



MONTHLY FINANCIAL REPORT

PERFORMANCE SUMMARY

July 2011

	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	NEGATIVE	POSITIVE	C
Sales Tax Collection Analysis	NEGATIVE	POSITIVE	D
Expenditure Analysis	POSITIVE	POSITIVE	E
ENTERPRISE FUND			
Water Billing Analysis	POSITIVE	POSITIVE	F
Sewer Billing Analysis	POSITIVE	POSITIVE	G
Expense Analysis	POSITIVE	POSITIVE	H
HOTEL OCCUPANCY TAX REVENUE			
Hotel Tax Revenue Analysis	N/A	N/A	I
SEDC			
Sales Tax Collection Analysis	NEGATIVE	POSITIVE	J
Expenditure Analysis	POSITIVE	POSITIVE	K
CRIME DISTRICT			
Sales Tax Collection Analysis	NEGATIVE	POSITIVE	L
Expenditure Analysis	POSITIVE	POSITIVE	M
INVESTMENTS			
Investment Report	N/A	N/A	N

PERFORMANCE INDICATORS:

POSITIVE
NEGATIVE

Positive = Positive variance as compared to seasonal trend.

Negative = Negative variance as compared to seasonal trend.

GENERAL FUND



CHART A

TOTAL REVENUE THROUGH JULY 31, 2011

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	3,876,367	3,855,804	99.47%	99.41%
Penalties & Interest	50,000	51,312	102.62%	83.27%
Sales Tax	1,350,000	1,141,776	84.58%	81.01%
Franchise Tax	670,000	629,547	93.96%	84.10%
Other Tax	100,000	66,771	66.77%	73.30%
License & Permits	225,000	172,773	76.79%	87.73%
Charges for Services	52,000	62,137	119.50%	83.36%
DOT Fines	125,000	75,935	60.75%	85.49%
Other Municipal Court Fees	347,500	455,683	131.13%	80.47%
Interest Income	4,605	3,516	76.35%	80.64%
Intergovernmental	387,129	446,166	115.25%	79.61%
Other Revenue	50,000	41,119	82.24%	79.66%
Transfers from Enterprise Fund	1,519,872	1,266,561	83.33%	83.33%
Payment for Services-EDC	<u>30,000</u>	<u>22,500</u>	<u>75.00%</u>	<u>54.55%</u>
Total Revenues	8,787,473	8,291,599	94.36%	88.13%

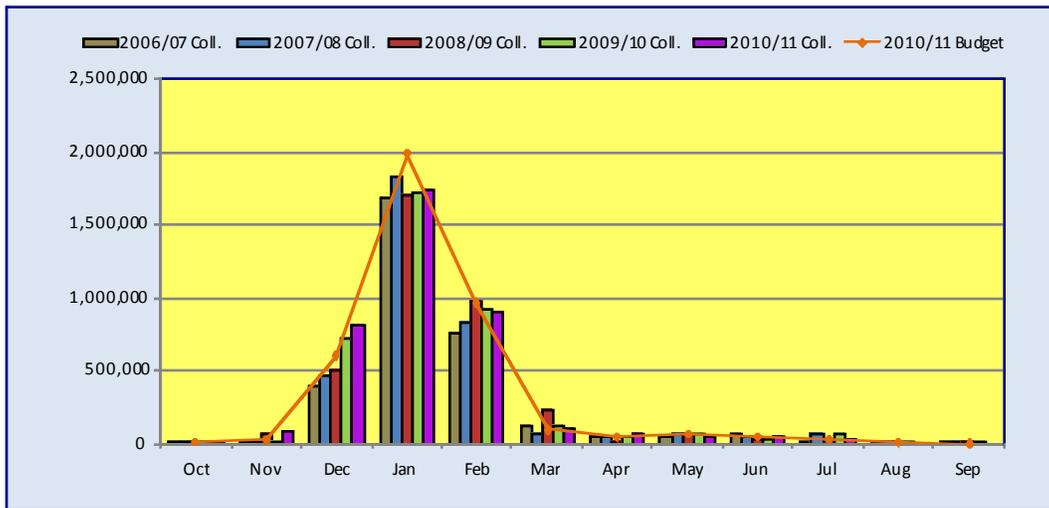
CHART B

TOTAL EXPENDITURES THROUGH JULY 31, 2011

	Budget	YTD Expenditures	% of Budget Expended	Prior YTD % of Total Expended
Personnel	5,804,470	4,593,446	79.14%	84.05%
Supplies	309,550	212,092	68.52%	78.41%
Services	2,445,787	1,962,208	80.23%	86.04%
Capital	<u>158,381</u>	<u>261,221</u>	<u>164.93%</u>	<u>19.09%</u>
Total Expenditures	8,718,188	7,028,967	80.62%	81.20%

