



MONTHLY FINANCIAL REPORT

PERFORMANCE SUMMARY

August 2010

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

PERFORMANCE INDICATORS:

POSITIVE
NEGATIVE

Positive = Positive variance as compared to seasonal trend.

Negative = Negative variance as compared to seasonal trend.

GENERAL FUND



CHART A

TOTAL REVENUE THROUGH AUGUST 31, 2010

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	3,798,381	3,718,000	97.88%	99.79%
Penalties & Interest	60,000	49,746	82.91%	92.81%
Sales Tax	1,575,000	1,289,368	81.86%	92.27%
Franchise Tax	710,000	664,735	93.62%	95.10%
Other Tax	110,000	72,592	65.99%	68.51%
License & Permits	300,000	215,967	71.99%	93.48%
Charges for Services	37,407	63,370	169.41%	90.56%
DOT Fines	143,300	67,845	47.34%	91.09%
Other Municipal Court Fees	277,000	312,798	112.92%	90.45%
Interest Income	23,573	5,116	21.70%	99.85%
Intergovernmental *	382,147	229,517	60.06%	82.19%
Other Revenue	65,000	85,409	131.40%	96.57%
Transfers from Enterprise Fund	1,447,381	1,326,766	91.67%	91.67%
Payment for Services-EDC	<u>30,000</u>	<u>22,500</u>	75.00%	75.00%
Total Revenues	8,959,189	8,123,730	90.67%	95.13%

* For comparison purposes 2009 FEMA reimbursements and 2010 grant revenues are NOT included.

CHART B

TOTAL EXPENDITURES THROUGH AUGUST 31, 2010

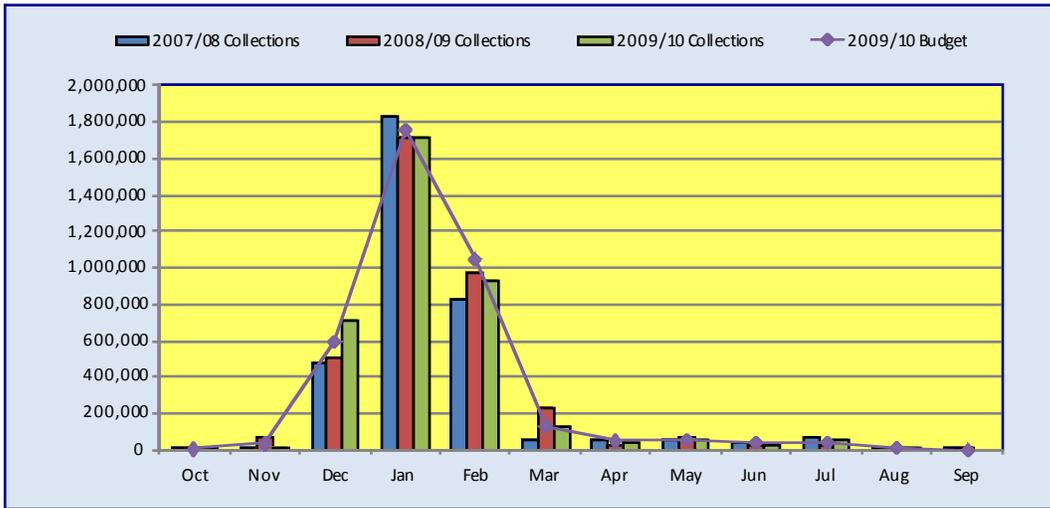
	Budget	YTD Expenditures	% of Budget Expended	**Prior YTD % of Total Expended
Personnel	5,983,554	5,319,532	88.90%	90.94%
Supplies	353,445	216,086	61.14%	85.30%
Services	2,500,362	2,315,925	92.62%	92.88%
Capital	<u>121,828</u>	<u>100,481</u>	<u>82.48%</u>	<u>44.48%</u>
Total Expenditures	8,959,189	7,952,024	88.76%	90.31%

* YTD Capital includes \$50k net expense for generators. Other grant & IKE expense excluded to compare to prior year.

** Prior year does NOT include IKE expenditures

CHART C

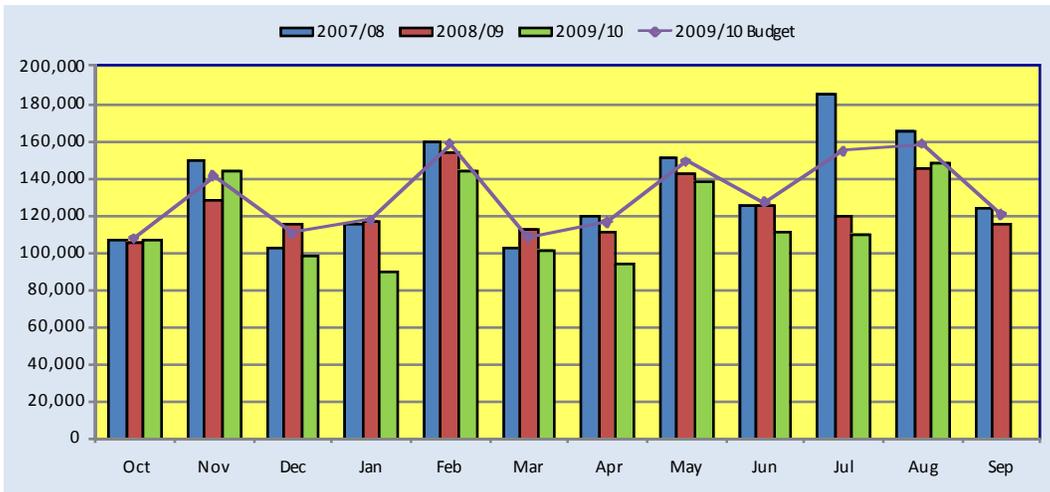
PROPERTY TAX ANALYSIS



2009/10 Budget is divided into months based on the monthly percentages of the last 5 years' collections.

