

MONTHLY FINANCIAL REPORT

PERFORMANCE SUMMARY

November 2012

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

PERFORMANCE INDICATORS:

POSITIVE
NEGATIVE
NEUTRAL

Positive = Positive variance as compared to seasonal trend.

Negative = Negative variance as compared to seasonal trend.

Neutral = Variance is less than 1%

GENERAL FUND



CHART A

TOTAL REVENUE THROUGH NOVEMBER 30, 2012

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	4,087,063	88,188	2.16%	2.92%
Penalties & Interest	55,000	2,196	3.99%	7.48%
Sales Tax	1,365,000	255,618	18.73%	17.69%
Franchise Tax	665,000	162,000	24.36%	19.31%
Other Tax	75,000	0	0.00%	0.00%
License & Permits	200,000	25,770	12.89%	11.50%
Charges for Services	55,000	2,258	4.11%	19.24%
DOT Fines	100,000	13,982	13.98%	12.40%
Other Municipal Court Fees	608,500	79,842	13.12%	15.61%
Interest Income	3,228	714	22.11%	11.00%
Intergovernmental	512,896	80,607	15.72%	23.95%
Other Revenue	43,600	5,547	12.72%	11.23%
Transfers from Enterprise Fund	1,668,673	278,112	16.67%	16.67%
Payment for Services-EDC	<u>125,000</u>	<u>20,833</u>	<u>16.67%</u>	<u>16.67%</u>
Total Revenues	9,563,960	1,015,667	10.62%	10.79%

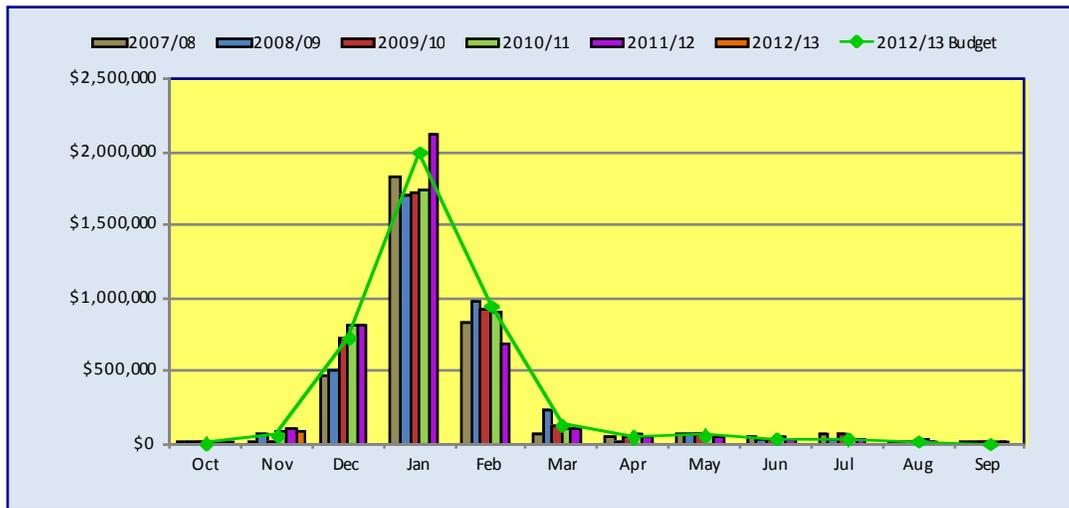
CHART B

TOTAL EXPENDITURES THROUGH NOVEMBER 30, 2012

	Budget	YTD Expenditures	% of Budget Expended	Prior YTD % of Total Expended
Personnel	6,256,116	946,888	15.14%	15.01%
Supplies	334,575	43,171	12.90%	11.99%
Services	2,588,599	577,067	22.29%	22.75%
Capital	210,895	32,508	15.41%	4.15%
Oper Transfer to Other Funds	<u>0</u>	<u>0</u>	0.00%	0.00%
Total Expenditures	9,390,185	1,599,634	17.04%	16.60%