CHART C

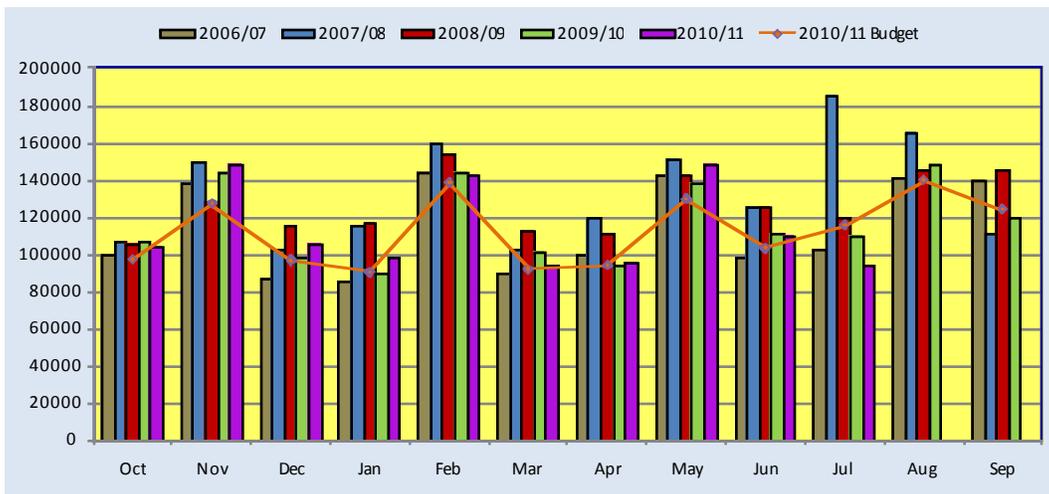
PROPERTY TAX ANALYSIS



2010/11 Budget is divided into months based on the monthly percentages of the last 5 years' collections.
 January revenue only slightly below budget for the month but YTD revenue is higher than YTD budget

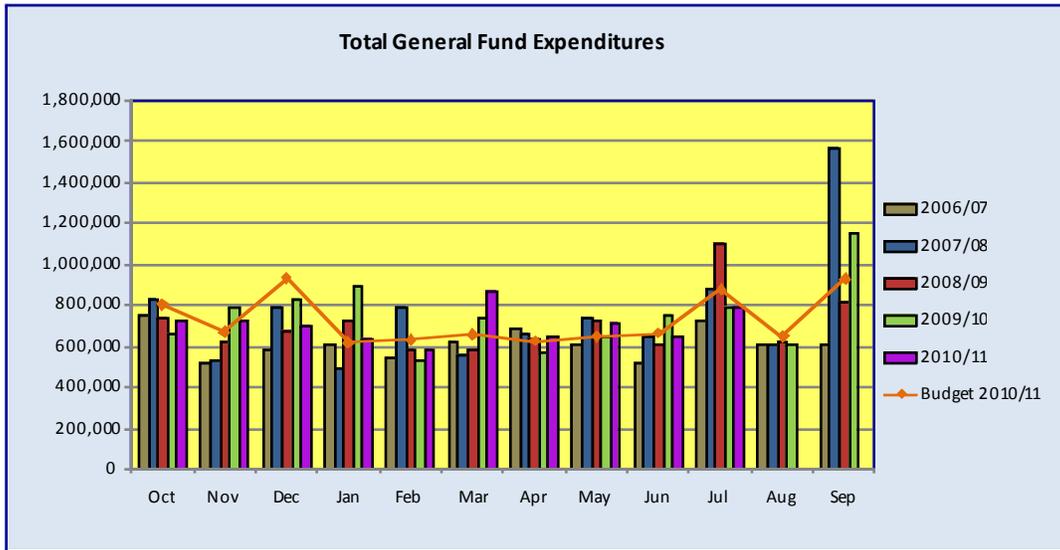
CHART D

SALES TAX ANALYSIS



2010/11 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.

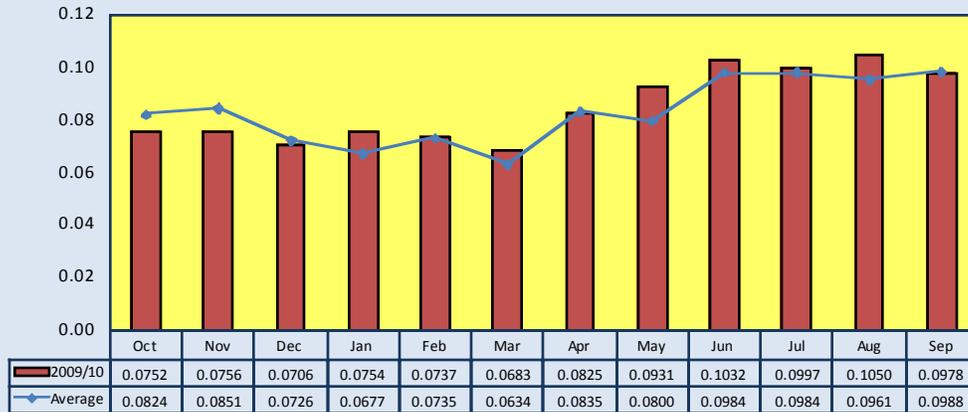
January expenditures slightly higher than January budget but YTD expenditures lower than YTD budget.



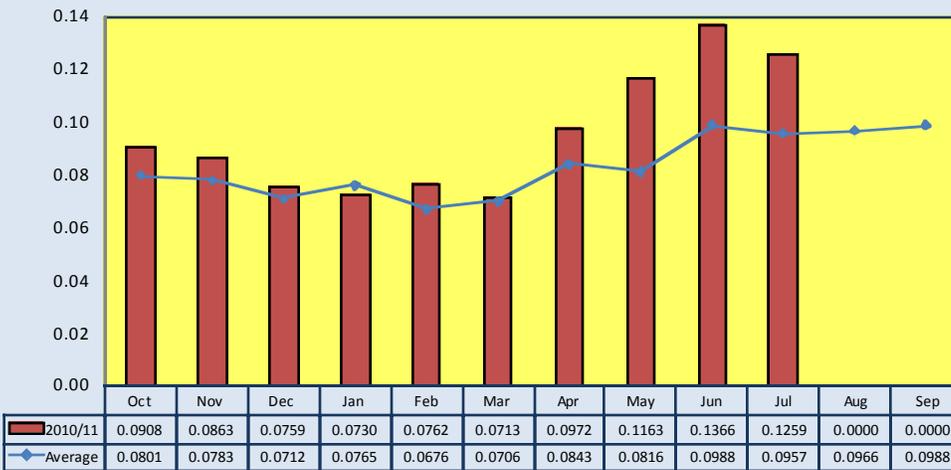
CHART F

WATER BILLING ANALYSIS

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



Average Percent of Water Billings by Month vs. 2010/11 Percent of Budgeted Billings



