



MONTHLY FINANCIAL REPORT

PERFORMANCE SUMMARY

October 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	POSITIVE	B
Property Tax Collection Analysis	NEGATIVE	NEGATIVE	C
Sales Tax Collection Analysis	POSITIVE	POSITIVE	D
Expenditure Analysis	POSITIVE	POSITIVE	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	NEGATIVE	NEGATIVE	K
CRIME DISTRICT			
Sales Tax Collection Analysis	POSITIVE	POSITIVE	L
Expenditure Analysis	NEGATIVE	NEGATIVE	M
INVESTMENTS			
Investment Report	N/A	N/A	N

PERFORMANCE INDICATORS:

POSITIVE
NEGATIVE
NEUTRAL

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 OCTOBER 31, 2014

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	4,358,162	3,039	0.07%	0.08%
Penalties & Interest	38,000	1,435	3.78%	3.71%
Sales Tax	1,475,000	128,017	8.68%	6.99%
Franchise Tax	685,000	67,287	9.82%	5.38%
Other Tax	100,000	0	0.00%	0.00%
License & Permits	320,000	13,666	4.27%	6.93%
Charges for Services	50,000	3,501	7.00%	2.53%
DOT Fines	15,000	4,290	28.60%	21.50%
Other Municipal Court Fees	369,700	34,973	9.46%	13.42%
Interest Income	573	89	15.54%	11.67%
Intergovernmental	575,843	48,111	8.35%	7.80%
Other Revenue	32,500	3,685	11.34%	2.67%
Transfers from Enterprise Fund	1,690,642	140,887	8.33%	8.33%
Payment for Services-EDC	<u>125,000</u>	<u>10,417</u>	<u>8.33%</u>	<u>8.33%</u>
Total Revenues	9,835,420	459,395	4.67%	4.31%

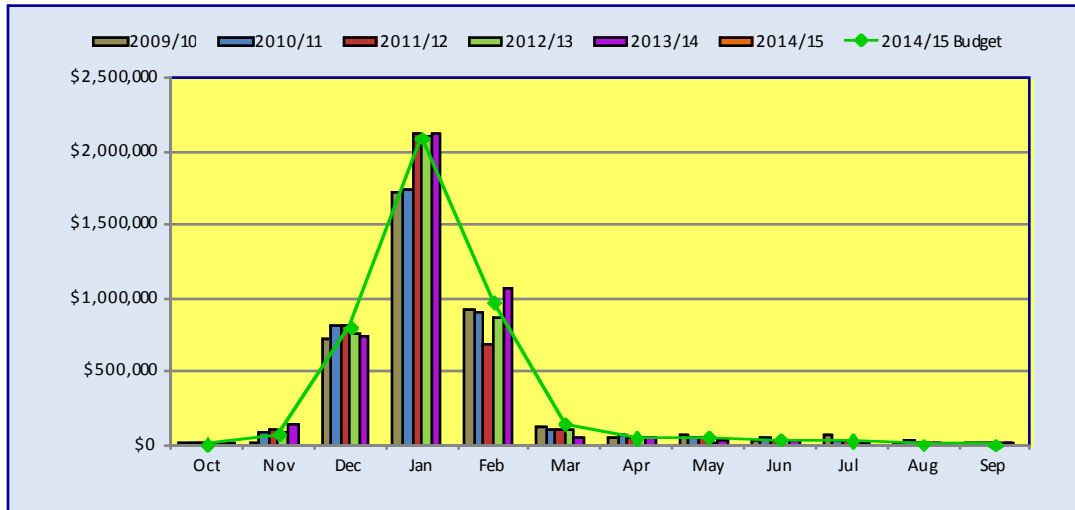
CHART B

TOTAL EXPENDITURES THROUGH OCTOBER 31, 2014

	Budget	YTD Expenditures	% of Budget Expended	Prior YTD % of Total Expended
Personnel	6,481,159	511,819	7.90%	8.62%
Supplies	309,449	27,087	8.75%	15.03%
Services	2,693,795	259,185	9.62%	12.92%
Capital	140,000	0	0.00%	0.00%
Oper Transfer to Other Funds	<u>0</u>	<u>0</u>	<u>0.00%</u>	<u>0.00%</u>
Total Expenditures	9,624,403	798,091	8.29%	9.35%

