MONTHLY FINANCIAL REPORT

PERFORMANCE SUMMARY

March 2014

	Current Month	Year to Date	Chart
GENERAL FUND			
Total Revenues as a % of Budget Compared to Prior Year	N/A	POSITIVE	A
Total Expenditures as a % Budget Compared to Prior Year	N/A	NEGATIVE	B
Property Tax Collection Analysis	NEGATIVE	POSITIVE	C
Sales Tax Collection Analysis	POSITIVE	POSITIVE	D
Expenditure Analysis	POSITIVE	NEGATIVE	E
ENTERPRISE FUND			
Water Billing Analysis	NEGATIVE	NEGATIVE	F
Sewer Billing Analysis	NEGATIVE	NEGATIVE	G
Expense Analysis	NEGATIVE	NEGATIVE	H
HOTEL OCCUPANCY TAX REVENUE			
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
SEDC			
Sales Tax Collection Analysis	POSITIVE	POSITIVE	J
Expenditure Analysis	POSITIVE	POSITIVE	K
CRIME DISTRICT			
Sales Tax Collection Analysis	POSITIVE	POSITIVE	L
Expenditure Analysis	POSITIVE	NEGATIVE	M
INVESTMENTS			
Investment Report	N/A	N/A	N

PERFORMANCE INDICATORS:

POSITIVE	Positive = Positive variance as compared to seasonal trend.
NEGATIVE	Negative = Negative variance as compared to seasonal trend.
NEUTRAL	Neutral = Variance is less than 1%

GENERAL FUND

CHART A

TOTAL REVENUE THROUGH MARCH 31, 2014

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	4,296,867	4,111,172	95.68%	96.34%
Penalities & Interest	45,000	13,739	30.53%	38.55%
Sales Tax	1,442,840	747,902	51.84%	47.95%
Franchise Tax	665,000	371,449	55.86%	59.00%
Other Tax	92,000	32,141	34.94%	20.28%
License & Permits	120,000	70,533	58.78%	47.15%
Charges for Services	42,000	7,496	17.85%	22.94%
DOT Fines	60,000	4,283	7.14%	39.37%
Other Municipal Court Fees	380,000	188,363	49.57%	53.84%
Interest Income	5,065	589	11.62%	41.66%
Intergovernmental	523,428	242,233	46.28%	47.87%
Other Revenue	44,100	20,525	46.54%	68.70%
Transfers from Enterprise Fund	1,571,744	785,872	50.00%	50.00%
Payment for Services-EDC	125,000	62,500	50.00%	50.00%
Total Revenues	9,413,044	6,658,796	70.74%	68.66%

CHART B

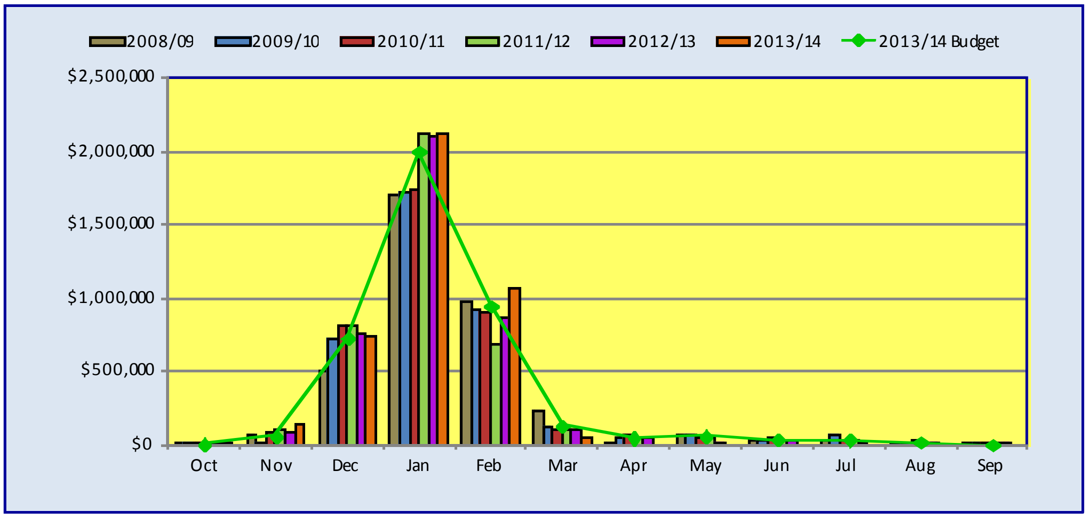
TOTAL EXPENDITURES THROUGH MARCH 31, 2014

	Budget	YTD Expenditures	% of Budget Expended	Prior YTD % of Total Expended
Personnel	6,414,520	3,167,092	49.37%	49.55%
Supplies	302,702	147,811	48.83%	41.38%
Services	2,449,807	1,257,712	51.34%	49.66%
Capital	220,500	0	0.00%	13.60%
Oper Transfer to Other Funds	0	0	0.00%	0.00%
Total Expenditures	9,387,529	4,572,614	48.71%	47.96%

GENERAL FUND-continued

CHART C

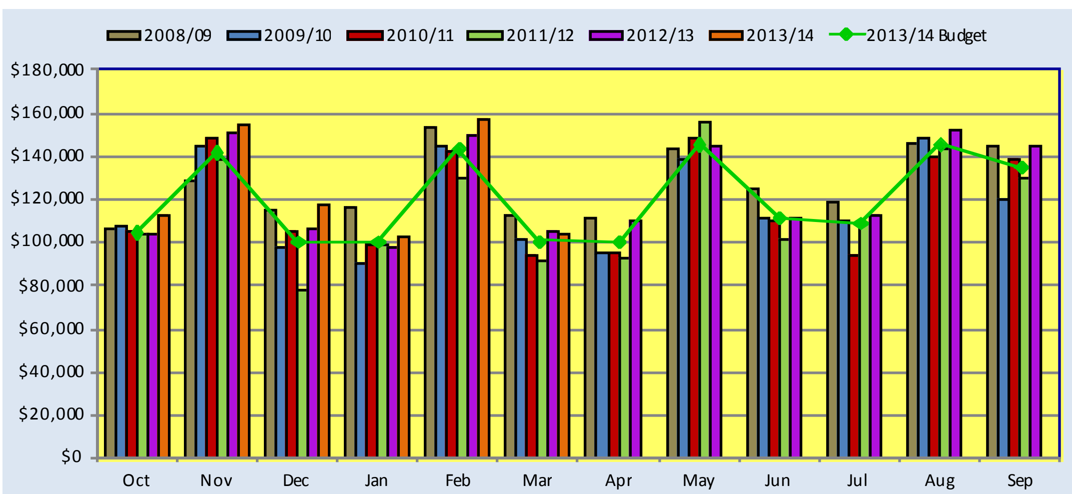
PROPERTY TAX ANALYSIS



2013/14 Budget is divided into months based on the monthly percentages of the last 5 years' collections.

