



# MONTHLY FINANCIAL REPORT

## PERFORMANCE SUMMARY

May 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	POSITIVE	NEGATIVE	C
Sales Tax Collection Analysis	NEGATIVE	NEGATIVE	D
Expenditure Analysis	POSITIVE	NEGATIVE	E
<b>ENTERPRISE FUND</b>			
Water Billing Analysis	NEGATIVE	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	POSITIVE	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 MAY 31, 2010

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	3,798,381	3,615,514	95.19%	98.02%
Penalties & Interest	60,000	31,226	52.04%	76.00%
Sales Tax	1,575,000	919,415	58.38%	66.11%
Franchise Tax	710,000	496,900	69.99%	72.20%
Other Tax	110,000	44,564	40.51%	41.83%
License & Permits	300,000	164,474	54.82%	69.96%
Charges for Services	37,407	36,903	98.65%	59.70%
DOT Fines	143,300	53,078	37.04%	49.96%
Other Municipal Court Fees	277,000	227,072	81.98%	60.02%
Interest Income	23,573	3,365	14.28%	84.75%
Intergovernmental *	382,147	261,015	68.30%	58.39%
Other Revenue	65,000	79,821	122.80%	46.05%
Transfers from Enterprise Fund	1,447,381	964,921	66.67%	66.67%
Payment for Services-EDC	<u>30,000</u>	<u>10,890</u>	36.30%	50.00%
Total Revenues	8,959,189	6,909,158	77.12%	79.35%

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

CHART B

## TOTAL EXPENDITURES THROUGH MAY 31, 2010

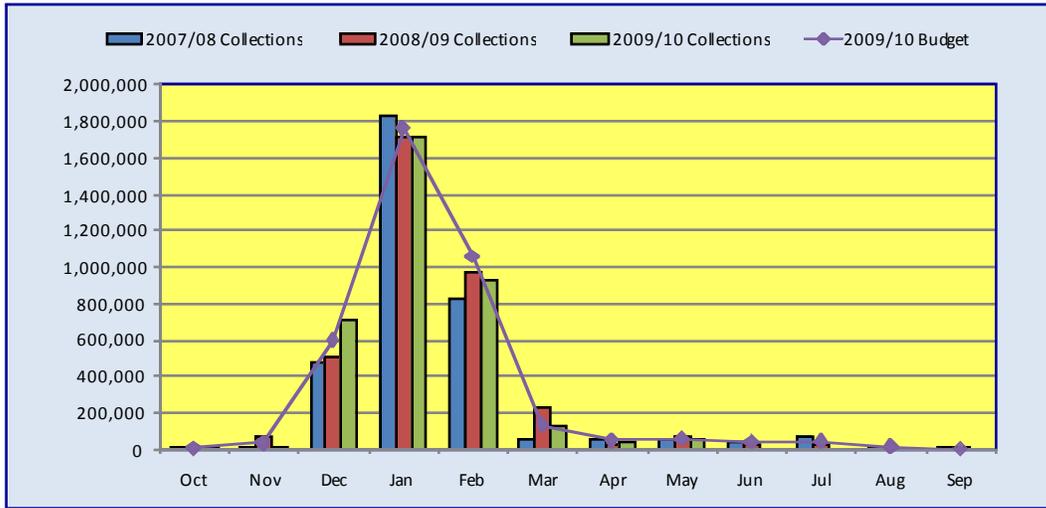
	Budget	YTD Expenditures	% of Budget Expended	**Prior YTD % of Total Expended
Personnel	5,983,554	3,808,895	63.66%	64.10%
Supplies	353,445	153,429	43.41%	43.75%
Services	2,491,362	1,749,668	70.23%	65.40%
Capital	<u>130,828</u>	<u>100,964</u>	<u>77.17%</u>	<u>15.55%</u>
Total Expenditures	8,959,189	5,812,957	64.88%	62.74%