WASTEWATER BILLING ANALYSIS

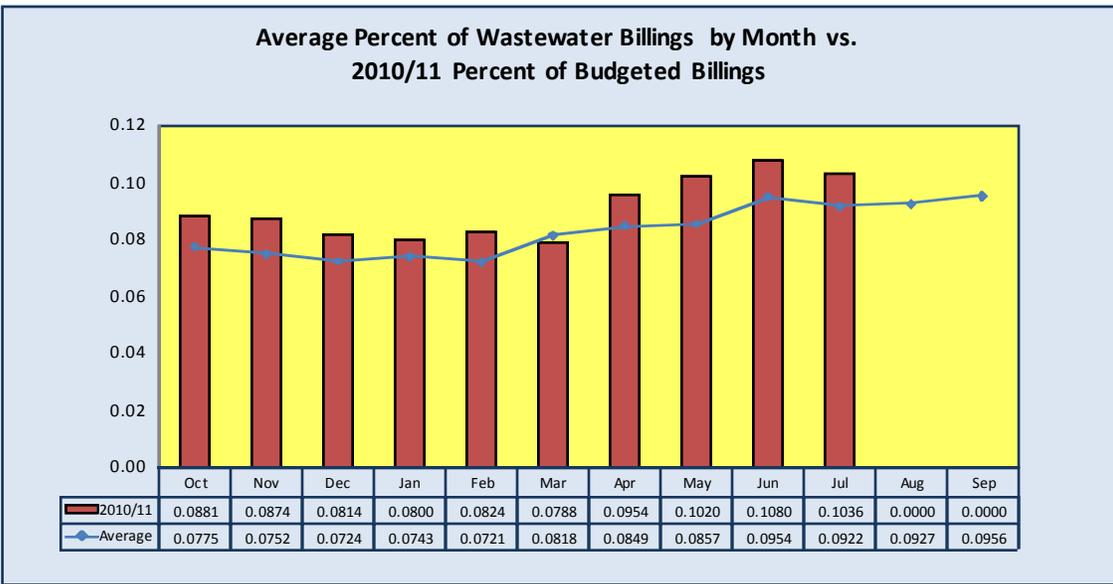
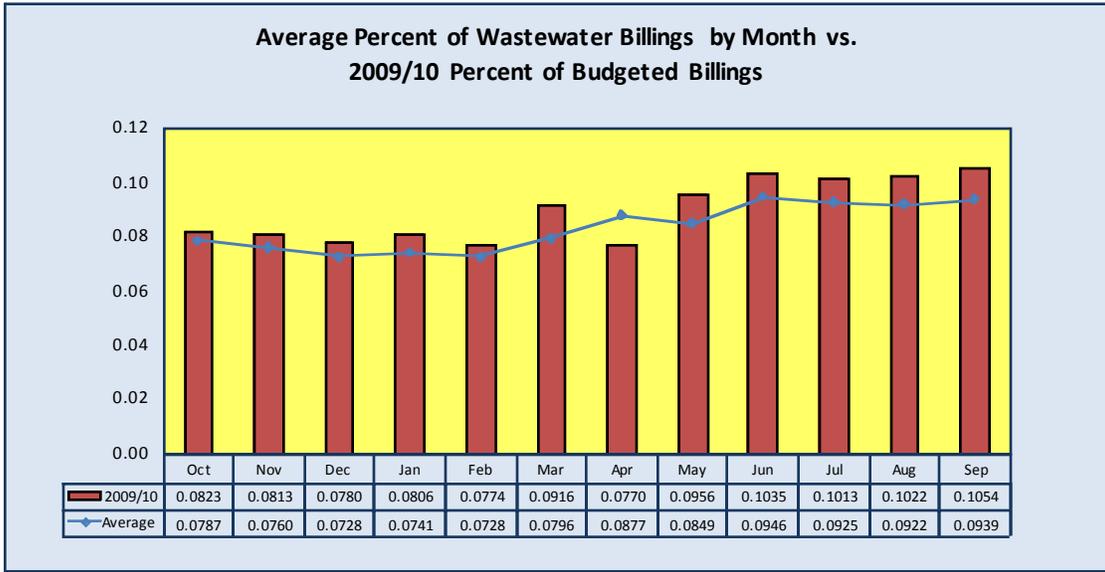
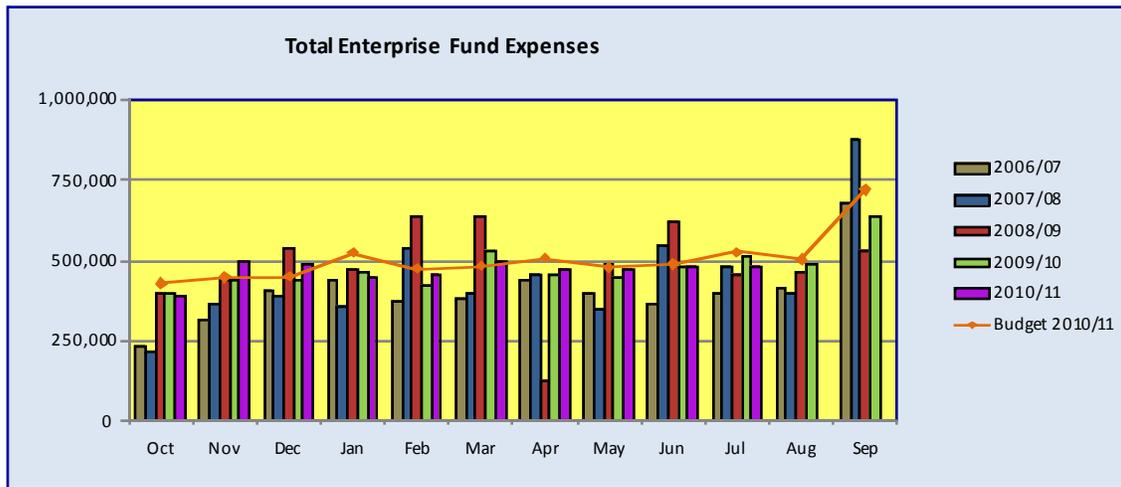


