MONTHLY FINANCIAL REPORT

PERFORMANCE SUMMARY *December 2009*

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

PERFORMANCE INDICATORS:

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

GENERAL FUND

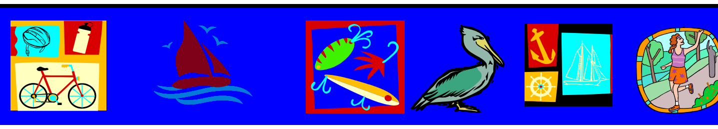


CHART A

TOTAL REVENUE THROUGH DECEMBER 31, 2009

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	3,798,381	743,636	19.58%	15.92%
Penalities & Interest	60,000	8,256	13.76%	13.61%
Sales Tax	1,575,000	349,746	22.21%	23.44%
Franchise Tax	710,000	187,715	26.44%	24.35%
Other Tax	110,000	0	0.00%	0.00%
License & Permits	300,000	68,823	22.94%	7.38%
Charges for Services	37,407	8,922	23.85%	22.04%
DOT Fines	143,300	20,418	14.25%	8.43%
Other Municipal Court Fees	277,000	67,432	24.34%	30.20%
Interest Income	23,573	983	4.17%	36.40%
Intergovernmental	382,147	127,335	33.32%	25.59%
Other Revenue	65,000	7,972	12.27%	19.47%
Transfers from Enterprise Fund	1,447,381	241,230	16.67%	25.00%
Payment for Services-EDC	30,000	0	0.00%	0.00%
Total Revenues	8,959,189	1,832,469	20.45%	21.20%

CHART B

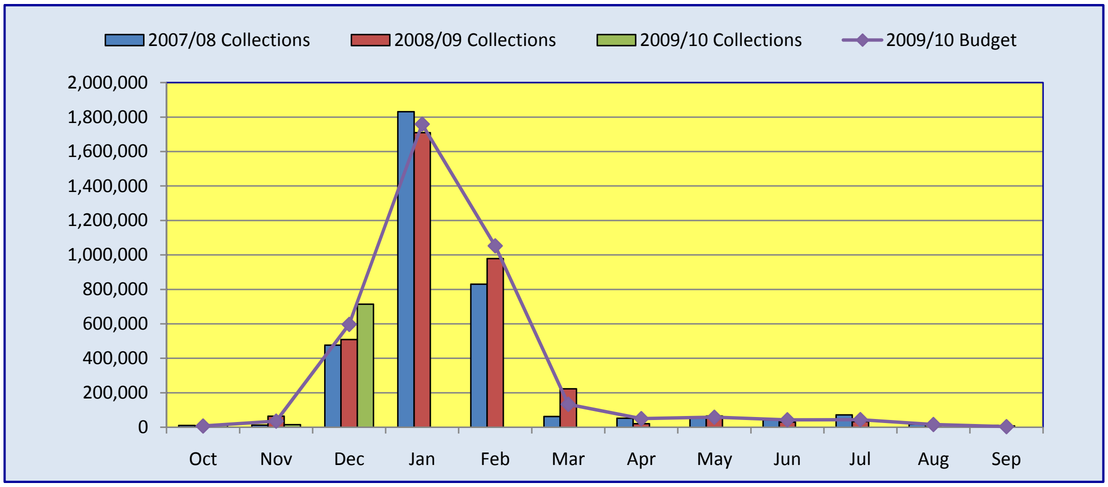
TOTAL EXPENDITURES THROUGH DECEMBER 30, 2009

	Budget	YTD Expenditures	% of Budget Expended	Prior YTD % of Total Expended	
Personnel	5,983,554	1,435,697	23.99%	25.53%	
Supplies	353,445	76,731	21.71%	20.80%	
Services	2,491,362	701,030	28.14%	41.46%	*includes expenditures for Hurricane Ike
Capital	130,828	72,724	55.59%	9.77%	
Total Expenditures	8,959,189	2,286,183	25.52%	32.85%	