CHART D

SALES TAX ANALYSIS

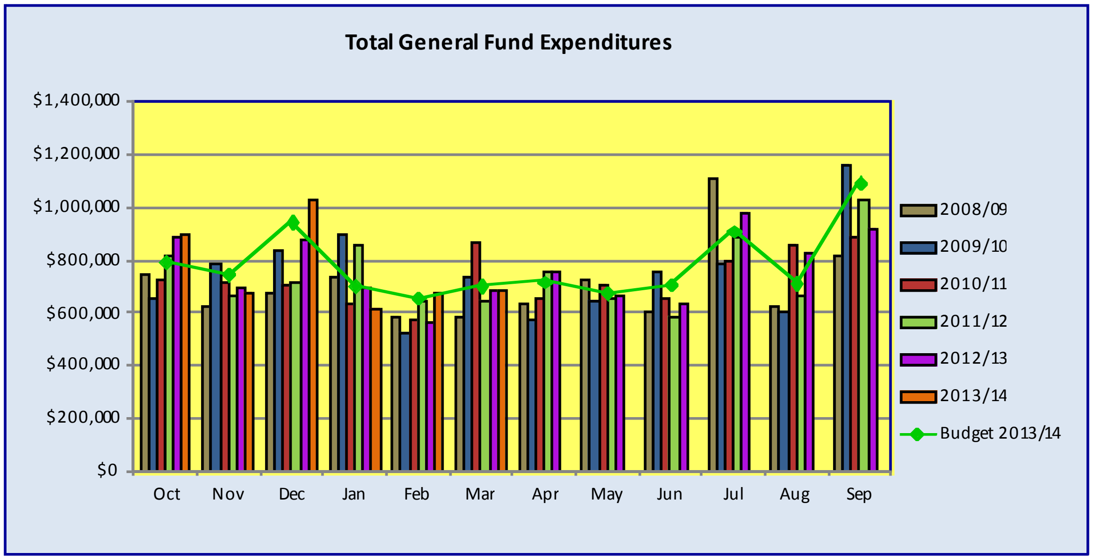


2013/14 Budget is divided into months based on the monthly percentages of the last 5 years' activity of sales tax revenue.

GENERAL FUND-continued

CHART E

EXPENDITURE ANALYSIS



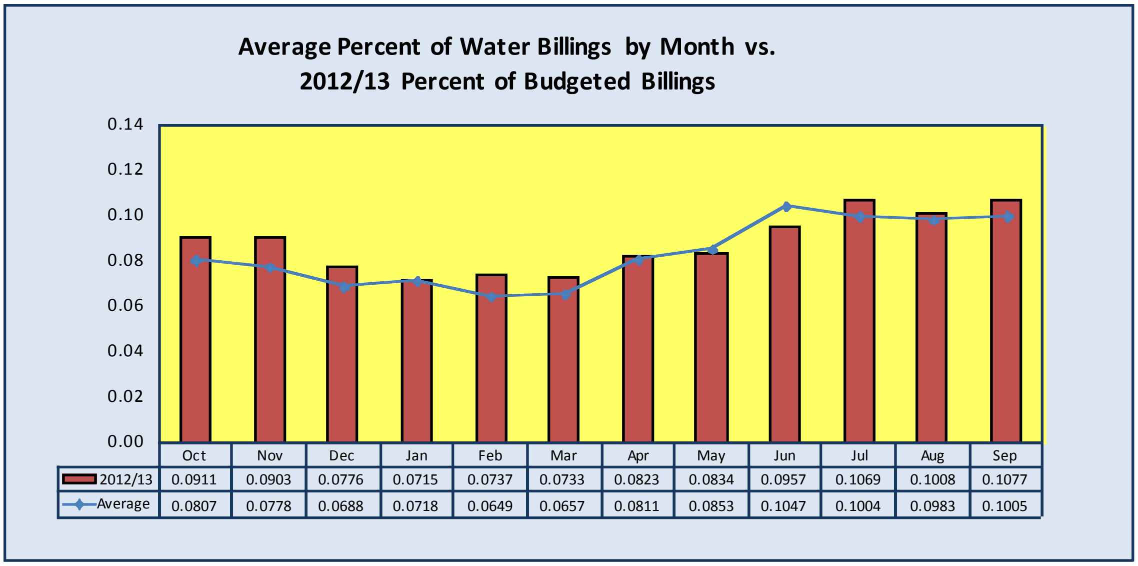
High expenditures in September 2008 are a result of Hurricane Ike.

High expenditures in September 2010 are due to city hall A/C replacement.