CHART H

EXPENDITURE ANALYSIS



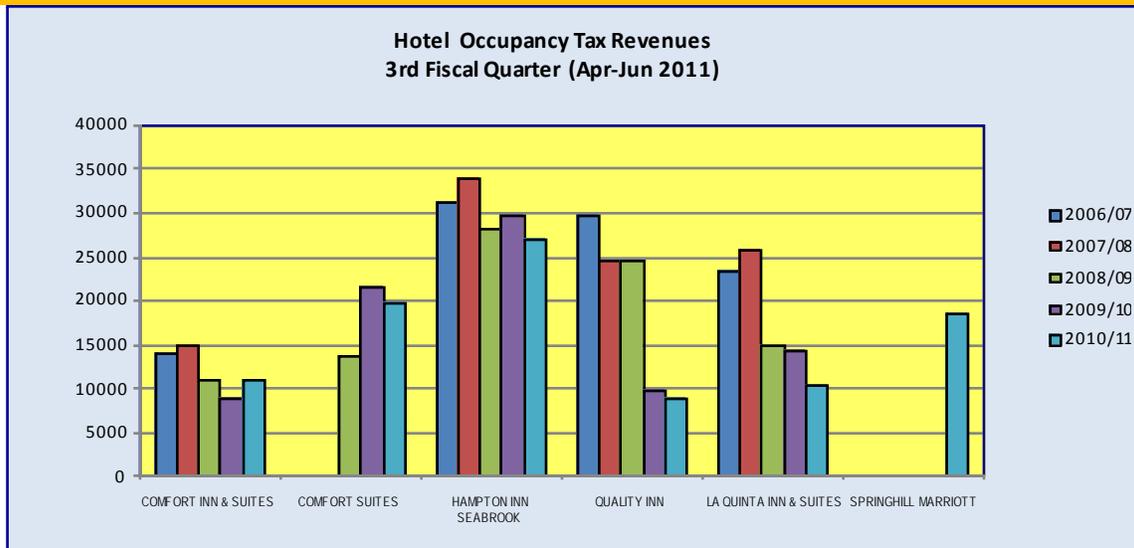
Low expenses April 2009 due to TML insurance reimbursement for IKE

HOTEL TAX FUND



CHART I

HOTEL TAX REVENUE ANALYSIS



Hotel occupancy tax is paid quarterly.
 Taxes for 3rd quarter 2010-11 (Apr-Jun 2011) was due July 31, 2011.

*Comfort Suites-Bayport Blvd. opened 2008/09

** Springhill Marriott opened last quarter 2010

SEABROOK EDC



CHART J

SALES TAX REVENUE ANALYSIS

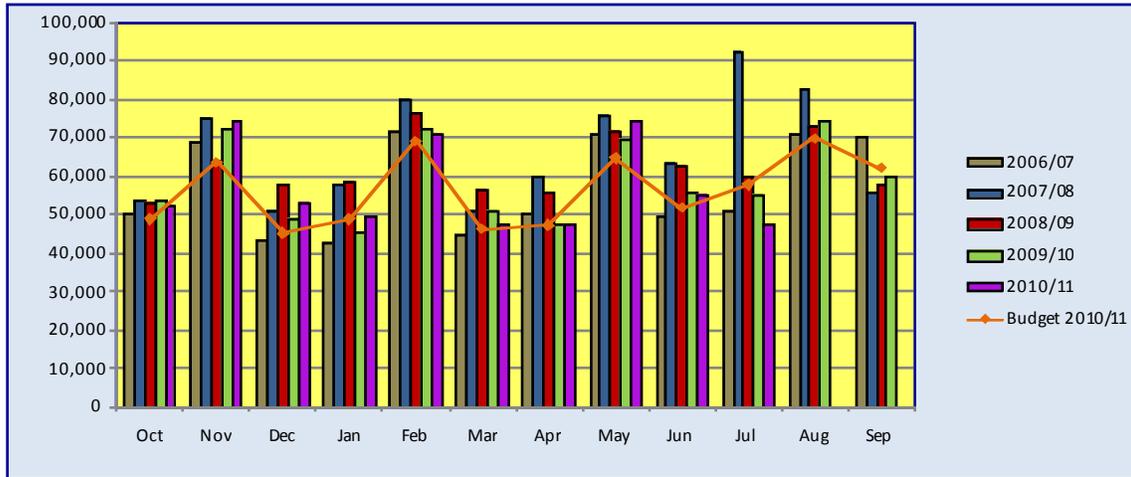
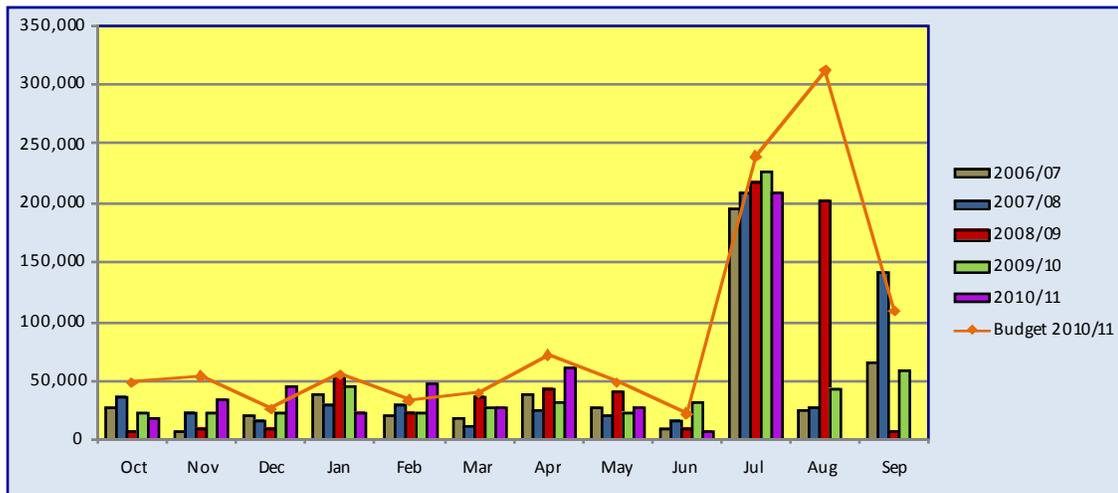