GENERAL FUND-continued

CHART C

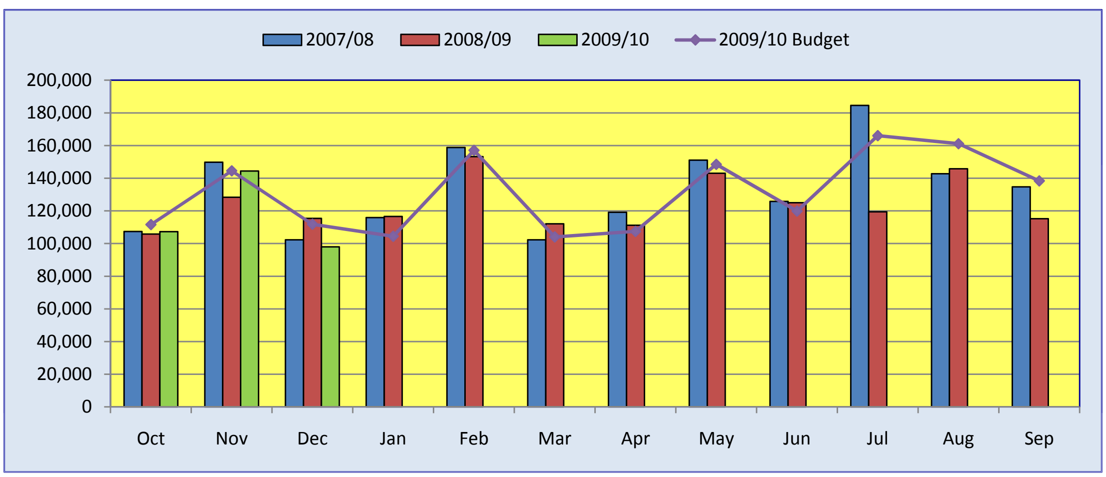
PROPERTY TAX ANALYSIS



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

CHART D

SALES TAX ANALYSIS

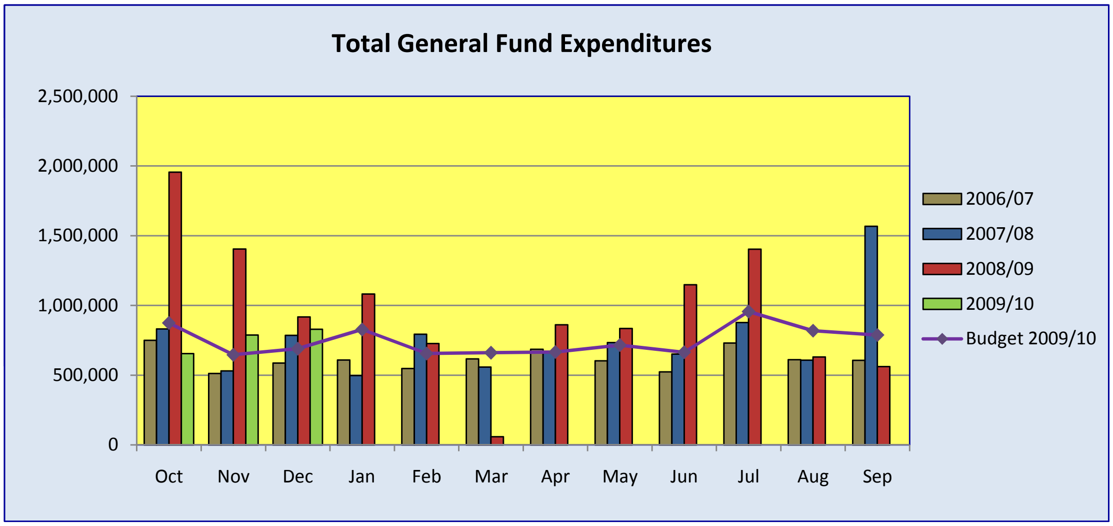


2009/10 Budget is divided into months based on the monthly percentages of the last 5 years' activity of sales tax revenue.

GENERAL FUND-continued

CHART E

EXPENDITURE ANALYSIS



High expenditures beginning September 2008 a result of Hurricane Ike. Low expenditures in March 2009 due to large insurance reimbursement for Ike.