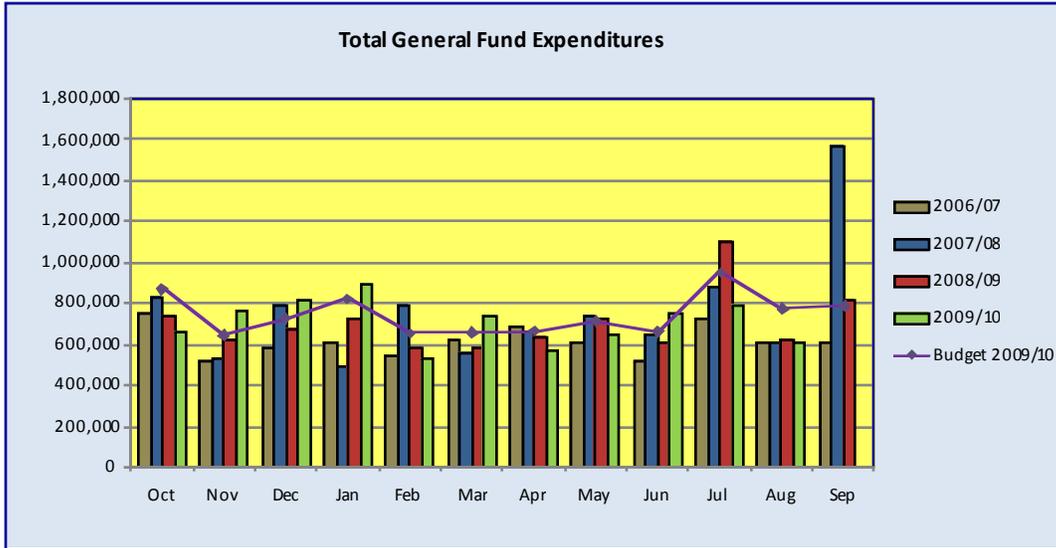
CHART D

SALES TAX ANALYSIS



2009/10 Budget is divided into months based on the monthly percentages of the last 5 years' activity of sales tax revenue.

EXPENDITURE ANALYSIS



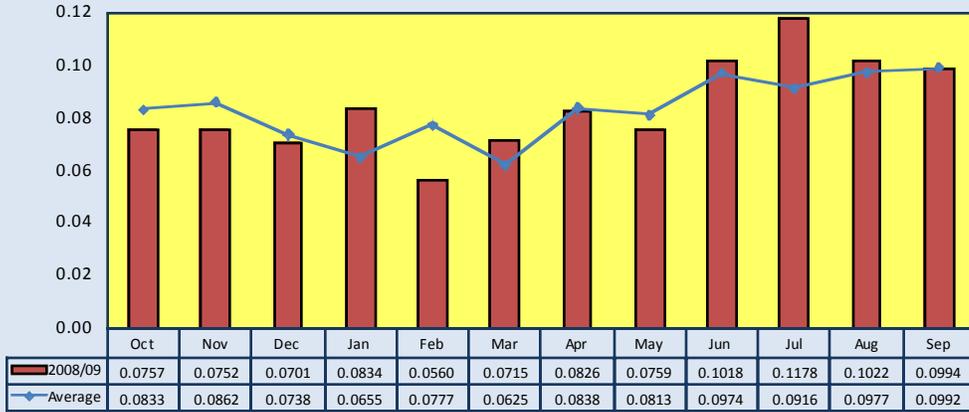
High expenditures in September 2008 are a result of Hurricane Ike.



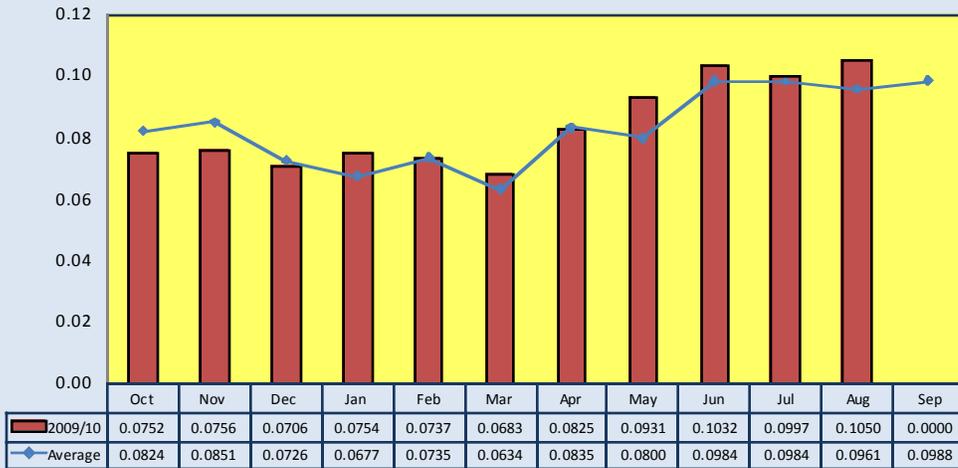
CHART F

WATER BILLING ANALYSIS

Average Percent of Water Billings by Month vs. 2008/09 Percent of Budgeted Billings



