

# MONTHLY FINANCIAL REPORT

## PERFORMANCE SUMMARY

September 2015

	Current Month	Year to Date	Chart
<b>GENERAL FUND</b>			
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	POSITIVE	NEGATIVE	C
Sales Tax Collection Analysis	POSITIVE	POSITIVE	D
Expenditure Analysis	POSITIVE	POSITIVE	E
<b>ENTERPRISE FUND</b>			
Water Billing Analysis	POSITIVE	POSITIVE	F
Sewer Billing Analysis	NEGATIVE	NEGATIVE	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	POSITIVE	POSITIVE	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 SEPTEMBER 2015

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	4,358,162	4,277,333	98.15%	100.00%
Penalties & Interest	38,000	41,604	109.48%	100.00%
Sales Tax	1,475,000	1,732,669	117.47%	100.00%
Franchise Tax	685,000	738,420	107.80%	100.00%
Other Tax	100,000	177,739	177.74%	100.00%
License & Permits	320,000	234,429	73.26%	100.00%
Charges for Services	50,000	68,790	137.58%	100.00%
DOT Fines	15,000	48,096	320.64%	100.00%
Other Municipal Court Fees	369,700	408,651	110.54%	100.00%
Interest Income	573	2,552	445.40%	100.00%
Intergovernmental	575,843	674,856	117.19%	100.00%
Other Revenue	32,500	94,156	289.71%	100.00%
Transfers from Enterprise Fund	1,690,642	1,690,643	100.00%	100.00%
Payment for Services-EDC	<u>125,000</u>	<u>125,000</u>	<u>100.00%</u>	<u>100.00%</u>
<b>Total Revenues</b>	<b>9,835,420</b>	<b>10,314,937</b>	<b>104.88%</b>	<b>100.00%</b>

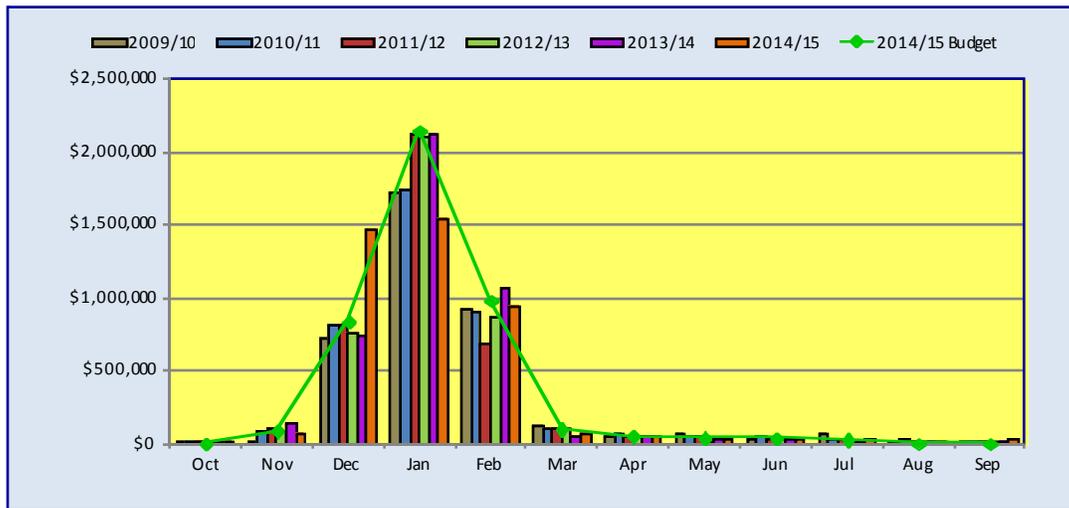
CHART B

## TOTAL EXPENDITURES THROUGH SEPTEMBER 2015

	Budget	YTD Expenditures	% of Budget Expended	Prior YTD % of Total Expended
Personnel	6,481,159	5,991,699	92.45%	100.00%
Supplies	309,449	332,364	107.41%	100.00%
Services	2,693,795	2,556,727	94.91%	100.00%
Capital	140,000	226,973	162.12%	100.00%
Oper Transfer to Other Funds	0	-64	0.00%	0.00%
<b>Total Expenditures</b>	<b>9,624,403</b>	<b>9,107,699</b>	<b>94.63%</b>	<b>100.00%</b>