\* 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

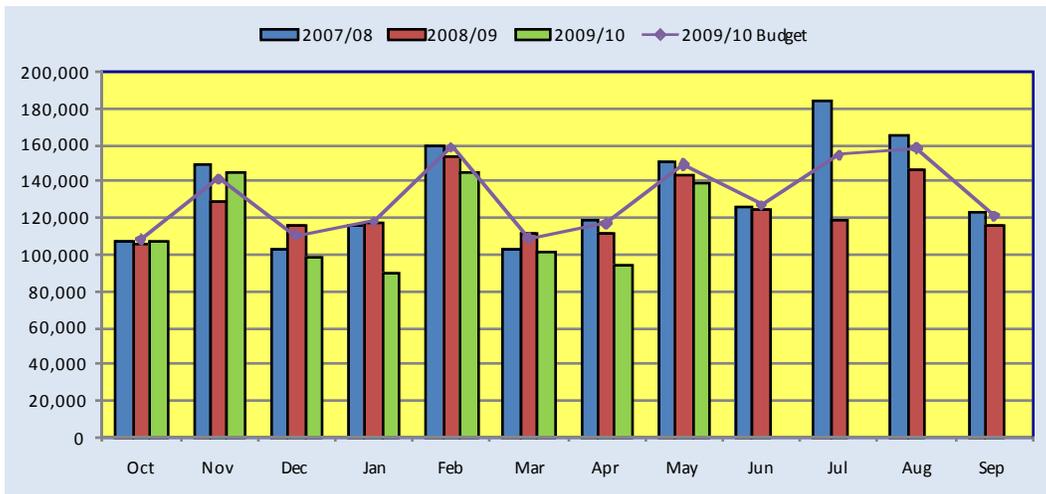
PROPERTY TAX ANALYSIS



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

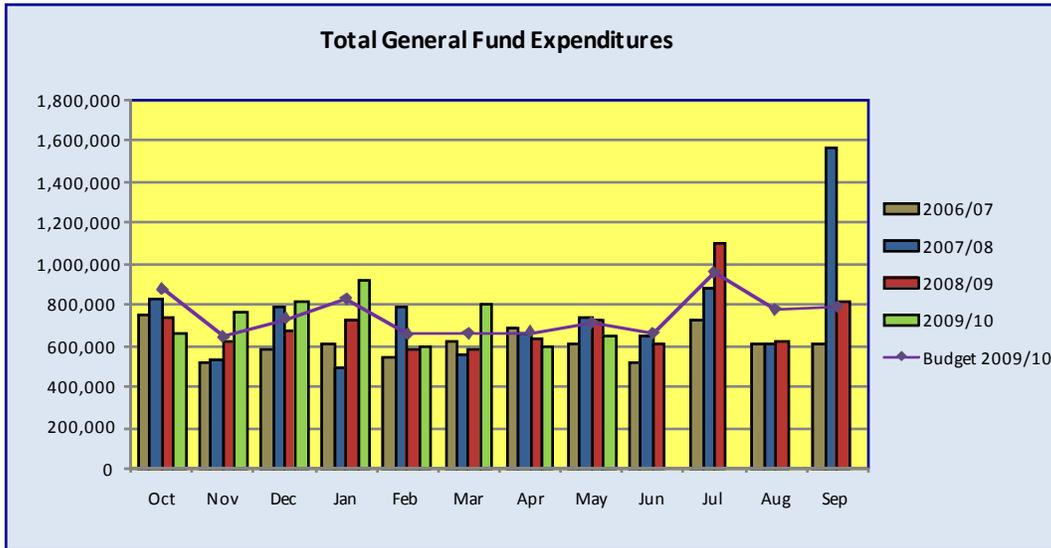
CHART D

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



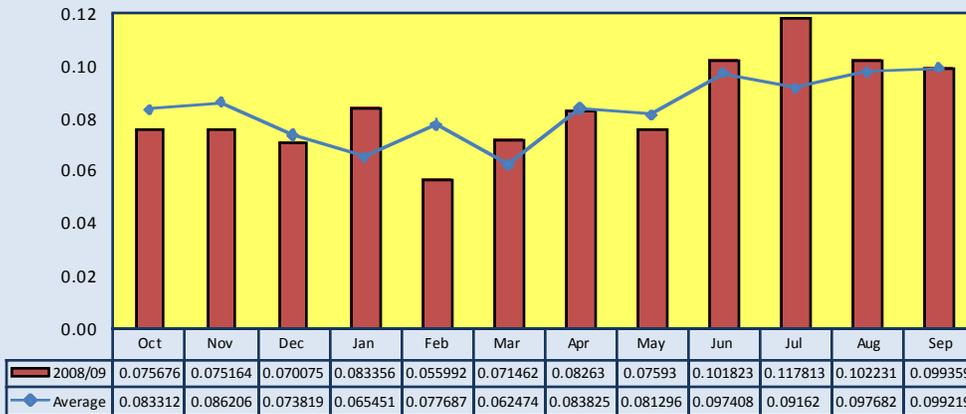
High expenditures in September 2008 are a result of Hurricane Ike.