ENTERPRISE FUND

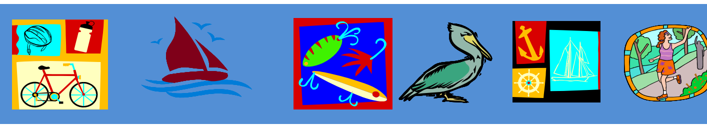
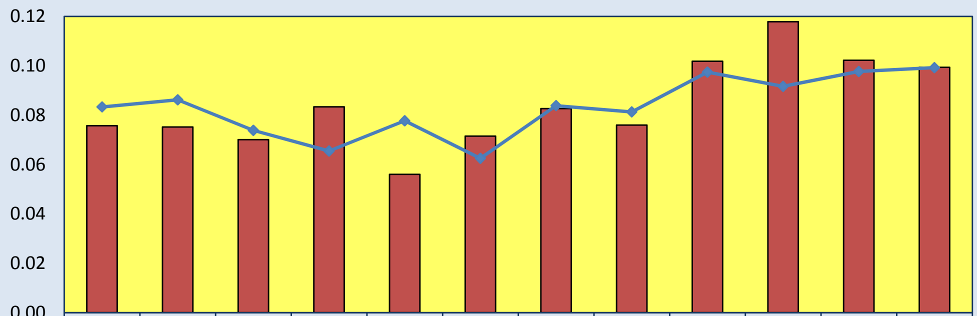


CHART F

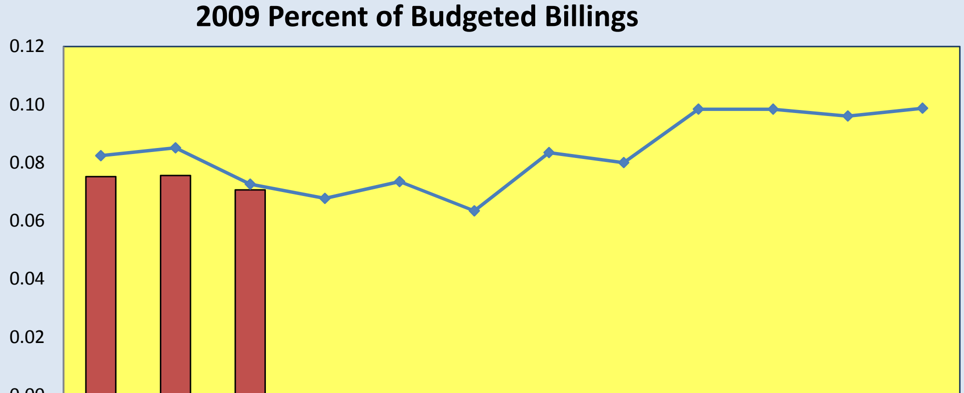
WATER BILLING ANALYSIS

Average Percent of Water Billings by Month vs. 2008 Percent of Budgeted Billings



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2008	0.075676	0.075164	0.070075	0.083356	0.055992	0.071462	0.08263	0.07593	0.101823	0.117813	0.102231	0.099359
Average	0.083312	0.086206	0.073819	0.065451	0.077687	0.062474	0.083825	0.081296	0.097408	0.09162	0.097682	0.099219

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



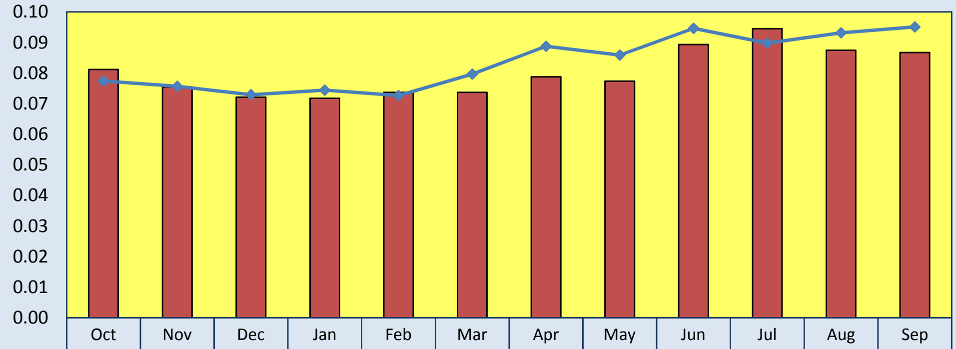
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2009	0.075233	0.075603	0.070635	0	0	0	0	0	0	0	0	0
Average	0.08241	0.085109	0.072632	0.067726	0.073493	0.063444	0.083494	0.080036	0.098429	0.098413	0.096061	0.098753