CHART C

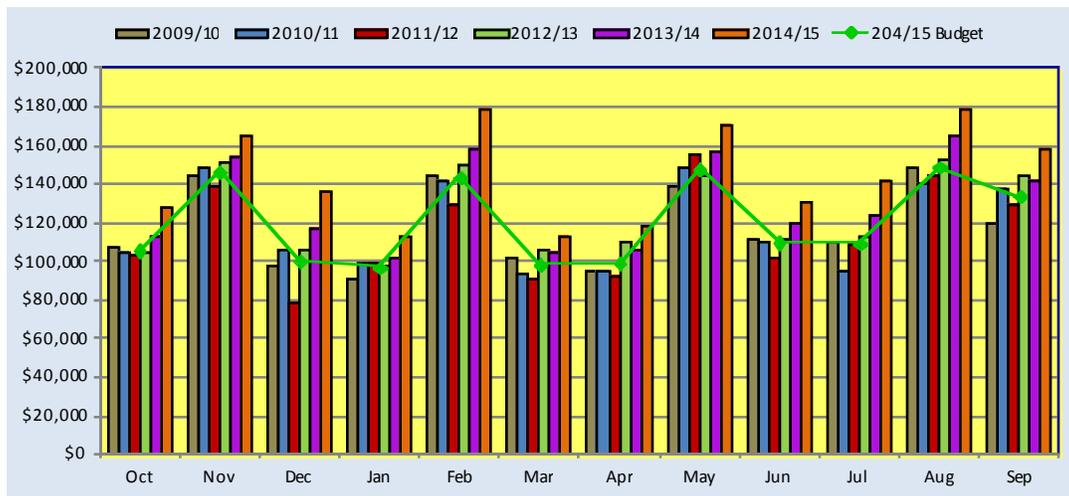
PROPERTY TAX ANALYSIS



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

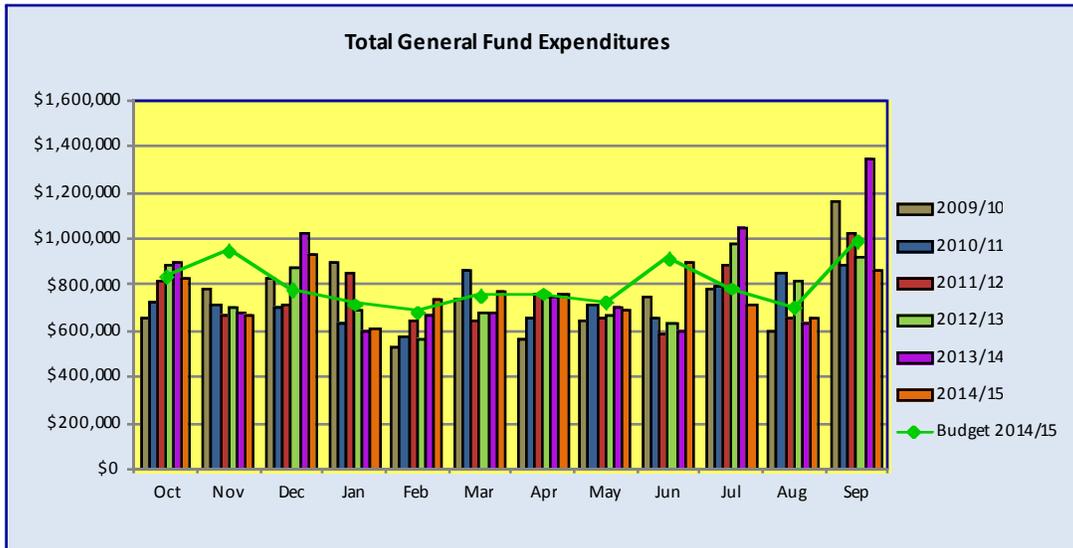
CHART D

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



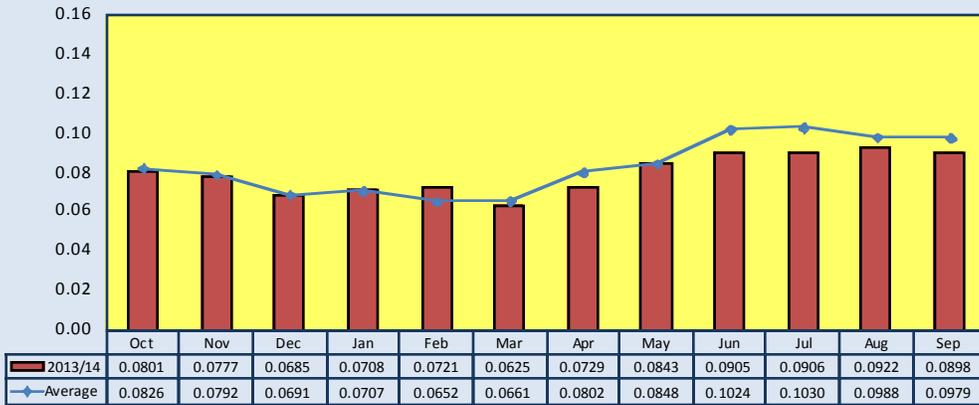
High expenditures in September 2010 are due to city hall A/C replacement.  
 High expenditures in September 2014 are due to Seascapes road construction