CHART C

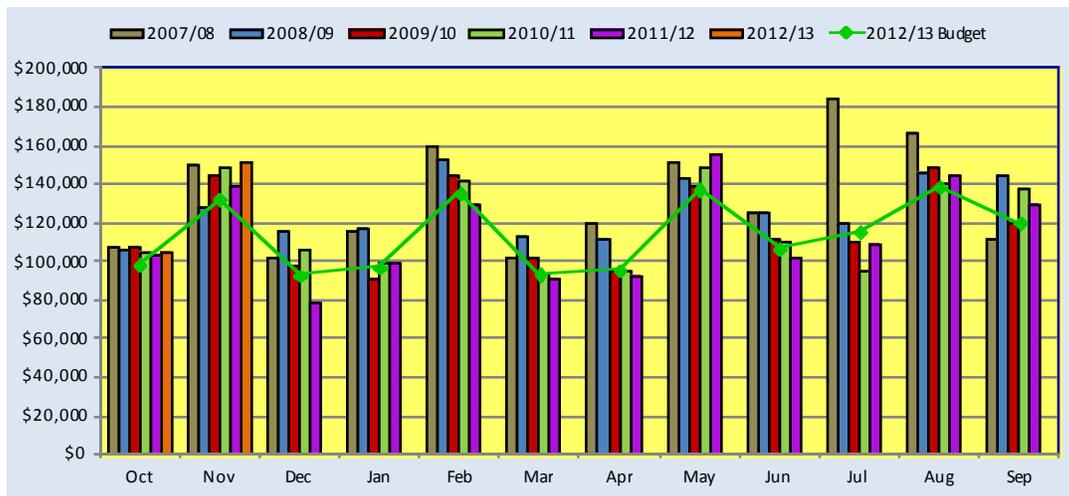
PROPERTY TAX ANALYSIS



2012/13 Budget is divided into months based on the monthly percentages of the last 5 years' collections.

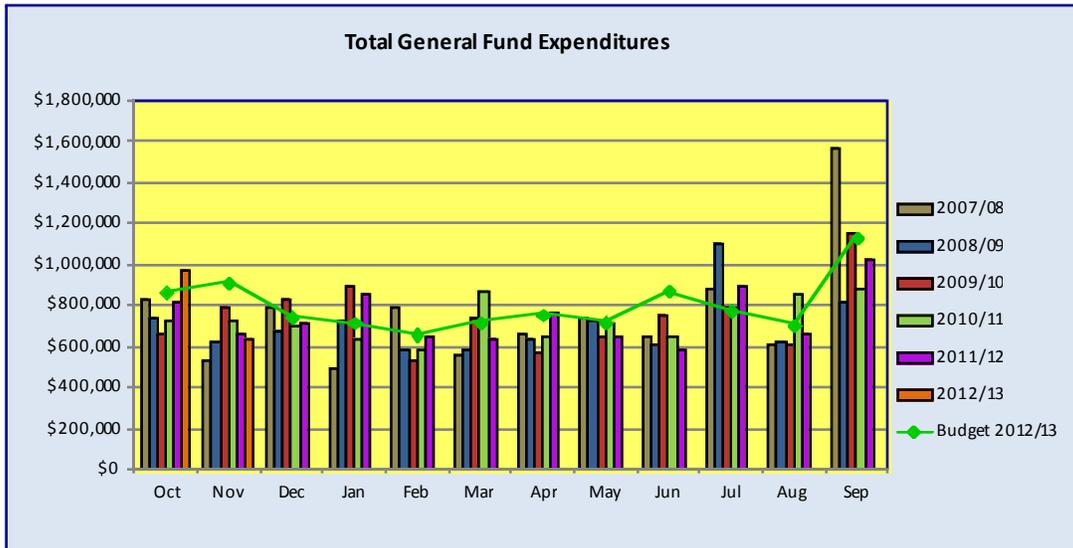
CHART D

SALES TAX ANALYSIS



2012/13 Budget is divided into months based on the monthly percentages of the last 5 years' activity of sales tax revenue.

EXPENDITURE ANALYSIS



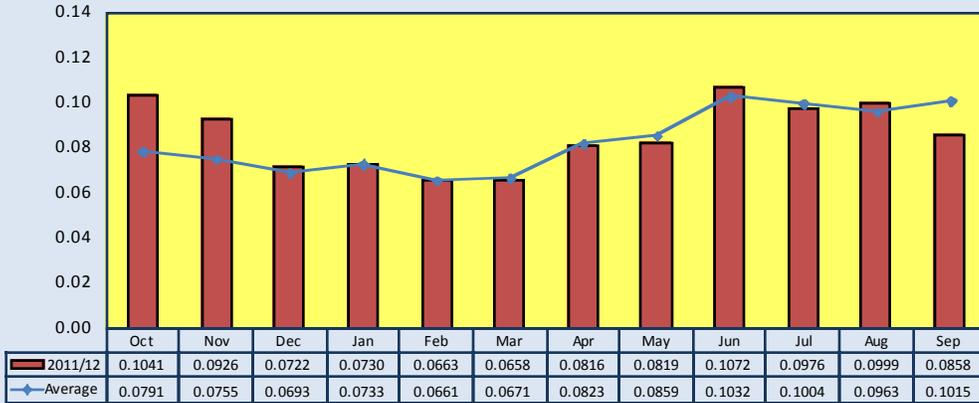
High expenditures in September 2008 are a result of Hurricane Ike.
 High expenditures in September 2010 are due to city hall A/C replacement.



