



# MONTHLY FINANCIAL REPORT

## PERFORMANCE SUMMARY

*June 2010*

	Current Month	Year to Date	Chart
<b>GENERAL FUND</b>			
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	NEGATIVE	B
Property Tax Collection Analysis	NEGATIVE	NEGATIVE	C
Sales Tax Collection Analysis	NEGATIVE	NEGATIVE	D
Expenditure Analysis	NEGATIVE	POSITIVE	E
<b>ENTERPRISE FUND</b>			
Water Billing Analysis	POSITIVE	POSITIVE	F
Sewer Billing Analysis	POSITIVE	POSITIVE	G
Expense Analysis	POSITIVE	POSITIVE	H
<b>HOTEL OCCUPANCY TAX REVENUE</b>			
Hotel Tax Revenue Analysis	N/A	N/A	I
<b>SEDC</b>			
Sales Tax Collection Analysis	NEGATIVE	NEGATIVE	J
Expenditure Analysis	NEGATIVE	POSITIVE	K
<b>CRIME DISTRICT</b>			
Sales Tax Collection Analysis	NEGATIVE	NEGATIVE	L
Expenditure Analysis	POSITIVE	POSITIVE	M
<b>INVESTMENTS</b>			
Investment Report	N/A	N/A	N

**PERFORMANCE INDICATORS:**

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

Positive = Positive variance as compared to seasonal trend.  
 Negative = Negative variance as compared to seasonal trend.

# GENERAL FUND



CHART A

## TOTAL REVENUE THROUGH JUNE 30, 2010

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	3,798,381	3,648,019	96.04%	98.84%
Penalties & Interest	60,000	36,742	61.24%	74.64%
Sales Tax	1,575,000	1,030,931	65.46%	74.49%
Franchise Tax	710,000	530,977	74.79%	77.13%
Other Tax	110,000	44,564	40.51%	41.83%
License & Permits	300,000	181,520	60.51%	76.83%
Charges for Services	37,407	48,362	129.29%	70.17%
DOT Fines	143,300	58,505	40.83%	64.96%
Other Municipal Court Fees	277,000	251,715	90.87%	68.88%
Interest Income	23,573	3,968	16.83%	84.75%
Intergovernmental *	382,147	289,598	75.78%	64.29%
Other Revenue	65,000	80,934	124.51%	63.50%
Transfers from Enterprise Fund	1,447,381	1,085,536	75.00%	75.00%
Payment for Services-EDC	<u>30,000</u>	<u>15,000</u>	50.00%	50.00%
Total Revenues	8,959,189	7,306,370	81.55%	84.15%

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

CHART B

## TOTAL EXPENDITURES THROUGH JUNE 30, 2010

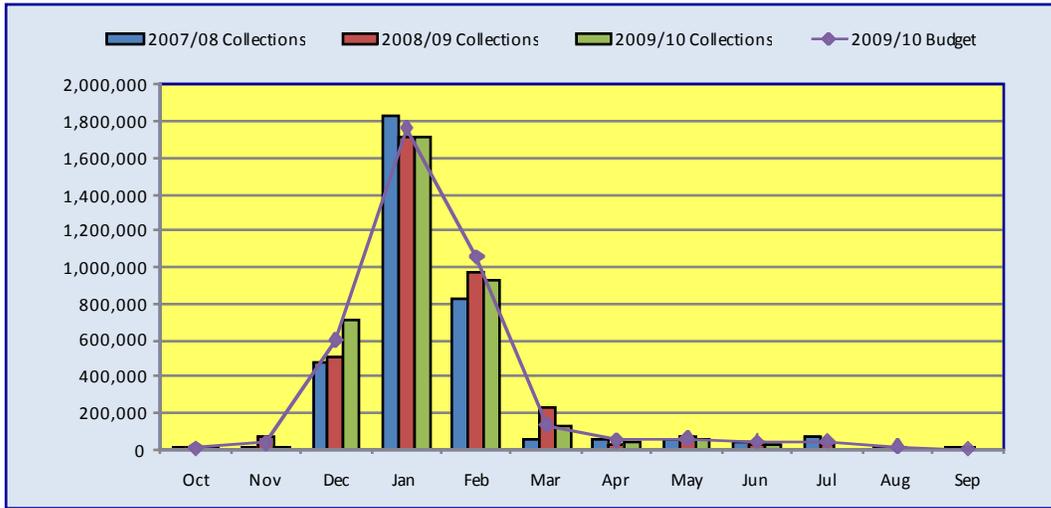
	Budget	YTD Expenditures	% of Budget Expended	**Prior YTD % of Total Expended
Personnel	5,983,554	4,309,822	72.03%	72.53%
Supplies	353,445	175,345	49.61%	53.56%
Services	2,500,362	1,977,770	79.10%	69.81%
Capital	<u>121,828</u>	<u>100,964</u>	<u>82.87%</u>	<u>16.65%</u>
Total Expenditures	8,959,189	6,563,902	73.26%	69.88%