CHART C

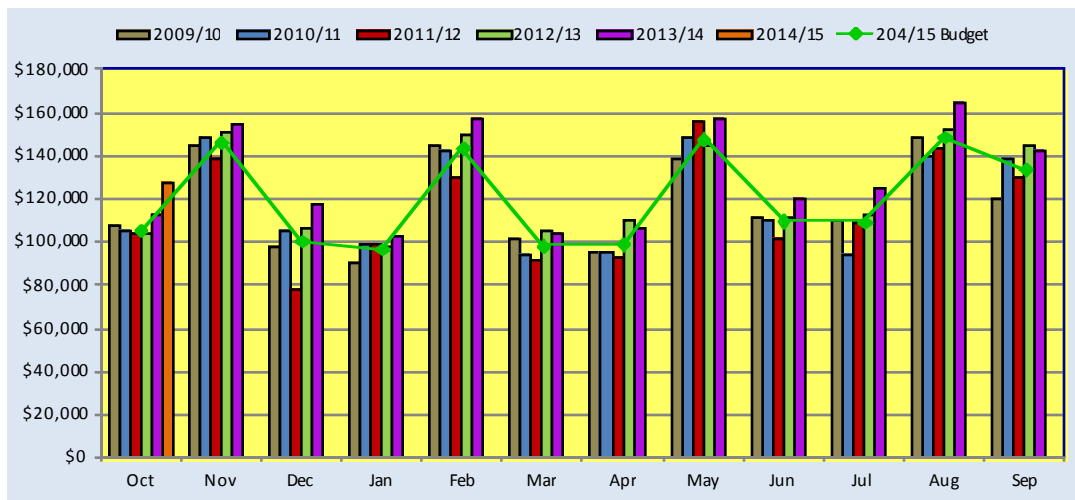
PROPERTY TAX ANALYSIS



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

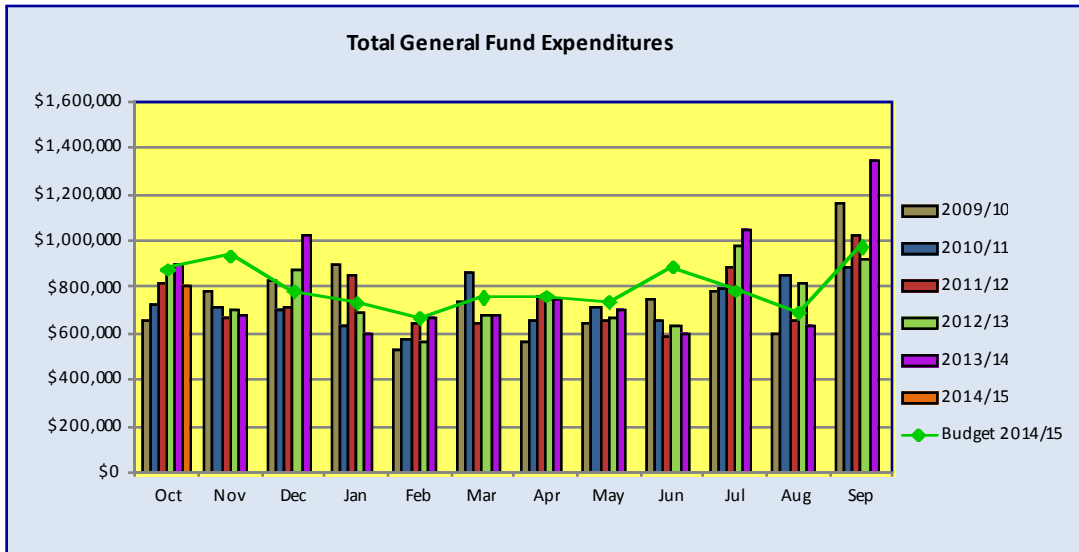
CHART D

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.

EXPENDITURE ANALYSIS



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

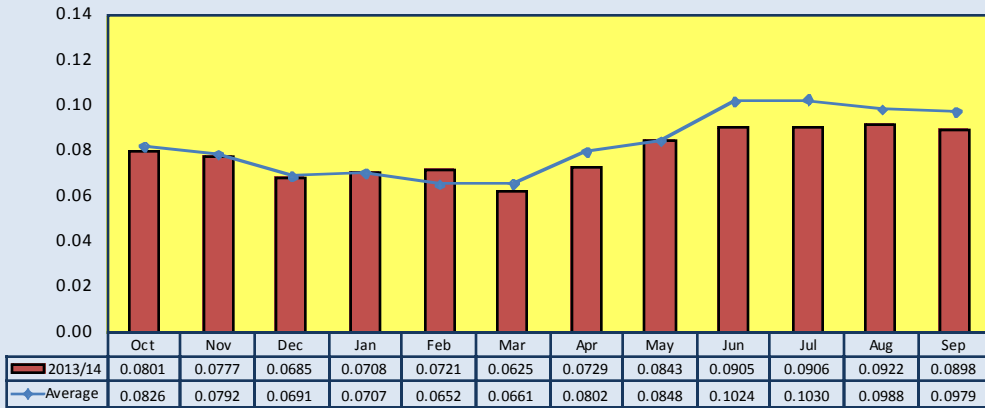
High expenditures in September 2014 are due to Seascape road construction