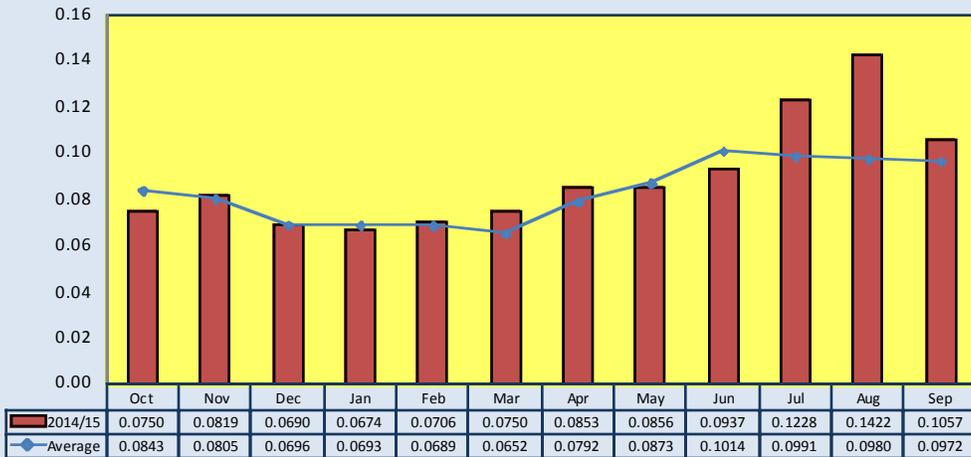
CHART F

WATER BILLING ANALYSIS

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

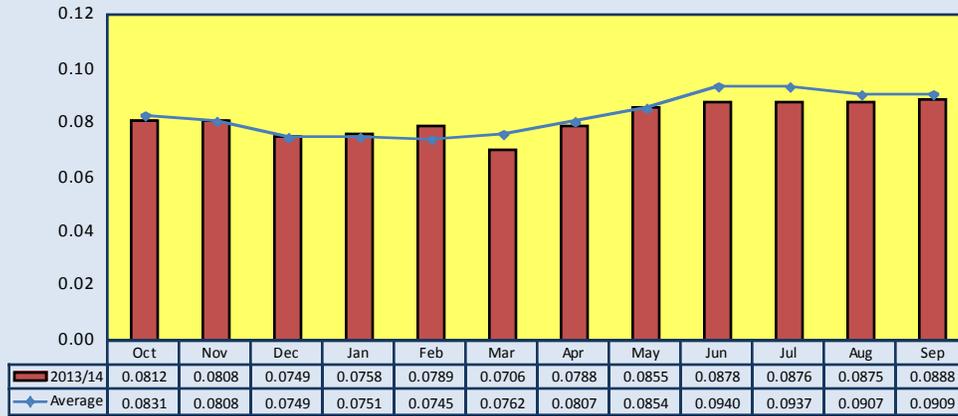


Average Percent of Water Billings by Month vs.  
2014/15 Percent of Budgeted Billings

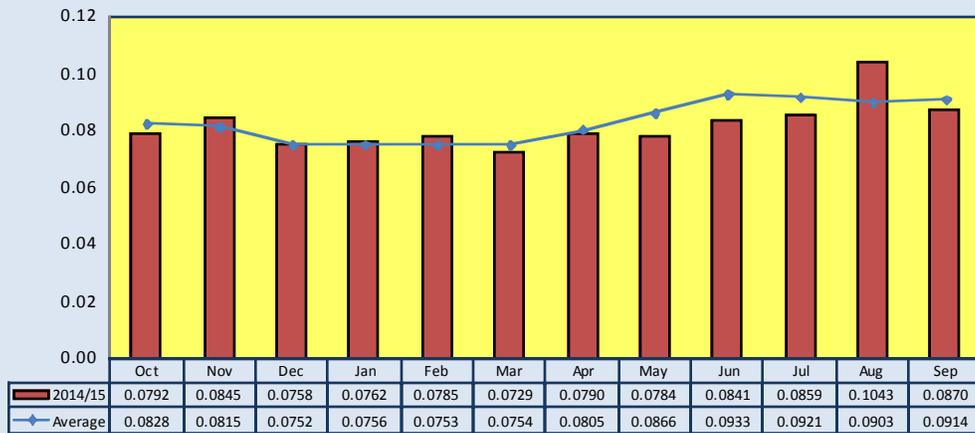


WASTEWATER BILLING ANALYSIS

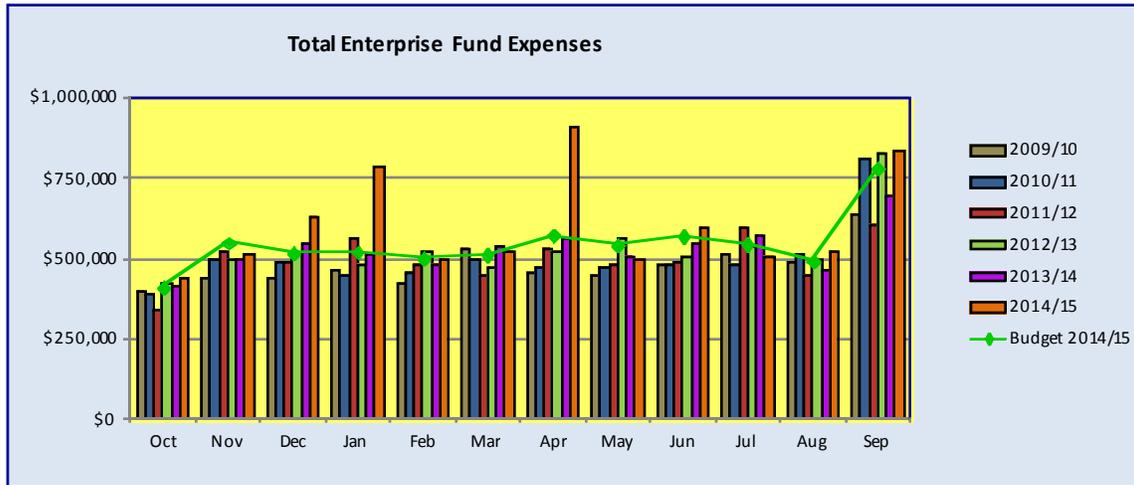
**Average Percent of Wastewater Billings by Month vs. 2012/13 Percent of Budgeted Billings**



