

MONTHLY FINANCIAL REPORT

PERFORMANCE SUMMARY

February 2014

	Current Month	Year to Date	Chart
GENERAL FUND			
Total Revenues as a % of Budget Compared to Prior Year	N/A	POSITIVE	A
Total Expenditures as a % Budget Compared to Prior Year	N/A	POSITIVE	B
Property Tax Collection Analysis	POSITIVE	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 (most recent quarter)	N/A	N/A	I
Hotel Tax Revenue Analysis (quarterly comparison for year)	N/A	N/A	J
SEDC			
Sales Tax Collection Analysis	POSITIVE	POSITIVE	J
Expenditure Analysis	NEGATIVE	NEGATIVE	K
CRIME DISTRICT			
Sales Tax Collection Analysis	POSITIVE	POSITIVE	L
Expenditure Analysis	NEGATIVE	NEGATIVE	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 FEBRUARY 28, 2014

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	4,296,867	4,057,011	94.42%	93.93%
Penalties & Interest	45,000	8,284	18.41%	17.14%
Sales Tax	1,442,840	644,047	44.64%	40.87%
Franchise Tax	665,000	371,134	55.81%	49.20%
Other Tax	92,000	32,141	34.94%	20.28%
License & Permits	120,000	52,066	43.39%	35.04%
Charges for Services	42,000	6,732	16.03%	20.75%
DOT Fines	60,000	4,083	6.81%	30.05%
Other Municipal Court Fees	380,000	154,038	40.54%	43.18%
Interest Income	5,065	451	8.90%	30.52%
Intergovernmental	523,428	201,930	38.58%	47.64%
Other Revenue	44,100	17,364	39.37%	61.53%
Transfers from Enterprise Fund	1,571,744	654,893	41.67%	41.67%
Payment for Services-EDC	<u>125,000</u>	<u>52,083</u>	<u>41.67%</u>	<u>41.67%</u>
Total Revenues	9,413,044	6,256,256	66.46%	63.22%

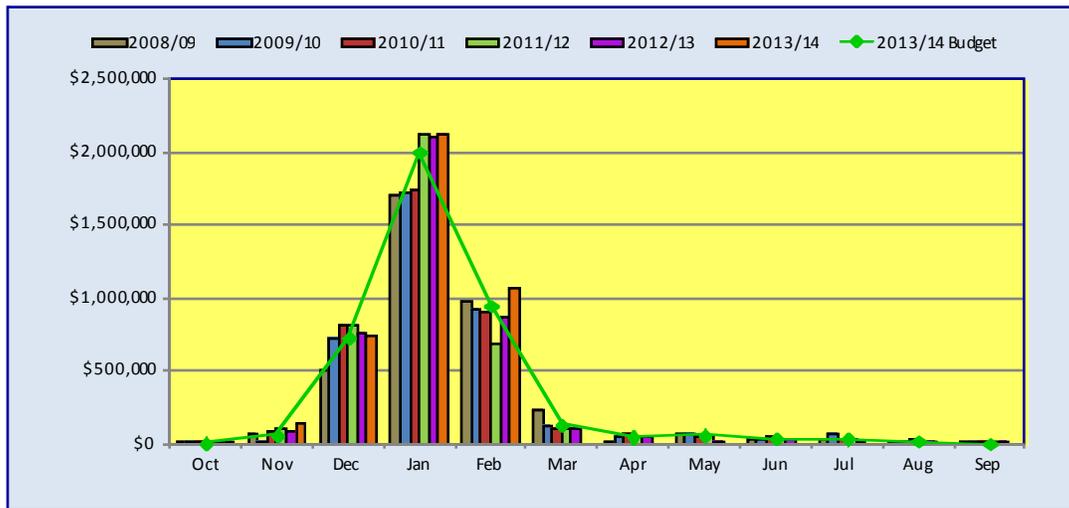
CHART B

TOTAL EXPENDITURES THROUGH FEBRUARY 28, 2014

	Budget	YTD Expenditures	% of Budget Expended	Prior YTD % of Total Expended
Personnel	6,414,520	2,704,920	42.17%	41.95%
Supplies	302,702	126,512	41.79%	35.04%
Services	2,449,807	1,060,711	43.30%	41.34%
Capital	220,500	0	0.00%	14.46%
Oper Transfer to Other Funds	<u>0</u>	<u>0</u>	<u>0.00%</u>	<u>0.00%</u>
Total Expenditures	9,387,529	3,892,143	41.46%	40.53%