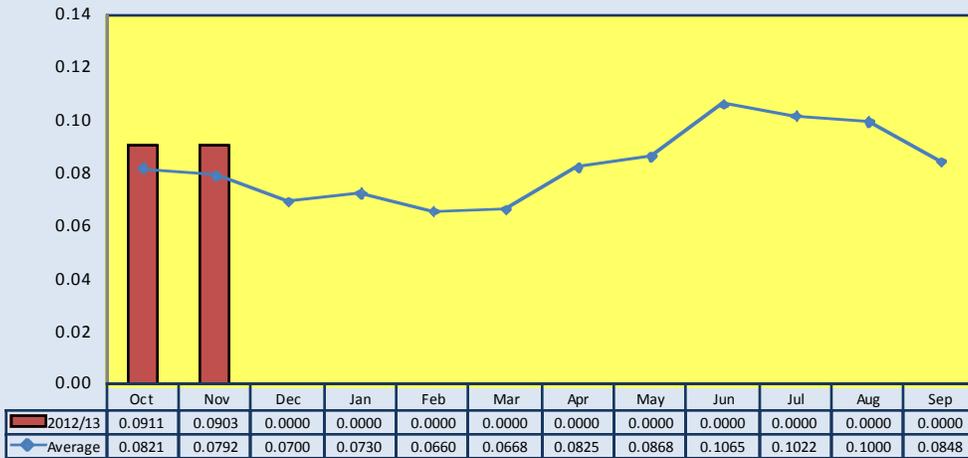
CHART F

WATER BILLING ANALYSIS

Average Percent of Water Billings by Month vs. 2011/12 Percent of Budgeted Billings

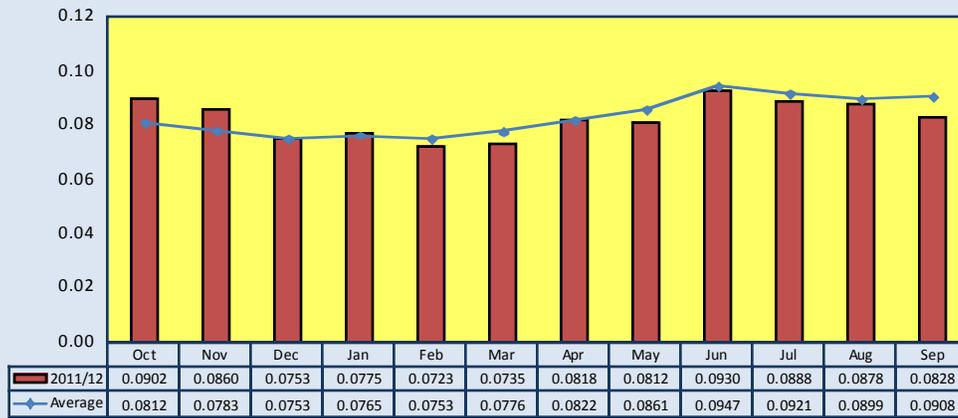


Average Percent of Water Billings by Month vs. 2012/13 Percent of Budgeted Billings