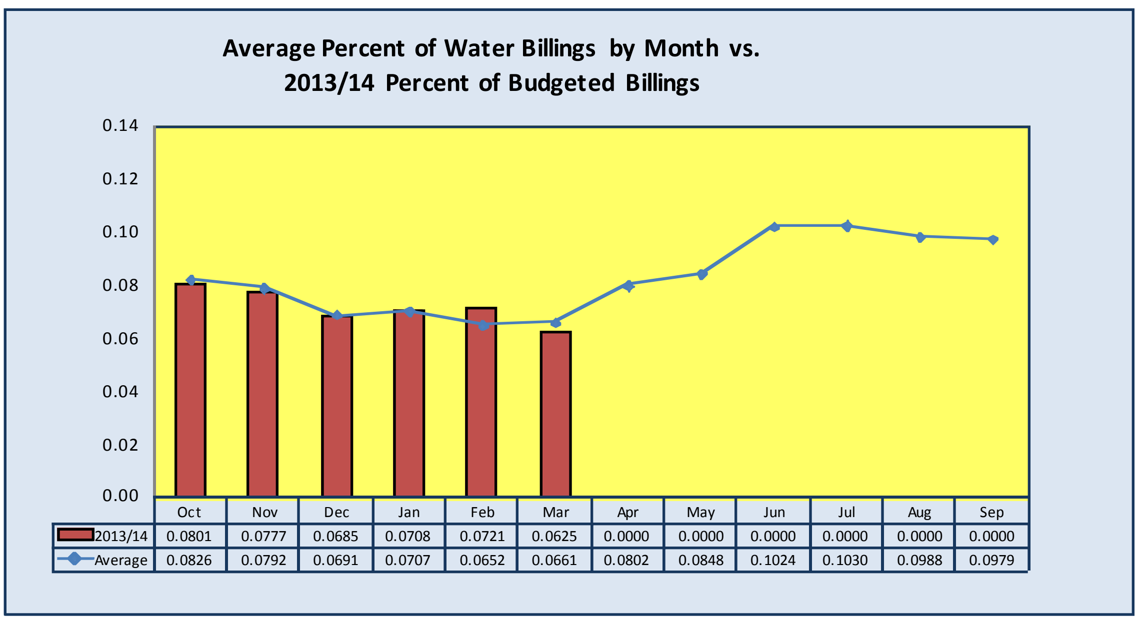
ENTERPRISE FUND

CHART F

WATER BILLING ANALYSIS



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2012/13	0.0911	0.0903	0.0776	0.0715	0.0737	0.0733	0.0823	0.0834	0.0957	0.1069	0.1008	0.1077
Average	0.0807	0.0778	0.0688	0.0718	0.0649	0.0657	0.0811	0.0853	0.1047	0.1004	0.0983	0.1005



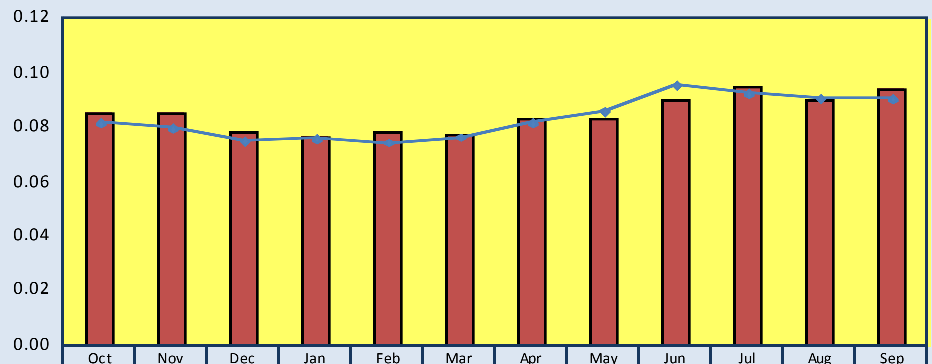
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2013/14	0.0801	0.0777	0.0685	0.0708	0.0721	0.0625	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Average	0.0826	0.0792	0.0691	0.0707	0.0652	0.0661	0.0802	0.0848	0.1024	0.1030	0.0988	0.0979

ENTERPRISE FUND-continued

CHART G

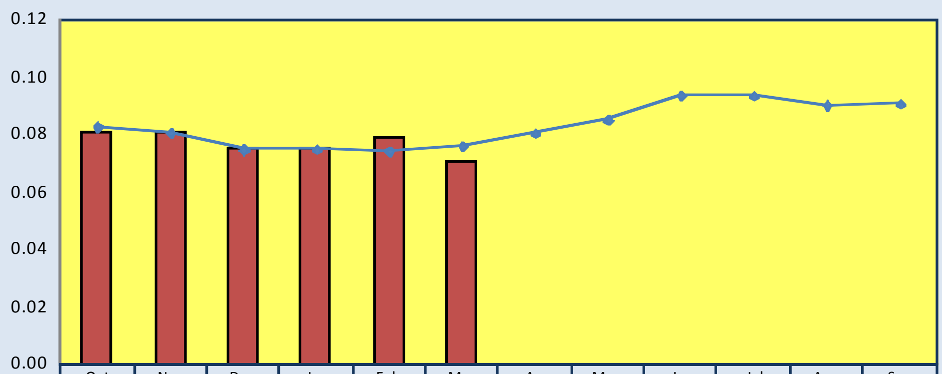
WASTEWATER BILLING ANALYSIS

Average Percent of Wastewater Billings by Month vs. 2012/13 Percent of Budgeted Billings



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2012/13	0.0849	0.0846	0.0781	0.0764	0.0776	0.0769	0.0828	0.0834	0.0899	0.0948	0.0901	0.0938
Average	0.0816	0.0797	0.0751	0.0758	0.0746	0.0765	0.0815	0.0860	0.0956	0.0923	0.0907	0.0906

Average Percent of Wastewater Billings by Month vs. 2013/14 Percent of Budgeted Billings

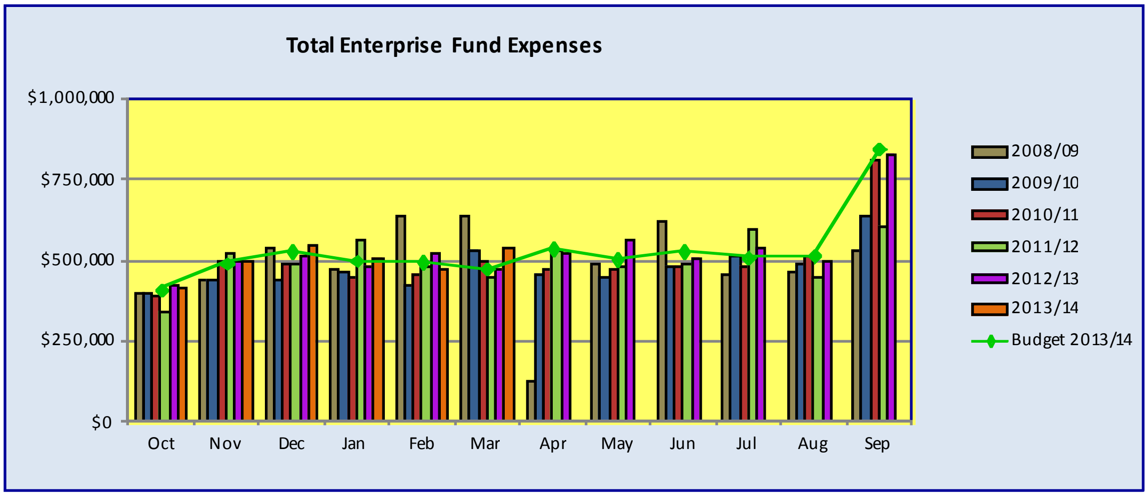


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2013/14	0.0812	0.0808	0.0749	0.0758	0.0789	0.0706	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Average	0.0831	0.0808	0.0749	0.0751	0.0745	0.0762	0.0807	0.0854	0.0940	0.0937	0.0907	0.0909