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



EXPENDITURE ANALYSIS



Sept 2013 and Nov 2013 EXCLUDE property acquisition

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

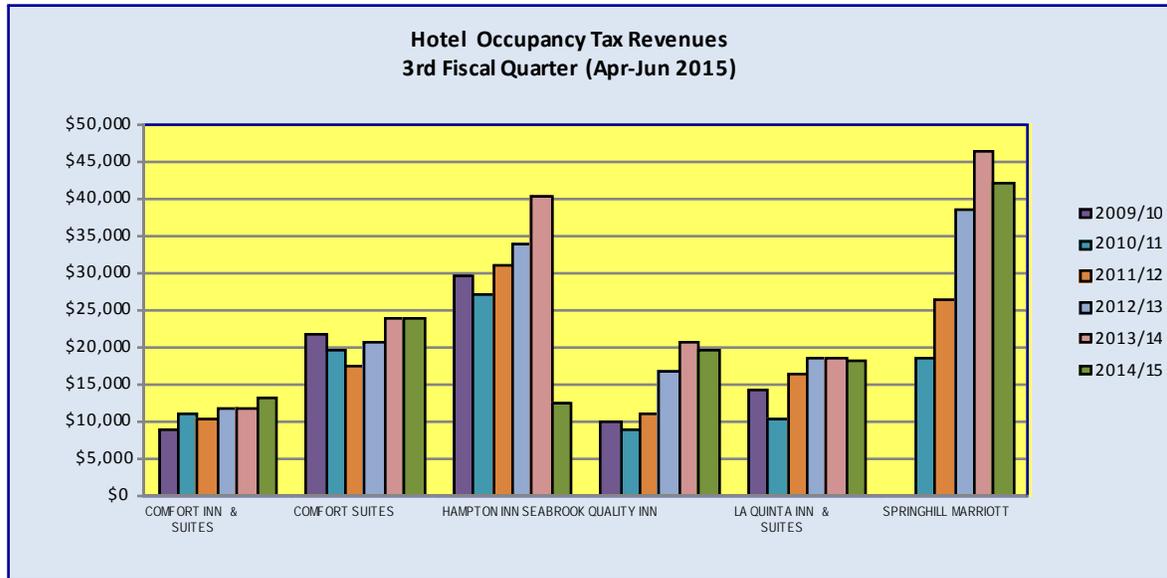
April 2015 expenses due to wastewater treatment plant upgrades

# HOTEL TAX FUND



CHART I

## HOTEL TAX REVENUE ANALYSIS

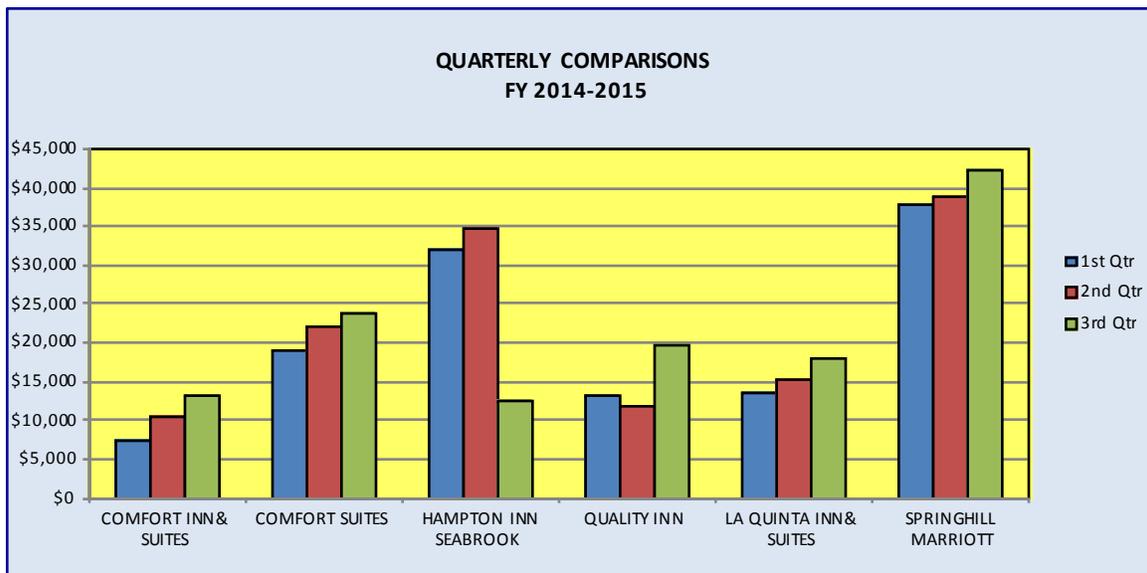


\*Springhill Marriott opened last quarter 2010

4th quarter reports and payments are due October 31st.