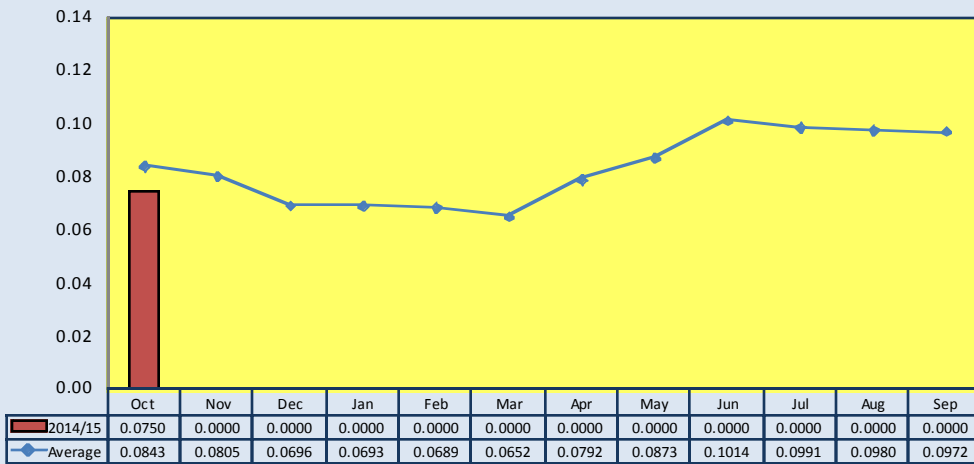
CHART F

WATER BILLING ANALYSIS

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

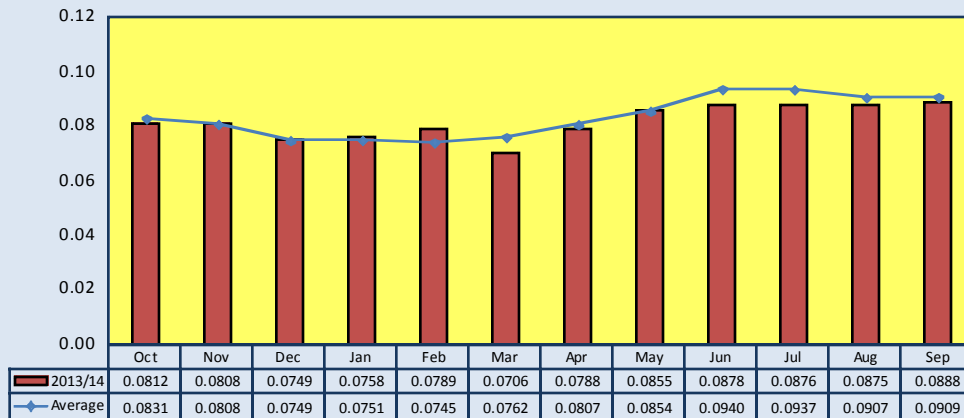


Average Percent of Water Billings by Month vs.
2014/15 Percent of Budgeted Billings

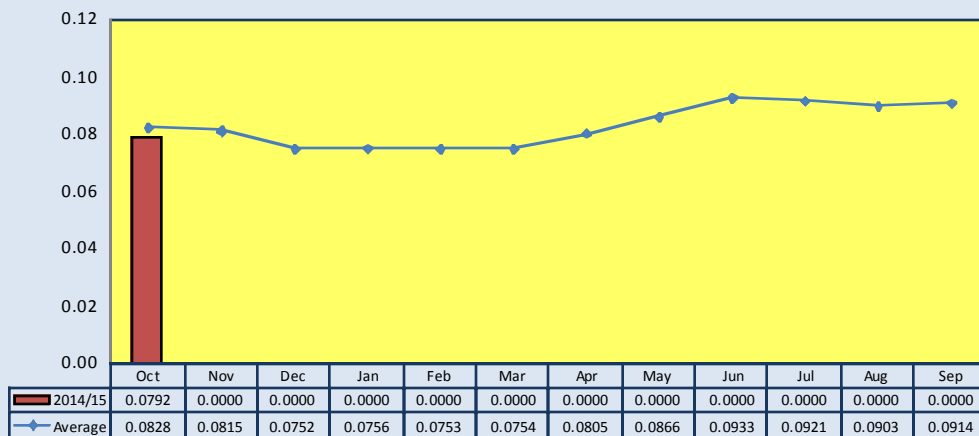


WASTEWATER BILLING ANALYSIS

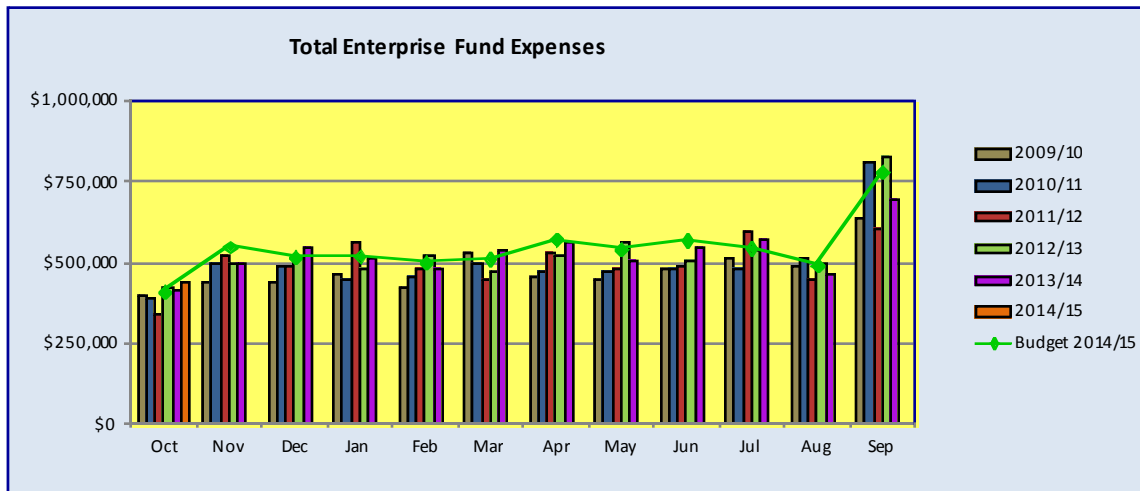
Average Percent of Wastewater Billings by Month vs. 2012/13 Percent of Budgeted Billings