Average Percent of Water Billings by Month vs. 2009/10 Percent of Budgeted Billings



WASTEWATER BILLING ANALYSIS

Average Percent of Wastewater Billings by Month vs. 2008/09 Percent of Budgeted Billings



Average Percent of Wastewater Billings by Month vs. 2009/10 Percent of Budgeted Billings

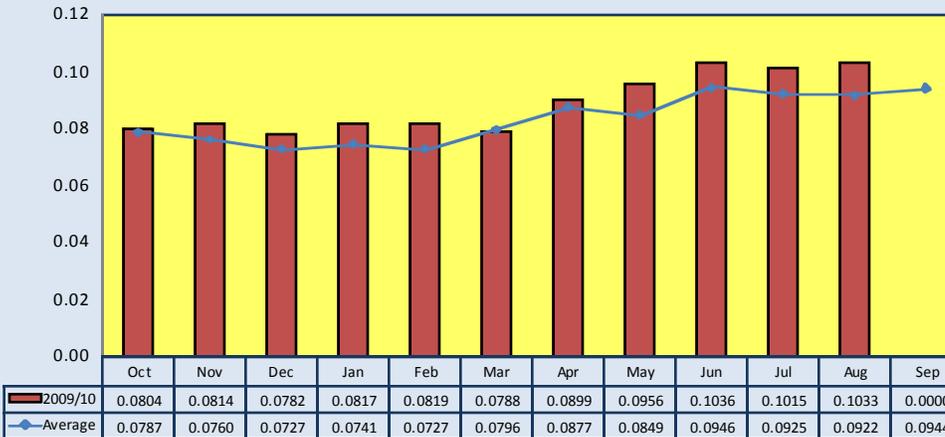
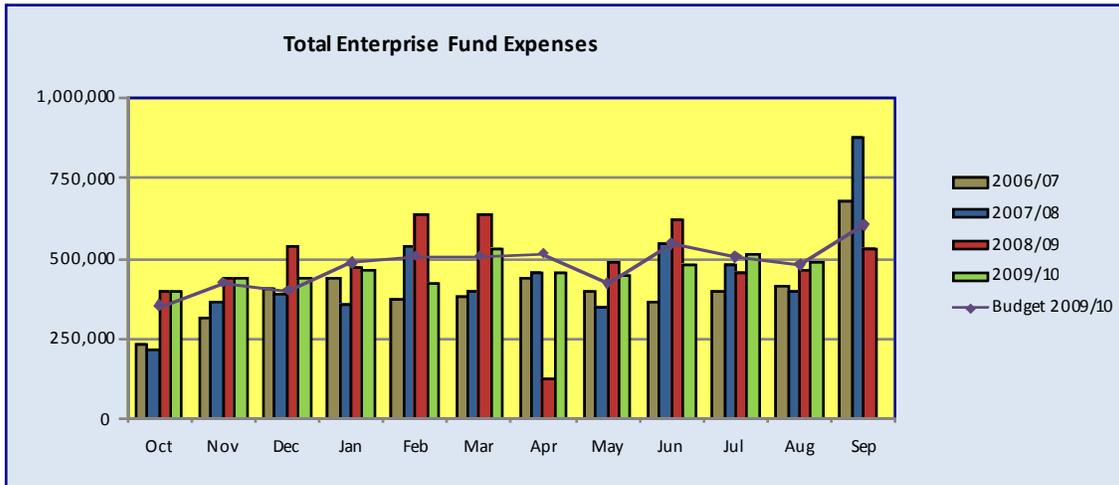


CHART H

EXPENDITURE ANALYSIS



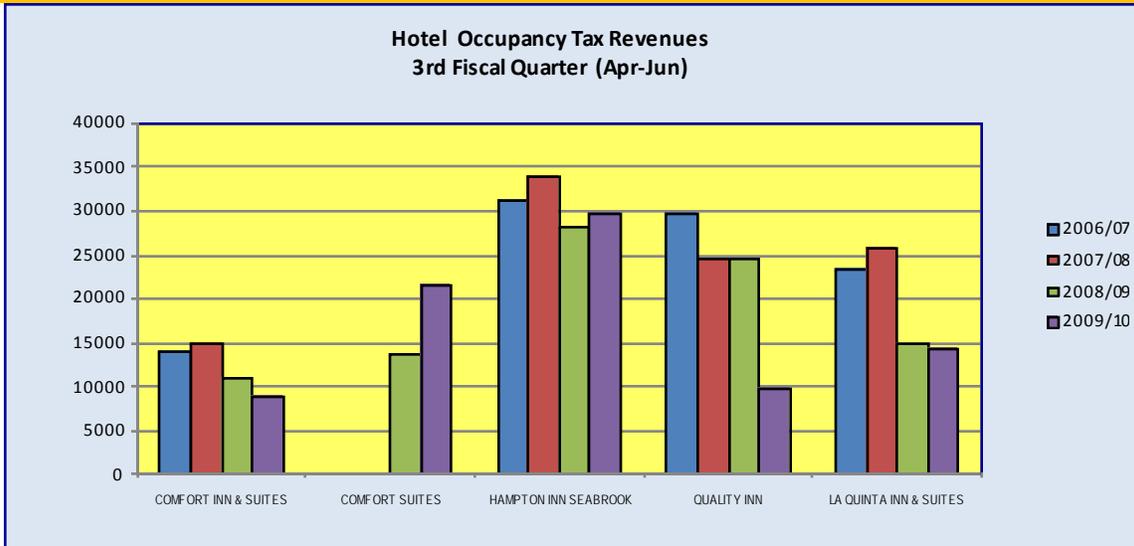
Low expenses April 2009 due to TML insurance reimbursement for IKE