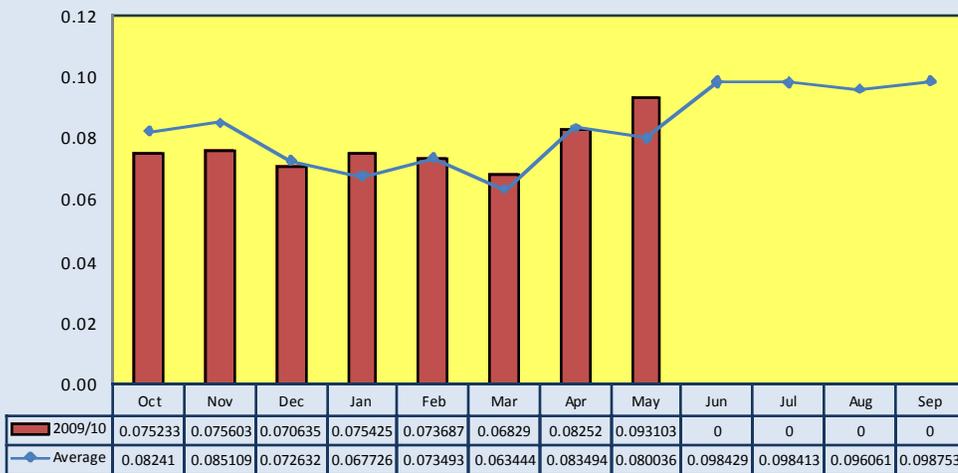
CHART F

## 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**

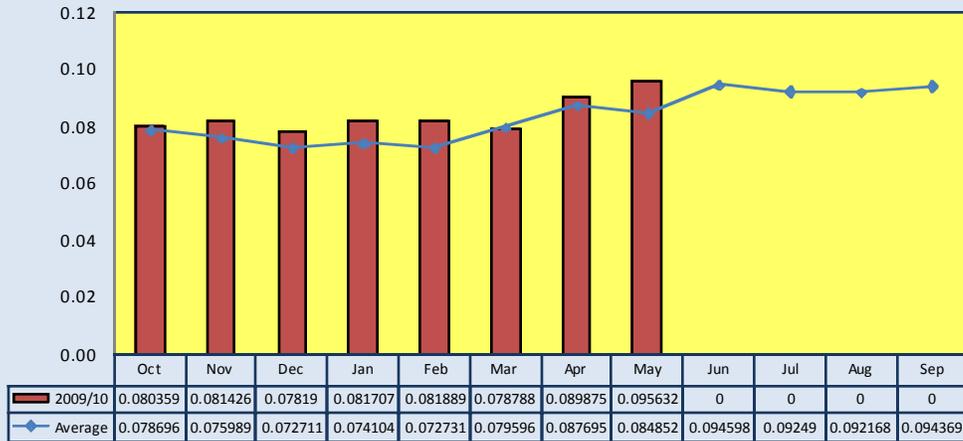
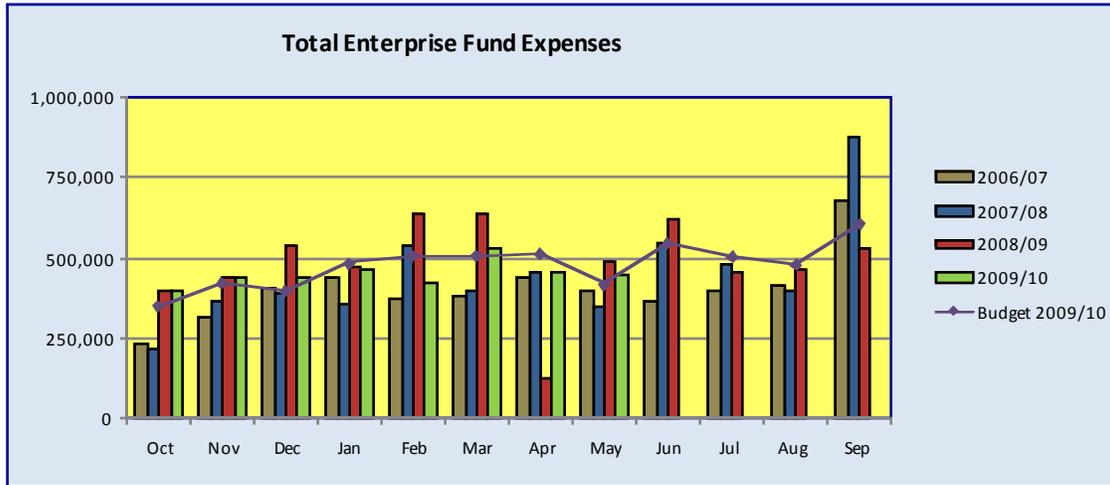


CHART H

EXPENDITURE ANALYSIS



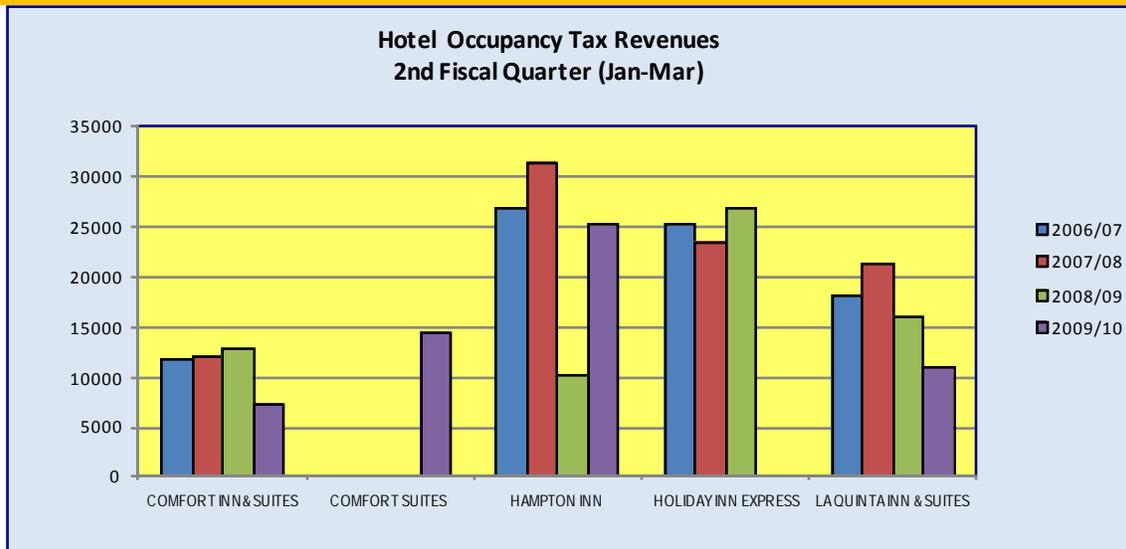
Low expenses April 2009 due to TML insurance reimbursement for IKE