\* 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

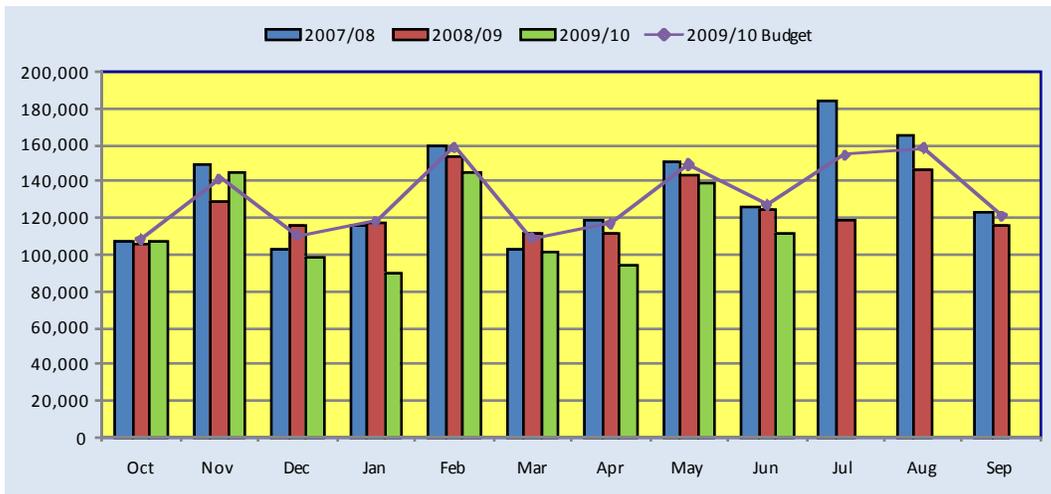
PROPERTY TAX ANALYSIS



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

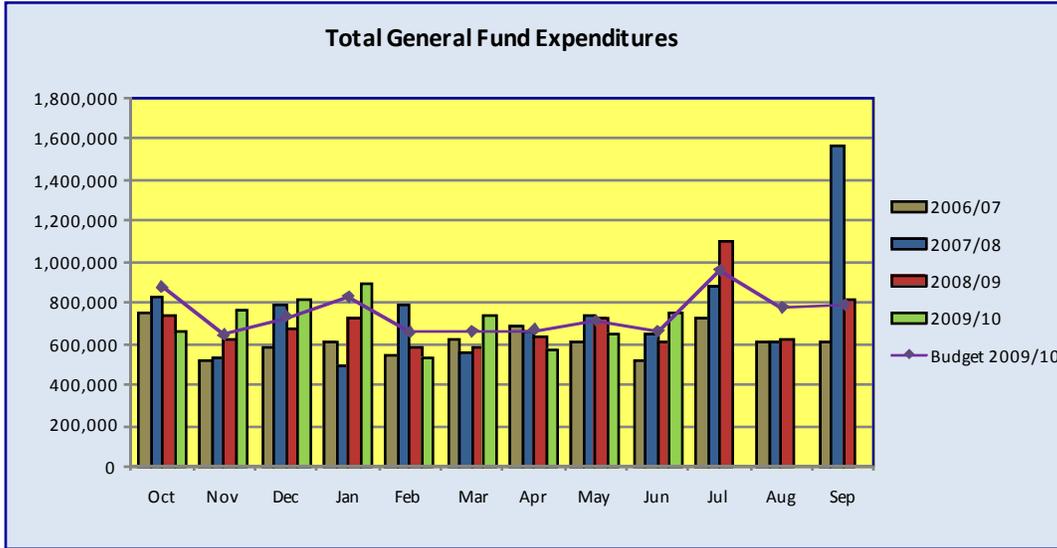
CHART D

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



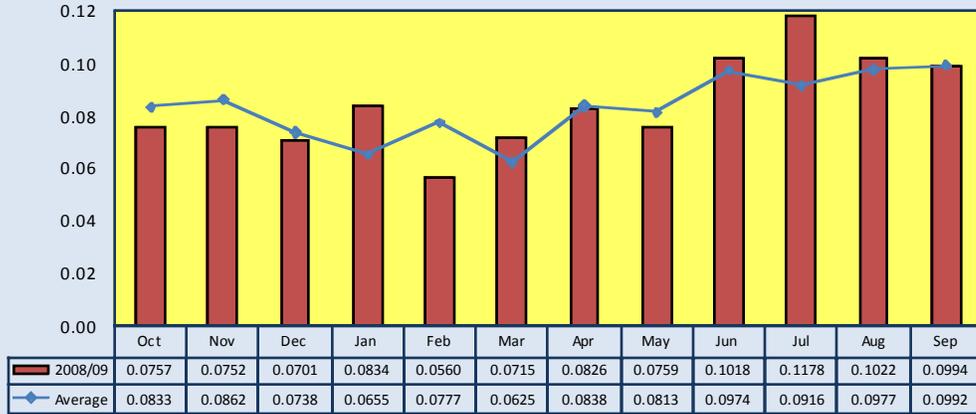
High expenditures in September 2008 are a result of Hurricane Ike.