CHART C

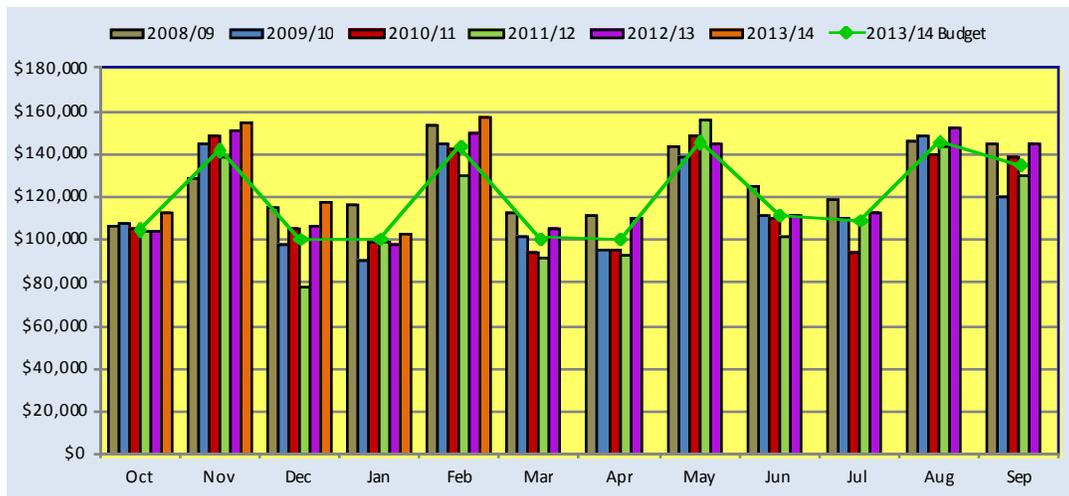
PROPERTY TAX ANALYSIS



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

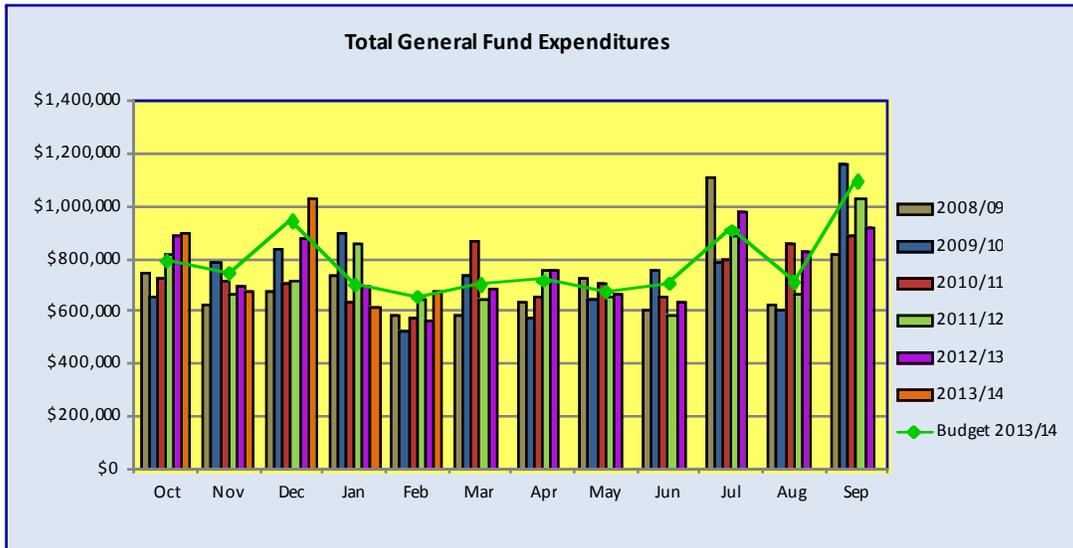
CHART D

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



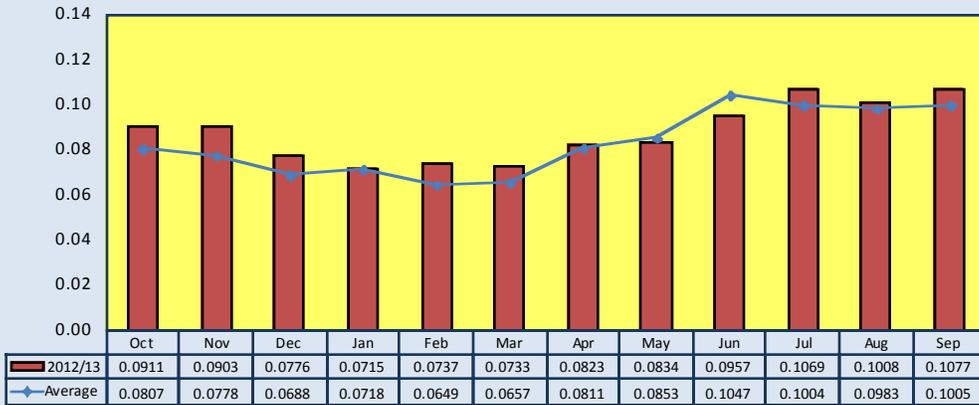
High expenditures in September 2008 are a result of Hurricane Ike.
 High expenditures in September 2010 are due to city hall A/C replacement.