## HOTEL TAX FUND



CHART I

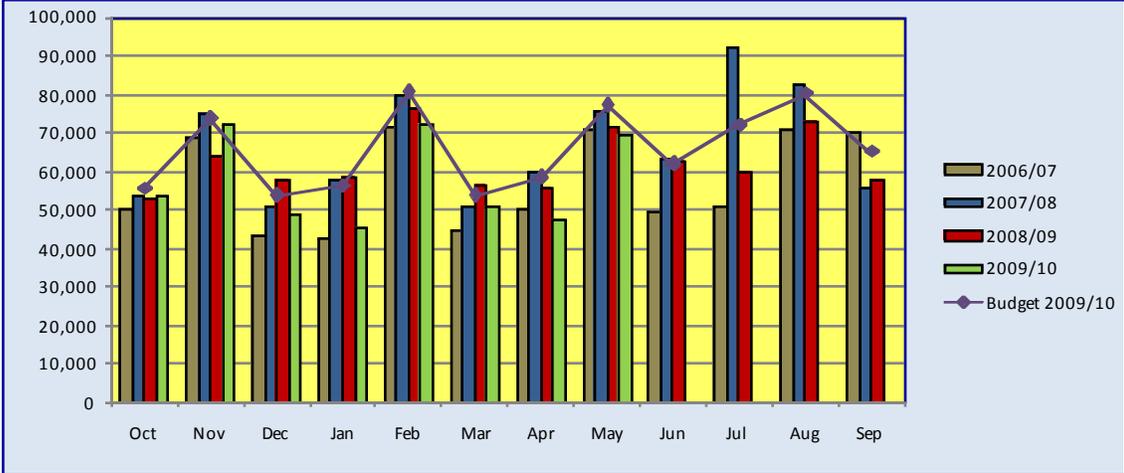
HOTEL TAX REVENUE ANALYSIS



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

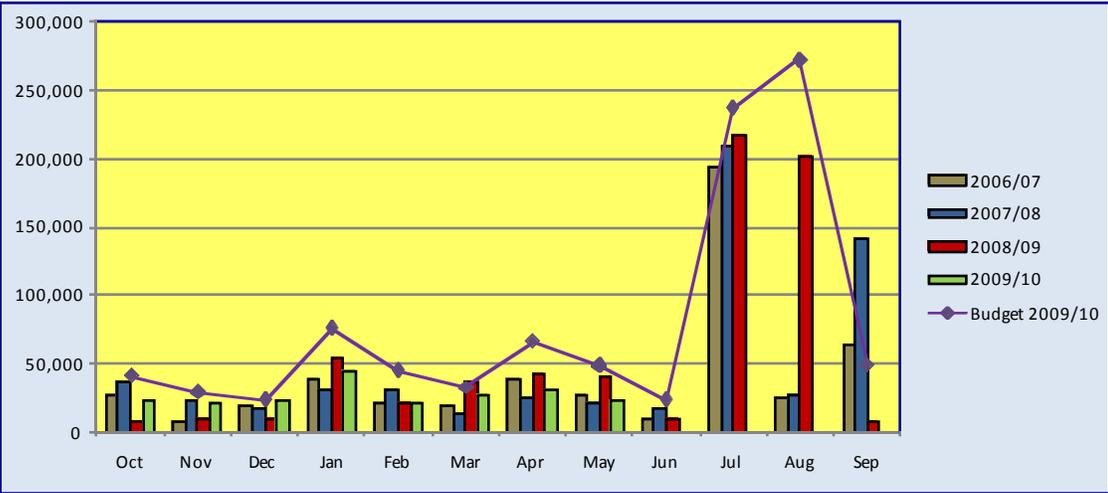


CHART J  
SALES TAX REVENUE ANALYSIS



Increased revenues in January due to budgeted repayment of loan

CHART K  
EXPENDITURE ANALYSIS



# CRIME DISTRICT



CHART L

## SALES TAX REVENUE ANALYSIS

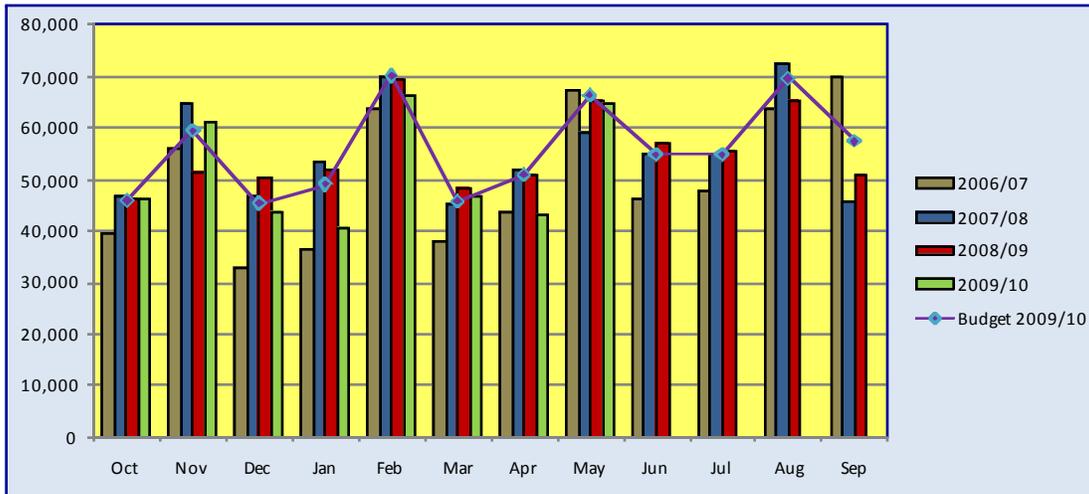
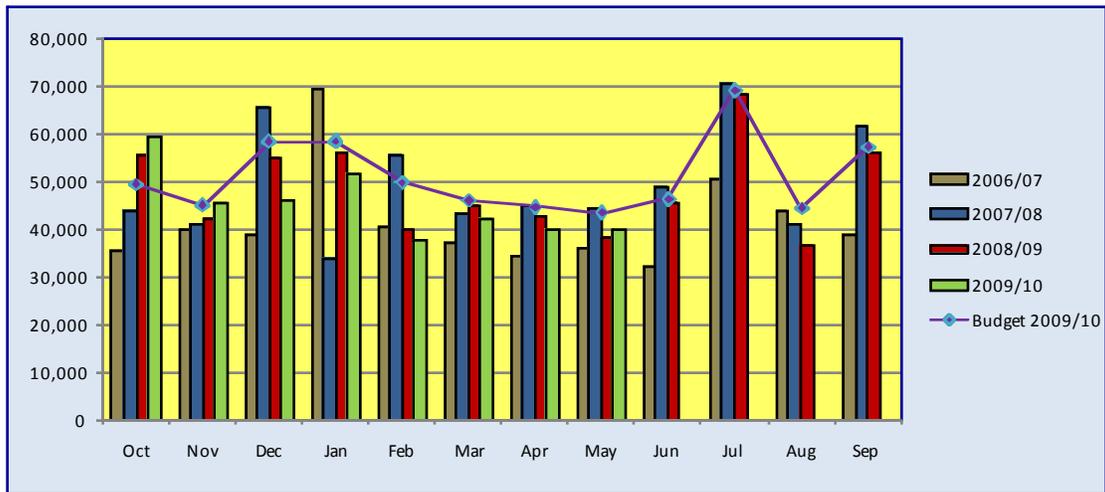


CHART M

## EXPENDITURE ANALYSIS



# INVESTMENTS



CHART N

## MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF MAY 2010

AVG RATE .1935%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted May)	ENDING PURPOSE OF BALANCE FUND	
GENERAL FUND - UNRESTRICTED	3,674,420.91	(42,975.67)	606.83	3,632,052.07	Working capital
ENTERPRISE FUND - UNRESTRICT	2,436,612.70	14,728.54	437.40	2,451,778.64	Working capital
ENTERPRISE FUND - RESTRICTED	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	1,950,732.83	0.00	320.62	1,951,053.45	Water & sewer lines extensions & expansions
PARK FEES	15,901.78	0.00	2.61	15,904.39	Reserved for acquisition & development of park land
CHILD SAFETY PROGRAMS	15,031.69	0.00	2.47	15,034.16	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	80,316.87	0.00	13.20	80,330.07	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	640,391.13	0.00	105.25	640,496.38	Restricted for promotion of tourism