CHART K

EXPENDITURE ANALYSIS



CRIME DISTRICT



CHART L

SALES TAX REVENUE ANALYSIS

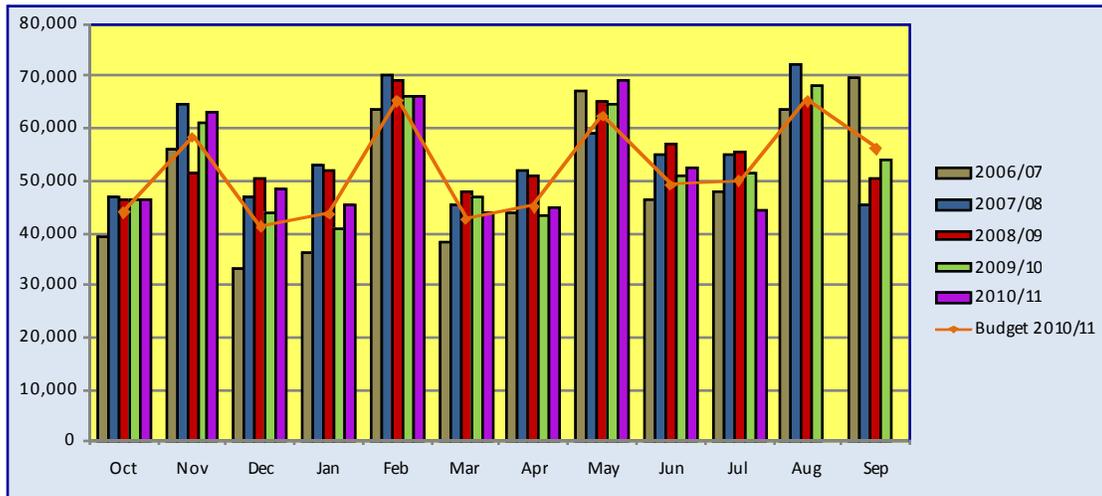
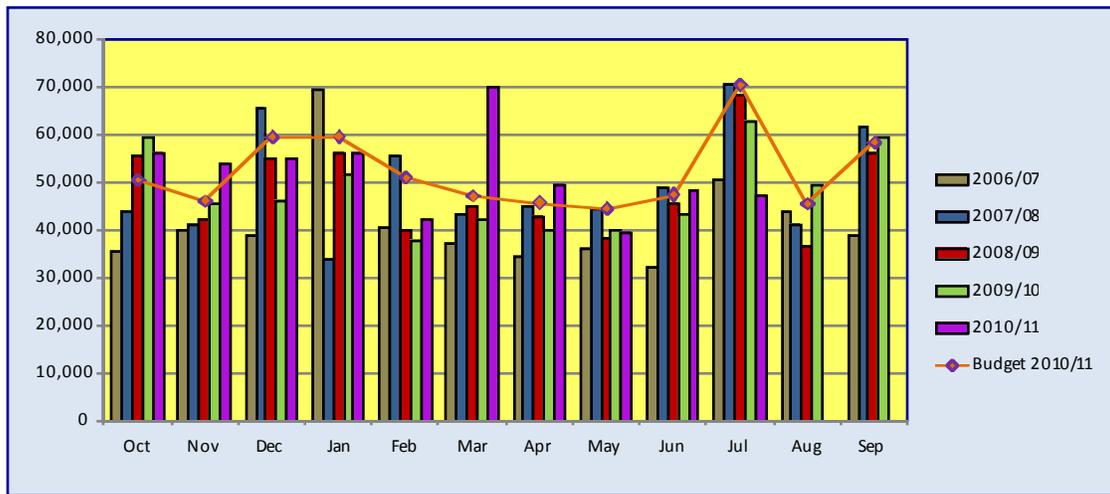