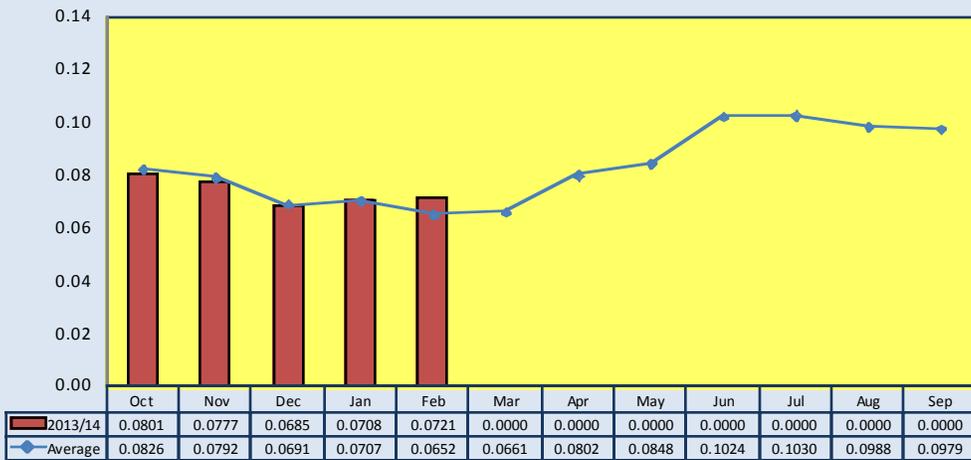
CHART F

WATER BILLING ANALYSIS

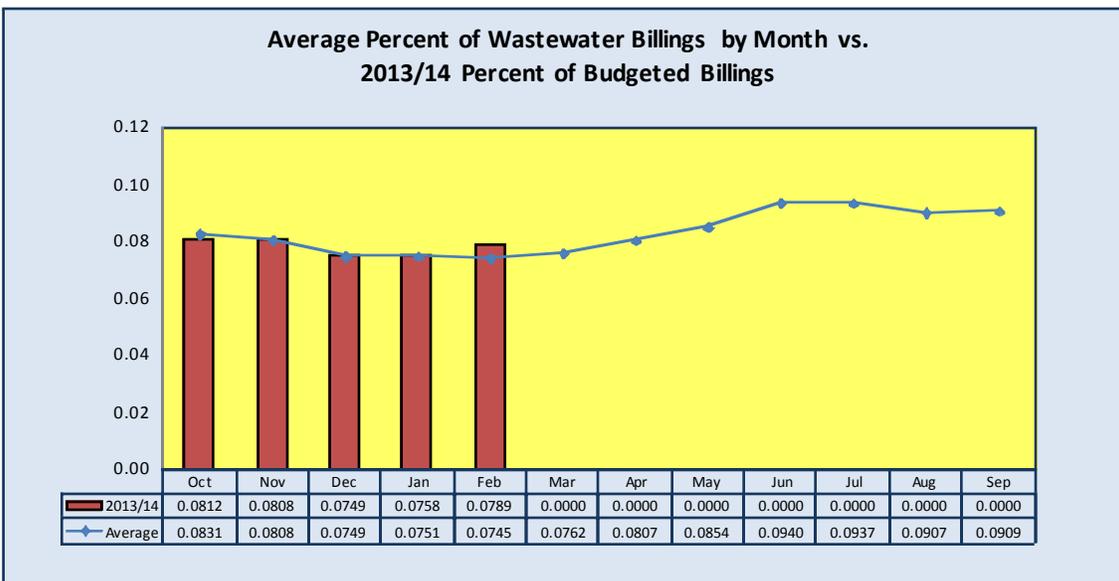
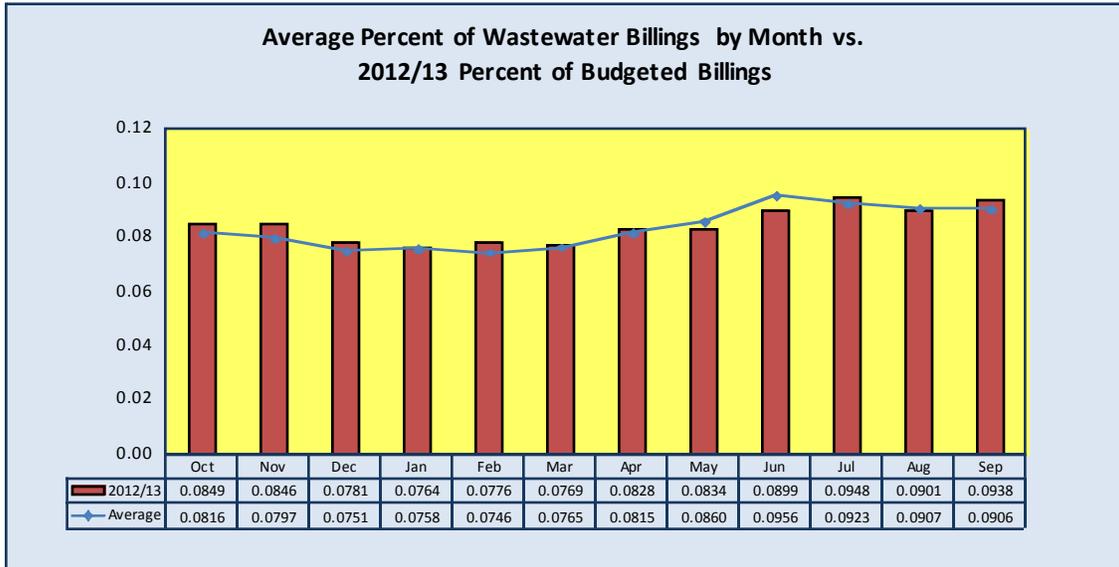
Average Percent of Water Billings by Month vs.
2012/13 Percent of Budgeted Billings



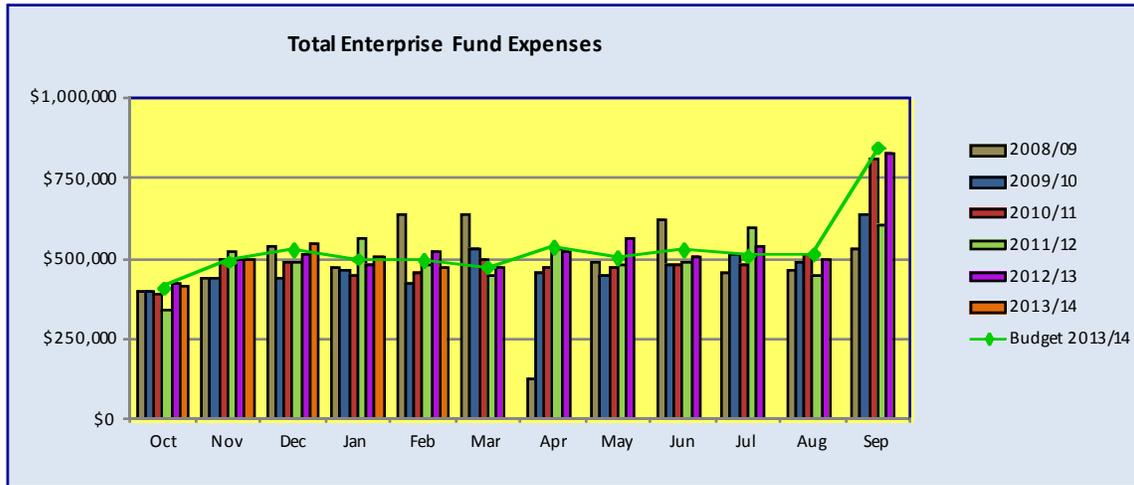
Average Percent of Water Billings by Month vs.
2013/14 Percent of Budgeted Billings