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



EXPENDITURE ANALYSIS



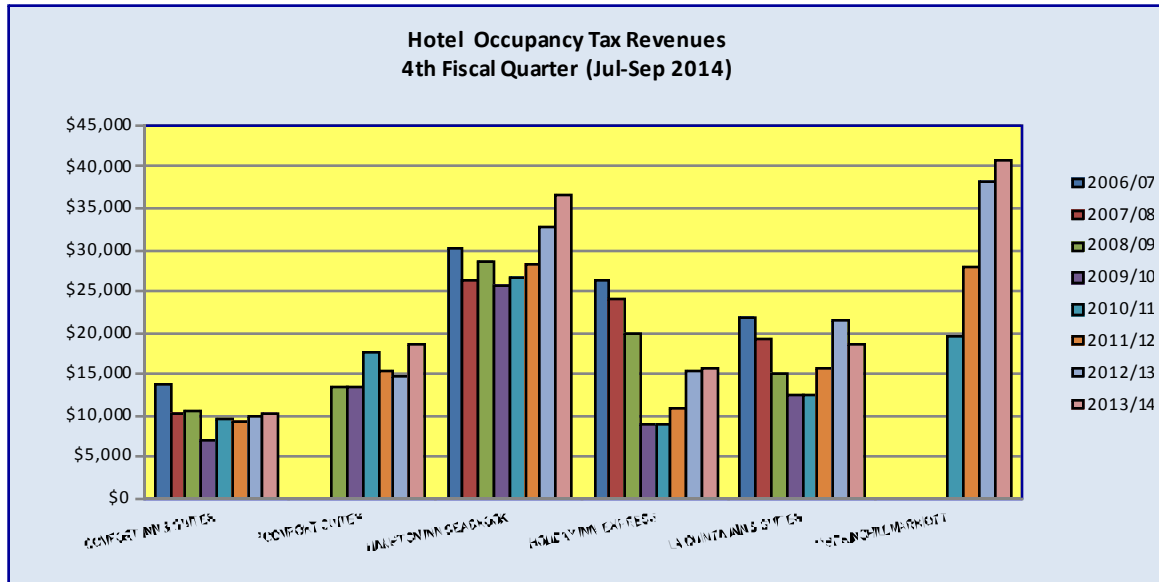
Sept 2013 and Nov 2013 EXCLUDE property acquisition