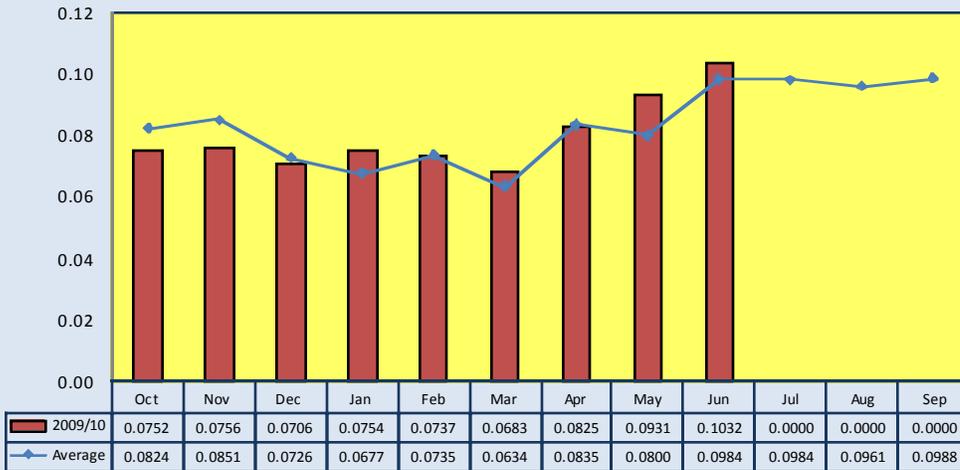
CHART F

## 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



W ASTEW ATER 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**

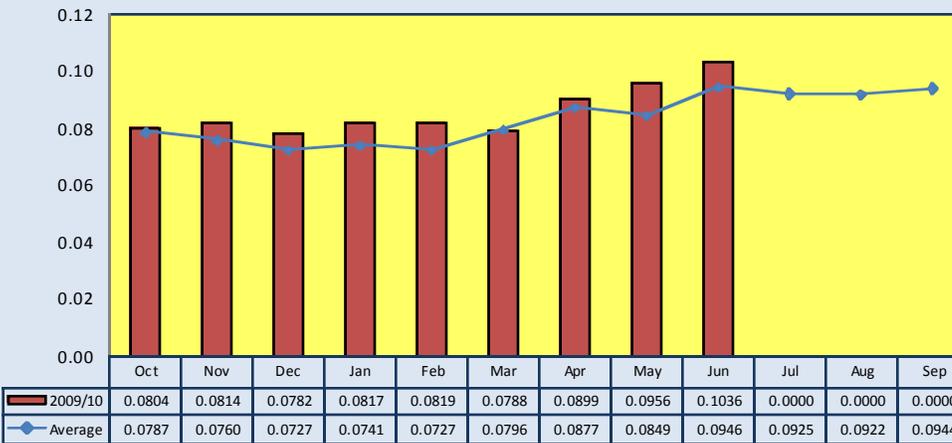
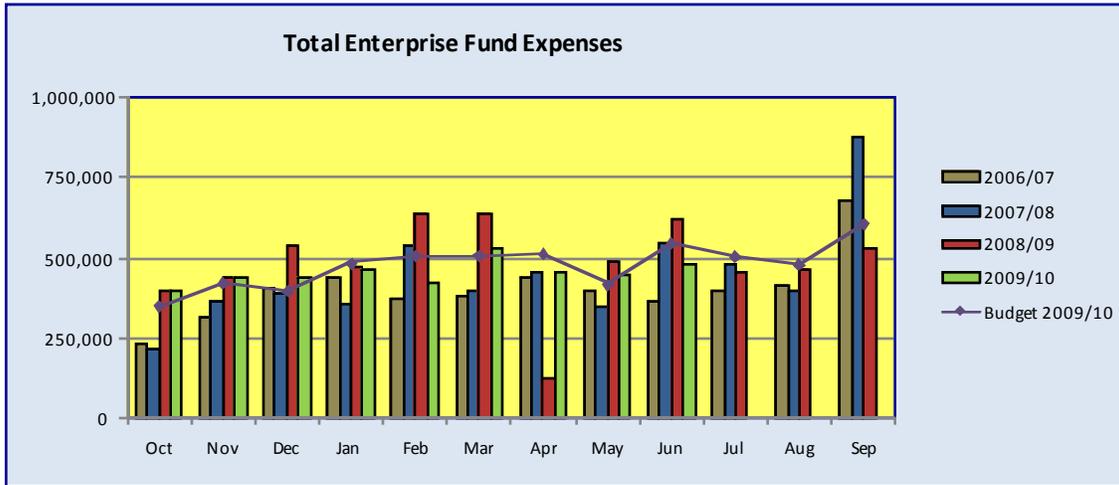