WASTEWATER BILLING ANALYSIS



EXPENDITURE ANALYSIS



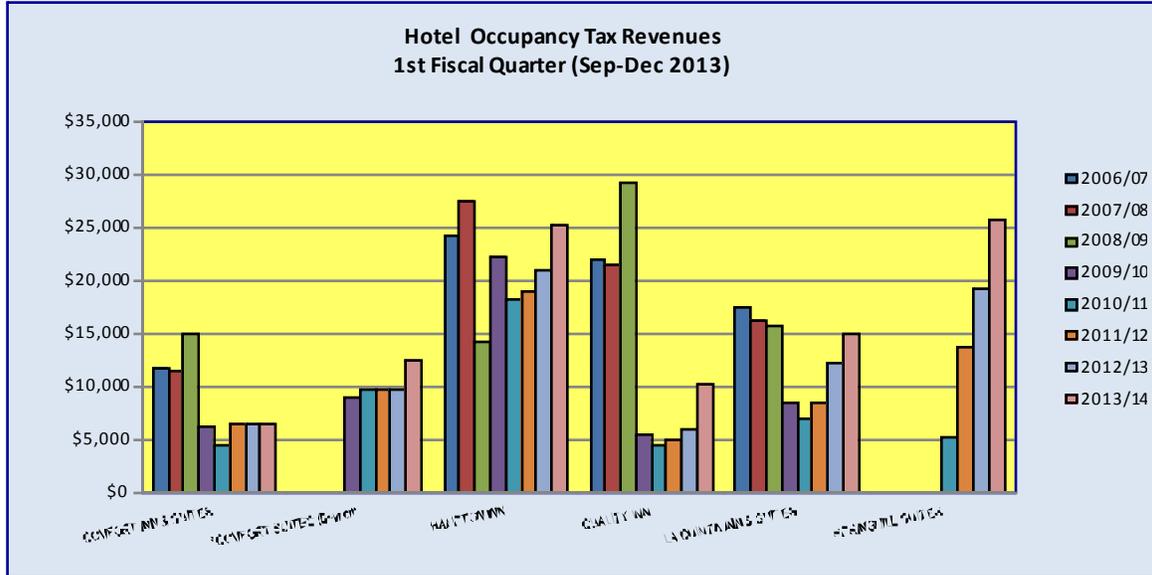
Low expenses April 2009 due to TML insurance reimbursement for IKE
Sept 2013 and Nov 2013 EXCLUDE property acquisition