HOTEL TAX FUND



CHART I

HOTEL TAX REVENUE ANALYSIS

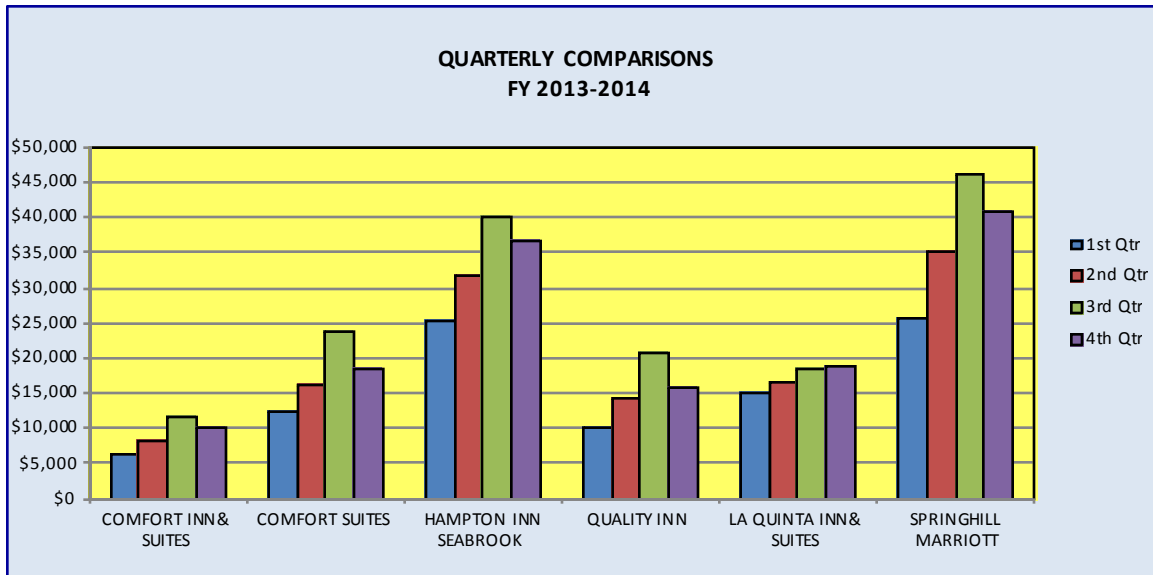


*Comfort Suites-Bayport Blvd. opened 2008/09

** Springhill Marriott opened last quarter 2010

CHART J

HOTEL TAX REVENUE



SEABROOK EDC



CHART K

SALES TAX REVENUE ANALYSIS

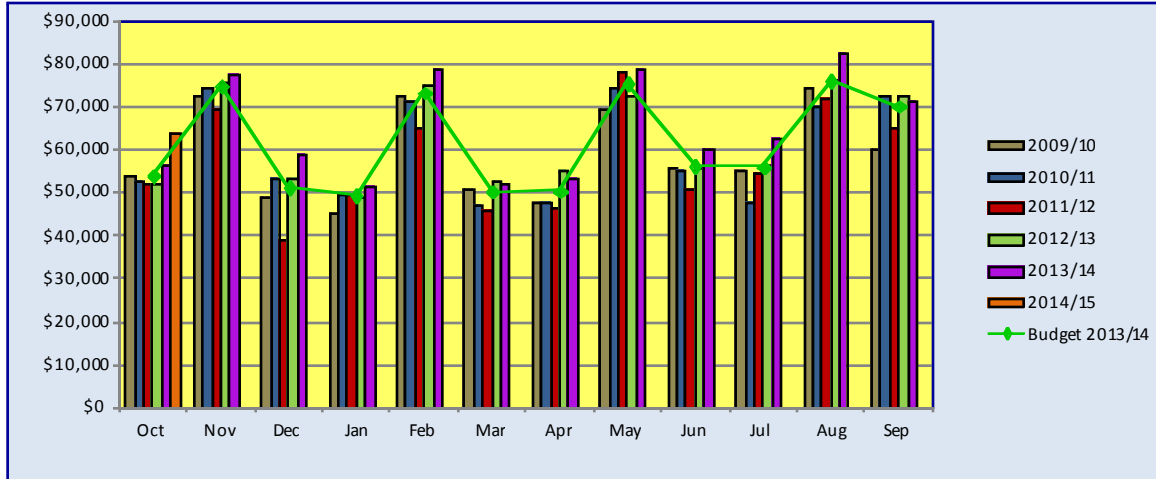
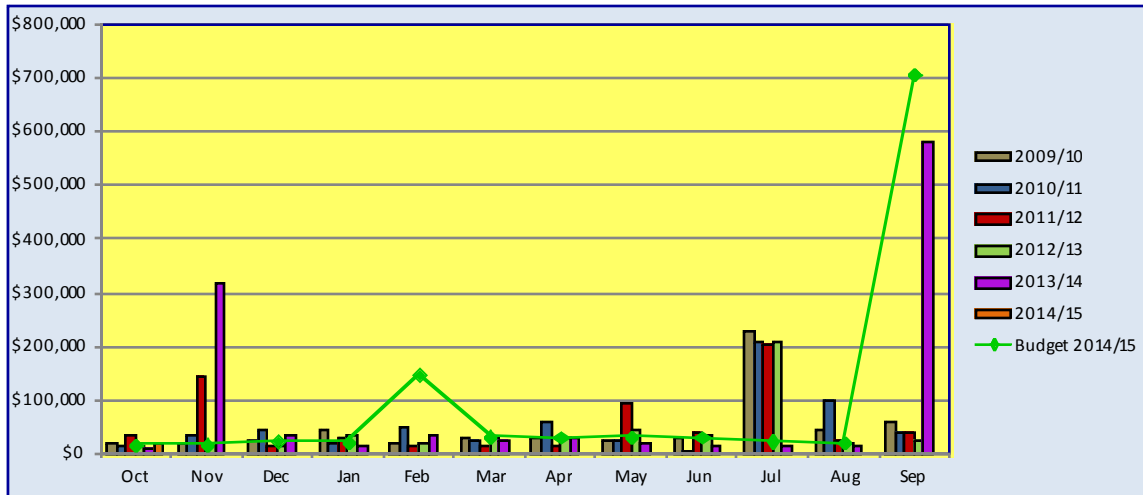


CHART L

EXPENDITURE ANALYSIS



2013/14 September budget reflects appropriations for Waterfront Construction and Business relocation off HWY 146
 High exp in Nov 2011 was due to Gateway sign.
 Previous years' July expenditures included debt service which has matured

CRIME DISTRICT



CHART M

SALES TAX REVENUE ANALYSIS

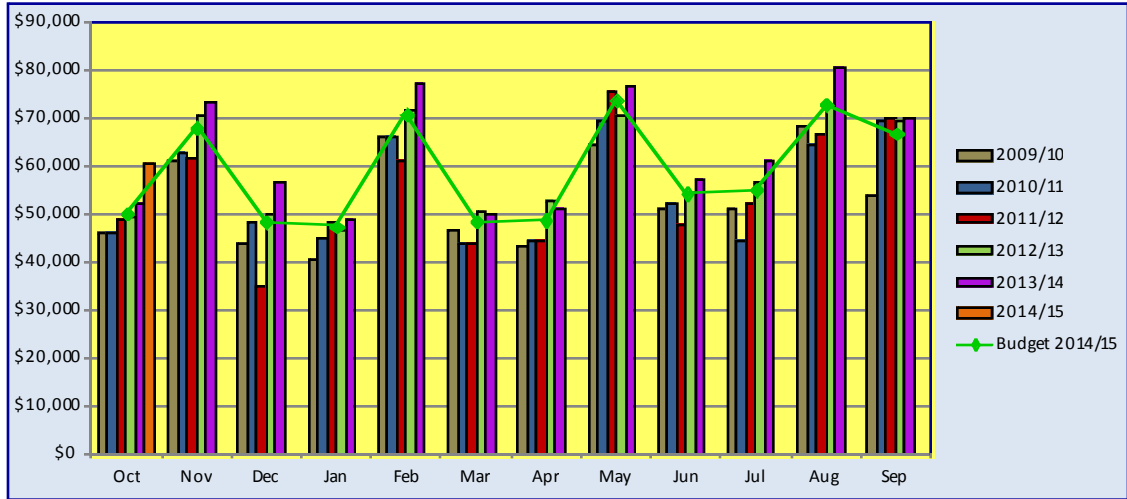
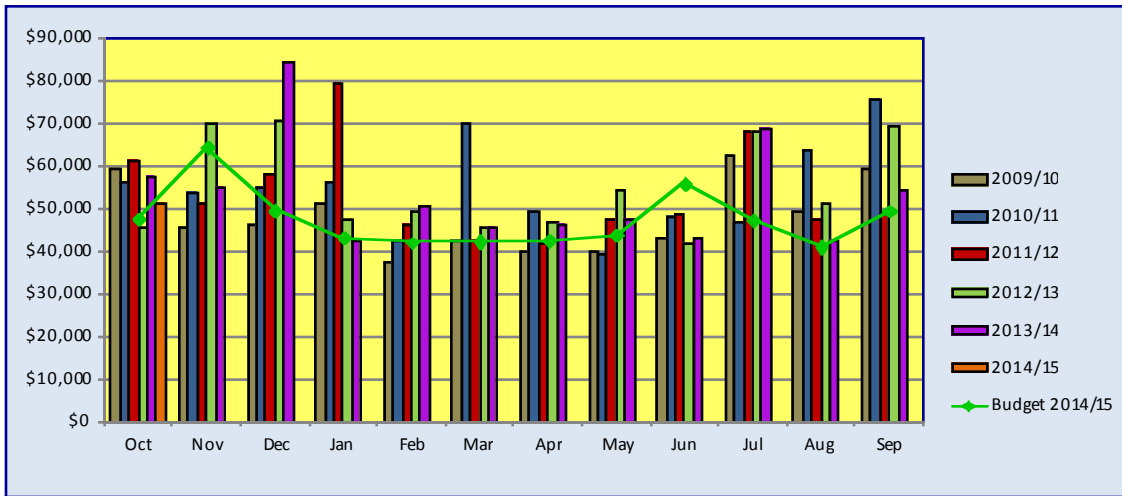