CHART M

EXPENDITURE ANALYSIS



INVESTMENTS



CHART N

MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF JULY 2011
AVG RATE .0665%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted July)	ENDING PURPOSE OF BALANCE FUND
GENERAL FUND - UNRESTRICTED	3,874,343.89	(321,514.84)	216.50	3,553,045.55 Working capital
ENTERPRISE FUND - UNRESTRIC	3,501,652.19	(74,376.99)	211.50	3,427,486.70 Working capital
ENTERPRISE FUND - RESTRICTEI	300,000.00	0.00	incl in above	300,000.00 Customer liability
CAPITAL IMPACT FEES	2,125,851.72	0.00	120.07	2,125,971.79 Water & sewer lines extensions & expansions
PARK FEES	15,679.72	0.00	0.89	15,680.61 Reserved for acquisition & development of park land
CHILD SAFETY PROGRAMS	15,061.36	0.00	0.85	15,062.21 Reserved for Child Safety/School Zones
FEDERAL SEIZURE	140,481.85	(40,000.00)	7.49	100,489.34 Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	738,378.81	0.00	41.70	738,420.51 Restricted for promotion of tourism
DEBT SERVICE FUND	2,615,239.00	26,057.87	148.48	2,641,445.35 Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	401,111.58	0.00	22.66	401,134.24 Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	1,054,610.92	0.00	59.56	1,054,670.48 Funds transferred from Bond Mkt Acct to allow liquidity
STREET BONDS	128,848.73	0.00	7.28	128,856.01 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	22,871.56	0.00	1.29	22,872.85 Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	400,727.15	0.00	22.63	400,749.78
CRIME DISTRICT	215,362.06	0.00	12.16	215,374.22 Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	1,987,329.64	9,833.96	135.84	1,997,299.44 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	110,149.87	0.00	6.22	110,156.09
PUBLIC SAFETY	40,004.23	0.00	2.26	40,006.49
MUNI COURT - SECURITY FUND	47,084.52	0.00	2.66	47,087.18 Funds from fines to be used for security
COURT - TIME PAYMENT FEES	10,010.80	0.00	0.57	10,011.37 Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUNI	6,466.34	0.00	0.37	6,466.71
TOTAL TEXPOOL FUND	18,155,020.94	(400,000.00)	1,020.98	\$17,756,041.92

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

Upcoming Events

08/24/11 - 08/26/11
TAC Annual Conference, Austin

09/18/11 - 09/21/11
CTAT Annual Conference, Tyler

09/30/11 - 10/02/11
TASA/TASB Annual Conference, Austin

TexPool Advisory Board Members

R.C. Allen	LaVonne Mason
Patti 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 1855, is a S&P 500 company that is a publicly traded on the NYSE. It is one of the largest managers of AAA-rated money market portfolios in the country. (Source: *MoneyNet* as of 5/31/2011).

Visit us at FederatedInvestors.com.

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Monthly Newsletter August 2011

Economic and Market Commentary

Troubling economic fundamentals were eclipsed in July by the ever-absorbing "tale of two crisis" playing out on both sides of the Atlantic. Over the first half of the month, concerns that European political leaders would fail to avoid a Greek sovereign debt default — with its likely contagion to Italy and Spain — caused credit spreads to widen. No sooner had the eurozone drama been at least temporarily resolved, however, than the spotlight shifted to the high-stakes political brinkmanship playing out a glacial speed in Washington.

Though few analysts expected the August 2 deadline for raising the \$14.3 trillion U.S. debt ceiling to pass without an agreement, nerves grew increasingly frayed as the day of reckoning approached. With tensions on the rise during the last week of July, yields spiked on securities that matured in early August, creating a negative yield curve in which shorter-dated paper yielded more than their longer-term counterparts. On July 1, for instance, the U.S. Treasury bill maturing on August 4 carried a zero percent yield; by July 28, its yield had climbed to 0.20%, even though the T-bill was then only one week from maturing. Meanwhile, signs of stress reappeared in the interbank funding market as investors appeared to have second thoughts about the staying power of the eurozone debt fix. Overall, six month Libor climbed 3.25 basis points to 0.43% in July while 12 month Libor rose by 2.67 basis points to 0.76%.

Though investors worried that a default by the U.S. Treasury would threaten the sanctity of the \$1 a share net asset value of money market funds, we never considered credit quality to be the underlying issue. As such, TexPool and TexPool Prime each used the sentiment-driven spike in yields to earn attractive risk-adjusted returns while maintaining sufficient liquidity to meet potential liquidations. In fact, it is ironic that some cash investments actually benefited from the U.S. debt crisis through the higher yields it created across the credit spectrum. For example, the daily rate for TexPool climbed from 0.0529% on July 24 to 0.1345% on July 31, despite the pool's weighted average maturity remaining at 44 days. Over that same period, the daily rate of TexPool Prime rose from 0.0684% to 0.1498%, even as its weighted average maturity fell from 34 days to 33 days.

As of this writing, a compromise deal on raising the debt ceiling and cutting the budget deficit had just been reached between the White House and leaders of both parties on Capitol Hill. Assuming the agreement gains Congressional approval, the

(continued page 6)

PERFORMANCE As of July 30, 2011

	TexPool	TexPool Prime
Current Invested Balance	\$14,013,073,003.06	\$1,272,574,783.07
Weighted Average Maturity (1)*	44 Days	31 Days
Weighted Average Maturity (2)*	80 Days	35 Days
Net Asset Value	0.99999	0.99997
Total Number of Participants	2,248	129
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$868,236.54	\$110,415.92
Management Fee Collected	\$623,639.72	\$51,432.36
Standard & Poor's Current Rating	AAAm	AAAm