HOTEL TAX FUND



HOTEL TAX REVENUE ANALYSIS

CHART I

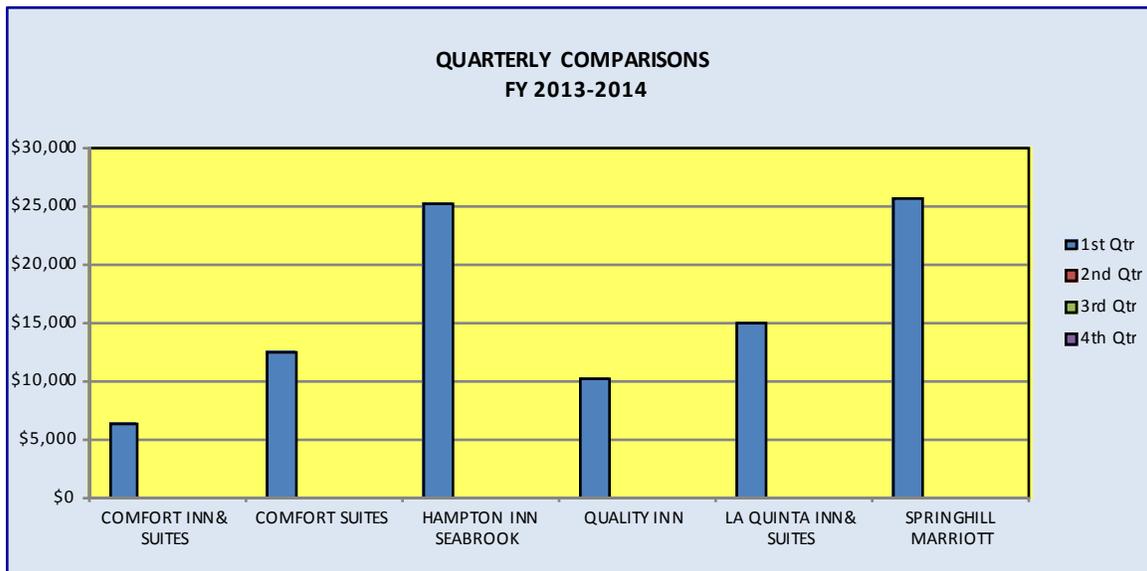


*Comfort Suites-Bayport Blvd. opened 2008/09

** Springhill Marriott opened last quarter 2010

HOTEL TAX REVENUE

CHART J



SEABROOK EDC



CHART K

SALES TAX REVENUE ANALYSIS

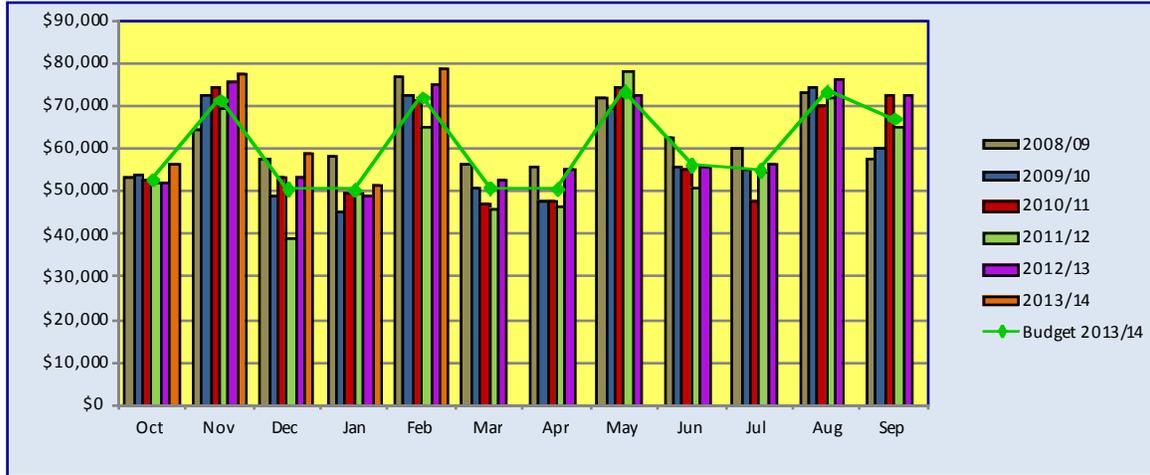
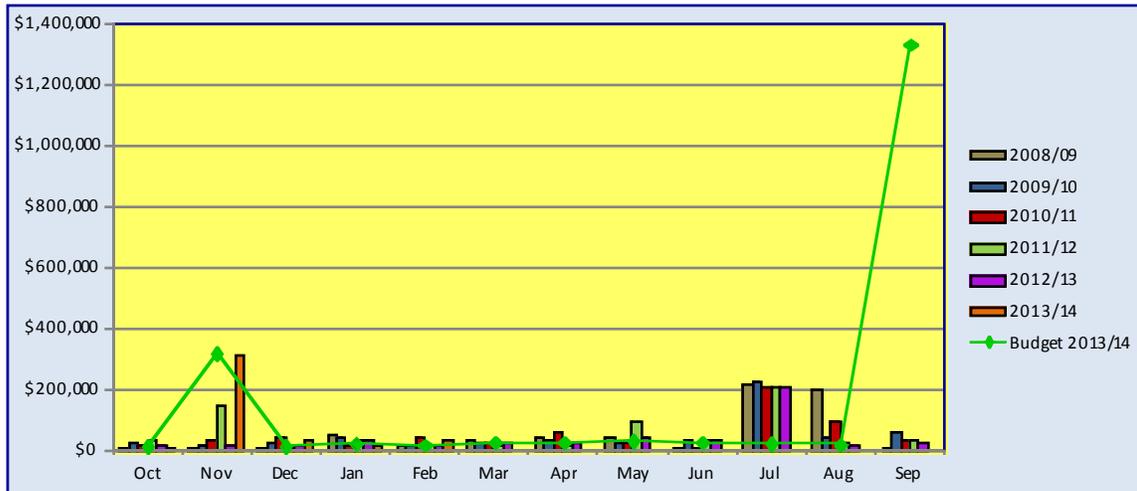


CHART L

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.

CRIME DISTRICT



CHART M

SALES TAX REVENUE ANALYSIS

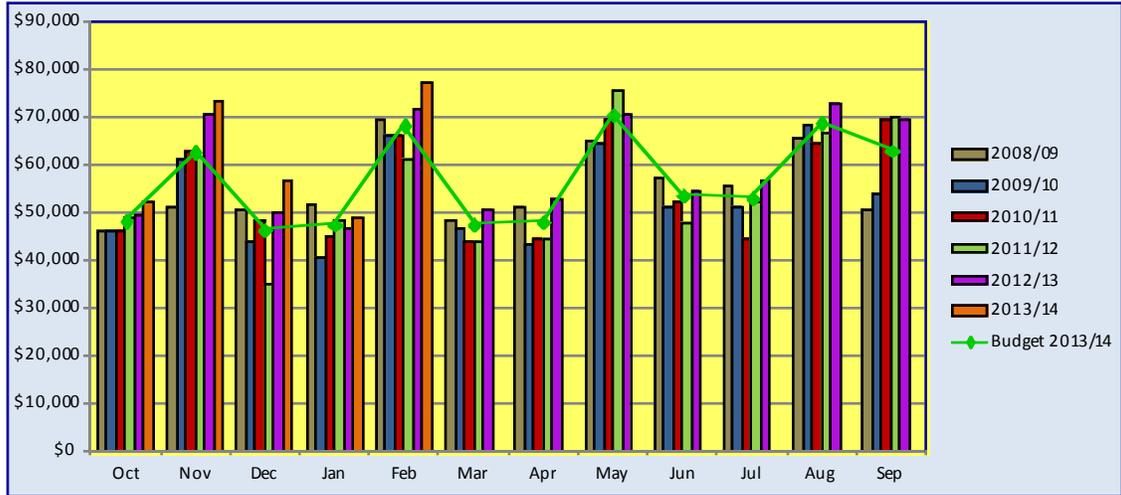
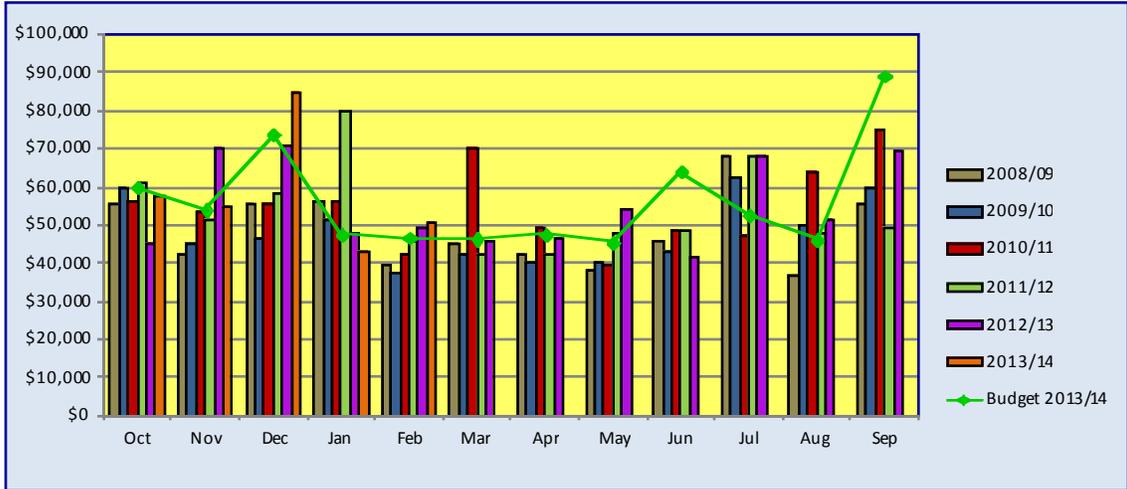