CHART J

## HOTEL TAX REVENUE



# SEABROOK EDC



CHART K

## SALES TAX REVENUE ANALYSIS

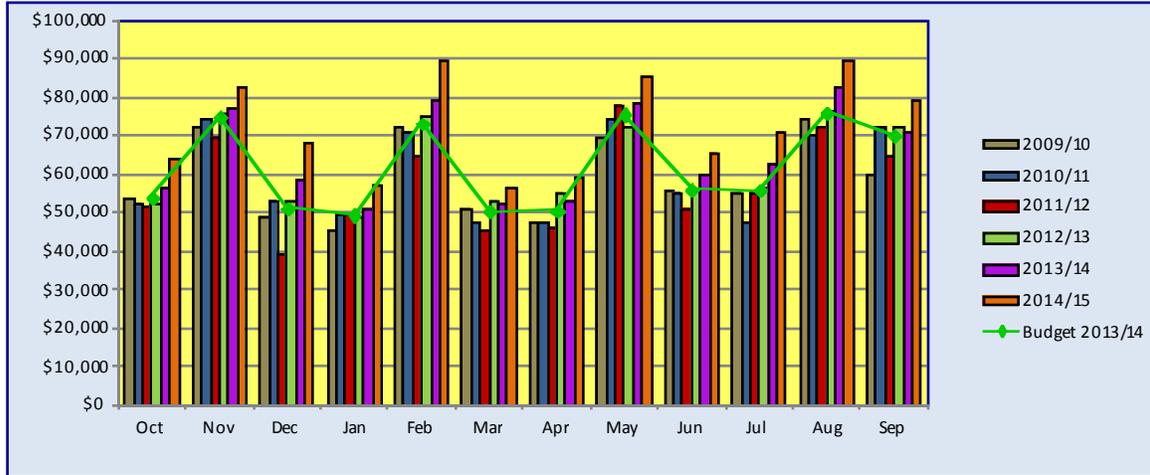
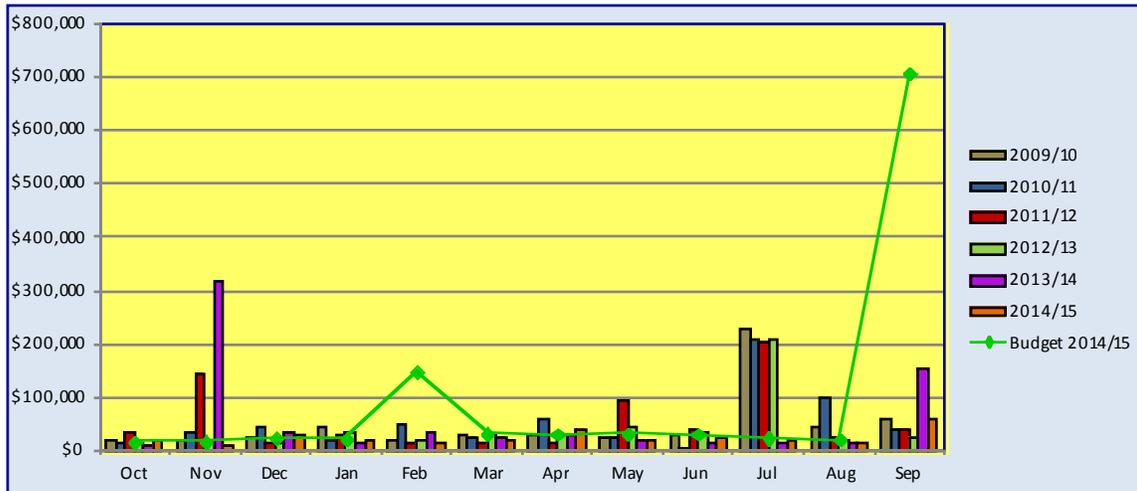


CHART L

## EXPENDITURE ANALYSIS



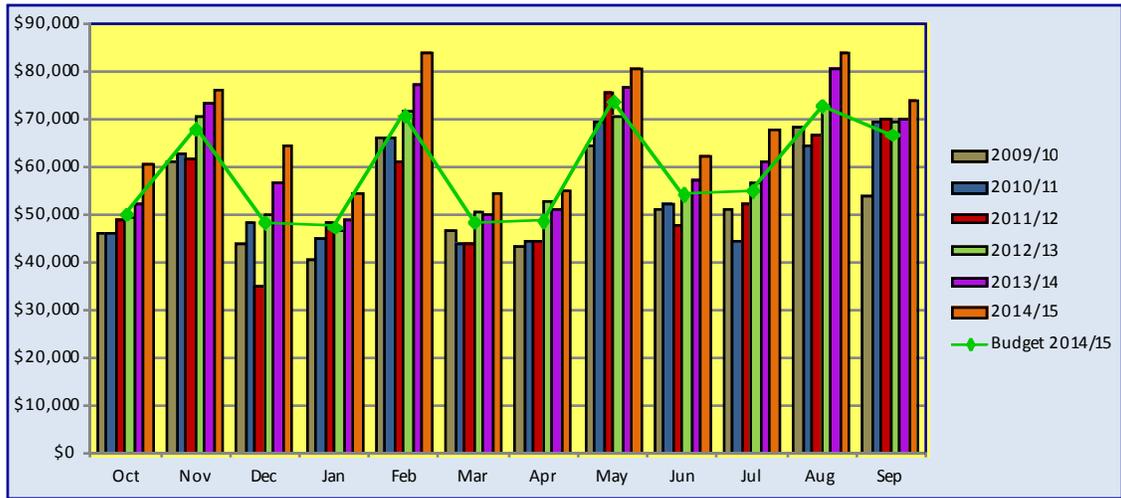
2014/15 September budget reflects appropriations for incentives and Business relocation off HWY 146  
 High exp in Nov 2011 was due to Gateway sign. July expenditures prior to 2013/14 included debt service payments.