ENTERPRISE FUND-continued

CHART H

EXPENDITURE ANALYSIS



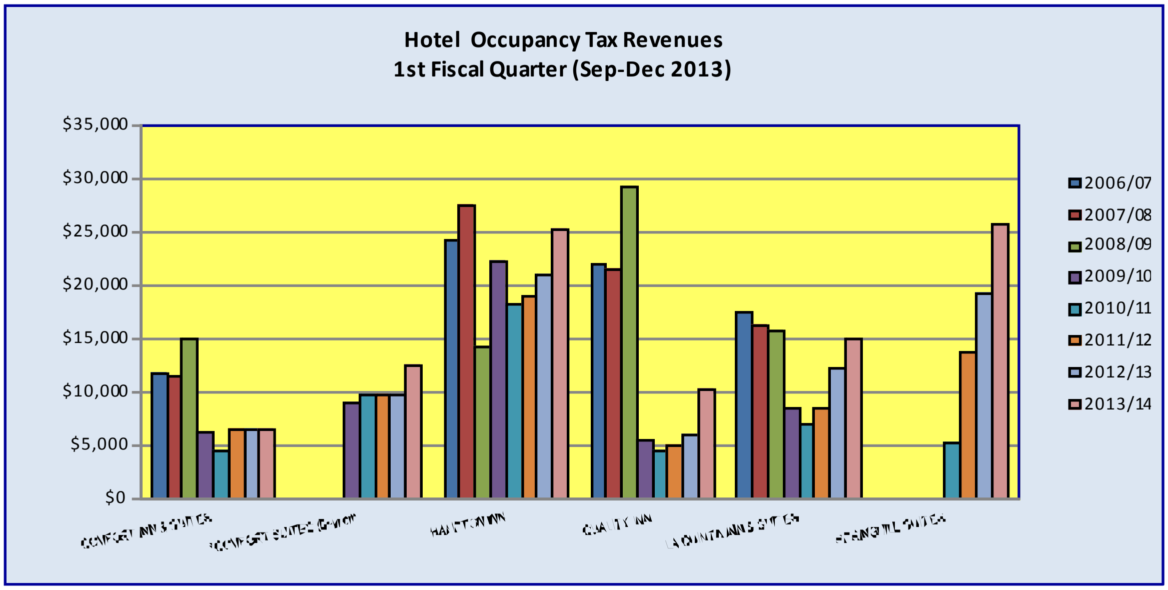
Low expenses April 2009 due to TML insurance reimbursement for IKE

Sept 2013 and Nov 2013 EXCLUDE property acquisition

HOTEL TAX FUND

CHART I

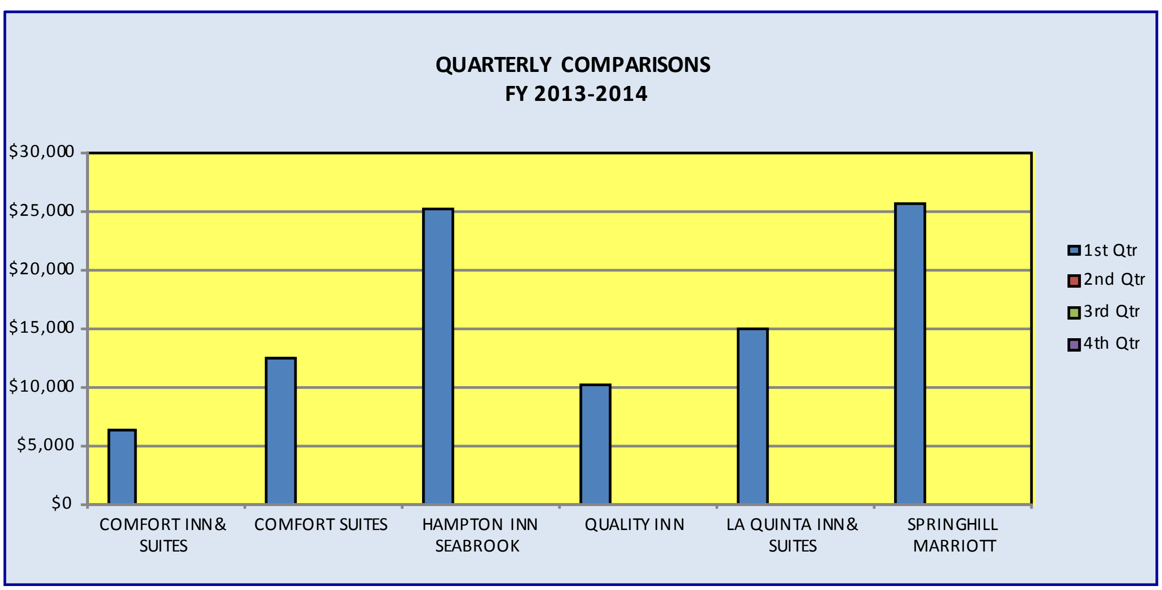
HOTEL TAX REVENUE ANALYSIS



*Comfort Suites-Bayport Blvd. opened 2008/09 ** Springhill Marriott opened last quarter 2010