CHART N

EXPENDITURE ANALYSIS



INVESTMENTS



CHART O

MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF FEBRUARY 2014

0.0283%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Feb)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	3,899,666.88	1,423,142.34	101.15	5,322,910.37	Working capital
ENTERPRISE FUND - UNRESTRIC	2,015,517.74	27,011.06	48.99	2,042,577.79	Working capital
ENTERPRISE FUND - RESTRICTEI	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,211,271.47	0.00	48.08	2,211,319.55	Water & sewer lines extensions & expansions
PARK FEES	15,717.78	(10,000.00)	0.33	5,718.11	Reserved for acquisition & development of park land
CHILD SAFETY PROGRAMS	15,121.62	0.00	0.33	15,121.95	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	62,079.08	0.00	1.35	62,080.43	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	890,034.90	80,000.00	20.09	970,054.99	Restricted for promotion of tourism
DEBT SERVICE FUND	2,772,927.96	68,194.07	59.12	2,841,181.15	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	382,041.70	0.00	8.31	382,050.01	Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	134,352.15	0.00	2.92	134,355.07	Funds transferred from Bond Mkt Acct to allow liquidity
STREET BONDS	(0.00)	0.00	0.00	(0.00)	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	2,570.11	0.00	0.06	2,570.17	Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	332,634.26	0.00	7.23	332,641.49	
CAROTHERS	25,000.31	0.00	0.54	25,000.85	
CRIME DISTRICT	249,311.57	11,963.22	5.50	261,280.29	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	727,897.49	199,689.31	21.76	927,608.56	Seabrook Economic Development Corporation II
SEDC II - RESTRICTED FOR BONI	0.00	0.00	incl in above	0.00	SEDC II - Reserve for revenue bond debt service
SEDC II - RESTRICT FOR EMERG	180,000.00	0.00	incl in above	180,000.00	Emergency Reserve
STEP FUND	44,079.54	0.00	0.96	44,080.50	
PUBLIC SAFETY	155,159.92	0.00	3.37	155,163.29	
MUNI COURT - SECURITY FUND	21,657.94	0.00	0.47	21,658.41	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	9,623.43	0.00	0.21	9,623.64	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUNI	6,483.34	0.00	0.14	6,483.48	
PEG Fund	0.00	0.00	0.00	0.00	
STABILIZATION FUND	801,398.14	0.00	17.42	801,415.56	
TOTAL TEXPOOL FUND	15,254,547.33	1,800,000.00	348.33	\$17,054,895.66	

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 entity who joined the TexPool program in February 2014:

TexPool

City of Denison

TexPool Prime

City of Denison

Upcoming Events

04/14/14 – 04/15/14

GFOAT Spring Conference
Austin

04/21/14 – 04/24/14

County Treasurers' Education Seminar
Austin

05/08/14 – 05/09/14

LBJ School/TACA
Austin

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
1-866-839-7685
(1-866-TEX-POOL)
Fax 866-839-3291

Federated.

Federated, founded in 1955, 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 11/30/13).

Visit us at FederatedInvestors.com.

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Monthly Newsletter March 2014

Economic and Market Commentary

Month in Cash: Hurry up and wait

March 1, 2014

The nation's sluggish recovery created a waiting game for money markets in February. Mixed economic signals, continued brutal weather and cautious monetary policy kept rates in suspended animation, with all of us waiting for some definitive positive news to move them forward and up.

Jobs remained lackluster, manufacturing slowed and both retail sales and confidence fell in the month. And then there's housing, which was only marginally better earlier in the month but then launched upward at month's end. The report, that new home sales posted a 9.6% rise in January to a seasonally adjusted annual rate of 468,000, gave the best number we have seen in five years.

The signs were conflicting in February, but generally leaning toward the slow-down side compared to the fourth quarter of 2013. As we look for sustained good economic reports, we think we need to see March and April data before we can develop a firmer opinion of the economic standpoint in 2014. Will there be a resurgence when the mercury rises, or is growth still going to be lackluster? The verdict is still out and frustration is the only thing thriving.

In an environment like this, no matter what the climate, the Federal Reserve is extremely scrutinized, with analysts, media and investors poring over every report, speech and meeting minutes. Its continuing taper of the amount of bonds it purchases monthly is the most watched activity. It is now down to \$65 billion per month, but in the last few days of February new Fed Chair Janet Yellen testified to Congress that the slow economic recovery might cause the Fed to pause its tapering, and two members of the Federal Open Market Committee discussed the possibility of raising short rates sooner rather than later. The last part was music to our ears, but there is still too much noise out there.

We are perhaps more focused on the Fed's daily maneuvers. The Fed recast its overnight reverse repo facility from a test to an exercise, in place at least through Jan. 2015. It raised the overnight rate from 3 basis points to 5 basis points, slowly creeping up to a little bit less abysmal. The Fed continues to establish its role as the market-rate setter. Counterparties and participants were allowed to use the program up to \$5 billion a night, an increase of \$2 billion.