# CRIME DISTRICT



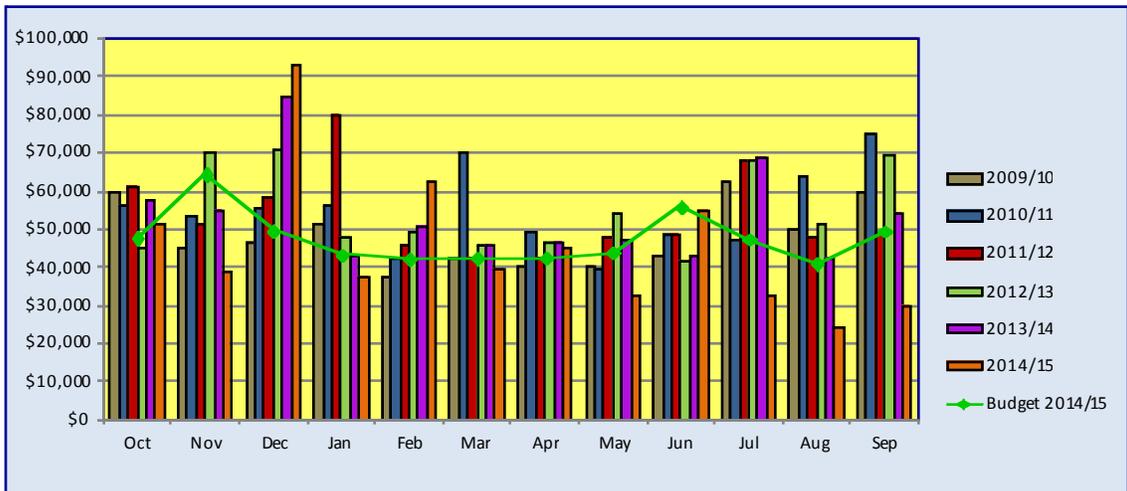
## SALES TAX REVENUE ANALYSIS

CHART M



## EXPENDITURE ANALYSIS

CHART N



Large December expenditures included vehicles

# INVESTMENTS



CHART O

## MONTHLY INVESTMENT REPORT

### TEXPOOL REPORT

MONTH OF SEPTEMBER 2015  
0.0850%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Sept)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	5,333,953.36	(331,206.60)	357.11	5,003,103.87	Working capital
ENTERPRISE FUND - UNRESTRIC	1,710,123.38	(51,113.32)	130.86	1,659,140.92	Working capital
ENTERPRISE FUND - RESTRICTEI	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,496,808.60	0.00	174.48	2,496,983.08	Water & sewer lines extensions & expansions
PARK FEES	110,264.06	0.00	7.71	110,271.77	Reserved for acquisition & development of park land
SEIZURE	70,035.94	0.00	4.89	70,040.83	Solely to purchase equipment for Law Enforcement
CHILD SAFETY PROGRAMS	32,140.13	0.00	2.25	32,142.38	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	15,013.48	0.00	1.05	15,014.53	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	1,283,521.56	0.00	89.70	1,283,611.26	Restricted for promotion of tourism
DEBT SERVICE FUND	1,780,602.94	4,712.02	124.44	1,785,439.40	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	291,973.23	0.00	20.41	291,993.64	Funds transferred from Bond Mkt Acct to allow liquidity
IT BONDS	505,156.98	(10,000.00)	35.27	495,192.25	Fiber Optics
PD & GF BONDS	6,774,094.21	(30,000.00)	473.31	6,744,567.52	Public Wokrks Facility
FIRE BONDS	23,583.06	0.00	1.65	23,584.71	Fire Engine
PARK BONDS	280,107.66	0.00	19.57	280,127.23	Splash Pad
PINE GULLY PARK BONDS	0.00	0.00	0.00	0.00	Funds transferred from Bond Mkt Acct to allow liquidity
LIBRARY BONDS	70.54	0.00	0.00	70.54	Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	289,850.02	(1,000.00)	20.25	288,870.27	
CAROTHERS	25,516.72	0.00	1.78	25,518.50	
CRIME DISTRICT	554,605.28	7,806.62	38.78	562,450.68	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	2,625,645.84	10,801.28	195.97	2,636,643.09	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	33,496.08	0.00	2.34	33,498.42	
PUBLIC SAFETY	173,339.90	0.00	12.11	173,352.01	
MUNI COURT - SECURITY FUND	21,672.03	0.00	1.51	21,673.54	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	9,379.56	0.00	0.66	9,380.22	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUNI	6,487.54	0.00	0.45	6,487.99	
PEG Fund	16,888.16	0.00	1.18	16,889.34	
STABILIZATION FUND	801,919.31	0.00	56.04	801,975.35	
<b>TOTAL TEXPOOL FUND</b>	<b>25,746,249.57</b>	<b>(400,000.00)</b>	<b>1,773.77</b>	<b>\$25,348,023.34</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.

*Pam Lab*

Finance Director



# Monthly Newsletter: October 2015

## ANNOUNCEMENTS

**We would like to recognize and welcome the following entities who joined the TexPool program in September 2015:**

**TexPool**

Montgomery County ESD 7  
Palmera Ridge MUD

**TexPool Prime**

Llano County MUD 1  
El Paso Water Utilities

**Upcoming Events**

10/20/2015 – 10/4/2015  
TASA/TASB Annual Conference  
Austin

10/22/2015 – 10/23/2015  
TACA Annual Conference  
Cotroce

10/28/2015 – 10/30/2015  
GFOAT Fall Conference  
Houston

**TexPool Advisory Board Members**

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

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-TEXPOOL)  
Fax: 866-839-3291

## Economic and Market Commentary: The Fed has no cred

October 1, 2015

When the Federal Reserve decided to leave rates near zero in its September policymaking meeting, it was more than disappointing. It struck a serious blow to its credibility. While the Fed can't and shouldn't make promises, it has been giving strong indications in its economic projections and in most speeches that the economy is finally conducive to a hike. Our view of Chair Janet Yellen and company is now a case of "watch what they do, not what they say." The markets have lost some faith, too. When in a speech last week Yellen floated—yet again—the possibility that a rate hike could still happen this year, few believed her. The market is pricing in far less of a probability.

Yellen has been praised as a consensus builder, apt at finding common ground between differing opinions. But she had a consensus on a hike and didn't go with it. Thirteen of the 17 Fed governors and presidents, according to the last release of economic projections, indicated they thought the Fed should raise rates in 2015. That's more than 75%—closer to a mandate than a majority.

It is worrisome that the Fed seems to be letting the implications of a China slowdown derail it even in the face of solid domestic figures. Macroeconomic disturbances are always going to happen somewhere in the world and the Fed can't be swayed by any but the most potentially disastrous. China is important, but it doesn't drive U.S. activity and GDP (the latter just revised up to a strong 3.9%). The Fed is letting what has little

*(continued page 6)*

### Performance as of September 30, 2015

	TexPool	TexPool Prime
Current Invested Balance	\$11,987,115,878.31	\$1,046,783,131.93
Weighted Average Maturity (1)*	40 Days	32 Days
Weighted Average Life	80 Days	50 Days
Net Asset Value	1.00005	1.00004
Total Number of Participants	2,339	192
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$829,536.30	\$129,982.12
Management Fee Collected	\$460,246.66	\$42,426.85
Standard & Poor's Current Rating	AAAm	AAAm
<b>Month Averages</b>		
Average Invested Balance	\$11,886,026,365.38	\$993,880,889.80
Average Monthly Rate (3)*	0.09%	0.16%
Average Weighted Average Maturity (1)*	41 Days	34 Days
Average Weighted Average Life(2)*	79 Days	56 Days

\*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.