DEBT SERVICE FUND	2,523,243.06	0.00	414.72	2,523,657.78	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	582,792.73	0.00	95.79	582,888.52	Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	1,269,996.68	(100,000.00)	201.67	1,170,198.35	Funds transferred from Bond Mkt Acct to allow liquidity
STREET BONDS	143,588.56	0.00	23.60	143,612.16	Funds transferred from Bond Mkt Acct to allow liquidity
PINE GULLY PARK BONDS	325,055.40	(10,000.00)	52.72	315,108.12	Funds transferred from Bond Mkt Acct to allow liquidity
LIBRARY BONDS	22,826.51	0.00	3.75	22,830.26	Funds transferred from Bond Mkt Acct to allow liquidity
CRIME DISTRICT	152,338.58	0.00	25.04	152,363.62	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	1,799,041.80	138,247.13	379.30	1,937,668.23	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 EMERGEN	180,000.00	0.00	incl in above	180,000.00	Emergency Reserve
MUNI COURT - SECURITY FUND	37,010.06	0.00	6.08	37,016.14	Funds from fines to be used for security
MUNI COURT - TECHNOLOGY FUND	376.64	0.00	0.06	376.70	Funds from fines to be used to improve court
STEP FUND	70,035.77	0.00	11.51	70,047.28	
<b>TOTAL TEXPOOL FUND</b>	<b>16,443,468.70</b>	<b>(0.00)</b>	<b>2,702.62</b>	<b>\$16,446,171.32</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