CHART N

EXPENDITURE ANALYSIS



INVESTMENTS



CHART 0

MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF OCTOBER 2014

0.0268%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Oct)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	3,806,546.27	(419,681.04)	89.05	3,386,954.28	Working capital
ENTERPRISE FUND - UNRESTRIC	2,019,406.00	375,925.26	49.52	2,395,380.78	Working capital
ENTERPRISE FUND - RESTRICTEI	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,355,729.86	0.00	53.56	2,355,783.42	Water & sewer lines extensions & expansions
PARK FEES	5,719.15	14,500.00	0.14	20,219.29	Reserved for acquisition & development of park land
SEIZURE	75,004.38	0.00	1.71	75,006.09	Solely to purchase equipment for Law Enforcement
CHILD SAFETY PROGRAMS	32,125.76	0.00	0.73	32,126.49	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	32,088.67	0.00	0.73	32,089.40	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	1,137,224.97	(586.19)	25.85	1,136,664.63	Restricted for promotion of tourism
DEBT SERVICE FUND	1,725,595.68	2,097.98	39.25	1,727,732.91	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	306,115.99	(14,000.00)	6.95	292,122.94	Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	4,370.42	0.00	0.10	4,370.52	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	570.53	(500.00)	0.01	70.54	Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	354,703.00	0.00	8.06	354,711.06	
CAROTHERS	25,005.36	0.00	0.57	25,005.93	
CRIME DISTRICT	323,089.81	(11,827.72)	7.18	311,269.27	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	1,808,837.15	54,071.71	46.10	1,862,954.96	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	33,481.10	0.00	0.76	33,481.86	
PUBLIC SAFETY	173,262.37	0.00	3.94	173,266.31	
MUNI COURT - SECURITY FUND	21,412.34	0.00	0.49	21,412.83	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	9,625.38	0.00	0.21	9,625.59	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUNI	6,484.64	0.00	0.15	6,484.79	
PEG Fund	0.00	0.00	0.00	0.00	
STABILIZATION FUND	801,560.68	0.00	18.22	801,578.90	
TOTAL TEXPOOL FUND	15,537,959.51	(0.00)	353.28	\$15,538,312.79	

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 October 2014:

TexPool

Dallas County Clerk

TexPool Prime

Dallas County Clerk

Town of Saint Paul

Upcoming Events

11/11/14 – 11/14/14
GFOAT Fall Conference
San Antonio

12/7/14 – 12/10/14
GTOT
Fort Worth

TexPool Advisory Board Members

R.C. Allen	LaVonne Mason
Pati BucherEAU	John McGrane
Jose Elizondo, Jr.	Clay McPhail
Ron Leverett	Vivian Wood

Oversen 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: *MoneyNet* as of 8/31/14).

Visit us at FederatedInvestors.com.

G35884-24 (11/14)

Federated is a registered trademark of Federated Investors, Inc.

2014 ©Federated Investors, Inc.

Monthly Newsletter November 2014

Economic and Market Commentary

Month in Cash: Pleasant surprises from the Fed

November 1, 2014

If the recent Federal Reserve policy statement tells you anything, it's that no one can predict with certainty what the policymakers will do. Last year the Ben Bernanke-led Fed stunned the market by not beginning to taper the amount of assets it was buying monthly, known as quantitative easing (QE). Last week came another surprise—although, thankfully, a positive one.

The consensus was that little news would come from the Federal Open Market Committee (FOMC) meeting at the end of the month: it would stay the course, end QE and retain dovish language in regard to when it will raise the federal funds rate. If anything, we thought there might be a surprise to the downside. But instead the statement defied expectations by taking a more hawkish tone. The end of QE was almost an afterthought as the committee acknowledged the conditions of the labor market “improved somewhat further” and that, while inflation continues to be “below the Committee's longer-run objective,” surveys indicate that “longer-term inflation expectations have remained stable.”

Subtle Fed speak took things even farther. In respect to labor, it said that indicators suggest that “underutilization of labor resources is gradually diminishing,” which is a far more positive statement than “there remains significant underutilization of labor resources.” And from an inflation perspective, the committee left in the wording of “considerable time” as to when it will raise the target rate after the end of QE if projected inflation is still below two percent but that if inflation accelerates, it will hike rates earlier.

But just when it seemed Chair Janet Yellen had indeed traded soft coos for sharp talons, the rest of the statement was hedge after hedge! First came the announcement that if labor and inflation data disappoints, the FOMC won't hesitate from holding off on a rate liftoff. And then came a warning that even when the dual mandate data gives the go signal, it will likely keep the red light on: “economic conditions may, for some time, warrant keeping the target federal funds rate below levels the Committee views as normal in the longer run.”

So in the end, we are back in the same place: waiting for rates to rise.