CHART J

HOTEL TAX REVENUE



SEABROOK EDC

CHART K

SALES TAX REVENUE ANALYSIS

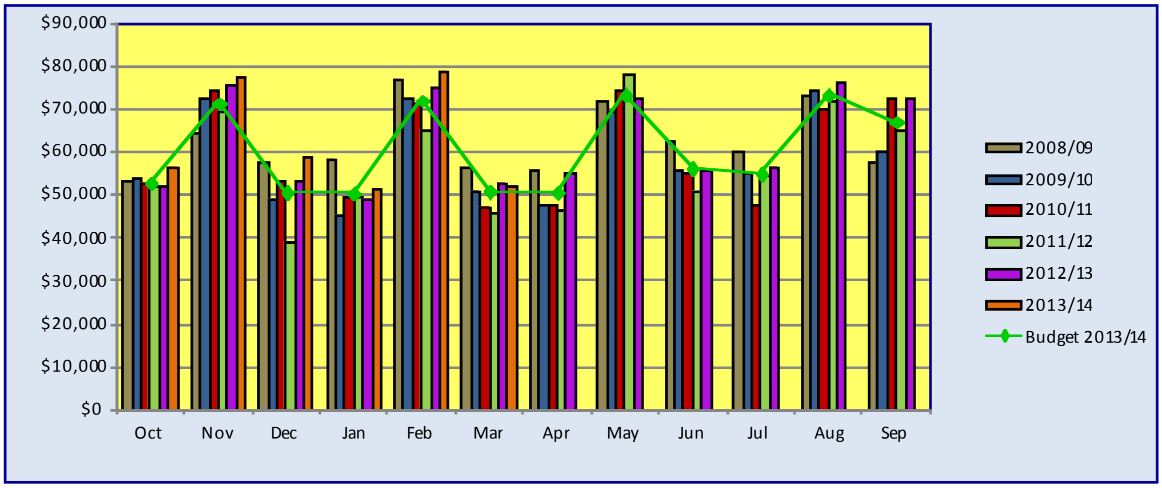
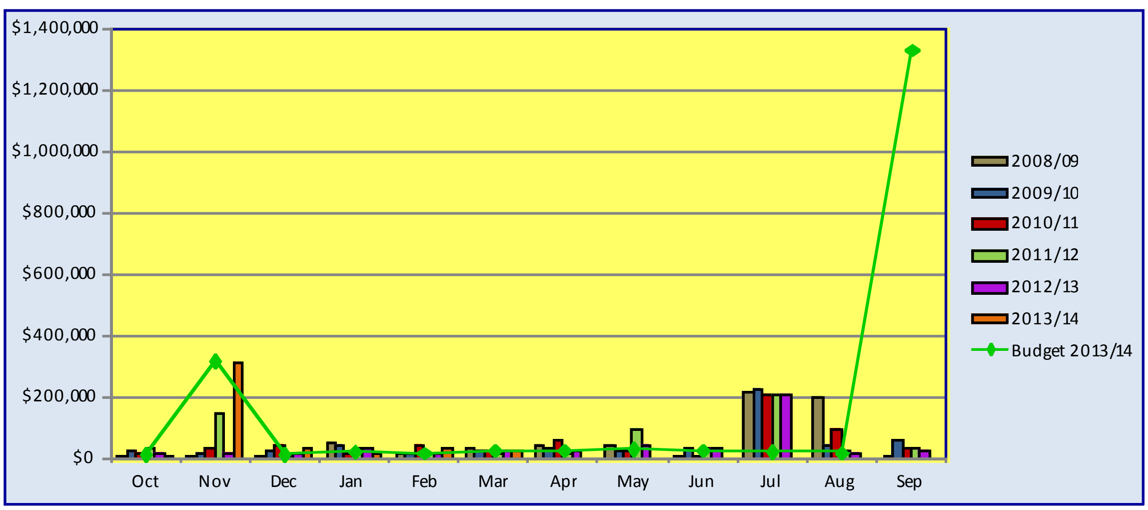


CHART L

EXPENDITURE ANALYSIS



2013/14 September reflects appropriations for Waterfront Construction and Business relocation off HWY 146
High exp in Nov 2011 was due to Gateway sign.

CRIME DISTRICT

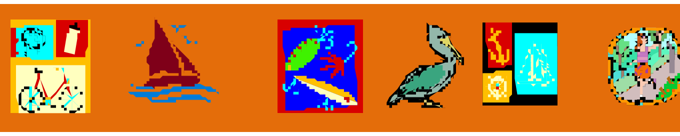


CHART M

SALES TAX REVENUE ANALYSIS

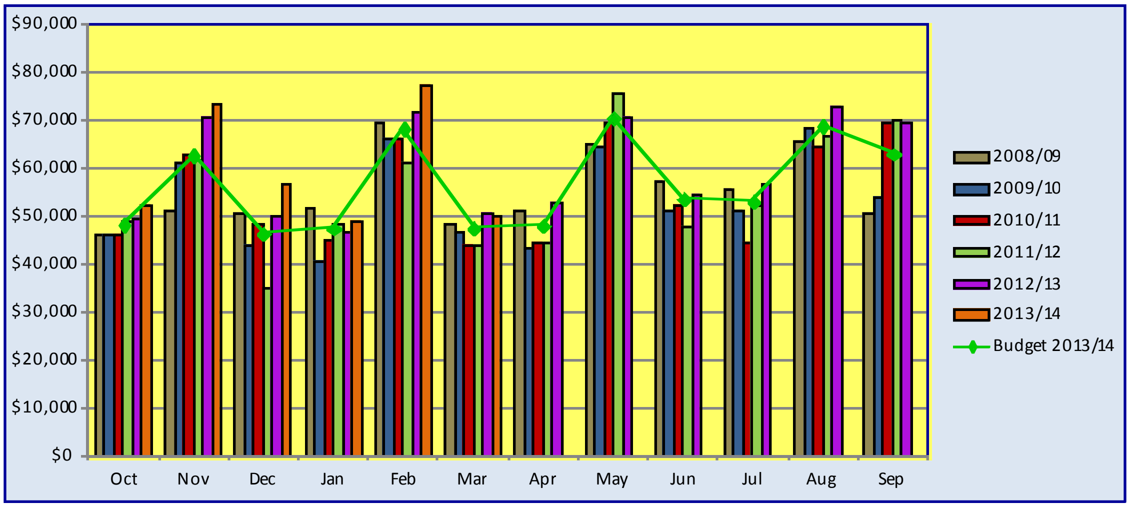
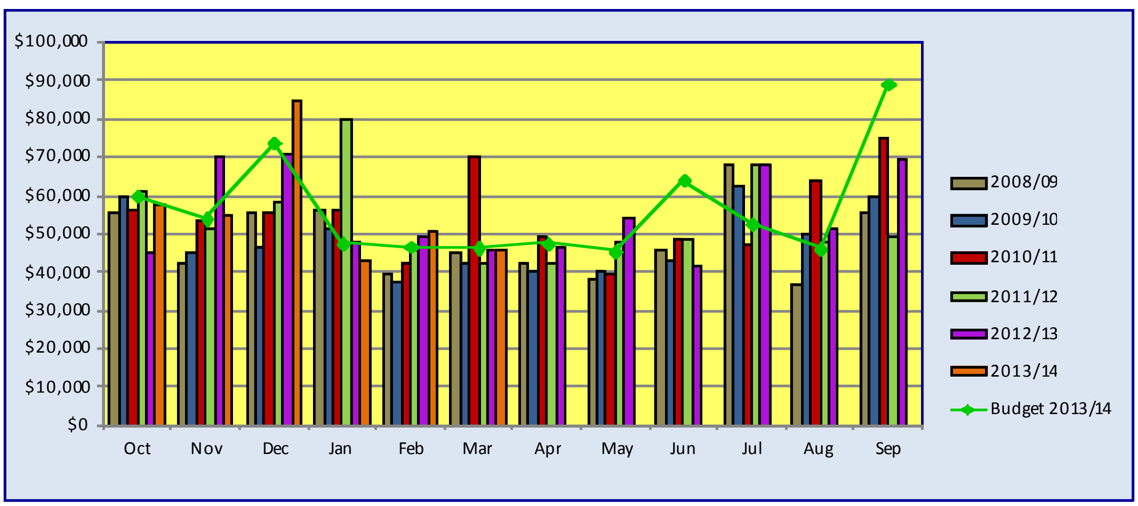