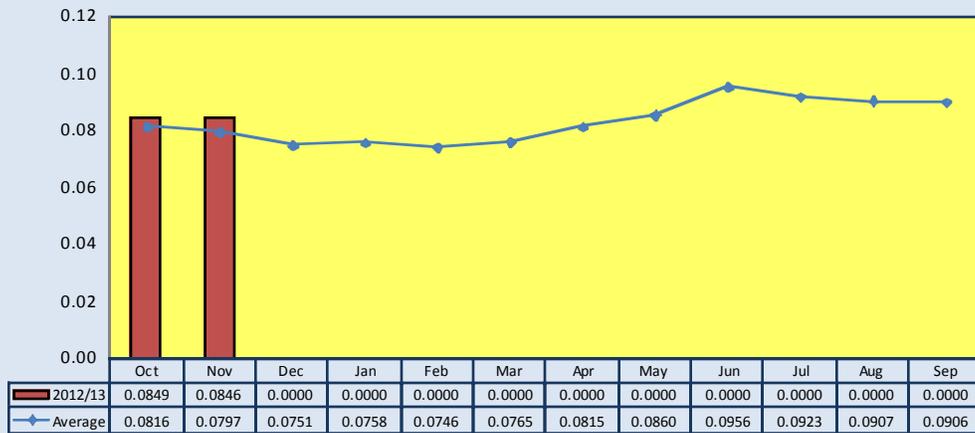


WASTEWATER BILLING ANALYSIS

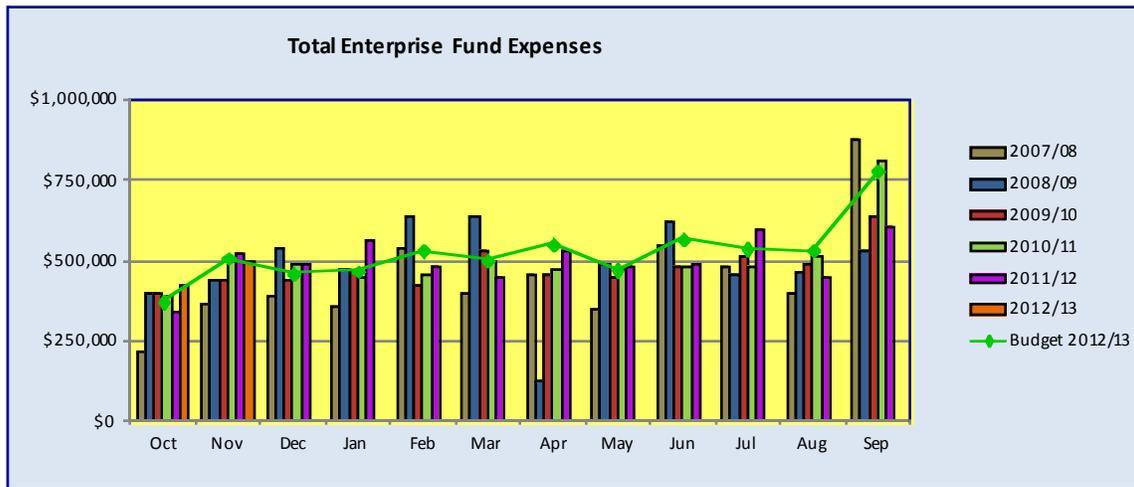
Average Percent of Wastewater Billings by Month vs. 2011/12 Percent of Budgeted Billings



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



EXPENDITURE ANALYSIS



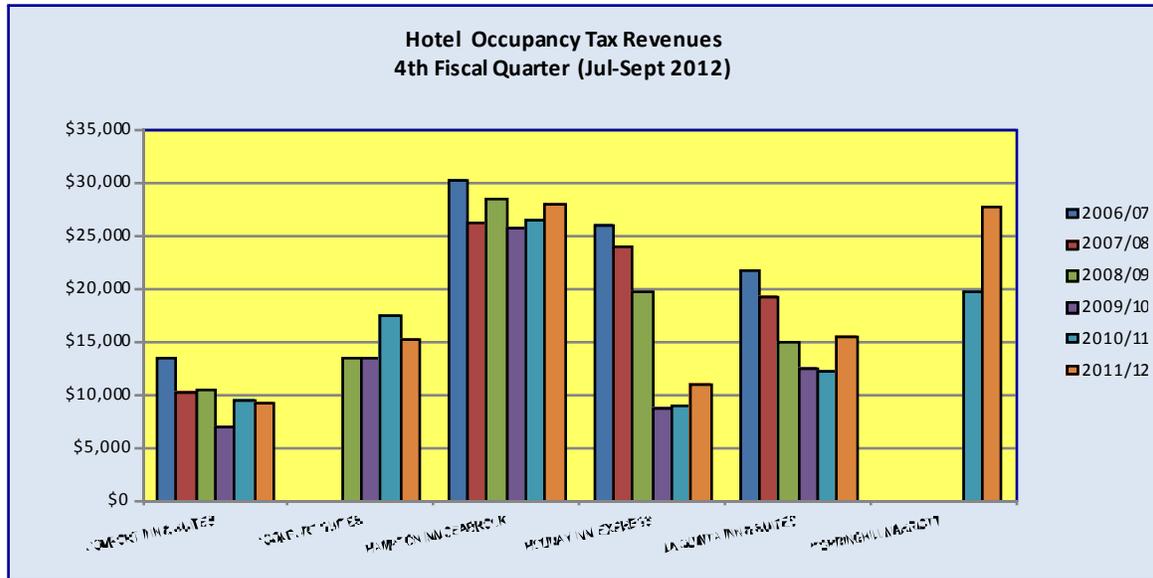
Low expenses April 2009 due to TML insurance reimbursement for IKE