HOTEL TAX FUND



CHART I

HOTEL TAX REVENUE ANALYSIS

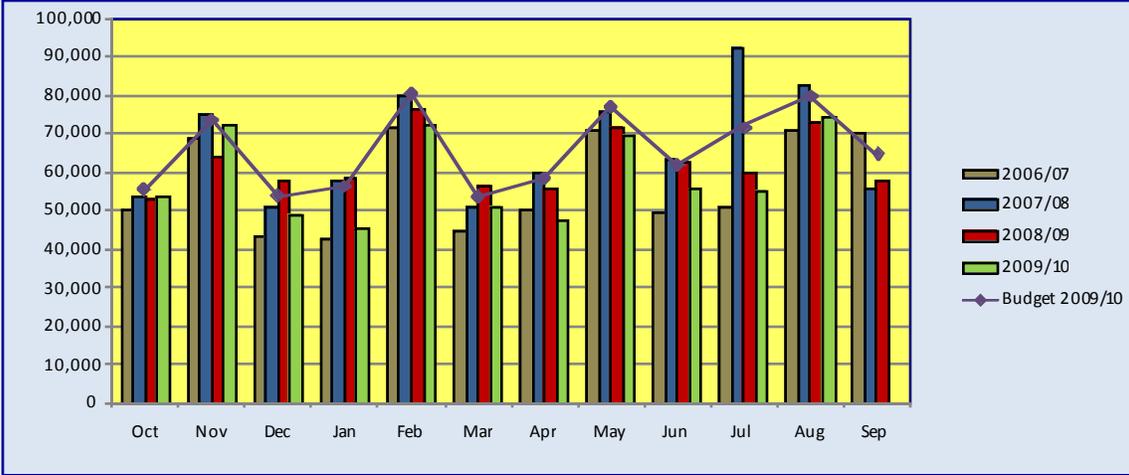


Hotel occupancy tax is paid quarterly. The City will accrue payments for the 4th quarter of 2009/10 in Sept 2010.