(continued page 6)

PERFORMANCE AS OF FEBRUARY 28, 2014

	TexPool	TexPool Prime
Current Invested Balance	\$17,851,480,342.30	\$1,238,257,323.21
Weighted Average Maturity (1)*	48 Days	48 Days
Weighted Average Maturity (2)*	78 Days	52 Days
Net Asset Value	1.00004	1.00004
Total Number of Participants	2,302	188
Management Fee on Invested Balance	0.0473%	0.0839%
Interest Distributed	\$405,883.92	\$54,508.09
Management Fee Collected	\$680,570.92	\$86,818.47
Standard & Poor's Current Rating	AAAm	AAAm

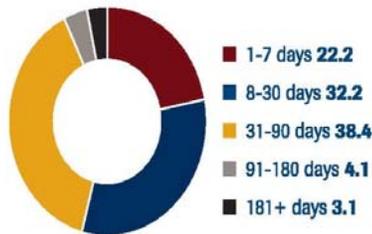
Month Averages

Average Invested Balance	\$18,701,078,438.13	\$1,354,483,564.11
Average Monthly Yield, on a simple basis (3)*	0.03%	0.05%
Average Weighted Average Maturity (1)*	42 Days	47 Days
Average Weighted Average Maturity (2)*	71 Days	54 Days

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

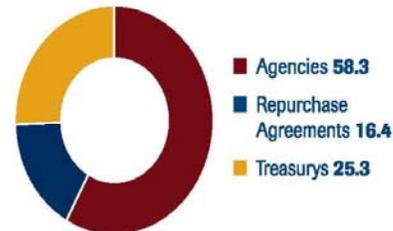
Portfolio by Maturity (%)

As of February 28, 2014



Portfolio by Type of Investment (%)

As of February 28, 2014



PORTFOLIO ASSET SUMMARY AS OF FEBRUARY 28, 2014

	Book Value	Market Value
Uninvested Balance	\$370.82	\$370.82
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	12,940,892.55	12,940,892.55
Interest and Management Fees Payable	-405,738.22	-405,738.22
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	2,916,270,000.00	2,916,260,460.00
Mutual Fund Investments	0.00	0.00
Government Securities	9,709,405,837.12	9,710,183,200.39
US Treasury Bills	3,339,841,949.19	3,339,886,920.00
US Treasury Notes	1,873,427,090.93	1,873,262,616.60
Total	\$17,851,480,342.39	\$17,852,118,712.14

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	572	\$6,087,858,440.28
Higher Education	56	\$1,456,068,288.26
Healthcare	80	\$786,580,627.09
Utility District	706	\$1,700,431,018.90
City	450	\$4,749,372,848.18
County	174	\$1,562,827,625.39
Other	284	\$1,508,117,851.89

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)
2/1	0.0251%	0.00000688	\$18,434,261,763.99	1.00003	46	72
2/2	0.0251%	0.00000688	\$18,434,261,763.99	1.00003	46	72
2/3	0.0242%	0.00000662	\$18,506,318,618.32	1.00004	42	69
2/4	0.0230%	0.00000629	\$18,874,141,357.95	1.00005	41	69
2/5	0.0221%	0.00000606	\$19,116,728,131.77	1.00003	40	68
2/6	0.0214%	0.00000586	\$19,250,547,809.83	1.00003	40	68
2/7	0.0233%	0.00000637	\$19,323,958,999.15	1.00003	41	67
2/8	0.0233%	0.00000637	\$19,323,958,999.15	1.00003	41	67
2/9	0.0233%	0.00000637	\$19,323,958,999.15	1.00003	41	67
2/10	0.0245%	0.00000670	\$19,489,819,294.60	1.00002	41	70
2/11	0.0267%	0.00000767	\$19,509,203,036.03	1.00003	43	72
2/12	0.0304%	0.00000834	\$19,311,808,637.25	1.00004	43	73
2/13	0.0318%	0.00000871	\$19,004,765,118.91	1.00004	43	73
2/14	0.0324%	0.00000889	\$18,620,993,634.74	1.00005	43	74
2/15	0.0324%	0.00000889	\$18,620,993,634.74	1.00005	43	74
2/16	0.0324%	0.00000889	\$18,620,993,634.74	1.00005	43	74
2/17	0.0324%	0.00000889	\$18,620,993,634.74	1.00005	43	74
2/18	0.0320%	0.00000878	\$18,459,381,970.70	1.00005	41	72
2/19	0.0305%	0.00000835	\$18,438,798,306.97	1.00005	41	71
2/20	0.0304%	0.00000834	\$18,387,948,221.15	1.00004	41	73
2/21	0.0315%	0.00000862	\$18,408,537,294.84	1.00004	40	74
2/22	0.0315%	0.00000862	\$18,408,537,294.84	1.00004	40	74
2/23	0.0315%	0.00000862	\$18,408,537,294.84	1.00004	40	74
2/24	0.0295%	0.00000807	\$18,321,884,488.75	1.00004	38	69
2/25	0.0296%	0.00000816	\$18,307,554,358.57	1.00005	38	67
2/26	0.0313%	0.00000857	\$18,113,909,003.43	1.00005	39	67
2/27	0.0311%	0.00000852	\$18,125,812,839.00	1.00008	41	68
2/28	0.0288%	0.00000790	\$17,851,480,342.39	1.00004	46	78
Average	0.0283%	0.00000776	\$18,701,078,439.13	1.00004	42	71

TEXPOOL PRIME

March 2014

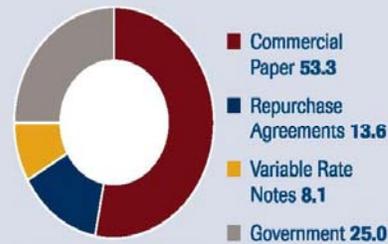
Portfolio by Maturity (%)