CHART H

EXPENDITURE ANALYSIS



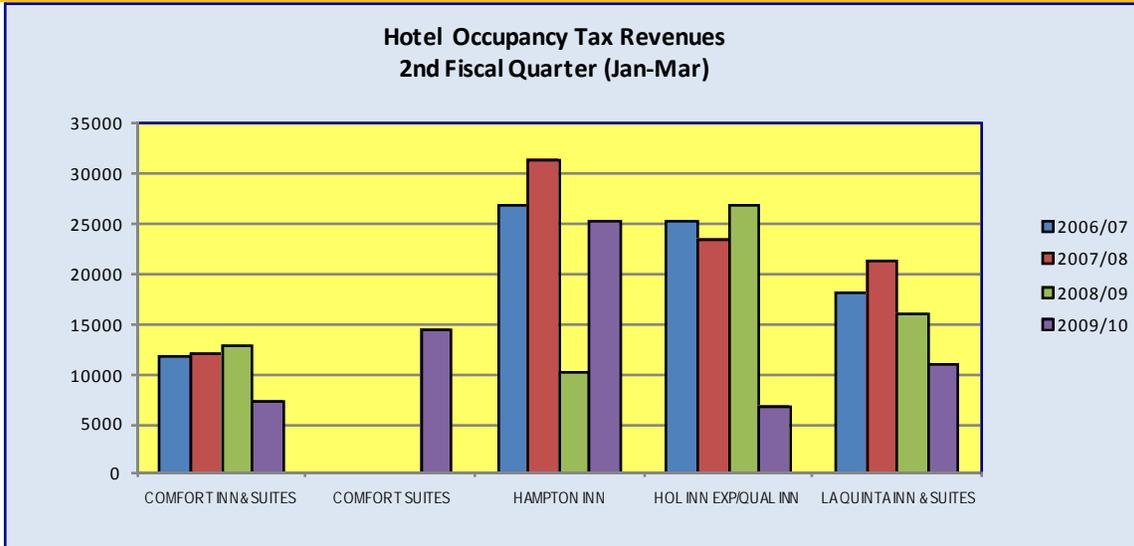
Low expenses April 2009 due to TML insurance reimbursement for IKE

HOTEL TAX FUND



CHART I

HOTEL TAX REVENUE ANALYSIS



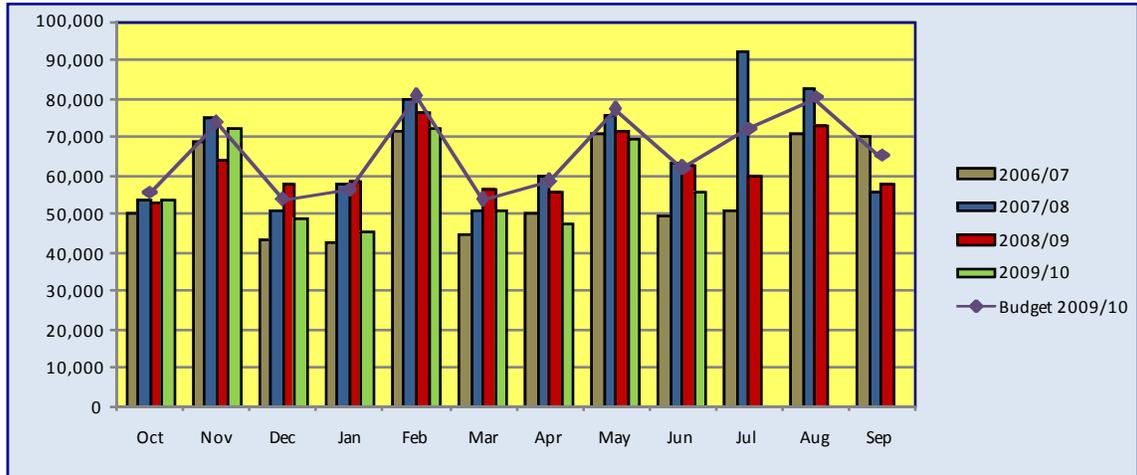
Hotel occupancy tax is paid quarterly. The City will receive payments for the 3rd quarter of 2009/10 in July 2010.