CHART J

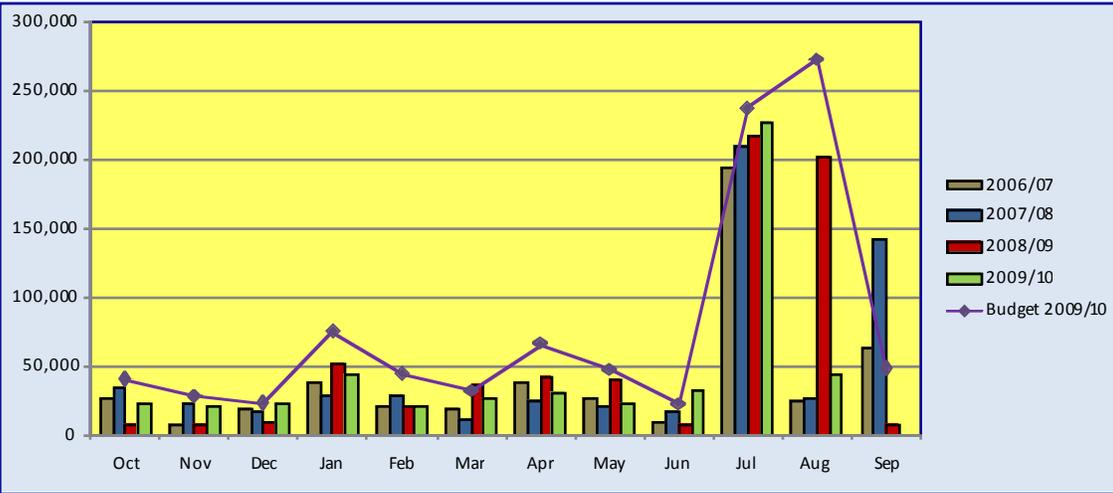
SALES TAX REVENUE ANALYSIS



Increased revenues in January due to budgeted repayment of loan

CHART K

EXPENDITURE ANALYSIS



CRIME DISTRICT



CHART L

SALES TAX REVENUE ANALYSIS

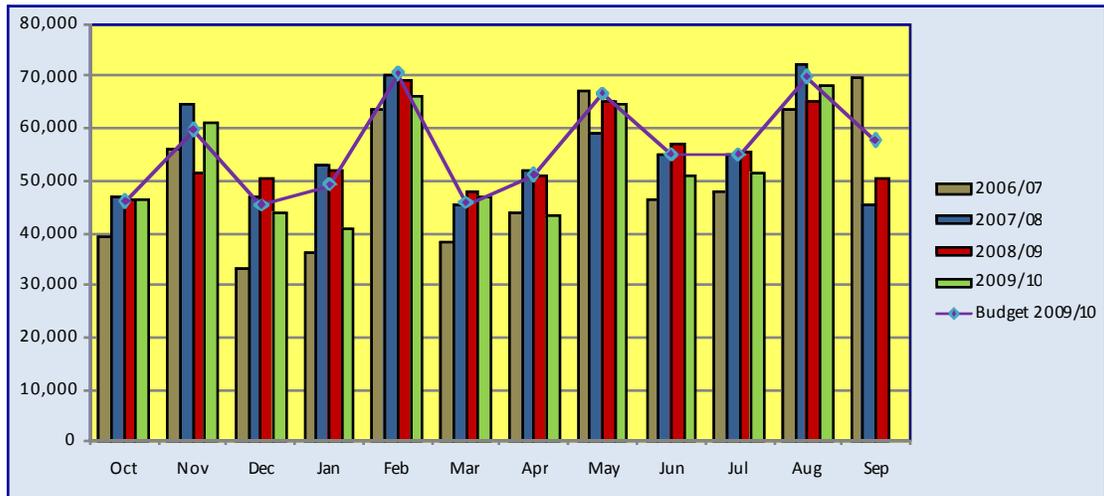
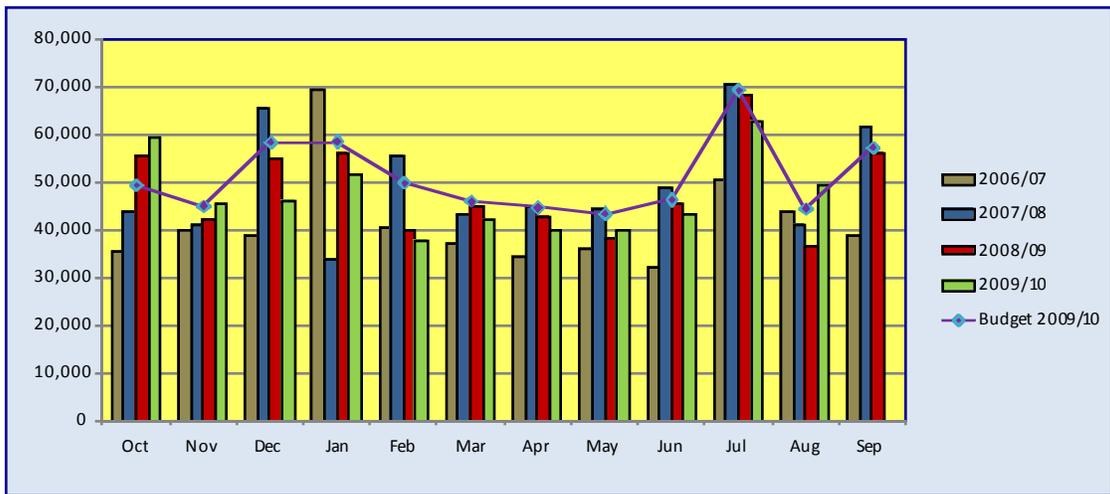


CHART M

EXPENDITURE ANALYSIS



INVESTMENTS



CHART N

MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF AUGUST 2010

AVG RATE .2279%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Aug)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	2,782,956.32	62,278.23	561.27	2,845,795.82	Working capital
ENTERPRISE FUND - UNRESTRIC	2,593,694.20	(262,189.81)	535.89	2,332,040.28	Working capital
ENTERPRISE FUND - RESTRICTEI	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,001,770.89	0.00	387.49	2,002,158.38	Water & sewer lines extensions & expansions
PARK FEES	15,910.16	0.00	3.08	15,913.24	Reserved for acquisition & development of park land
CHILD SAFETY PROGRAMS	15,039.62	0.00	2.91	15,042.53	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	80,359.21	0.00	15.56	80,374.77	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	686,052.79	50,000.00	138.69	736,191.48	Restricted for promotion of tourism
DEBT SERVICE FUND	2,583,801.57	(923,552.17)	480.16	1,660,729.56	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	550,518.67	(148,000.00)	89.57	402,608.24	Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	1,170,622.80	0.00	226.60	1,170,849.40	Funds transferred from Bond Mkt Acct to allow liquidity
STREET BONDS	128,662.73	0.00	24.91	128,687.64	Funds transferred from Bond Mkt Acct to allow liquidity
PINE GULLY PARK BONDS	310,222.25	(15,000.00)	58.28	295,280.53	Funds transferred from Bond Mkt Acct to allow liquidity
LIBRARY BONDS	22,838.54	0.00	4.42	22,842.96	Funds transferred from Bond Mkt Acct to allow liquidity
CRIME DISTRICT	158,575.50	30,000.00	34.23	188,609.73	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	1,789,812.71	36,342.50	430.53	1,826,585.74	Seabrook Economic Development Corporation II
SEDC II - RESTRICTED FOR BONI	223,755.00	0.00	incl in above	223,755.00	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
MUNI COURT - SECURITY FUND	37,029.56	0.00	7.17	37,036.73	Funds from fines to be used for security
MUNI COURT - TECHNOLOGY FUNI	376.83	0.00	0.07	376.90	Funds from fines to be used to improve court
STEP FUND	70,072.68	0.00	13.56	70,086.24	
TOTAL TEXPOOL FUND	15,702,072.03	(1,170,121.25)	3,014.39	\$14,534,965.17	