HOTEL TAX FUND



CHART I

HOTEL TAX REVENUE ANALYSIS



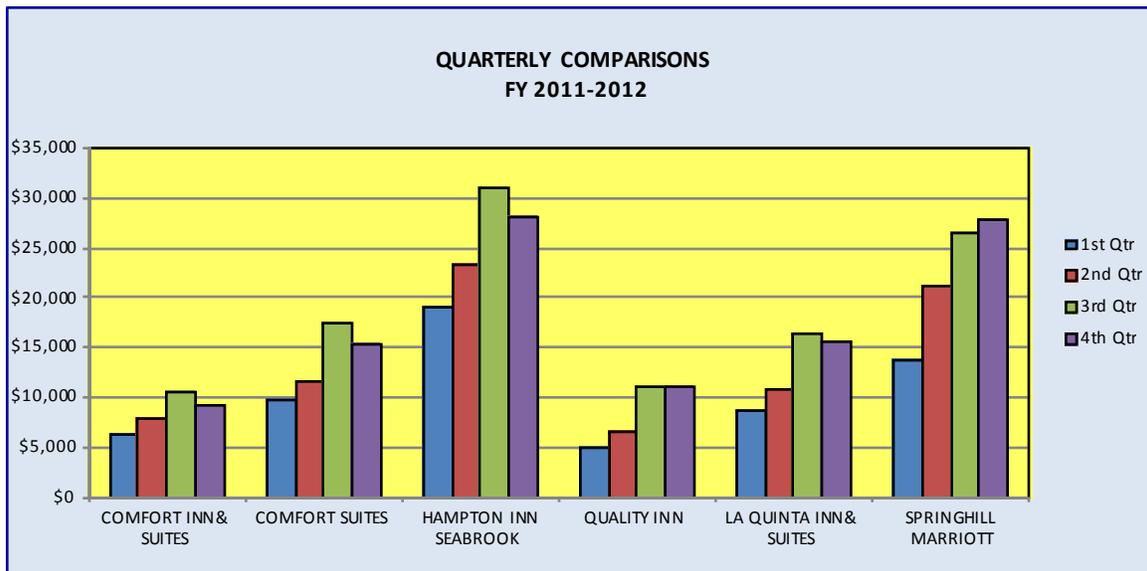
*Comfort Suites-Bayport Blvd. opened 2008/09

** Springhill Marriott opened last quarter 2010

1st quarter 2012-13 will be due January 31st, 2013

CHART I

HOTEL TAX REVENUE



SEABROOK EDC



CHART J

SALES TAX REVENUE ANALYSIS

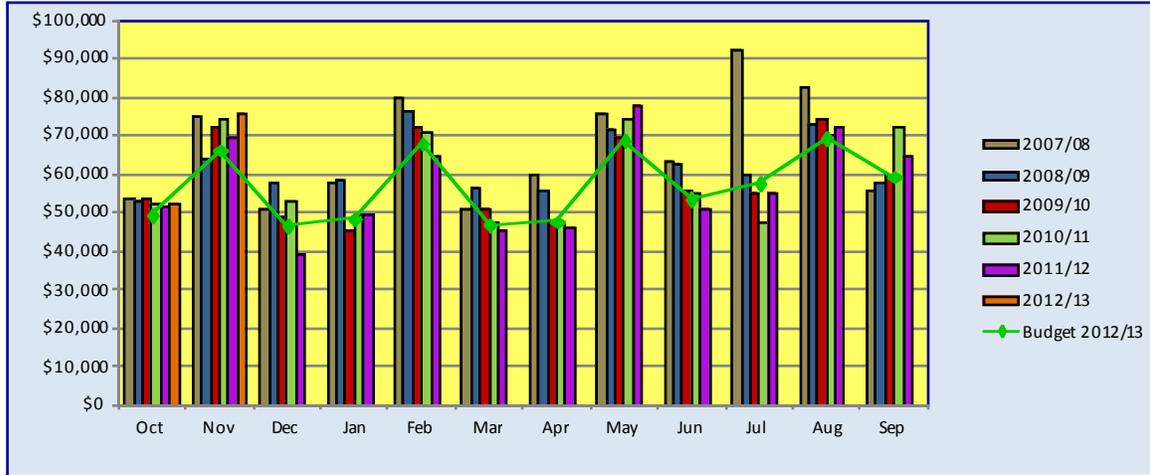
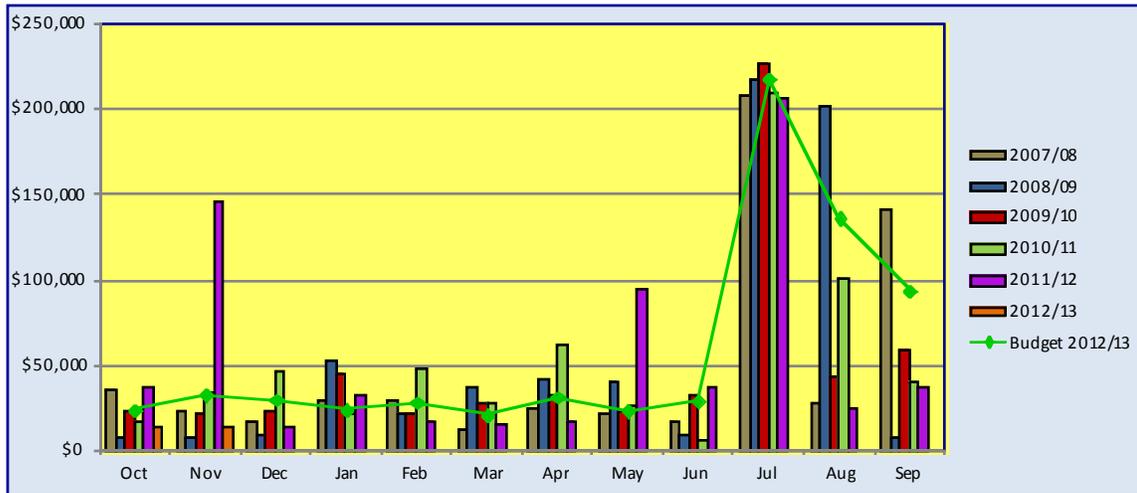


