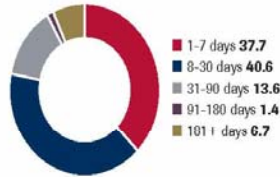
TexPool Participant Services  
 1001 Texas Avenue, Suite 1400 · Houston, TX 77002  
 Phone: 1-866-TEXPOOL (839-7665) · Fax: 1-866-839-3291 · TexPool.com

Managed and  
 Serviced by **Federated**  
 G35884-24 (12/17)



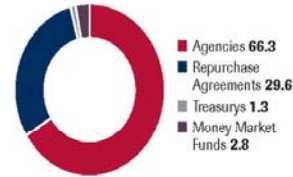
**Portfolio by Maturity (%)**

As of November 30, 2017



**Portfolio by Type of Investment (%)**

As of November 30, 2017



**Portfolio Asset Summary as of November 30, 2017**

	Book Value	Market Value
Uninvested Balance	633,620.75	633,620.75
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	6,704,935.94	6,704,935.94
Interest and Management Fees Payable	-13,237,541.97	-13,237,541.97
Payable for Investments Purchased	-49,998,730.00	-49,998,730.00
Accrued Expenses & Taxes	-18,655.45	-18,655.45
Repurchase Agreements	4,447,597,000.00	4,447,597,000.00
Mutual Fund Investments	415,022,103.88	415,022,103.88
Government Securities	9,984,807,577.12	9,983,831,210.90
U.S. Treasury Inflation Protected Securities	0.00	0.00
US Treasury Bills	0.00	0.00
US Treasury Notes	200,488,750.52	200,121,094.00
<b>Total</b>	<b>\$14,991,999,060.79</b>	<b>\$14,990,655,038.05</b>

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

**Participant Summary**

	Number of Participants	Balance
School District	583	\$4,750,218,990.16
Higher Education	57	\$676,098,916.52
Health Care	81	\$416,959,343.02
Utility District	770	\$2,201,098,769.14
City	457	\$3,671,114,604.58
County	185	\$1,572,113,998.90
Other	310	\$1,700,780,026.19

**\*\*Definition of Weighted Average Maturity and Weighted Average Life**

WAM is the mean average of the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid, (b) would be repaid upon a demand by TexPool, or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (b) and (c) if their scheduled maturity is 397 days or less; and the later of the two dates set forth in (b) and (c) if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

WAL is calculated in the same manner as WAM, but is based solely on the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid or (b) would be repaid upon a demand by TexPool, without reference to when interest rates of securities within TexPool are scheduled to be readjusted.