CHART N

EXPENDITURE ANALYSIS



INVESTMENTS

CHART O

MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF MARCH 2014

0.0299%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Mar)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	5,322,910.37	78,577.35	137.89	5,401,625.61	Working capital
ENTERPRISE FUND - UNRESTRIC	2,042,577.79	(135,159.26)	56.16	1,907,474.69	Working capital
ENTERPRISE FUND - RESTRICTEI	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,211,319.55	0.00	56.15	2,211,375.70	Water & sewer lines extensions & expansions
PARK FEES	5,718.11	0.00	0.15	5,718.26	Reserved for acquisition & development of park land
CHILD SAFETY PROGRAMS	15,121.95	0.00	0.38	15,122.33	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	62,080.43	0.00	1.58	62,082.01	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	970,054.99	0.00	24.63	970,079.62	Restricted for promotion of tourism
DEBT SERVICE FUND	2,841,181.15	20,863.12	72.16	2,862,116.43	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	382,050.01	0.00	9.70	382,059.71	Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	134,355.07	0.00	3.41	134,358.48	Funds transferred from Bond Mkt Acct to allow liquidity
STREET BONDS	(0.00)	0.00	0.00	(0.00)	Funds transferred from Bond Mkt Acct to allow liquidity
PINE GULLY PARK BONDS	0.00	0.00	0.00	0.00	Funds transferred from Bond Mkt Acct to allow liquidity
LIBRARY BONDS	2,570.17	0.00	0.07	2,570.24	Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	332,641.49	0.00	8.45	332,649.94	
CAROTHERS	25,000.85	0.00	0.63	25,001.48	
CRIME DISTRICT	261,280.29	(3,951.65)	6.63	257,335.27	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	927,608.56	39,670.44	28.70	967,307.70	Seabrook Economic Development Corporation II
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	44,080.50	0.00	1.12	44,081.62	
PUBLIC SAFETY	155,163.29	0.00	3.94	155,167.23	
MUNI COURT - SECURITY FUND	21,658.41	0.00	0.55	21,658.96	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	9,623.64	0.00	0.24	9,623.88	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUNI	6,483.48	0.00	0.16	6,483.64	
PEG Fund	0.00	0.00	0.00	0.00	
STABILIZATION FUND	801,415.56	0.00	20.35	801,435.91	
TOTAL TEXPOOL FUND	17,054,895.66	(0.00)	433.05	$17,055,328.71	

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.

Pam Lab

Finance Director

TEXPOOL

ANNOUNCEMENTS

We would like to recognize and welcome the following entities who joined the TexPool program in March 2014:

TexPool

Fort Bend County ESD 5

Harris County MUD 433

North Zulch ISD

Upcoming Events

04/14/14 – 04/15/14
GFOAT Spring Conference
Austin

04/21/14 – 04/24/14
County Treasurers' Education Seminar
Austin

05/06/14 – 05/09/14
LBJ School/TACA
Austin

Overseen by the State of Texas Comptroller of Public Accounts Susan Combs.

Operated under the supervision of the Texas Treasury Safekeeping Trust Company.

Additional information regarding TexPool is available upon request:

www.texpool.com
1-866-839-7665
(1-866-TEX-POOL)
Fax: 866-839-3291

Federated.

Federated, founded in 1955, is publicly traded on the NYSE. It is one of the largest managers of AAA-rated money market portfolios in the country *(Source: iMoneyNet as of 2/28/14).*

Visit us at FederatedInvestors.com.

G35884-24 (4/14)

Monthly Newsletter April 2014

Economic and Market Commentary

Month in Cash: The end of low-rate frustration is almost in sight

April 1, 2014

Even when you think that you know something, it's still nice to get confirmation. It seemed as clear as can be that bad weather skewed figures in March and held back an economy we thought was improving. The month verified this. We are starting to head back in the right direction and are beginning to see that the slushy data was keeping the economy from gaining traction. People simply weren't going to go out to buy cars or houses when it was zero degrees with a foot of snow. But as the month progressed, we saw fewer weather-related slowdowns and more of a pick-up, with nonfarm payrolls and jobs, manufacturing and various regional surveys becoming positive.

From a rate perspective, the frustration is ending. We haven't seen the light at the end of the tunnel yet, but we can at least imagine seeing it. The Federal Open Market Committee (FOMC) meeting last month furthered this optimism when new chair Janet Yellen announced the continuation of its monthly tapering of asset purchases, lowering the amount of Treasuries and agencies being purchased to $55 billion from $65 billion per month. The Fed also moved away from the quantitative approach to forward guidance that had been in place. It is not that the Fed was saying that unemployment and inflationary statistics are no longer important, but rather that they felt a broader, less-quantitative approach was merited. The FOMC statement indicated that the current target range would be in place for a considerable period of time after QE ends, which, if the Fed keeps on the current pace of reduction, could be in late 2014.