CHART K

EXPENDITURE ANALYSIS



2012/13 expenditure budget above does include \$900k appropriated for the Waterfront Project.
 High exp in Nov 2011 was due to Gateway sign.

INVESTMENTS



CHART N

MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF NOVEMBER 2012
0.1564%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Nov)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	2,388,611.81	(128,419.80)	317.48	2,260,509.49	Working capital
ENTERPRISE FUND - UNRESTRIC	3,153,534.25	112,861.56	433.38	3,266,829.19	Working capital
ENTERPRISE FUND - RESTRICTEI	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,309,170.41	(80,000.00)	291.19	2,229,461.60	Water & sewer lines extensions & expansions
PARK FEES	15,702.98	0.00	2.02	15,705.00	Reserved for acquisition & development of park land
CHILD SAFETY PROGRAMS	15,107.40	0.00	1.94	15,109.34	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	109,814.29	0.00	14.12	109,828.41	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	767,431.00	0.00	98.66	767,529.66	Restricted for promotion of tourism
DEBT SERVICE FUND	1,706,549.29	33,784.41	219.73	1,740,553.43	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	381,682.27	0.00	49.06	381,731.33	Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	695,855.50	0.00	89.45	695,944.95	Funds transferred from Bond Mkt Acct to allow liquidity
STREET BONDS	9,038.07	0.00	1.16	9,039.23	Funds transferred from Bond Mkt Acct to allow liquidity
PINE GULLY PARK BONDS	0.00	0.00	0.00	0.00	Funds transferred from Bond Mkt Acct to allow liquidity
LIBRARY BONDS	7,904.06	0.00	1.02	7,905.08	Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	232,394.94	0.00	29.88	232,424.82	
CRIME DISTRICT	120,608.68	(3,578.98)	15.25	117,044.95	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	1,619,422.75	65,352.81	265.82	1,685,041.38	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
STEP FUND	130,340.42	0.00	16.76	130,357.18	
PUBLIC SAFETY	65,097.48	0.00	8.37	65,105.85	
MUNI COURT - SECURITY FUND	31,132.63	(2,000.00)	3.98	29,136.61	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	10,025.64	0.00	1.29	10,026.93	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUNI	6,475.91	2,000.00	0.86	8,476.77	
STABILIZATION FUND	800,644.19	0.00	102.93	800,747.12	
TOTAL TEXPOOL FUND	15,280,298.97	0.00	1,964.35	\$15,282,263.32	

The investment portfolio of the City of Seabrook is in compliance with the investment strategies expressed in the City's Investment Policy and relevant provisions of Chapter 2256 of the Local Government Code.

Pam Lab

Finance Director

TEXPOOL

ANNOUNCEMENTS

We would like to recognize and welcome the following entities who joined the TexPool program in November 2012:

TEXPOOL
• Ira ISD

TEXPOOL PRIME
• Ira ISD

Upcoming Events

12/02/12 – 12/05/12
GTOT, Fort Worth

TexPool Advisory Board Members

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

Overseen by the State of Texas Comptroller of Public Accounts Susan Combs.

Operated under the supervision of the Texas Treasury Safekeeping Trust Company.

Additional information regarding TexPool is available upon request:

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

Federated®

Federated, founded in 1955, is a S&P 500 company that is publicly traded on the NYSE. It is one of the largest managers of AAA-rated money market portfolios in the country (Source: iMoneyNet as of 8/31/12).