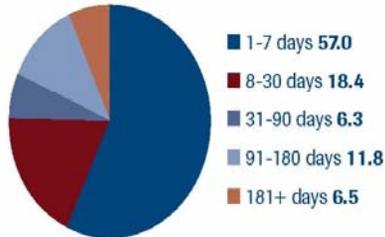
July Averages

Average Invested Balance	\$15,453,221,235.91	\$1,456,532,085.27
Average Monthly Yield, on a simple basis (3)*	0.06%	0.09%
Average Weighted Average Maturity (1)*	43 Days	32 Days
Average Weighted Average Maturity (2)*	80 Days	36 Days

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

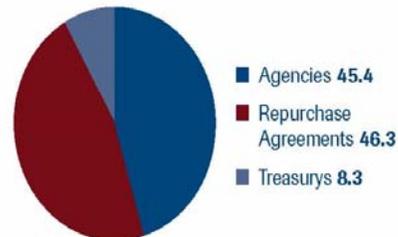
Portfolio by Maturity

As of July 31, 2011



Portfolio by Type of Investment

As of July 31, 2011



PORTFOLIO ASSET SUMMARY AS OF July 31, 2011

	Book Value	Market Value
Uninvested Balance	(\$393,664.85)	(\$393,664.85)
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	7,020,281.11	7,020,281.11
Interest and Management Fees Payable	(868,811.89)	(868,811.89)
Payable for Investments Purchased	(536,876,078.45)	(536,876,078.45)
Repurchase Agreements	7,195,077,000.00	7,195,070,700.00
Mutual Fund Investments	0.00	0.00
Government Securities	7,061,987,570.98	7,061,405,414.18
US Treasury Bills	949,973,611.09	949,929,700.00
US Treasury Notes	332,856,655.46	332,903,420.00
Total	\$15,008,776,563.45	\$15,008,190,960.10

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	564	\$4,786,769,331.23
Higher Education	55	\$1,683,711,835.77
Health Care	79	\$366,374,740.75
Utility District	689	\$1,454,328,055.99
City	437	\$4,373,785,707.82
County	171	\$1,279,449,625.48
Other	252	\$1,064,113,075.90

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

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)
1-Jul	0.0742%	0.000002032	\$15,457,188,535.10	1.00005	47	88
2-Jul	0.0742%	0.000002032	\$15,457,188,535.10	1.00005	47	88
3-Jul	0.0742%	0.000002032	\$15,457,188,535.10	1.00005	47	88
4-Jul	0.0742%	0.000002032	\$15,457,188,535.10	1.00005	47	88
5-Jul	0.0608%	0.000001667	\$15,529,468,019.55	1.00007	45	83
6-Jul	0.0511%	0.000001401	\$15,535,067,104.94	1.00006	43	83
7-Jul	0.0544%	0.000001491	\$15,502,127,982.44	1.00006	43	83
8-Jul	0.0509%	0.000001395	\$15,462,774,653.47	1.00007	43	83
9-Jul	0.0509%	0.000001395	\$15,462,774,653.47	1.00007	43	83
10-Jul	0.0509%	0.000001395	\$15,462,774,653.47	1.00007	43	83
11-Jul	0.0481%	0.000001318	\$15,530,364,673.29	1.00007	41	79
12-Jul	0.0476%	0.000001303	\$15,537,409,086.37	1.00007	39	76
13-Jul	0.0473%	0.000001295	\$15,518,861,653.23	1.00008	40	78
14-Jul	0.0466%	0.000001276	\$15,578,574,702.32	1.00010	39	76
15-Jul	0.0571%	0.000001565	\$15,534,833,388.78	1.00009	41	78
16-Jul	0.0571%	0.000001565	\$15,534,833,388.78	1.00009	41	78
17-Jul	0.0571%	0.000001565	\$15,534,833,388.78	1.00009	41	78
18-Jul	0.0513%	0.000001405	\$15,583,914,903.40	1.00010	39	77
19-Jul	0.0497%	0.000001362	\$15,576,627,843.24	1.00009	42	79
20-Jul	0.0477%	0.000001308	\$15,586,886,038.94	1.00004	42	79
21-Jul	0.0570%	0.000001563	\$15,501,274,052.09	1.00003	43	79
22-Jul	0.0529%	0.000001450	\$15,418,905,542.22	1.00003	44	80
23-Jul	0.0529%	0.000001450	\$15,418,905,542.22	1.00003	44	80
24-Jul	0.0529%	0.000001450	\$15,418,905,542.22	1.00003	44	80
25-Jul	0.0631%	0.000001728	\$15,638,886,968.76	1.00004	41	76
26-Jul	0.0571%	0.000001565	\$15,632,918,090.39	1.00003	41	76
27-Jul	0.0942%	0.000002582	\$15,440,675,048.36	1.00003	39	73
28-Jul	0.1022%	0.000002799	\$15,252,177,561.84	1.00004	42	78
29-Jul	0.1345%	0.000003686	\$15,008,776,563.45	0.99997	44	81
30-Jul	0.1345%	0.000003686	\$15,008,776,563.45	0.99997	44	81
31-Jul	0.1345%	0.000003686	\$15,008,776,563.45	0.99997	44	81
Averages	0.0665	0.000001822	\$15,453,221,235.91	1.00005	43	80

TEXPOOL PRIME

August 2011

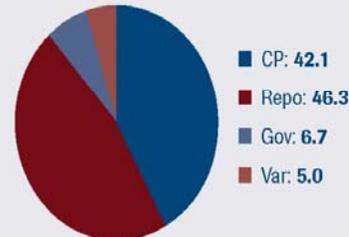
Portfolio by Maturity

As of July 31, 2011



Portfolio by Type of Investment

As of July 31, 2011



PORTFOLIO ASSET SUMMARY AS OF July 31, 2011

	Book Value	Market Value
Uninvested Balance	\$244.65	\$244.65
Accrual of Interest Income	58,048.00	58,048.00
Interest and Management Fees Payable	(110,415.92)	(110,415.92)
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	1,586.97	1,586.97
Repurchase Agreements	596,554,000.00	596,554,000.00
Commercial Paper	566,518,875.03	566,508,308.50
Bank Instruments	0.00	0.00
Mutual Fund Investments	0.00	0.00
Government Securities	104,216,186.29	104,150,453.40
Variable Rate Notes	19,997,957.92	20,003,760.00
Total	\$1,287,236,382.94	\$1,287,165,985.60