Or will it? In her question-and-answer press conference after the FOMC announcement, Yellen went on to describe "considerable" as around six months. Many analysts felt Yellen misspoke, perhaps flustered by the peppering of reporters' questions, but FOMC members didn't race to soften her comments. Maybe more telling was the summary of economic projections released at the time of the announcement; here, the majority of FOMC members thought that tightening would commence in 2015, with an average projection for the fed funds target at year-end 2015 in excess of 1%. With that outlook, in the second half of 2014 we would expect to see a slight steepening of a yield curve that is quite flat now. The bond market seems to bear this out by the fact that few are buying

(continued page 6)

PERFORMANCE AS OF MARCH 31, 2014

	TexPool	TexPool Prime
Current Invested Balance	$17,256,236,706.59	$1,212,253,556.16
Weighted Average Maturity (1)*	45 Days	54 Days
Weighted Average Maturity (2)*	78 Days	59 Days
Net Asset Value	1.00002	1.00001
Total Number of Participants	2,305	168
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	$450,883.38	$71,156.85
Management Fee Collected	$716,667.51	$67,804.85
Standard & Poor's Current Rating	AAAm	AAAm

Month Averages

Average Invested Balance	$17,796,568,254.70	$1,240,735,367.98
Average Monthly Yield, on a simple basis (3)*	0.03%	0.07%
Average Weighted Average Maturity (1)*	42 Days	50 Days
Average Weighted Average Maturity (2)*	73 Days	56 Days

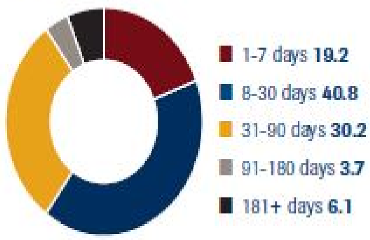
**Definitions for Average Monthly Yield and Weighted Average Maturity can be found on page 2.*

TEXPOOL

April 2014

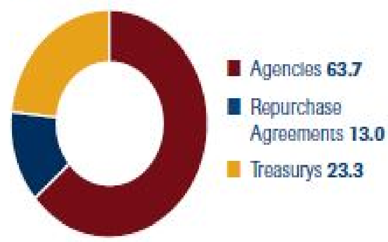
Portfolio by Maturity (%)

As of March 31, 2014



Portfolio by Type of Investment (%)

As of March 31, 2014



PORTFOLIO ASSET SUMMARY AS OF MARCH 31, 2014

	Book Value	Market Value
Uninvested Balance	$402.29	$402.29
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	19,156,540.05	19,156,540.05
Interest and Management Fees Payable	-451,010.31	-451,010.31
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	2,231,795,000.00	2,231,792,200.00
Mutual Fund Investments	0.00	0.00
Government Securities	10,527,572,029.51	10,528,105,446.00
US Treasury Bills	2,149,028,555.00	2,149,070,840.00
US Treasury Notes	2,328,235,180.96	2,327,968,734.33
Total	**$17,256,236,706.59**	**$17,256,543,161.36**

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	573	$5,599,544,884.02
Higher Education	56	$1,329,691,095.57
Healthcare	80	$706,491,531.26
Utility District	707	$2,054,852,794.49
City	450	$4,464,284,743.54
County	174	$1,583,076,048.54
Other	265	$1,518,171,413.68

Definition of Weighted Average Maturity (1) & (2)

(1)"WAM Days" 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.

(2)"WAM Days" is calculated in the same manner as the described in footnote 1, 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.

Definition of Average Monthly Yield (3)

(3)This current yield for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.

TexPool

DAILY SUMMARY

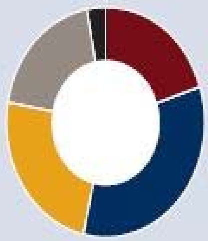
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
3/1	0.0288%	0.000000790	$17,851,480,342.39	1.00004	46	78
3/2	0.0288%	0.000000790	$17,851,480,342.39	1.00004	46	78
3/3	0.0291%	0.000000798	$17,717,162,831.65	1.00005	44	76
3/4	0.0289%	0.000000792	$17,878,614,458.88	1.00004	43	74
3/5	0.0299%	0.000000818	$17,780,793,864.99	1.00005	42	74
3/6	0.0278%	0.000000761	$18,127,949,257.01	1.00005	41	71
3/7	0.0295%	0.000000807	$17,976,487,320.24	1.00004	42	73
3/8	0.0295%	0.000000807	$17,976,487,320.24	1.00004	42	73
3/9	0.0295%	0.000000807	$17,976,487,320.24	1.00004	42	73
3/10	0.0305%	0.000000836	$17,992,346,663.01	1.00004	39	70
3/11	0.0297%	0.000000813	$18,087,896,979.97	1.00004	40	71
3/12	0.0307%	0.000000842	$17,923,795,208.55	1.00004	40	71
3/13	0.0312%	0.000000855	$18,006,122,071.23	1.00004	40	72
3/14	0.0281%	0.000000771	$17,981,401,881.80	1.00004	39	71
3/15	0.0281%	0.000000771	$17,981,401,881.80	1.00004	39	71
3/16	0.0281%	0.000000771	$17,981,401,881.80	1.00004	39	71
3/17	0.0282%	0.000000773	$18,006,728,762.78	1.00004	37	68
3/18	0.0288%	0.000000789	$17,896,372,010.33	1.00002	37	68
3/19	0.0255%	0.000000699	$17,866,872,167.62	1.00001	38	69
3/20	0.0289%	0.000000792	$17,858,432,178.31	1.00002	39	69
3/21	0.0287%	0.000000787	$17,789,480,540.80	1.00002	40	70
3/22	0.0287%	0.000000787	$17,789,480,540.80	1.00002	40	70
3/23	0.0287%	0.000000787	$17,789,480,540.80	1.00002	40	70
3/24	0.0294%	0.000000806	$17,700,587,100.96	1.00001	43	74
3/25	0.0376%	0.000001031	$17,687,158,259.11	1.00002	43	75
3/26	0.0383%	0.000001049	$17,512,804,147.85	1.00001	42	72
3/27	0.0387%	0.000001061	$17,456,601,756.90	1.00003	47	79
3/28	0.0289%	0.000000791	$17,330,690,518.89	1.00002	48	80
3/29	0.0289%	0.000000791	$17,330,690,518.89	1.00002	48	80
3/30	0.0289%	0.000000791	$17,330,690,518.89	1.00002	48	80
3/31	0.0303%	0.000000829	$17,256,236,706.59	1.00002	45	78
Average	**0.0299%**	**0.000000819**	**$17,796,568,254.70**	**1.00003**	**42**	**73**