(continued page 6)

PERFORMANCE AS OF OCTOBER 31, 2014

	TexPool	TexPool Prime
Current Invested Balance	\$12,554,108,912.86	\$1,127,451,114.98
Weighted Average Maturity (1)*	52 Days	46 Days
Weighted Average Maturity (2)*	78 Days	54 Days
Net Asset Value	1.00005	1.00002
Total Number of Participants	2,319	182
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$276,841.81	\$56,233.34
Management Fee Collected	\$487,448.20	\$56,501.47
Standard & Poor's Current Rating	AAAm	AAAm

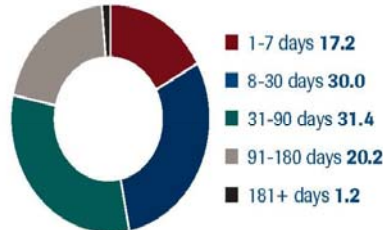
Month Averages

Average Invested Balance	\$12,238,910,589.68	\$1,053,644,422.88
Average Monthly Yield, on a simple basis (3)*	0.03%	0.06%
Average Weighted Average Maturity (1)*	51 Days	45 Days
Average Weighted Average Maturity (2)*	81 Days	51 Days

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

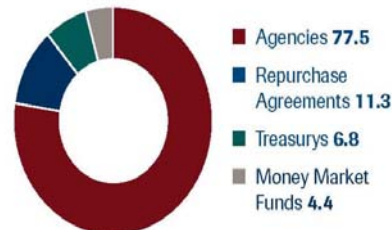
Portfolio by Maturity (%)

As of October 31, 2014



Portfolio by Type of Investment (%)

As of October 31, 2014



PORTFOLIO ASSET SUMMARY AS OF OCTOBER 31, 2014

	Book Value	Market Value
Uninvested Balance	-\$489,825.54	-\$489,825.54
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	5,623,019.76	5,623,019.76
Interest and Management Fees Payable	-276,838.11	-276,838.11
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	69.46	69.46
Repurchase Agreements	1,414,930,000.00	1,414,924,190.00
Mutual Fund Investments	550,000,493.20	550,000,493.20
Government Securities	9,729,900,258.60	9,730,613,382.51
US Treasury Bills	0.00	0.00
US Treasury Notes	854,421,735.49	854,234,450.00
Total	\$12,554,108,912.86	\$12,554,628,941.28

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	575	\$4,058,209,825.40
Higher Education	56	\$952,096,623.63
Healthcare	80	\$390,208,367.75
Utility District	716	\$1,449,111,585.05
City	450	\$3,617,008,358.05
County	175	\$989,298,912.22
Other	267	\$1,007,963,296.17

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

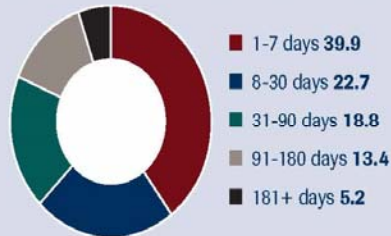
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
10/1	0.0267%	0.000000732	\$12,323,969,424.91	1.00009	50	82
10/2	0.0261%	0.000000716	\$12,369,120,225.37	1.00009	51	80
10/3	0.0246%	0.000000675	\$12,363,202,046.46	1.00007	54	85
10/4	0.0246%	0.000000675	\$12,363,202,046.46	1.00007	54	85
10/5	0.0246%	0.000000675	\$12,363,202,046.46	1.00007	54	85
10/6	0.0245%	0.000000672	\$12,271,875,168.49	1.00009	53	84
10/7	0.0259%	0.000000710	\$12,270,133,184.53	1.00009	53	84
10/8	0.0252%	0.000000691	\$12,163,583,199.90	1.00009	54	86
10/9	0.0258%	0.000000706	\$12,064,517,398.41	1.00008	54	85
10/10	0.0257%	0.000000705	\$12,115,676,219.20	1.00008	53	84
10/11	0.0257%	0.000000705	\$12,115,676,219.20	1.00008	53	84
10/12	0.0257%	0.000000705	\$12,115,676,219.20	1.00008	53	84
10/13	0.0257%	0.000000705	\$12,115,676,219.20	1.00008	53	84
10/14	0.0262%	0.000000717	\$12,006,769,160.79	1.00008	50	81
10/15	0.0275%	0.000000753	\$11,984,598,263.82	1.00007	51	81
10/16	0.0290%	0.000000795	\$11,976,838,365.99	1.00006	52	82
10/17	0.0296%	0.000000810	\$12,023,487,703.33	1.00006	51	81
10/18	0.0296%	0.000000810	\$12,023,487,703.33	1.00006	51	81
10/19	0.0296%	0.000000810	\$12,023,487,703.33	1.00006	51	81
10/20	0.0277%	0.000000759	\$11,982,523,959.68	1.00006	48	78
10/21	0.0276%	0.000000757	\$11,984,754,673.70	1.00006	50	80
10/22	0.0276%	0.000000755	\$11,952,277,631.13	1.00005	51	81
10/23	0.0269%	0.000000737	\$11,916,878,270.41	1.00007	52	82
10/24	0.0280%	0.000000767	\$12,586,319,409.41	1.00004	49	77
10/25	0.0280%	0.000000767	\$12,586,319,409.41	1.00004	49	77
10/26	0.0280%	0.000000767	\$12,586,319,409.41	1.00004	49	77
10/27	0.0267%	0.000000732	\$12,525,413,113.90	1.00006	48	75
10/28	0.0270%	0.000000739	\$12,457,579,888.74	1.00005	48	72
10/29	0.0250%	0.000000685	\$12,565,704,763.39	1.00006	51	78
10/30	0.0264%	0.000000724	\$12,651,830,309.78	1.00006	51	77
10/31	0.0285%	0.000000781	\$12,554,108,912.86	1.00005	52	78
Average	0.0268%	0.000000733	\$12,238,910,589.68	1.00007	51	81

TEXPOOL PRIME

November 2014

Portfolio by Maturity (%)

As of October 31, 2014



Portfolio by Type of Investment (%)