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

THE TEXAS INVESTMENT SERVICE FOR PUBLIC FUNDS

September 2010

PERFORMANCE

As of August 31, 2010

	<i>TexPool</i>	<i>TexPool Prime</i>
Current Invested Balance	\$14,740,852,362.81	\$1,247,312,719.03
Weighted Average Maturity (1)*	28 Days	23 Days
Weighted Average Maturity (2)*	77 Days	34 Days
Net Asset Value	1.00007	1.00014
Total Number of Participants	2,236	121
Management Fee on Invested Balance	0.0473%	0.0636%
Interest Distributed	\$2,883,901.96	\$361,499.22
Management Fee Collected	\$600,424.15	\$72,415.98
Standard & Poor's Current Rating	AAAm	AAAm
August Averages		
Average Invested Balance	\$14,903,847,916.67	\$1,323,318,619.40
Average Monthly Yield, on a simple basis (3)*	0.2279%	0.3221%
Average Weighted Average Maturity (1)*	29 Days	28 Days
Average Weighted Average Maturity (2)*	79 Days	40 Days

*Definitions for Average Weighted Maturity can be found on Page 2.

Economic and Market Commentary – August 31, 2010

Cash yields tumbled in August as a spate of disheartening economic statistics persuaded investors that higher benchmark interest rates were off the table for the foreseeable future. Although the downbeat reports were generally in line with expectations, they nonetheless portrayed an economy steadily losing momentum. A growing perception that the eurozone's banking crisis was contained, if not resolved, also helped to push nominal yields and spreads lower.

With the U.S. government facing significant fiscal constraints, market participants were keenly attuned to two events involving monetary policy. Early in the month, the Federal Open Market Committee downgraded its assessment of economic conditions and voted to reinvest proceeds of maturing Treasury securities and prepayments on its agency MBS holdings in Treasuries with maturities ranging from 2 to 10 years. Though the move did not represent a loosening of monetary conditions, it did delay the shrinkage of the Fed's hefty balance sheet. In late August, the annual gathering of the world's central bankers at Jackson Hole provided yet another window into the Fed's intentions. In a widely anticipated and paced speech, Chairman Ben Bernanke indicated that risks to growth were skewed to the downside and that the Fed had monetary ammunition remaining to combat a further worsening of economic conditions despite policy rates that cannot be lowered below the present range of zero to 0.25%.

The combination of weak economic data and the Fed's concerns about growth and employment triggered a major flattening of the cash curve. One month Libor declined 4.8 basis points to 0.257%, three month Libor dropped by 15.8 basis points to 0.296%, six month Libor fell 17.1 basis points to 0.497%, and 12 month Libor plunged 19.3 basis points to 0.843%. At one point during the month, the yield on two-year Treasury notes — the security considered most sensitive to rate expectations — fell to an all-time low of 0.455%. Clearly, investors believe that the Fed will not raise policy rates this year, and perhaps not until 2012. Though we are not as pessimistic as the consensus, the Fed has telegraphed a willingness to err on the side of caution in providing monetary accommodation.

With investors discounting what amounts to a worst-case scenario, it has become increasingly difficult to find value in the cash marketplace. As such, we concentrated our new purchases in both TexPool and TexPool Prime in floating rate securities and those maturing within three months. As its name implies, the floating rate sector includes paper whose yields are reset to a short-term benchmark, thus providing potential upside if economic circumstances turn out to be less dire than is widely believed.

There was some better news for cash investors during the month. First, it was disclosed that the Fed's new purchases of Treasury securities will not take place within the bill market; had that been the central bank's plan, yields on T-bills could have traded in the single digits again. Also, a sharp pickup in the supply of Treasury and agency paper indirectly helped elevate — albeit modestly — repo rates to near the 25 basis point upper end of the target range for Fed funds.

ANNOUNCEMENTS

New Participants

We would like to recognize and welcome the following entities who joined the TexPool/TexPool Prime program in August, 2010:

1. Brownsville Housing Authority
2. Cinco Southwest MUD 3
3. Hardy/Near Northside Redevelopment Authority
4. Williamson County ESD 1

Time to review your Investment Policy?

Please remember to mail a copy of the Investment Policy to TexPool and include a copy of the signed Resolution or signed Minutes documenting the review and approval of the policy for the current year.

Operations Announcements

Available on [TexConnect... The Summary Statement](#)

Available under the Statements tab, the Summary Statement allows you to view or download a single statement that summarizes your TexPool and TexPool Prime accounts. If you have questions regarding the Summary Statement, please call Participant Services at 866-839-7665.

Upcoming Events

9/14/10 – 9/18/10	CTAT Annual Conference	Abilene
9/24/10 – 9/26/10	TASA/TASB Annual Conference	Houston



TexPool

PORTFOLIO ASSET SUMMARY AS OF August 31, 2010

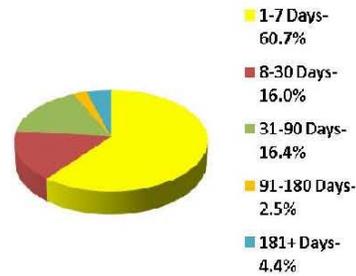
	<i>Book Value</i>	<i>Market Value</i>
Uninvested Balance	(207.95)	(207.95)
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	6,654,865.53	6,654,865.53
Interest and Management Fees Payable	(2,884,068.63)	(2,884,068.63)
Payable for Investments Purchased	(249,960,000.00)	(249,960,000.00)
Repurchase Agreements	8,876,861,000.00	8,876,827,700.00
Mutual Fund Investments	0.00	0.00
Government Securities	6,110,180,773.86	6,111,015,234.40
U.S. Treasury Bills	0.00	0.00
U.S. Treasury Notes	0.00	0.00
Total	\$14,740,852,362.81	\$14,741,653,523.35

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investors 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.