June 2010

## PERFORMANCE

### As of May 31, 2010

	TexPool	TexPool Prime
Current Invested Balance	\$16,587,902,734.65	\$1,582,110,725.65
Weighted Average Maturity (1)*	38 Days	42 Days
Weighted Average Maturity (2)*	82 Days	54 Days
Net Asset Value	0.99999	0.99994
Total Number of Participants	2,227	114
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$2,768,934.23	\$305,326.11
Management Fee Collected	\$677,759.04	\$71,780.51
Standard & Poor's Current Rating	AAAm	AAAm
<b>May Averages</b>		
Average Invested Balance	\$16,853,478,525.62	\$1,607,155,257.00
Average Monthly Yield, on a simple basis (3)*	0.1935%	0.2237%
Average Weighted Average Maturity (1)*	35 Days	45 Days
Average Weighted Average Maturity (2)*	79 Days	57 Days

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

## Economic and Market Commentary – May 31, 2010

Interest rates moved in opposite directions in May as U.S. government yields dropped and dollar Libor yields rose in response to mounting jitters over sovereign debt issues within the 16-country eurozone. The unusual bifurcation in yields reflects the first significant reappearance of credit-related uncertainty since the world financial system began to stabilize in the spring of 2009.

Within the government sector, one-month Treasury yields dropped two basis points to 0.16% while one-year Treasury bill yields plunged 11 basis points to 0.31%. Meanwhile, one month Libor rose from 0.28% to 0.35%, three month Libor spiked from 0.35% to 0.54%, six month Libor climbed from 0.53% to 0.75%, and one year Libor jumped from 1.01% to 1.20%. By comparison, three month Libor (the rate often cited as the benchmark for interbank funding stresses) peaked at 5.75% during the 2008-'09 financial crisis.

We continued to accumulate short-term paper during the month, with most new positions falling within the overnight to three-month maturity range. Fortunately, a rise in rates at the short end of the curve allowed us to enjoy the best of both worlds — boosting the average yield in each pool by three basis points (to 0.21% in TexPool and to 0.24% in TexPool Prime) — without the need to extend maturities and thus take on additional interest rate risk. The increase in TexPool Prime's yield was due to higher commercial paper rates, which are tied to Libor; TexPool benefited from higher repo rates, since overnight repurchase agreements comprise the bulk of pool assets.

Some of the counterparties and issuers to the pools — though based in Europe — are nonetheless large global banks that hold the vast majority of their diversified debt portfolios in high-quality credits and types of credit instruments from around the world. This is not to suggest that these financial institutions have no exposure to any of the more distressed sectors of the credit market in today's increasingly intertwined global economy, such relationships are virtually inevitable and unavoidable. Still, Federated has always managed the pools with safety as its top priority and we are convinced that TexPool and TexPool Prime have no meaningful exposure to the eurozone crisis.

In addition, central banks worldwide have moved proactively to provide liquidity to the interbank market, thus greatly reducing the odds of a Lehman-style freezing of credit. It is encouraging, for instance, that concerns over European sovereign debt began to subside somewhat late in the month. As noted earlier, Libor rates remain far below their 2008-'09 peak, even after the sharp spike in May. Accordingly, while we view the crisis as a legitimate concern, it is perhaps more of a headline and perception issue at the moment than one that necessarily will greatly impact the credit worthiness of most issuers. Of course, we will continue to monitor developments closely and manage the pools with the same high degree of prudence that always has been our hallmark.

## ANNOUNCEMENTS

### New Participants

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

- |                                |                  |
|--------------------------------|------------------|
| 1. Williamson County ESD No. 3 | 7. Kenedy County |
| 2. Travis County MUD No. 9     | 8. Lindale ISD   |
| 3. Fort Bend County MUD No. 5  |                  |
| 4. Galveston ISD               |                  |
| 5. City of Crystal City        |                  |
| 6. City of Niedervald          |                  |

### Upcoming Events

06/15/10 - 06/18/10	TACCBO Summer Conference	San Antonio
06/16/10 - 06/18/10	TASBO Summer Conference	Kerrville
06/17/10 - 06/19/10	AWBD Annual Conference	San Antonio

### Operations Announcements: Vendor Bill Payment

Did you know you can now make payments directly to your vendors without completing a Special Wire Instructions Form?

By adding Vendor Payment Instructions to your account, TexConnect now allows you to enter the invoice information when placing your transaction.

Contact the TexPool Operations Team to learn more. Call Participant Services at 866-839-7665 and ask to speak to Operations.



**TexPool**

**PORTFOLIO ASSET SUMMARY AS OF May 31, 2010**

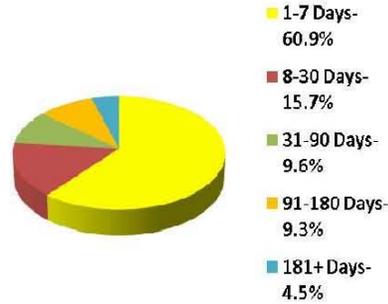
	Book Value	Market Value
Uninvested Balance	\$57,599.00	\$57,599.00
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	2,059,735.08	2,059,735.08
Interest and Management Fees Payable	(2,768,990.33)	(2,768,990.33)
Payable for Investments Purchased	(144,942,800.00)	(144,942,800.00)
Repurchase Agreements	10,072,203,000.00	10,072,070,800.00
Mutual Fund Investments	0.00	0.00
Government Securities	6,661,294,190.90	6,660,918,454.32
U.S. Treasury Bills	0.00	0.00
U.S. Treasury Notes	0.00	0.00
<b>Total</b>	<b>\$16,587,902,734.65</b>	<b>\$16,587,394,798.07</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.