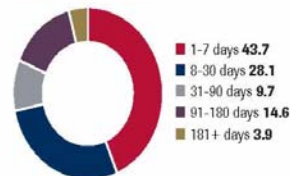
Daily Summary						
Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
11/1	1.0363%	0.000028392	\$15,438,345,351.46	0.99998	35	94
11/2	1.0354%	0.000028368	\$15,424,590,753.68	0.99999	35	98
11/3	1.0394%	0.000028476	\$15,446,121,917.30	0.99999	36	99
11/4	1.0394%	0.000028476	\$15,446,121,917.30	0.99999	36	99
11/5	1.0394%	0.000028476	\$15,446,121,917.30	0.99999	36	99
11/6	1.0380%	0.000028437	\$15,466,528,965.48	1.00000	34	96
11/7	1.0357%	0.000028376	\$15,442,540,201.50	1.00000	33	96
11/8	1.0374%	0.000028423	\$15,473,000,201.84	0.99999	33	95
11/9	1.0407%	0.000028511	\$15,527,865,300.75	0.99999	33	96
11/10	1.0436%	0.000028593	\$15,640,670,988.70	1.00000	34	98
11/11	1.0436%	0.000028593	\$15,640,670,988.70	1.00000	34	98
11/12	1.0436%	0.000028593	\$15,640,670,988.70	1.00000	34	98
11/13	1.0489%	0.000028738	\$15,588,307,917.32	0.99999	32	96
11/14	1.0451%	0.000028634	\$15,561,704,495.66	0.99999	32	96
11/15	1.0526%	0.000028837	\$15,227,106,138.84	0.99998	32	101
11/16	1.0565%	0.000028945	\$15,158,940,414.13	0.99997	33	101
11/17	1.0565%	0.000028945	\$15,139,136,510.57	0.99997	33	101
11/18	1.0565%	0.000028945	\$15,139,136,510.57	0.99997	33	101
11/19	1.0565%	0.000028945	\$15,139,136,510.57	0.99997	33	101
11/20	1.0577%	0.000028977	\$15,147,420,968.26	0.99996	32	100
11/21	1.0543%	0.000028894	\$15,111,136,706.42	0.99996	32	100
11/22	1.0527%	0.000028842	\$15,092,435,088.59	0.99994	32	101
11/23	1.0527%	0.000028842	\$15,092,435,088.59	0.99994	32	101
11/24	1.0605%	0.000029054	\$15,341,908,158.80	0.99995	33	100
11/25	1.0605%	0.000029054	\$15,341,908,158.80	0.99995	33	100
11/26	1.0605%	0.000029054	\$15,341,908,158.80	0.99995	33	100
11/27	1.0755%	0.000029467	\$15,307,475,092.80	0.99995	32	98
11/28	1.0641%	0.000029154	\$15,250,881,526.27	0.99994	33	98
11/29	1.0637%	0.000029143	\$15,179,110,685.69	0.99992	33	99
11/30	1.0705%	0.000029330	\$14,991,999,060.79	0.99991	33	99
<b>Average:</b>	<b>1.0506%</b>	<b>0.000028783</b>	<b>\$15,339,841,222.81</b>	<b>.99997</b>	<b>33</b>	<b>99</b>



**TEXPOOL PRIME**

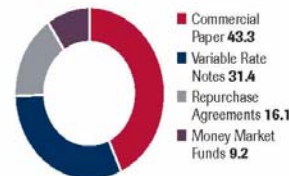
**Portfolio by Maturity (%)**

As of November 30, 2017



**Portfolio by Type of Investment (%)**

As of November 30, 2017



**Portfolio Asset Summary as of November 30, 2017**

	Book Value	Market Value
Uninvested Balance	1,141.66	1,141.66
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	1,510,444.04	1,510,444.04
Interest and Management Fees Payable	-4,625,157.07	-4,625,157.07
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-6,526.75	-6,526.75
Repurchase Agreements	714,366,000.00	714,366,000.00
Commercial Paper	1,929,309,161.20	1,929,044,729.86
Bank Instruments	0.00	0.00
Mutual Fund Investments	407,100,000.00	407,088,507.80
Government Securities	0.00	0.00
Variable Rate Notes	1,397,691,497.49	1,397,920,509.00
<b>Total</b>	<b>\$4,445,346,560.57</b>	<b>\$4,445,299,648.54</b>

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services

**Participant Summary**

	Number of Participants	Balance
School District	101	\$1,600,213,016.92
Higher Education	15	\$710,048,843.50
Health Care	11	\$205,481,767.57
Utility District	23	\$3,6104,536.96
City	59	\$586,525,151.04
County	33	\$295,845,922.01
Other	50	\$671,108,250.65