TEXPOOL PRIME

April 2014

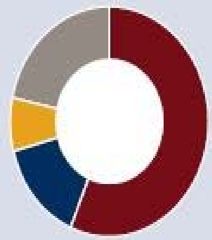
Portfolio by Maturity (%)

As of March 31, 2014



Portfolio by Type of Investment (%)

As of March 31, 2014



PORTFOLIO ASSET SUMMARY AS OF MARCH 31, 2014

	Book Value	Market Value
Uninvested Balance	-$245,912.83	-$245,912.83
Accrual of Interest Income	327,136.18	327,136.18
Interest and Management Fees Payable	-71,156.26	-71,156.26
Payable for Investments Purchased	-49,985,000.00	-49,985,000.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	183,689,000.00	183,689,000.00
Commercial Paper	713,836,583.71	713,831,396.98
Bank Instruments	0.00	0.00
Mutual Fund Investments	0.00	0.00
Government Securities	304,802,905.36	304,823,202.50
Variable Rate Notes	59,900,000.00	59,899,796.00
Total	**$1,212,253,556.16**	**$1,212,268,461.57**

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	75	$564,745,054.16
Higher Education	8	$48,840,246.33
Healthcare	8	$10,025,225.06
Utility District	5	$45,533,339.37
City	34	$218,568,000.17
County	19	$206,222,617.31
Other	19	$118,566,117.85

TexPool Prime

DAILY SUMMARY

Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Prime Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
3/1	0.0568%	0.000001555	$1,238,257,323.21	1.00004	46	52
3/2	0.0568%	0.000001555	$1,238,257,323.21	1.00004	46	52
3/3	0.0592%	0.000001623	$1,243,105,751.60	1.00004	46	53
3/4	0.0624%	0.000001710	$1,249,658,880.37	1.00004	49	54
3/5	0.0572%	0.000001568	$1,245,348,924.57	1.00004	48	53
3/6	0.0558%	0.000001530	$1,242,574,178.72	1.00004	47	53
3/7	0.0669%	0.000001834	$1,246,956,008.65	1.00003	51	56
3/8	0.0669%	0.000001834	$1,246,956,008.65	1.00003	51	56
3/9	0.0669%	0.000001834	$1,246,956,008.65	1.00003	51	56
3/10	0.0665%	0.000001823	$1,247,618,540.83	1.00004	48	53
3/11	0.0662%	0.000001815	$1,246,139,718.07	1.00004	47	53
3/12	0.0668%	0.000001829	$1,273,460,758.93	1.00003	48	53
3/13	0.0667%	0.000001828	$1,273,611,948.84	1.00003	50	55
3/14	0.0641%	0.000001757	$1,268,929,082.91	1.00003	50	56
3/15	0.0641%	0.000001757	$1,268,929,082.91	1.00003	50	56
3/16	0.0641%	0.000001757	$1,268,929,082.91	1.00003	50	56
3/17	0.0645%	0.000001766	$1,278,624,637.06	1.00003	48	53
3/18	0.0667%	0.000001827	$1,277,315,719.11	1.00003	51	56
3/19	0.0653%	0.000001789	$1,271,955,092.22	1.00002	52	56
3/20	0.0658%	0.000001803	$1,268,706,760.66	1.00003	51	56
3/21	0.0664%	0.000001820	$1,258,171,018.92	1.00002	51	55
3/22	0.0664%	0.000001820	$1,258,171,018.92	1.00002	51	55
3/23	0.0664%	0.000001820	$1,258,171,018.92	1.00002	51	55
3/24	0.0684%	0.000001875	$1,254,185,704.96	1.00002	49	54
3/25	0.0672%	0.000001842	$1,250,387,240.58	1.00002	50	55
3/26	0.0682%	0.000001868	$1,241,576,633.45	1.00001	54	59
3/27	0.0756%	0.000002070	$1,216,029,101.35	1.00001	56	61
3/28	0.0799%	0.000002190	$1,215,686,760.70	1.00001	55	60
3/29	0.0799%	0.000002190	$1,215,686,760.70	1.00001	55	60
3/30	0.0799%	0.000002190	$1,215,686,760.70	1.00001	55	60
3/31	0.0918%	0.000002514	$1,212,253,556.16	1.00001	54	59
Average	**0.0671%**	**0.000001838**	**$1,249,735,367.98**	**1.00003**	**50**	**56**

TEXPOOL

Participant Services
1001 Texas Ave. 14th Floor
Houston, TX 77002

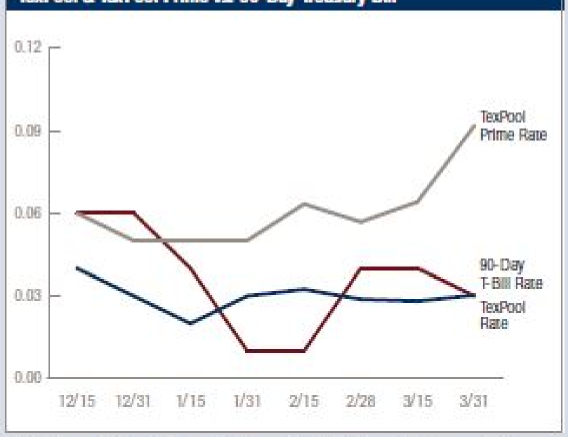
(continued from page 1)

March bonds. With an expectation that rates might actually be increasing, the portfolio strategy is not to buy the longest thing out there at this point in time. Instead, investors are keeping weighted-average-maturities relatively steady, buying more floating-rate positions and shortening the barbell. There is not much demand in that 12-month, fixed-rate sector at this point.

The impact of the Fed's overnight reverse repo facility—extended to 2015 at the earliest, continues to be helpful. The rate was at five basis points the entire month of March, although policymakers did up the ante for participants from $5 billion to $7 billion. We are grateful that the Fed facility is in place, particularly on month end and quarter end dates when collateral supply is often difficult to find. We are watching closely, however, the impact that the developing facility might have on our more traditional sources of investment.

So for now, we are inching closer to the time period when rates will go up. It was 2011 when they first started talking about 2015, which seemed a really long way away. But it is not anymore. It seems a little less frustrating and a little more realizable.

TexPool & TexPool Prime vs. 90-Day Treasury Bill



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.