# SEABROOK EDC



CHART J

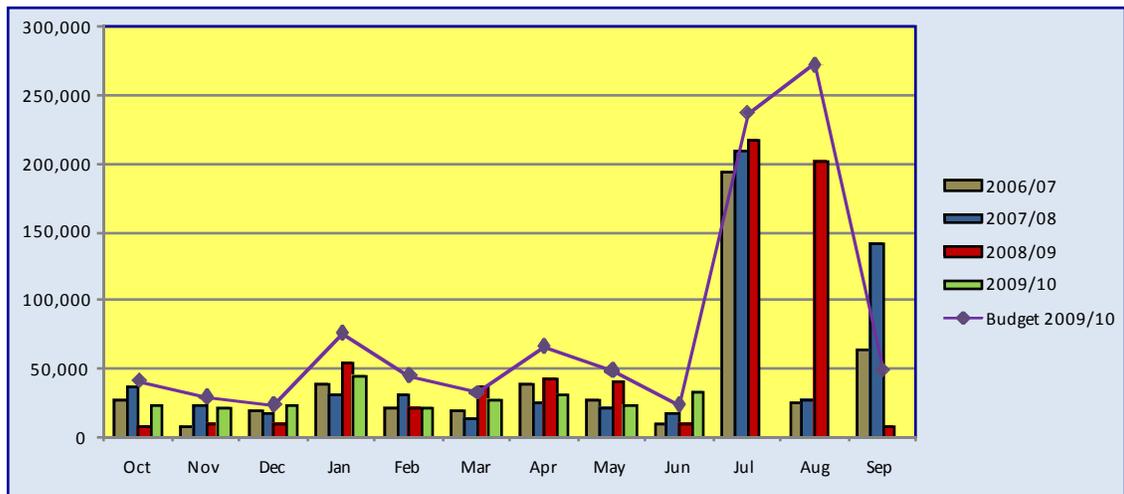
## SALES TAX REVENUE ANALYSIS



Increased revenues in January due to budgeted repayment of loan

CHART K

## EXPENDITURE ANALYSIS



# CRIME DISTRICT



CHART L

## SALES TAX REVENUE ANALYSIS

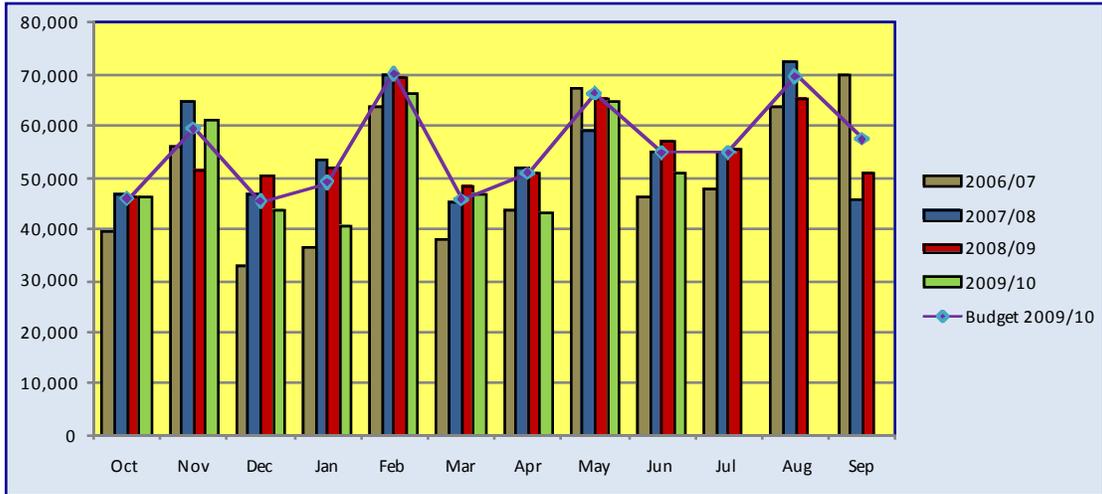
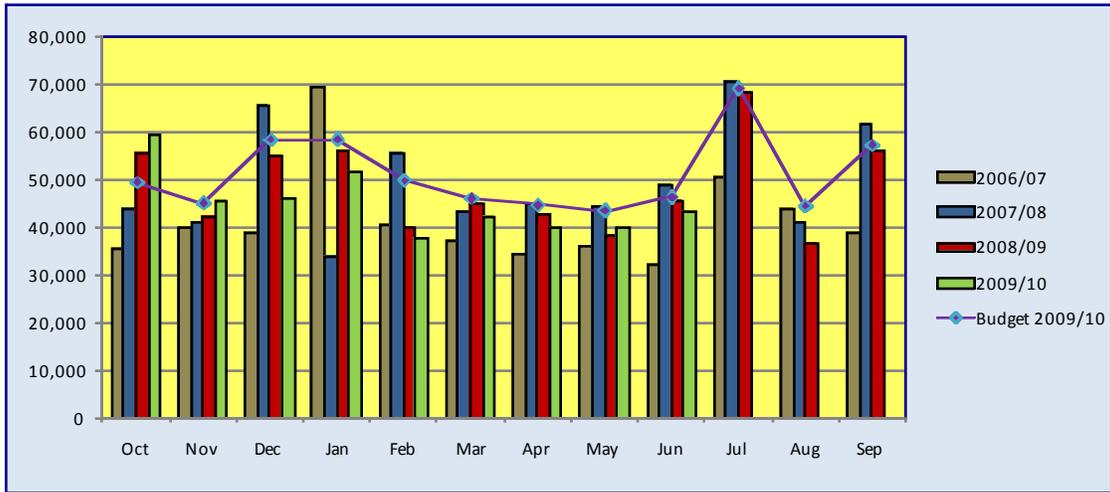


CHART M

## EXPENDITURE ANALYSIS



# INVESTMENTS



CHART N

## MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF JUNE 2010

AVG RATE .2078%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted June)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	3,632,052.07	(620,254.29)	603.34	3,012,401.12	Working capital
ENTERPRISE FUND - UNRESTRICTED	2,451,778.64	208,138.07	475.36	2,660,392.07	Working capital
ENTERPRISE FUND - RESTRICTED	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	1,951,053.45	50,000.00	333.43	2,001,386.88	Water & sewer lines extensions & expansions
PARK FEES	15,904.39	0.00	2.72	15,907.11	Reserved for acquisition & development of park land
CHILD SAFETY PROGRAMS	15,034.16	0.00	2.57	15,036.73	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	80,330.07	0.00	13.72	80,343.79	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	640,496.38	45,311.00	113.80	685,921.18	Restricted for promotion of tourism
DEBT SERVICE FUND	2,523,657.78	35,667.66	434.95	2,559,760.39	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	582,888.52	(28,974.25)	98.34	554,012.61	Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	1,170,198.35	0.00	199.88	1,170,398.23	Funds transferred from Bond Mkt Acct to allow liquidity
STREET BONDS	143,612.16	0.00	24.53	143,636.69	Funds transferred from Bond Mkt Acct to allow liquidity
PINE GULLY PARK BONDS	315,108.12	0.00	53.82	315,161.94	Funds transferred from Bond Mkt Acct to allow liquidity
LIBRARY BONDS	22,830.26	0.00	3.90	22,834.16	Funds transferred from Bond Mkt Acct to allow liquidity
CRIME DISTRICT	152,363.62	40,000.00	26.17	192,389.79	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	1,937,668.23	20,111.81	403.35	1,958,183.39	Seabrook Economic Development Corporation II
SEDC II - RESTRICTED FOR BONDS	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	37,016.14	0.00	6.32	37,022.46	Funds from fines to be used for security
MUNI COURT - TECHNOLOGY FUND	376.70	0.00	0.06	376.76	Funds from fines to be used to improve court
STEP FUND	70,047.28	0.00	11.96	70,059.24	
<b>TOTAL TEXPOOL FUND</b>	<b>16,446,171.32</b>	<b>(250,000.00)</b>	<b>2,808.22</b>	<b>\$16,198,979.54</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