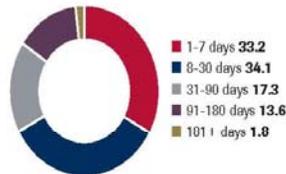
TexPool Participant Services  
1001 Texas Avenue, Suite 1400 · Houston, TX 77002  
Phone: 1-866-TEXPOOL (839-7665) · Fax: 1-866-839-3291 · TexPool.com

Managed and  
Served by **Federated**  
G35884-24 (10/15)



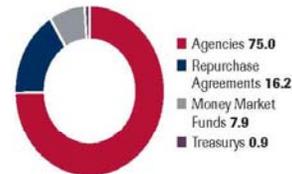
### Portfolio by Maturity (%)

As of September 30, 2015



### Portfolio by Type of Investment (%)

As of September 30, 2015



### Portfolio Asset Summary as of September 30, 2015

	Book Value	Market Value
Uninvested Balance	\$615.52	\$615.52
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	8,945,684.19	8,945,684.19
Interest and Management Fees Payable	-829,661.99	-829,661.99
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	1,939,995,000.00	1,939,968,783.00
Mutual Fund Investments	275,022,103.88	275,022,103.88
Government Securities	8,612,290,533.69	8,612,758,529.60
US Treasury Bills	0.00	0.00
US Treasury Notes	1,150,691,603.02	1,150,772,987.00
<b>Total</b>	<b>\$11,987,115,878.31</b>	<b>\$11,987,639,041.20</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	575	\$3,688,913,551.99
Higher Education	57	\$1,008,413,963.48
Healthcare	81	\$279,224,900.50
Utility District	726	\$1,482,916,857.13
City	453	\$3,524,933,603.08
County	177	\$999,293,376.70
Other	270	\$995,690,663.95

### \*\*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.



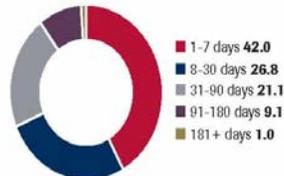
Daily Summary						
Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
9/1	0.0801%	0.000002194	\$12,076,018,091.04	1.00001	42	76
9/2	0.0760%	0.000002082	\$12,037,308,601.33	1.00001	42	75
9/3	0.0756%	0.000002071	\$11,933,122,865.84	1.00000	42	75
9/4	0.0754%	0.000002066	\$11,868,428,788.91	1.00000	42	74
9/5	0.0754%	0.000002066	\$11,868,428,788.91	1.00000	42	74
9/6	0.0754%	0.000002066	\$11,868,428,788.91	1.00000	42	74
9/7	0.0754%	0.000002066	\$11,868,428,788.91	1.00000	42	74
9/8	0.0771%	0.000002113	\$11,759,491,392.03	1.00000	39	77
9/9	0.0762%	0.000002087	\$11,720,038,399.70	1.00000	39	77
9/10	0.0761%	0.000002084	\$11,692,087,649.77	1.00000	39	76
9/11	0.0788%	0.000002159	\$11,632,612,629.44	1.00000	42	81
9/12	0.0788%	0.000002159	\$11,632,612,629.44	1.00000	42	81
9/13	0.0788%	0.000002159	\$11,632,612,629.44	1.00000	42	81
9/14	0.0823%	0.000002256	\$11,676,471,766.45	0.99999	39	80
9/15	0.0849%	0.000002325	\$11,678,022,377.19	0.99999	41	80
9/16	0.0897%	0.000002458	\$11,703,633,029.84	0.99999	42	82
9/17	0.0877%	0.000002403	\$11,740,896,498.28	1.00000	41	83
9/18	0.0911%	0.000002495	\$11,718,833,493.31	1.00002	42	84
9/19	0.0911%	0.000002495	\$11,718,833,493.31	1.00002	42	84
9/20	0.0911%	0.000002495	\$11,718,833,493.31	1.00002	42	84
9/21	0.0907%	0.000002485	\$11,715,272,575.65	1.00004	39	81
9/22	0.0909%	0.000002490	\$11,757,406,067.34	1.00006	41	81
9/23	0.0939%	0.000002573	\$11,760,292,894.53	1.00007	41	83
9/24	0.0956%	0.000002618	\$11,775,317,205.11	1.00007	41	82
9/25	0.0946%	0.000002593	\$12,447,955,414.40	1.00003	38	77
9/26	0.0946%	0.000002593	\$12,447,955,414.40	1.00003	38	77
9/27	0.0946%	0.000002593	\$12,447,955,414.40	1.00003	38	77
9/28	0.0895%	0.000002453	\$12,467,422,342.71	1.00004	36	74
9/29	0.0907%	0.000002484	\$12,228,951,569.20	1.00004	36	75
9/30	0.0986%	0.000002700	\$11,987,115,878.31	1.00005	40	80
<b>Average:</b>	<b>0.0850%</b>	<b>0.000002329</b>	<b>\$11,886,026,365.38</b>	<b>1.00002</b>	<b>41</b>	<b>79</b>