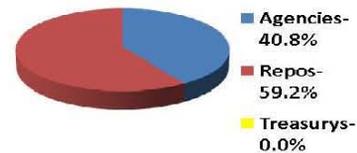
DAILY SUMMARY

Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
1-Aug	0.2415%	0.000006616	\$15,346,468,015.91	1.00011	33	84
2-Aug	0.2558%	0.000007007	\$15,302,059,888.74	1.00011	31	82
3-Aug	0.2373%	0.000006500	\$15,319,431,632.98	1.00011	30	80
4-Aug	0.2256%	0.000006181	\$15,295,831,381.06	1.00012	29	79
5-Aug	0.2342%	0.000006417	\$15,250,065,192.34	1.00011	30	79
6-Aug	0.2324%	0.000006367	\$15,183,783,739.70	1.00008	31	80
7-Aug	0.2324%	0.000006367	\$15,183,783,739.70	1.00008	31	80
8-Aug	0.2324%	0.000006367	\$15,183,783,739.70	1.00008	31	80
9-Aug	0.2276%	0.000006236	\$15,129,935,427.87	1.00008	29	77
10-Aug	0.2170%	0.000005946	\$15,078,870,156.52	1.00007	29	77
11-Aug	0.2097%	0.000005745	\$15,055,644,962.53	1.00008	28	77
12-Aug	0.2222%	0.000006089	\$14,900,099,533.64	1.00008	31	80
13-Aug	0.2287%	0.000006292	\$14,603,673,538.79	1.00007	31	81
14-Aug	0.2297%	0.000006292	\$14,603,673,538.79	1.00007	31	81
15-Aug	0.2297%	0.000006292	\$14,603,673,538.79	1.00007	31	81
16-Aug	0.2603%	0.000007132	\$14,481,288,633.82	1.00007	29	80
17-Aug	0.2580%	0.000007068	\$14,639,583,703.89	1.00007	30	80
18-Aug	0.2314%	0.000006339	\$14,626,893,664.89	1.00007	30	80
19-Aug	0.2203%	0.000006036	\$14,752,332,012.37	1.00007	29	78
20-Aug	0.2258%	0.000006186	\$14,621,892,189.39	1.00007	30	79
21-Aug	0.2258%	0.000006186	\$14,621,892,189.39	1.00007	30	79
22-Aug	0.2258%	0.000006186	\$14,621,892,189.39	1.00007	30	79
23-Aug	0.2212%	0.000006061	\$14,543,554,652.18	1.00007	28	78
24-Aug	0.2174%	0.000005956	\$14,571,320,142.49	1.00008	27	78
25-Aug	0.2091%	0.000005728	\$14,940,818,213.58	1.00007	27	75
26-Aug	0.2279%	0.000006243	\$14,947,256,155.79	1.00007	26	75
27-Aug	0.2136%	0.000005853	\$15,018,263,889.51	1.00007	28	75
28-Aug	0.2136%	0.000005853	\$15,018,263,889.51	1.00007	28	75
29-Aug	0.2136%	0.000005853	\$15,018,263,889.51	1.00007	28	75
30-Aug	0.2136%	0.000005857	\$14,914,139,551.27	1.00007	25	73
31-Aug	0.2307%	0.000006320	\$14,740,852,362.81	1.00007	28	77
Averages	0.2279%	0.000006244	\$14,903,847,916.67		29	79

Portfolio By Maturity As of August 31, 2010



Portfolio By Type of Investment As of August 31, 2010



	Number of Participants	Balance
School District	562	\$4,192,595,951.13
Higher Education	54	\$2,100,227,734.31
Health Care	79	\$329,688,569.26
Utility District	691	1,482,590,321.81
City	433	\$4,440,992,988.49
County	171	\$1,326,086,639.86
Other	246	\$868,142,193.57

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

- (1) This weighted average maturity calculation uses the SEC Rule 2A-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This rule specifies that a variable rate instrument to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.
- (2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.



TexPool Prime

PORTFOLIO ASSET SUMMARY AS OF August 31, 2010

	Book Value	Market Value
Uninvested Balance	(163.64)	(163.64)
Accrual of Interest Income	11,608.03	11,608.03
Interest and Management Fees Payable	(361,538.37)	(361,538.37)
Payable for Investments Purchased	(10,000,000.00)	0.00
Repurchase Agreements	604,738,000.00	604,738,000.00
Mutual Fund Investments	0.00	0.00
Government Securities	49,179,627.30	49,202,529.20
Commercial Paper	603,745,185.71	603,892,979.17
Bank Instruments	0.00	0.00
Variable Rate Note	0.00	0.00
Total	\$1,247,312,719.03	\$1,267,483,414.39

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investors 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.