# TEXPOOL

THE TEXAS INVESTMENT SERVICE FOR PUBLIC FUNDS

July 2010

## PERFORMANCE

<i>As of June 30, 2010</i>	<i>TexPool</i>	<i>TexPool Prime</i>
Current Invested Balance	\$15,971,079,914.17	\$1,513,270,163.66
Weighted Average Maturity (1)*	36 Days	52 Days
Weighted Average Maturity (2)*	80 Days	63 Days
Net Asset Value	1.00006	1.00004
Total Number of Participants	2,231	120
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$2,789,004.79	\$351,434.20
Management Fee Collected	\$635,208.11	\$80,385.10
Standard & Poor's Current Rating	AAAm	AAAm
<b>June Averages</b>		
Average Invested Balance	\$16,331,358,594.22	\$1,531,688,325.22
Average Monthly Yield, on a simple basis (3)*	0.2078%	0.2794%
Average Weighted Average Maturity (1)*	38 Days	50 Days
Average Weighted Average Maturity (2)*	81 Days	62 Days

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

## Economic and Market Commentary – June 30, 2010

Short-term interest rates were mixed and the cash yield curve flattened in June as a host of weaker than expected economic statistics persuaded investors that the Federal Reserve was unlikely to raise benchmark interest rates this year. Overnight dollar Libor rose from 0.298% to 0.305%, one month Libor fell from 0.351% to 0.348%, three month Libor declined from 0.536% to 0.534%, six month Libor inched upward from 0.751% to 0.752%, and one year Libor dropped from 1.204% to 1.173%. Meanwhile, three month Treasury bill yields increased two basis points to 0.18%, six month bills were unchanged at 0.22%, one year bills eased one basis point to 0.31%, and two year notes plunged a whopping 15 basis points to 0.61%, near an all-time low.

Larger yield declines among longer-dated maturities — a pattern that forms a flatter yield curve — are consistent with a dovish market view of Fed policy. That outlook gained additional credence late in the month when the central bank's rate-setting committee issued a distinctly less optimistic outlook for economic growth. The FOMC attributed its subdued forecast to the knock-on effects of Europe's debt woes. Policymakers also noted the absence of inflationary pressures and expectations, along with low rates of resource utilization. In fact, core inflation is under 1%, the lowest figure since 1981, and capacity utilization in the industrial sector is about 10 percentage points below the level at which bottlenecks and inflationary pressures begin to appear.

Though we continue to believe that the Fed will take the first baby steps towards tightening policy earlier than many investors believe, it seems virtually certain that the first tightening will not occur until November or December, at the earliest. Still, we remain convinced that the Fed is anxious to scale back its balance sheet and normalize monetary policy as quickly as possible. As we noted in previous commentaries, however, Chairman Bernanke is a student of the serious deflationary outbreaks in the U.S. during the Great Depression of the 1930s and in Japan over the last two decades, and is keen on avoiding a reprise. Yet Bernanke also is aware that keeping fed funds too low for too long could in due inflation-weary bond vigilantes to eventually demand higher yields, a development that might offset the stimulative impact of super-low benchmark rates.

Amid this complex array of future policy choices, we found significant value within the overnight to three-month portion of the cash curve. Yields at the short end were supported by the successful initial auction of the Fed's Term Deposit Facility, which allows member banks with reserve accounts to receive interest on their balances in exchange for being unable to have the funds count towards their overnight reserve requirements. The purpose of the Facility is to withdraw liquidity from the financial system without actually raising rates. From an investment standpoint, the new Term Deposit Facility could help to put a floor under repo yields, thereby making the extreme short end of the cash curve more attractive.