As of February 28, 2014



Portfolio by Type of Investment (%)

As of February 28, 2014



PORTFOLIO ASSET SUMMARY AS OF FEBRUARY 28, 2014

	Book Value	Market Value
Uninvested Balance	\$93,543.15	\$93,543.15
Accrual of Interest Income	247,896.69	247,896.69
Interest and Management Fees Payable	-54,506.12	-54,506.12
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	168,838,000.00	168,838,000.00
Commercial Paper	659,974,782.75	659,986,778.01
Bank Instruments	0.00	0.00
Mutual Fund Investments	0.00	0.00
Government Securities	344,156,596.74	344,185,068.00
Variable Rate Notes	64,900,000.00	64,901,240.00
Total	\$1,238,257,323.21	\$1,238,289,019.73

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

PARTICIPANT SUMMARY

	Number of Participants	Balance
School District	75	\$613,348,681.03
Higher Education	8	\$47,737,664.56
Healthcare	8	\$10,324,789.58
Utility District	5	\$45,984,095.95
City	34	\$223,856,788.44
County	19	\$184,448,198.43
Other	19	\$112,555,514.58

TEXPOOL PRIME

DAILY SUMMARY						
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Prime Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
2/1	0.0468%	0.000001278	\$1,475,465,709.75	1.00004	43	50
2/2	0.0468%	0.000001278	\$1,475,465,709.75	1.00004	43	50
2/3	0.0456%	0.000001248	\$1,466,101,676.35	1.00004	40	47
2/4	0.0403%	0.000001104	\$1,506,828,107.60	1.00003	40	46
2/5	0.0438%	0.000001200	\$1,520,436,815.84	1.00003	43	49
2/6	0.0400%	0.000001097	\$1,550,827,678.13	1.00003	41	47
2/7	0.0419%	0.000001149	\$1,562,645,987.27	1.00002	41	47
2/8	0.0419%	0.000001149	\$1,562,645,987.27	1.00002	41	47
2/9	0.0419%	0.000001149	\$1,562,645,987.27	1.00002	41	47
2/10	0.0442%	0.000001210	\$1,568,423,148.39	1.00002	43	49
2/11	0.0706%	0.000001831	\$1,320,754,894.73	1.00004	53	60
2/12	0.0601%	0.000001646	\$1,340,542,846.01	1.00004	51	58
2/13	0.0668%	0.000001825	\$1,278,345,163.78	1.00005	54	62
2/14	0.0633%	0.000001735	\$1,248,359,971.53	1.00004	55	62
2/15	0.0633%	0.000001735	\$1,248,359,971.53	1.00004	55	62
2/16	0.0633%	0.000001735	\$1,248,359,971.53	1.00004	55	62
2/17	0.0633%	0.000001735	\$1,248,359,971.53	1.00004	55	62
2/18	0.0677%	0.000001866	\$1,264,375,700.58	1.00005	51	58
2/19	0.0617%	0.000001690	\$1,247,708,088.88	1.00004	50	58
2/20	0.0583%	0.000001596	\$1,249,605,501.85	1.00005	50	57
2/21	0.0488%	0.000001338	\$1,249,205,186.46	1.00004	49	56
2/22	0.0488%	0.000001338	\$1,249,205,186.46	1.00004	49	56
2/23	0.0488%	0.000001338	\$1,249,205,186.46	1.00004	49	56
2/24	0.0513%	0.000001406	\$1,247,386,932.79	1.00005	47	53
2/25	0.0529%	0.000001448	\$1,248,572,670.31	1.00005	47	54
2/26	0.0526%	0.000001442	\$1,245,279,697.38	1.00005	46	53
2/27	0.0574%	0.000001572	\$1,238,068,842.46	1.00005	46	53
2/28	0.0568%	0.000001555	\$1,238,257,323.21	1.00004	46	52
Average	0.0532%	0.000001457	\$1,354,483,564.11	1.00004	47	54

TEXPOOL

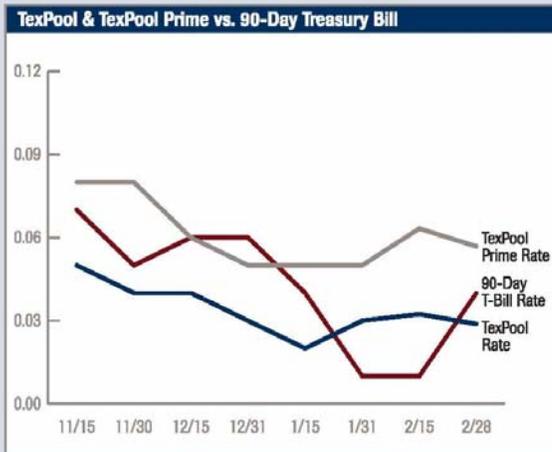
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(continued from page 1)

Another positive in terms of supply has been the Treasuries. The Feb. 7 debt-ceiling deadline came and went but Congress then extended the ceiling to 2015. While this kicks the can down the road, it is far enough, and it allowed for debt issuance on the Treasury side that was eligible for money funds (including a huge issuance related to extraordinary measures). If all of this leads you to think you should see substantial change in at least the overnight to 3-month section of the yield curve, think again. There actually has been very little movement. The explanation for this is that rates would have probably been closer to zero had the Fed not been in the marketplace.

The end of January saw a floating-rate Treasury note come to the market for the first time. The Treasury offered \$15 billion of 2-year floating rate notes resetting weekly off 90-day bills at a spread of 4.5 basis points. We are eager to watch the market develop from the standpoint of both spread and liquidity.

And we continue to wait.



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.