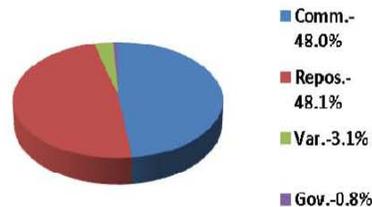
DAILY SUMMARY

Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
1-Aug	0.3245%	0.000008991	\$1,479,207,716.20	1.00015	35	54
2-Aug	0.3204%	0.000008601	\$1,418,560,073.64	1.00016	34	53
3-Aug	0.3251%	0.000008908	\$1,428,368,397.74	1.00017	33	44
4-Aug	0.3075%	0.000008425	\$1,460,938,830.54	1.00017	29	43
5-Aug	0.3157%	0.000008650	\$1,450,874,191.24	1.00018	29	42
6-Aug	0.3196%	0.000008756	\$1,437,567,234.72	1.00015	30	43
7-Aug	0.3196%	0.000008756	\$1,437,567,234.72	1.00015	30	43
8-Aug	0.3196%	0.000008756	\$1,437,567,234.72	1.00015	30	43
9-Aug	0.3126%	0.000008565	\$1,436,426,951.66	1.00016	28	38
10-Aug	0.2993%	0.000008199	\$1,449,671,231.90	1.00016	28	37
11-Aug	0.2966%	0.000008126	\$1,429,646,263.75	1.00016	27	37
12-Aug	0.3120%	0.000008549	\$1,363,491,735.29	1.00017	28	39
13-Aug	0.3263%	0.000008941	\$1,296,407,781.65	1.00016	30	41
14-Aug	0.3263%	0.000008941	\$1,296,407,781.65	1.00016	30	41
15-Aug	0.3263%	0.000008941	\$1,296,407,781.65	1.00016	30	41
16-Aug	0.3553%	0.000009751	\$1,240,571,536.41	1.00017	28	40
17-Aug	0.3468%	0.000009500	\$1,241,759,984.18	1.00017	28	39
18-Aug	0.3344%	0.000009162	\$1,240,280,069.68	1.00017	27	38
19-Aug	0.3275%	0.000008973	\$1,252,593,086.64	1.00017	26	37
20-Aug	0.3330%	0.000009123	\$1,244,580,993.76	1.00016	27	37
21-Aug	0.3330%	0.000009123	\$1,244,580,993.76	1.00016	27	37
22-Aug	0.3330%	0.000009123	\$1,244,580,993.76	1.00016	27	37
23-Aug	0.3288%	0.000009007	\$1,224,159,294.42	1.00016	24	35
24-Aug	0.3270%	0.000008958	\$1,219,274,773.33	1.00017	24	35
25-Aug	0.3225%	0.000008835	\$1,233,157,051.56	1.00016	25	37
26-Aug	0.3269%	0.000008957	\$1,251,604,837.24	1.00016	24	35
27-Aug	0.3088%	0.000008459	\$1,252,790,584.59	1.00014	26	37
28-Aug	0.3088%	0.000008459	\$1,252,790,584.59	1.00014	26	37
29-Aug	0.3088%	0.000008459	\$1,252,790,584.59	1.00014	26	37
30-Aug	0.2947%	0.000008074	\$1,263,948,672.78	1.00014	23	34
31-Aug	0.3128%	0.000008570	\$1,247,312,719.03	1.00014	23	34
Averages	0.3221%	0.000008824	\$1,323,318,619.40		28	40

Portfolio By Maturity As of August 31, 2010



Portfolio By Type of Investment As of August 31, 2010



	Number of Participants	Balance
School District	63	\$791,162,335.97
Higher Education	6	\$129,078,722.62
Health Care	6	\$43,055,421.10
Utility District	3	\$18,221,920.25
City	19	\$82,760,877.83
County	13	\$182,637,804.40
Other	11	\$390,573.68

*(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.

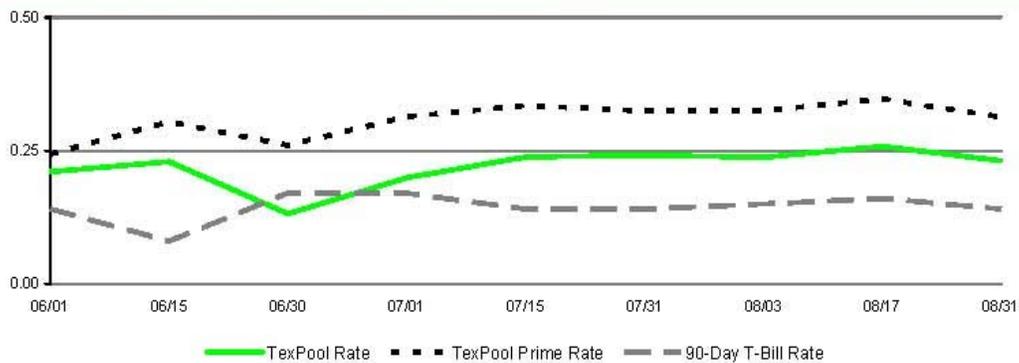


TEXPOOL

THE TEXAS INVESTMENT SERVICE FOR PUBLIC FUNDS

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

TEXPOOL & TEXPOOL PRIME VS. 90-DAY TREASURY BILL



TexPool Advisory Board Members

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Additional information regarding TexPool is available upon request:

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