As of October 31, 2014



PORTFOLIO ASSET SUMMARY AS OF OCTOBER 31, 2014

	Book Value	Market Value
Uninvested Balance	-\$56,895.01	-\$56,895.01
Accrual of Interest Income	218,067.42	218,067.42
Interest and Management Fees Payable	-\$6,233.98	-\$6,233.98
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	211,478,000.00	211,478,000.00
Commercial Paper	784,455,377.88	784,482,512.96
Bank Instruments	3,000,000.00	2,999,760.00
Mutual Fund Investments	25,000,004.06	25,000,004.06
Government Securities	90,512,965.14	90,512,116.50
Variable Rate Notes	12,899,829.47	12,899,104.00
Total	\$1,127,451,114.98	\$1,127,486,435.95

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	82	\$588,272,800.11
Higher Education	8	\$74,155,654.12
Healthcare	8	\$11,096,653.43
Utility District	5	\$46,006,757.79
City	37	\$185,717,653.74
County	20	\$99,070,041.71
Other	22	\$113,138,526.56

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)
10/1	0.0500%	0.000001370	\$999,009,092.50	1.00002	47	49
10/2	0.0519%	0.000001421	\$998,948,568.98	1.00003	47	50
10/3	0.0544%	0.000001491	\$1,004,048,898.86	1.00002	48	50
10/4	0.0544%	0.000001491	\$1,004,048,898.86	1.00002	48	50
10/5	0.0544%	0.000001491	\$1,004,048,898.86	1.00002	48	50
10/6	0.0537%	0.000001471	\$1,001,084,794.55	1.00002	49	55
10/7	0.0581%	0.000001592	\$1,001,213,640.00	1.00002	48	55
10/8	0.0531%	0.000001456	\$1,078,316,391.47	1.00002	46	52
10/9	0.0542%	0.000001484	\$1,079,762,927.29	1.00002	44	50
10/10	0.0580%	0.000001588	\$1,078,803,867.38	1.00001	47	53
10/11	0.0580%	0.000001588	\$1,078,803,867.38	1.00001	47	53
10/12	0.0580%	0.000001588	\$1,078,803,867.38	1.00001	47	53
10/13	0.0580%	0.000001588	\$1,078,803,867.38	1.00001	47	53
10/14	0.0566%	0.000001552	\$1,079,890,732.97	1.00002	43	49
10/15	0.0658%	0.000001803	\$1,063,929,891.76	1.00002	43	49
10/16	0.0731%	0.000002003	\$1,052,650,654.71	1.00002	44	50
10/17	0.0730%	0.000002001	\$1,052,331,358.58	1.00002	45	51
10/18	0.0730%	0.000002001	\$1,052,331,358.58	1.00002	45	51
10/19	0.0730%	0.000002001	\$1,052,331,358.58	1.00002	45	51
10/20	0.0670%	0.000001836	\$1,055,527,477.57	1.00002	43	49
10/21	0.0654%	0.000001791	\$1,054,043,680.35	1.00002	43	49
10/22	0.0663%	0.000001817	\$1,052,646,330.97	1.00002	43	52
10/23	0.0646%	0.000001769	\$1,052,566,447.74	1.00002	43	51
10/24	0.0714%	0.000001956	\$1,038,467,627.03	1.00002	44	52
10/25	0.0714%	0.000001956	\$1,038,467,627.03	1.00002	44	52
10/26	0.0714%	0.000001956	\$1,038,467,627.03	1.00002	44	52
10/27	0.0682%	0.000001869	\$1,051,746,227.63	1.00002	41	49
10/28	0.0642%	0.000001799	\$1,101,636,073.46	1.00002	42	50
10/29	0.0639%	0.000001751	\$1,104,855,287.67	1.00002	42	50
10/30	0.0686%	0.000001880	\$1,107,878,671.90	1.00002	43	50
10/31	0.0725%	0.000001985	\$1,127,451,114.98	1.00002	46	54
Average	0.0628%	0.000001720	\$1,053,644,422.88	1.00002	45	51

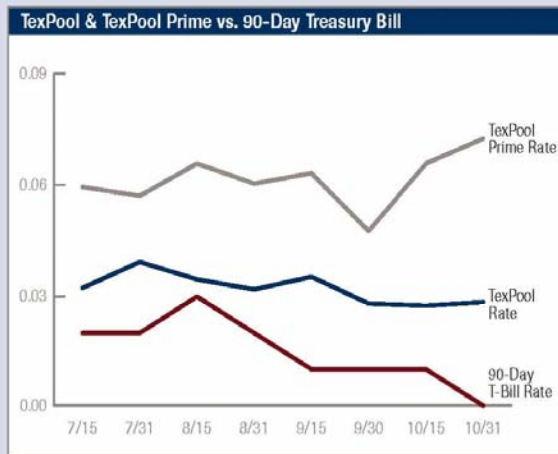
TEXPOOL

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

(continued from page 1)

Business is not back to usual for cash management, however. The New York Fed again altered the rules for its overnight Reverse Repo Program (RRP). Despite the breakdown at September quarter end due to its imposing of a new \$300 billion cap, the cap remains. Yet this time, the Fed is trying to encourage higher bids by showing it will offer higher rates, but in a controlled and obtuse way. For instance, it will offer seven basis points from Nov. 17-28 and ten basis points from Dec. 1-12. And the bank introduced an additional \$300 billion term repo to be offered in January. We understand the Fed's overall reason for the RRP and term repo—as additional tools to support the fed funds rate, especially in window dressing scenarios—and we appreciate that Yellen is trying to put a floor on rates. But as to why it had to be orchestrated in such a complex way is not, well, clear.

Libor didn't budge, so neither did our investment strategy. We again stayed mostly in the six-month maturity range, grabbing floaters when we could.



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.