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	63	\$719,197,979.64
Higher Education	8	\$117,150,503.73
Health Care	6	\$25,535,095.80
Utility District	3	\$67,649,225.46
City	22	\$131,370,435.96
County	17	\$224,116,332.87
Other	10	\$2,187,817.37

*(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 PRIME

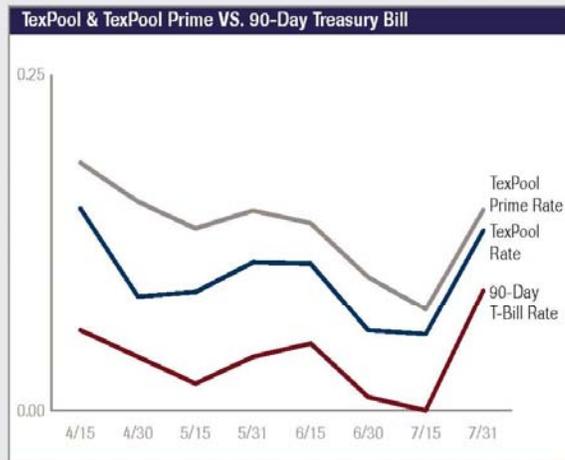
DAILY SUMMARY

Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
1-Jul	0.1107%	0.000003034	\$1,573,519,422.77	1.00003	40	49
2-Jul	0.1107%	0.000003034	\$1,573,519,422.77	1.00003	40	49
3-Jul	0.1107%	0.000003034	\$1,573,519,422.77	1.00003	40	49
4-Jul	0.1107%	0.000003034	\$1,573,519,422.77	1.00003	40	49
5-Jul	0.0940%	0.000002574	\$1,567,650,409.49	1.00005	37	41
6-Jul	0.0802%	0.000002198	\$1,540,695,651.99	1.00005	37	41
7-Jul	0.0829%	0.000002271	\$1,531,450,007.23	1.00004	35	39
8-Jul	0.0826%	0.000002263	\$1,530,639,009.12	1.00002	29	33
9-Jul	0.0826%	0.000002263	\$1,530,639,009.12	1.00002	29	33
10-Jul	0.0826%	0.000002263	\$1,530,639,009.12	1.00002	29	33
11-Jul	0.0760%	0.000002082	\$1,537,456,051.98	1.00003	26	30
12-Jul	0.0685%	0.000001823	\$1,524,773,923.75	1.00002	26	30
13-Jul	0.0672%	0.000001842	\$1,489,062,444.37	1.00003	26	30
14-Jul	0.0700%	0.000001919	\$1,517,143,604.59	1.00003	26	30
15-Jul	0.0759%	0.000002080	\$1,522,594,874.76	1.00003	29	32
16-Jul	0.0759%	0.000002080	\$1,522,594,874.76	1.00003	29	32
17-Jul	0.0759%	0.000002080	\$1,522,594,874.76	1.00003	29	32
18-Jul	0.0701%	0.000001821	\$1,515,447,220.63	1.00003	27	30
19-Jul	0.0719%	0.000001969	\$1,507,879,718.98	1.00002	27	30
20-Jul	0.0703%	0.000001925	\$1,420,879,637.66	1.00000	28	31
21-Jul	0.0821%	0.000002249	\$1,347,854,680.91	1.00000	33	37
22-Jul	0.0684%	0.000001873	\$1,346,699,239.82	0.99999	34	37
23-Jul	0.0684%	0.000001873	\$1,346,699,239.82	0.99999	34	37
24-Jul	0.0684%	0.000001873	\$1,346,699,239.82	0.99999	34	37
25-Jul	0.0780%	0.000002138	\$1,336,714,896.33	0.99999	31	35
26-Jul	0.0839%	0.000002298	\$1,332,816,151.60	0.99998	33	37
27-Jul	0.1065%	0.000002919	\$1,321,826,222.35	0.99999	33	36
28-Jul	0.1214%	0.000003326	\$1,305,257,810.62	0.99999	33	36
29-Jul	0.1498%	0.000004104	\$1,287,236,382.94	0.99997	33	37
30-Jul	0.1498%	0.000004104	\$1,287,236,382.94	0.99997	33	37
31-Jul	0.1498%	0.000004104	\$1,287,236,382.94	0.99997	33	37
Averages	0.000901	0.000002469	\$1,456,532,085.27	1.00003	32	36

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focus of investors will return to the economic fundamentals that typically drive monetary policy. And while asset markets were transfixed by the debt stories, those fundamentals revealed a U.S. economy still struggling to escape the soft patch it entered during the winter. Yet modest improvement was evident in some employment and housing numbers, and the long overdue end to the debt drama should help to improve consumer sentiment. Combined with the waning negative impact of the Japanese tragedy and a moderation of food and energy inflation, we expect economic growth to revive during the second half of the year. In that environment, we do not expect yields to fully recycle to earlier lows, especially as non-traditional institutional players like hedge funds that had been using cash as a port in the global debt storm exit the sector.



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 day Treasury bill is a weighted average rate of the weekly auctions of 90-day treasury bills.