## ANNOUNCEMENTS

### New Participants

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

1. Katy Development Authority
2. Rockwall ISD
3. Weslaco ISD
4. City of McKinney
5. Housing Authority of City of Poteet
6. Harlandale ISD
7. Housing Authority of Bexar County
8. Upton County ESD No. 2

### 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.

#### 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.



**TexPool**

**PORTFOLIO ASSET SUMMARY AS OF June 30, 2010**

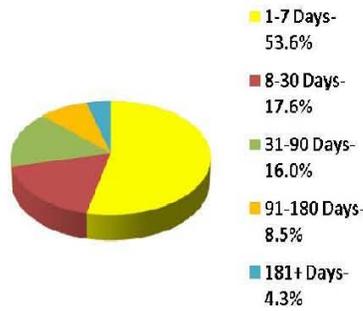
	<i>Book Value</i>	<i>Market Value</i>
Uninvested Balance	\$172.25	\$172.25
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	11,106,141.72	11,106,141.72
Interest and Management Fees Payable	(2,789,056.19)	(2,789,056.19)
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	6,498,444,000.00	6,498,444,000.00
Mutual Fund Investments	0.00	0.00
Government Securities	8,803,248,815.89	8,803,984,164.56
U.S. Treasury Bills	159,999,377.80	159,997,760.00
U.S. Treasury Notes	501,070,462.70	501,054,500.00
<b>Total</b>	<b>\$15,971,079,914.17</b>	<b>\$15,971,797,682.34</b>

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.

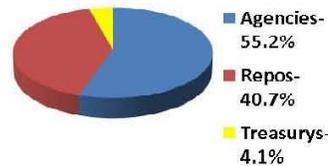
**DAILY SUMMARY**

Date	Money Mkt Fund Equiv (SEC Std)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
6/1	0.2102%	0.000005759	\$16,617,644,194.62	0.99999	37	80
6/2	0.2080%	0.000005699	\$16,604,735,013.48	0.99999	37	80
6/3	0.2267%	0.000006210	\$16,518,369,712.59	1.00000	39	82
6/4	0.2220%	0.000006083	\$16,502,240,302.87	1.00001	41	84
6/5	0.2220%	0.000006083	\$16,502,240,302.87	1.00001	41	84
6/6	0.2220%	0.000006083	\$16,502,240,302.87	1.00001	41	84
6/7	0.2176%	0.000005961	\$16,483,600,007.95	1.00002	39	82
6/8	0.2134%	0.000005847	\$16,457,642,686.52	1.00003	40	83
6/9	0.2110%	0.000005780	\$16,482,532,527.92	1.00003	40	83
6/10	0.2060%	0.000005643	\$16,447,437,616.18	1.00006	40	82
6/11	0.2094%	0.000005738	\$16,494,496,527.69	1.00006	41	83
6/12	0.2094%	0.000005738	\$16,494,496,527.69	1.00006	41	83
6/13	0.2094%	0.000005738	\$16,494,496,527.69	1.00006	41	83
6/14	0.2096%	0.000005743	\$16,418,634,255.27	1.00007	39	81
6/15	0.2293%	0.000006283	\$16,273,240,349.41	1.00005	39	81
6/16	0.2056%	0.000005634	\$16,301,368,734.63	1.00006	38	81
6/17	0.2107%	0.000005772	\$16,256,613,886.16	1.00007	38	80
6/18	0.2120%	0.000005807	\$16,251,729,989.12	1.00006	38	81
6/19	0.2120%	0.000005807	\$16,251,729,989.12	1.00006	38	81
6/20	0.2120%	0.000005807	\$16,251,729,989.12	1.00006	38	81
6/21	0.2117%	0.000005799	\$16,101,350,486.52	1.00007	37	79
6/22	0.2113%	0.000005790	\$16,137,688,083.71	1.00007	36	78
6/23	0.2011%	0.000005609	\$16,133,306,859.37	1.00007	36	78
6/24	0.1966%	0.000005385	\$16,037,639,156.61	1.00007	37	81
6/25	0.2032%	0.000005666	\$16,204,812,755.74	1.00006	37	81
6/26	0.2032%	0.000005666	\$16,204,812,755.74	1.00006	37	81
6/27	0.2032%	0.000005666	\$16,204,812,755.74	1.00006	37	81
6/28	0.1909%	0.000005231	\$16,142,508,102.11	1.00005	36	80
6/29	0.2034%	0.000005672	\$16,115,527,813.23	1.00005	36	79
6/30	0.1317%	0.000003608	\$15,971,079,914.17	1.00006	36	80
<b>Averages</b>	0.2078%	0.000005694	\$16,331,358,594.22		38	81

**Portfolio By Maturity**  
As of June 30, 2010



**Portfolio By Type of Investment**  
As of June 30, 2010



	Number of Participants	Balance
School District	562	\$5,288,532,408.20
Higher Education	54	\$1,986,024,140.78
Health Care	79	\$453,832,862.88
Utility District	690	1,542,788,428.21
City	433	\$4,567,575,589.43
County	171	\$1,480,136,506.86
Other	242	\$651,808,794.08

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

<sup>(1)</sup> 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.