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G35984-24 (12/12)

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Monthly Newsletter December 2012

Economic and Market Commentary

Month in Cash: Moving out on the curve

December 1, 2012

Things are looking pretty good right now. The recovery continues to plod along, as it has for months, with the notable highlights of housing, which has been exhibiting some real strength, and employment, which also shows real promise. Hurricane Sandy, while devastating to those who suffered damage, has not had the huge overall economic impact that had been feared when we first saw the extent of the destruction. The elections don't seem to have left much wake, either. All the major players are still in place, and the issues are the same. (The markets don't like change, even if that change might have been good.) If we can keep on the same track, without any major disruptions, we seem to be headed—albeit slowly—in the right direction. There's also good liquidity in the marketplace.

All this positive news might bring fears of inflation, but there's still a lot of headwind out there. We're taking advantage of year-end opportunities in the marketplace, and we're seeing better pricing a bit further out the yield curve as we get past year-end, as well. As a result, we've decided to lengthen the weighted average maturity of our government holdings in the portfolios. For quite some time, we had been targeting from 40 to 50 days, but we've lengthened that target to 45 to 55 days. The yield curve is shaped right now in a way that allows us to do that and retain a relatively good yield.

We're also watching concerns about the potential expiration of the FDIC's unlimited insurance on non-interest bearing checking accounts at the end of the year. A bill has been proposed to extend the coverage for two years, but there hasn't been a lot of traction, or even details, on that proposal. There might be some political backing for extending the coverage only for smaller community banks below a certain size level, where there might be some more concerns. Were the extension to fail, though, we could see large inflows into money funds at the end of December and beginning of January. And if, in fact,

(continued page 6)

PERFORMANCE as of November 30, 2012

	TexPool	TexPool Prime
Current Invested Balance	\$13,887,380,416.02	\$985,660,050.24
Weighted Average Maturity (1)*	50 Days	49 Days
Weighted Average Maturity (2)*	82 Days	61 Days
Net Asset Value	1.00005	1.00002
Total Number of Participants	2,277	153
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$1,805,326.03	\$136,099.96
Management Fee Collected	\$544,841.05	\$39,960.12
Standard & Poor's Current Rating	AAAm	AAAm

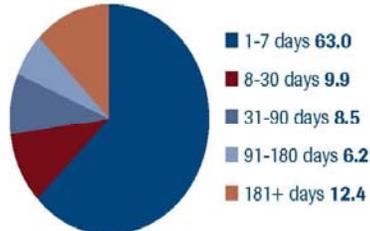
Month Averages

Average Invested Balance	\$14,048,486,065.70	\$938,082,736.04
Average Monthly Yield, on a simple basis (3)*	0.16%	0.18%
Average Weighted Average Maturity (1)*	48 Days	49 Days
Average Weighted Average Maturity (2)*	80 Days	63 Days

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

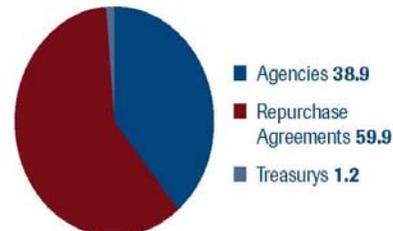
Portfolio by Maturity (%)

As of November 30, 2012



Portfolio by Type of Investment (%)

As of November 30, 2012



PORTFOLIO ASSET SUMMARY AS OF NOVEMBER 30, 2012

	Book Value	Market Value
Uninvested Balance	\$204.37	\$204.37
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	10,973,475.42	10,973,475.42
Interest and Management Fees Payable	-1,805,190.24	-1,805,190.24
Payable for Investments Purchased	-35,434,944.13	-35,434,944.13
Repurchase Agreements	8,335,506,000.00	8,335,472,800.00
Mutual Fund Investments	0.00	0.00
Government Securities	5,414,763,610.82	5,415,472,904.83
US Treasury Bills	0.00	0.00
US Treasury Notes	163,377,259.78	163,381,280.00
Total	\$13,887,380,416.02	\$13,888,060,530.25

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	570	\$4,753,132,466.02
Higher Education	56	\$1,288,757,066.70
Healthcare	79	\$350,319,158.39
Utility District	698	\$1,420,896,981.16
City	444	\$3,878,754,644.45
County	172	\$980,843,000.49
Other	258	\$1,214,499,139.35

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

*(1) "WAM Days" is the mean average of the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid, (b) would be repaid upon a demand by TexPool, or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (b) and (c) if their scheduled maturity is 397 days or less; and the later of the two dates set forth in (b) and (c) if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

*(2) "WAM Days" is calculated in the same manner as the described in footnote 1, but is based solely on the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid or (b) would be repaid upon a demand by TexPool, without reference to when interest rates of securities within TexPool are scheduled to be readjusted.