**TEXPOOL PRIME**

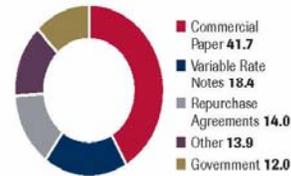
**Portfolio by Maturity (%)**

As of September 30, 2015



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

As of September 30, 2015



**Portfolio Asset Summary as of September 30, 2015**

	Book Value	Market Value
Uninvested Balance	-\$72.79	-\$72.79
Receivable for Investments Sold	180,596.11	180,596.11
Accrual of Interest Income	0.00	0.00
Interest and Management Fees Payable	-129,981.93	-129,981.93
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	146,829,000.00	146,829,000.00
Commercial Paper	511,508,302.24	511,541,957.95
Bank Instruments	50,392,132.77	50,405,650.00
Mutual Fund Investments	145,014,192.88	145,014,192.88
Government Securities	74,987,633.33	74,994,025.00
Variable Rate Notes	118,001,329.32	117,993,328.00
<b>Total</b>	<b>\$1,046,783,131.93</b>	<b>\$1,046,828,695.22</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	84	\$486,989,269.73
Higher Education	8	\$57,446,675.60
Healthcare	10	\$10,773,905.59
Utility District	7	\$46,489,194.45
City	39	\$216,546,196.43
County	22	\$114,737,512.93
Other	23	\$113,801,946.56



## TEXPOOL PRIME

### Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Prime Invested Balance	NAV	WAM Days	WAL Days
9/1	0.1470%	0.000004028	\$985,867,724.89	1.00001	28	52
9/2	0.1489%	0.000004080	\$993,877,015.05	1.00001	28	54
9/3	0.1510%	0.000004137	\$987,779,695.08	1.00002	32	56
9/4	0.1485%	0.000004068	\$982,023,183.11	1.00001	37	62
9/5	0.1485%	0.000004068	\$982,023,183.11	1.00001	37	62
9/6	0.1485%	0.000004068	\$982,023,183.11	1.00001	37	62
9/7	0.1485%	0.000004068	\$982,023,183.11	1.00001	37	62
9/8	0.1577%	0.000004321	\$982,545,794.70	1.00002	35	58
9/9	0.1555%	0.000004261	\$983,935,633.51	1.00003	34	57
9/10	0.1567%	0.000004292	\$983,399,916.82	1.00003	34	57
9/11	0.1622%	0.000004443	\$983,800,177.46	1.00003	37	60
9/12	0.1622%	0.000004443	\$983,800,177.46	1.00003	37	60
9/13	0.1622%	0.000004443	\$983,800,177.46	1.00003	37	60
9/14	0.1611%	0.000004413	\$995,333,112.02	1.00004	33	56
9/15	0.1621%	0.000004442	\$991,248,891.82	1.00004	33	56
9/16	0.1640%	0.000004492	\$991,796,885.79	1.00003	34	55
9/17	0.1607%	0.000004404	\$995,402,581.57	1.00003	33	54
9/18	0.1600%	0.000004384	\$990,259,680.64	1.00004	32	54
9/19	0.1600%	0.000004384	\$990,259,680.64	1.00004	32	54
9/20	0.1600%	0.000004384	\$990,259,680.64	1.00004	32	54
9/21	0.1635%	0.000004480	\$987,579,248.28	1.00005	32	53
9/22	0.1640%	0.000004492	\$973,663,628.01	1.00006	34	53
9/23	0.1665%	0.000004562	\$973,652,295.15	1.00006	35	55
9/24	0.1694%	0.000004642	\$963,660,883.69	1.00006	36	57
9/25	0.1679%	0.000004601	\$1,017,243,989.97	1.00005	35	55
9/26	0.1679%	0.000004601	\$1,017,243,989.97	1.00005	35	55
9/27	0.1679%	0.000004601	\$1,017,243,989.97	1.00005	35	55
9/28	0.1607%	0.000004403	\$1,024,298,161.62	1.00005	34	53
9/29	0.1531%	0.000004195	\$1,043,607,817.36	1.00005	32	51
9/30	0.1667%	0.000004567	\$1,046,783,131.93	1.00004	32	50
<b>Average:</b>	<b>0.1591%</b>	<b>0.000004359</b>	<b>\$993,880,889.80</b>	<b>1.00003</b>	<b>34</b>	<b>56</b>



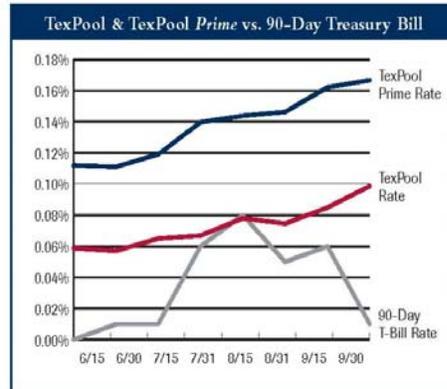
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negative implications on the U.S. sway policy, when significant issues could eventually arise, such as rising inflation, slowing retail sales or stagnating manufacturing. The Fed can't get any more stimulative if it is already as stimulative as it can get.

So where does it put us and most money market managers? Pretty much right where we were ahead of the September meeting.

We will continue to position ourselves for the Federal Open Market Committee (FOMC) to announce a move this month or in December, but we won't be surprised if there isn't one this year. Thankfully, the market hasn't taken away too much of the anticipation of a hike from a short-term aspect. Rates dropped a couple of basis points, nothing substantial. We are not doing an about face in any way, shape or form regarding what we are buying or how our portfolios are positioned, with most holdings in the high 30s to low 40s from a weighted average maturity (WAM) perspective. We continue to think it is appropriate to hold a substantial amount of floaters.

The London interbank offered rate (Libor) at month's end was: 1-month Libor at 19 basis points, 3-month around 33 and 1-year in the mid 80s. The curve didn't move much after the committee's announcement, unlike the Fed's plunging credibility.



*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.*