<sup>(2)</sup> 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 June 30, 2010**

	<b>Book Value</b>	<b>Market Value</b>
Uninvested Balance	\$(449.48)	\$(449.48)
Accrual of Interest Income	246,258.62	246,258.62
Interest and Management Fees Payable	(351,400.08)	(351,400.08)
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	441,737,000.00	441,737,000.00
Mutual Fund Investments	0.00	0.00
Government Securities	237,508,070.26	237,537,228.53
Commercial Paper	834,130,684.34	834,160,232.03
Bank Instruments	0.00	0.00
Variable Rate Note	0.00	0.00
<b>Total</b>	<b>\$1,513,270,163.66</b>	<b>\$1,513,328,869.62</b>

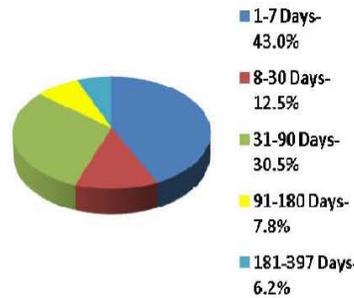
Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investors and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only 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**

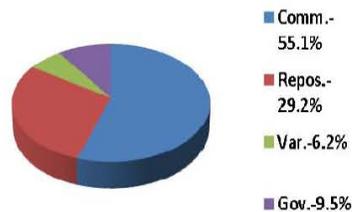
Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
6/1	0.2438%	0.000006678	\$1,670,153,399.73	0.99995	41	63
6/2	0.2408%	0.000006870	\$1,568,214,118.36	0.99995	43	65
6/3	0.2628%	0.000007199	\$1,566,078,486.62	0.99995	45	66
6/4	0.2582%	0.000007073	\$1,564,771,117.21	0.99996	45	66
6/5	0.2582%	0.000007073	\$1,564,771,117.21	0.99996	45	66
6/6	0.2582%	0.000007073	\$1,564,771,117.21	0.99996	45	66
6/7	0.2836%	0.000007770	\$1,565,635,131.74	0.99997	54	66
6/8	0.2863%	0.000007844	\$1,566,275,359.23	0.99998	53	65
6/9	0.2836%	0.000007776	\$1,563,682,708.53	0.99998	53	65
6/10	0.2823%	0.000007735	\$1,534,045,803.64	0.99999	53	65
6/11	0.2787%	0.000007636	\$1,534,391,104.67	0.99999	53	65
6/12	0.2787%	0.000007636	\$1,534,391,104.67	0.99999	53	65
6/13	0.2787%	0.000007636	\$1,534,391,104.67	0.99999	53	65
6/14	0.2896%	0.000007934	\$1,512,055,784.97	1.00001	55	66
6/15	0.3041%	0.000008332	\$1,497,412,043.98	1.00000	55	66
6/16	0.2886%	0.000007908	\$1,524,603,890.70	1.00000	53	65
6/17	0.2947%	0.000008073	\$1,530,506,048.15	1.00000	52	64
6/18	0.2957%	0.000008100	\$1,527,832,519.35	0.99999	53	64
6/19	0.2957%	0.000008100	\$1,527,832,519.35	0.99999	53	64
6/20	0.2957%	0.000008100	\$1,527,832,519.35	0.99999	53	64
6/21	0.2868%	0.000007358	\$1,536,293,591.78	1.00001	50	61
6/22	0.2816%	0.000007239	\$1,532,040,665.91	1.00002	49	60
6/23	0.2808%	0.000007264	\$1,523,988,470.77	1.00002	49	60
6/24	0.2863%	0.000007844	\$1,482,010,063.05	1.00002	51	63
6/25	0.2840%	0.000007782	\$1,501,208,220.66	1.00002	51	62
6/26	0.2840%	0.000007782	\$1,501,208,220.66	1.00002	51	62
6/27	0.2840%	0.000007782	\$1,501,208,220.66	1.00002	51	62
6/28	0.2854%	0.000007818	\$1,498,308,839.65	1.00004	48	59
6/29	0.2920%	0.000008000	\$1,501,463,301.57	1.00004	50	61
6/30	0.2602%	0.000007130	\$1,513,270,163.66	1.00004	52	63
<b>Averages</b>	0.2794%	0.000007654	\$1,531,688,325.22		50	62

	Number of Participants	Balance
School District	63	\$1,105,853,501.32
Higher Education	6	\$98,791,931.67
Health Care	6	\$29,600,092.11
Utility District	3	\$19,201,067.34
City	19	\$85,379,910.96
County	13	\$174,082,781.31
Other	10	\$375,380.69

**Portfolio By Maturity  
As of June 30, 2010**



**Portfolio By Type of Investment  
As of June 30, 2010**



\*(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.

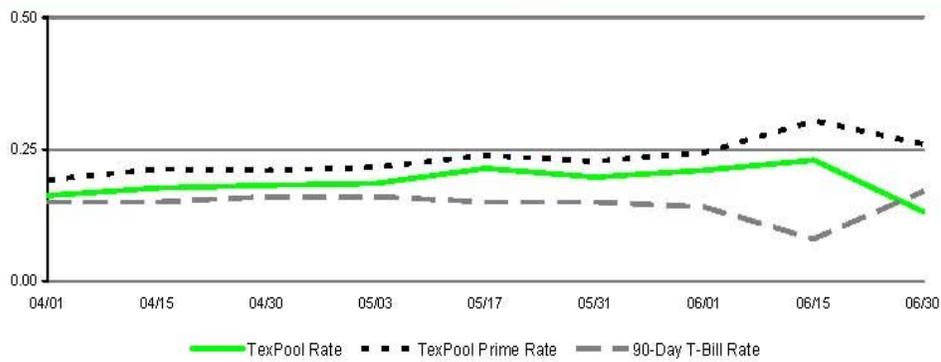


# TEXPOOL

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

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

**Additional information regarding TexPool is available upon request:**

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