Definition of Average Monthly Yield (3)

*(3) This current yield for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.

TEXPOOL

DAILY SUMMARY

Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
11/01	0.1851%	0.000005071	\$13,976,397,800.33	1.00007	48	82
11/02	0.1703%	0.000004666	\$13,981,713,488.49	1.00006	49	83
11/03	0.1703%	0.000004666	\$13,981,713,488.49	1.00006	49	83
11/04	0.1703%	0.000004666	\$13,981,713,488.49	1.00006	49	83
11/05	0.1542%	0.000004226	\$14,050,296,960.97	1.00007	48	81
11/06	0.1372%	0.000003759	\$14,038,913,258.61	1.00006	48	81
11/07	0.1475%	0.000004040	\$14,018,465,605.34	1.00008	48	81
11/08	0.1572%	0.000004306	\$14,038,553,162.64	1.00007	47	80
11/09	0.1622%	0.000004445	\$14,166,424,554.34	1.00006	49	82
11/10	0.1622%	0.000004445	\$14,166,424,554.34	1.00006	49	82
11/11	0.1622%	0.000004445	\$14,166,424,554.34	1.00006	49	82
11/12	0.1622%	0.000004445	\$14,166,424,554.34	1.00006	49	82
11/13	0.1672%	0.000004580	\$14,190,438,553.63	1.00007	47	79
11/14	0.1685%	0.000004616	\$14,147,857,429.40	1.00008	46	79
11/15	0.1677%	0.000004595	\$13,893,259,052.67	1.00007	47	80
11/16	0.1465%	0.000004013	\$14,003,373,694.07	1.00007	48	80
11/17	0.1465%	0.000004013	\$14,003,373,694.07	1.00007	48	80
11/18	0.1465%	0.000004013	\$14,003,373,694.07	1.00007	48	80
11/19	0.1358%	0.000003721	\$13,976,820,018.09	1.00007	47	79
11/20	0.1372%	0.000003760	\$13,910,892,173.75	1.00006	47	80
11/21	0.1468%	0.000004023	\$13,898,882,923.26	1.00006	49	81
11/22	0.1468%	0.000004023	\$13,898,882,923.26	1.00006	49	81
11/23	0.1635%	0.000004479	\$14,134,151,625.74	1.00006	47	80
11/24	0.1635%	0.000004479	\$14,134,151,625.74	1.00006	47	80
11/25	0.1635%	0.000004479	\$14,134,151,625.74	1.00006	47	80
11/26	0.1642%	0.000004499	\$14,200,711,081.65	1.00006	45	77
11/27	0.1400%	0.000003836	\$14,183,150,094.29	1.00006	46	78
11/28	0.1401%	0.000003837	\$14,112,683,168.06	1.00006	46	77
11/29	0.1425%	0.000003904	\$14,007,473,706.73	1.00006	48	79
11/30	0.1644%	0.000004505	\$13,887,380,416.02	1.00005	50	82
Average	0.1564%	0.000004285	\$14,048,486,065.70	1.00006	48	80

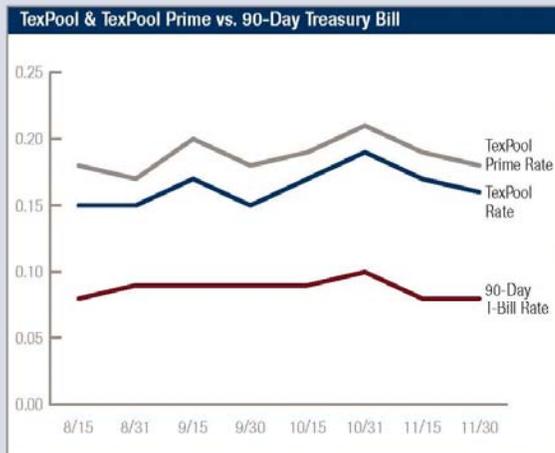
TEXPOOL

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

(continued from page 1)

unlimited coverage expires, and we wait until late December or early January to go further out on the yield curve, we'd be left with less in the way of opportunities.

Going forward into the New Year, it looks like we're going to see more of the same slow growth: an improving economy; better credit metrics; continued debate and discussion about the stability of European markets; extended, prolonged discussion of regulations; and for the near future, continued low interest rates. We do see some more positive aspects as we chug along. All this steady progress has to add up, and the one thing that can cure all problems is a strong, growing economy. Of course, all this is predicated on policymakers in Washington working out a compromise on the debt ceiling and the "fiscal cliff." Given the way we made it through Hurricane Sandy, it would be a shame if we then hit a speed bump over a man-made, and avoidable, disaster.



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.