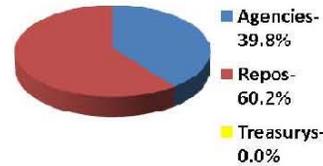
**DAILY SUMMARY**

Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
5/1	0.1818%	0.000004981	\$17,074,125,754.84	0.99993	35	83
5/2	0.1818%	0.000004981	\$17,074,125,754.84	0.99993	35	83
5/3	0.1852%	0.000005074	\$17,018,600,957.92	0.99993	33	79
5/4	0.1901%	0.000005209	\$17,062,073,425.17	0.99993	32	79
5/5	0.1849%	0.000005066	\$17,093,192,262.01	0.99994	35	80
5/6	0.1760%	0.000004823	\$17,080,692,832.54	0.99996	34	79
5/7	0.1770%	0.000004848	\$17,027,837,772.86	0.99995	35	80
5/8	0.1770%	0.000004848	\$17,027,837,772.86	0.99995	35	80
5/9	0.1770%	0.000004848	\$17,027,837,772.86	0.99995	35	80
5/10	0.1774%	0.000004860	\$16,951,802,316.55	0.99992	34	79
5/11	0.1794%	0.000004914	\$16,941,789,965.27	0.99993	34	79
5/12	0.1833%	0.000005021	\$16,834,605,279.45	0.99993	34	79
5/13	0.2028%	0.000005556	\$16,752,609,839.34	0.99994	34	79
5/14	0.2081%	0.000005700	\$16,895,835,026.42	0.99994	35	79
5/15	0.2081%	0.000005700	\$16,895,835,026.42	0.99994	35	79
5/16	0.2081%	0.000005700	\$16,895,835,026.42	0.99994	35	79
5/17	0.2138%	0.000005858	\$16,774,684,805.51	0.99996	33	78
5/18	0.2105%	0.000005767	\$16,869,559,680.83	0.99996	33	77
5/19	0.2066%	0.000005659	\$16,842,861,402.00	0.99999	34	78
5/20	0.2090%	0.000005725	\$16,802,239,340.17	1.00000	33	77
5/21	0.2000%	0.000005479	\$16,768,694,557.88	0.99999	34	78
5/22	0.2000%	0.000005479	\$16,768,694,557.88	0.99999	34	78
5/23	0.2000%	0.000005479	\$16,768,694,557.88	0.99999	34	78
5/24	0.1825%	0.000005001	\$16,691,528,302.51	1.00000	33	77
5/25	0.1867%	0.000005116	\$16,788,356,458.63	1.00000	32	76
5/26	0.1970%	0.000005396	\$16,729,827,544.91	1.00000	36	80
5/27	0.2076%	0.000005687	\$16,646,645,361.48	0.99999	37	80
5/28	0.1970%	0.000005396	\$16,587,902,734.65	0.99999	38	82
5/29	0.1970%	0.000005396	\$16,587,902,734.65	0.99999	38	82
5/30	0.1970%	0.000005396	\$16,587,902,734.65	0.99999	38	82
5/31	0.1970%	0.000005396	\$16,587,902,734.65	0.99999	38	82
<b>Averages</b>	<b>0.1935%</b>	<b>0.000005302</b>	<b>\$16,653,478,525.62</b>		<b>35</b>	<b>79</b>

**Portfolio By Maturity As of May 31, 2010**



**Portfolio By Type of Investment As of May 31, 2010**



	Number of Participants	Balance
School District	561	\$5,592,321,406.99
Higher Education	54	\$2,167,106,373.03
Health Care	79	\$515,991,426.23
Utility District	691	1,920,446,694.84
City	433	\$4,546,656,918.44
County	171	\$1,466,991,265.63
Other	238	\$377,728,711.01

**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 May 31, 2010**

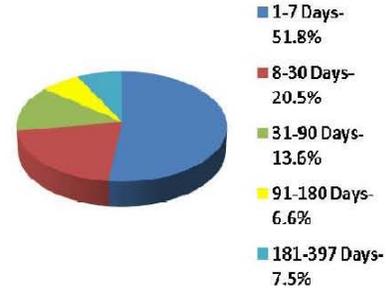
	<b>Book Value</b>	<b>Market Value</b>
Uninvested Balance	\$131.39	\$131.39
Accrual of Interest Income	228,875.89	228,875.89
Interest and Management Fees Payable	(305,325.43)	(305,325.43)
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	607,852,000.00	607,852,000.00
Mutual Fund Investments	0.00	0.00
Government Securities	237,505,080.22	237,486,928.06
Commercial Paper	736,829,963.58	736,745,546.86
Bank Instruments	0.00	0.00
Variable Rate Note	0.00	0.00
<b>Total</b>	<b>\$1,582,110,725.65</b>	<b>\$1,582,008,156.77</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.