## TEXPOOL PRIME

### Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Prime Invested Balance	NAV	WAM Days	WAL Days
11/1	1.2711%	0.000034826	\$4,376,820,755.05	1.00001	44	72
11/2	1.2733%	0.000034884	\$4,374,192,748.67	1.00001	46	73
11/3	1.2638%	0.000034624	\$4,361,572,091.50	0.99997	47	77
11/4	1.2638%	0.000034624	\$4,361,572,091.50	0.99997	47	77
11/5	1.2638%	0.000034624	\$4,361,572,091.50	0.99997	47	77
11/6	1.3024%	0.000035683	\$4,354,692,478.99	1.00000	45	78
11/7	1.2729%	0.000034873	\$4,331,836,616.80	0.99999	45	79
11/8	1.2760%	0.000034960	\$4,331,756,872.05	0.99998	45	78
11/9	1.2947%	0.000035471	\$4,274,091,164.58	0.99999	45	79
11/10	1.2770%	0.000034985	\$4,290,975,195.19	0.99994	46	79
11/11	1.2770%	0.000034985	\$4,290,975,195.19	0.99994	46	79
11/12	1.2770%	0.000034985	\$4,290,975,195.19	0.99994	46	79
11/13	1.2714%	0.000034834	\$4,335,255,171.93	0.99999	43	76
11/14	1.2770%	0.000034987	\$4,403,057,248.99	0.99999	42	75
11/15	1.2960%	0.000035507	\$4,377,191,413.59	0.99999	42	79
11/16	1.2870%	0.000035259	\$4,376,620,495.12	0.99999	41	78
11/17	1.2935%	0.000035439	\$4,346,175,664.17	0.99996	44	83
11/18	1.2935%	0.000035439	\$4,346,175,664.17	0.99996	44	83
11/19	1.2935%	0.000035439	\$4,346,175,664.17	0.99996	44	83
11/20	1.2877%	0.000035280	\$4,371,438,601.66	0.99999	42	80
11/21	1.2824%	0.000035135	\$4,415,041,688.61	0.99997	41	78
11/22	1.2824%	0.000035133	\$4,422,855,364.74	0.99997	41	78
11/23	1.2824%	0.000035133	\$4,422,855,364.74	0.99997	41	78
11/24	1.2683%	0.000034747	\$4,497,123,926.93	0.99997	40	78
11/25	1.2683%	0.000034747	\$4,497,123,926.93	0.99997	40	78
11/26	1.2683%	0.000034747	\$4,497,123,926.93	0.99997	40	78
11/27	1.3298%	0.000036433	\$4,541,073,818.82	1.00000	38	76
11/28	1.2865%	0.000035247	\$4,540,530,192.97	1.00000	37	77
11/29	1.2970%	0.000035534	\$4,441,405,509.42	0.99999	39	82
11/30	1.3007%	0.000035635	\$4,445,346,560.57	1.00000	38	81
<b>Average:</b>	<b>1.2826%</b>	<b>0.000035140</b>	<b>\$4,387,453,423.36</b>	<b>.99998</b>	<b>43</b>	<b>78</b>



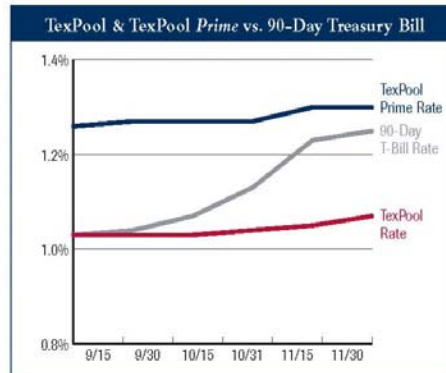


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as he did late in November with Carnegie Mellon University economist Marvin Goodfriend—confirmation hearings could take months. The complexities of the economy and monetary policy mean this is not the time for too few voters making far-reaching decisions.

But the opposite should also be a concern. When these posts are filled, what will the Fed's makeup be? Five new FOMC or voting members could swing a relatively neutral Fed to more dovish or more hawkish positions. Policy shifts, of course, can have dramatic effect on the economy, so each added member will bring new uncertainty for the markets.

The London interbank offered rate (Libor) rose at a good clip, suggesting the taper has not impacted normal operations: a rise is expected ahead of a hike and in anticipation of year-end trading/supply pressure. Also, good economic news—all-important retail sales for this holiday shopping season were solid—tends to push rates higher. One-month Libor rose from 1.24% to 1.35% and 3-month from 1.38% to 1.48%, both approximately 10 basis-point increases. If, as expected, the FOMC takes rates to a target range of 1.25% to 1.50% at the December meeting, cash rates on the money market yield curve should continue to rise. So we have shortened the weighted average maturity (WAM) of TexPool to 33 days and TexPool Prime to 38 days. The short end of the Treasury curve rose slightly in November, with 1-month and 3-month Treasury yields rising from 1.02% to 1.17% and 1.13% to 1.29%, respectively.



*90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.*

*Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day Treasury Bills.*

*Past performance is no guarantee of future results.*