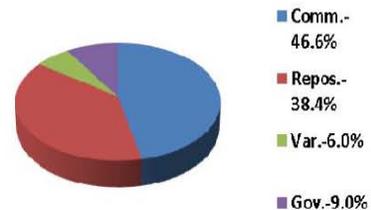
**DAILY SUMMARY**

Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
5/1	0.2096%	0.000005743	\$1,583,836,945.94	0.99994	54	67
5/2	0.2096%	0.000005743	\$1,583,836,945.94	0.99994	54	67
5/3	0.2160%	0.000005919	\$1,621,766,102.12	0.99993	50	62
5/4	0.2213%	0.000006063	\$1,616,593,042.12	0.99994	50	62
5/5	0.2089%	0.000005720	\$1,609,278,870.36	0.99995	49	61
5/6	0.2092%	0.000005732	\$1,601,413,195.03	0.99994	49	61
5/7	0.2052%	0.000005621	\$1,596,304,474.10	0.99988	49	61
5/8	0.2052%	0.000005621	\$1,596,304,474.10	0.99988	49	61
5/9	0.2052%	0.000005621	\$1,596,304,474.10	0.99988	49	61
5/10	0.2076%	0.000005688	\$1,586,774,001.08	0.99987	47	59
5/11	0.2087%	0.000005718	\$1,578,861,826.34	0.99988	46	58
5/12	0.2196%	0.000006017	\$1,582,742,443.80	0.99988	47	59
5/13	0.2298%	0.000006295	\$1,582,240,394.66	0.99989	47	58
5/14	0.2398%	0.000006569	\$1,572,842,966.07	0.99990	47	59
5/15	0.2398%	0.000006569	\$1,572,842,966.07	0.99990	47	59
5/16	0.2398%	0.000006569	\$1,572,842,966.07	0.99990	47	59
5/17	0.2383%	0.000006530	\$1,574,584,614.40	0.99996	44	56
5/18	0.2367%	0.000006486	\$1,571,280,356.05	0.99995	44	56
5/19	0.2443%	0.000006692	\$1,558,648,746.75	0.99995	43	55
5/20	0.2402%	0.000006581	\$1,693,829,921.73	0.99996	40	51
5/21	0.2272%	0.000006224	\$1,686,539,219.81	0.99996	40	51
5/22	0.2272%	0.000006224	\$1,686,539,219.81	0.99996	40	51
5/23	0.2272%	0.000006224	\$1,686,539,219.81	0.99996	40	51
5/24	0.2174%	0.000005956	\$1,684,360,624.73	0.99996	38	48
5/25	0.2240%	0.000006137	\$1,657,103,452.89	0.99996	38	49
5/26	0.2306%	0.000006319	\$1,634,139,388.57	0.99996	38	49
5/27	0.2373%	0.000006502	\$1,606,019,302.04	0.99995	38	49
5/28	0.2272%	0.000006224	\$1,582,110,725.65	0.99994	42	54
5/29	0.2272%	0.000006224	\$1,582,110,725.65	0.99994	42	54
5/30	0.2272%	0.000006224	\$1,582,110,725.65	0.99994	42	54
5/31	0.2272%	0.000006224	\$1,582,110,725.65	0.99994	42	54
<b>Averages</b>	0.2237%	0.000006128	\$1,607,155,257.00		45	57

**Portfolio By Maturity As of May 31, 2010**



**Portfolio By Type of Investment As of May 31, 2010**



	<b>Number of Participants</b>	<b>Balance</b>
School District	61	\$1,146,898,249.99
Higher Education	6	\$113,606,369.44
Health Care	6	\$32,574,909.17
Utility District	3	\$23,112,868.82
City	18	\$76,610,400.17
County	13	\$189,255,622.26
Other	7	\$48,343.17

\* (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.

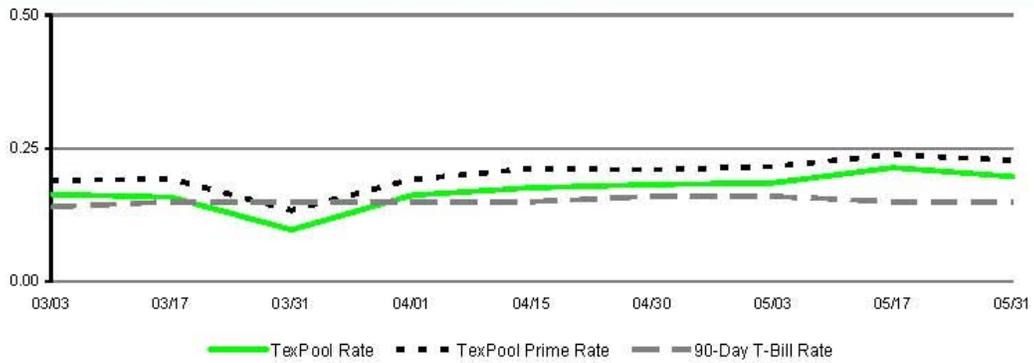


# TEXPOOL

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