ENTERPRISE FUND-continued

CHART G

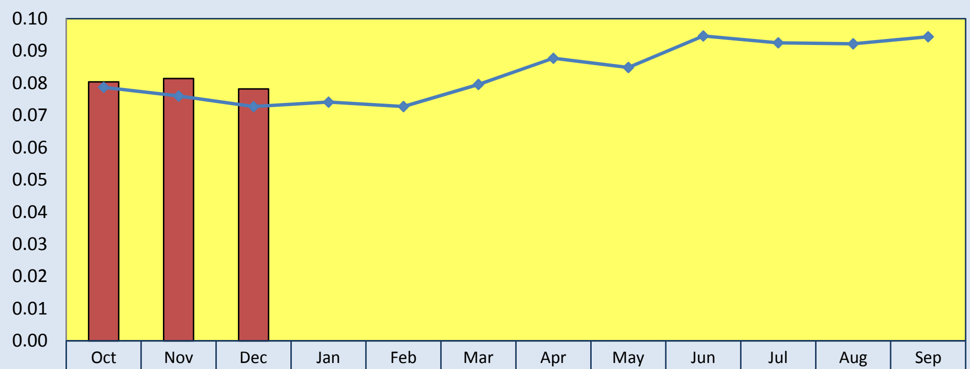
WASTEWATER BILLING ANALYSIS

Average Percent of Wastewater Billings by Month vs. 2008 Percent of Budgeted Billings



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2008	0.081197	0.075481	0.072115	0.071754	0.073683	0.073672	0.078771	0.077369	0.089335	0.094523	0.087452	0.086698
Average	0.077399	0.07567	0.072926	0.074413	0.072638	0.079642	0.088765	0.085886	0.094606	0.08982	0.09316	0.095076

Average Percent of Wastewater Billings by Month vs. 2009 Percent of Budgeted Billings

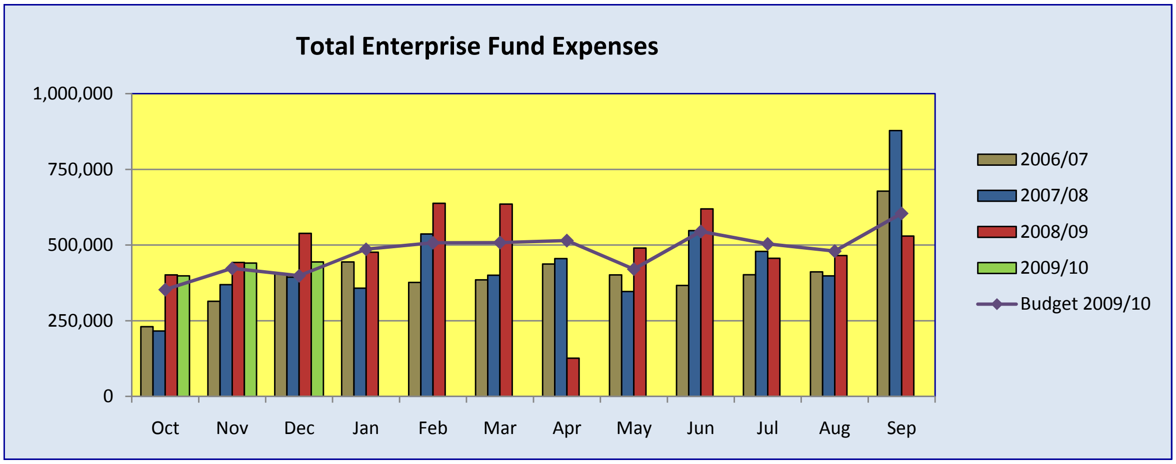


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2009	0.080359	0.081426	0.07819	0	0	0	0	0	0	0	0	0
Average	0.078696	0.075989	0.072711	0.074104	0.072731	0.079596	0.087695	0.084852	0.094598	0.09249	0.092168	0.094369

ENTERPRISE FUND-continued

CHART H

EXPENDITURE ANALYSIS



HOTEL TAX FUND

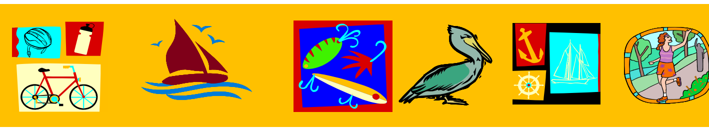
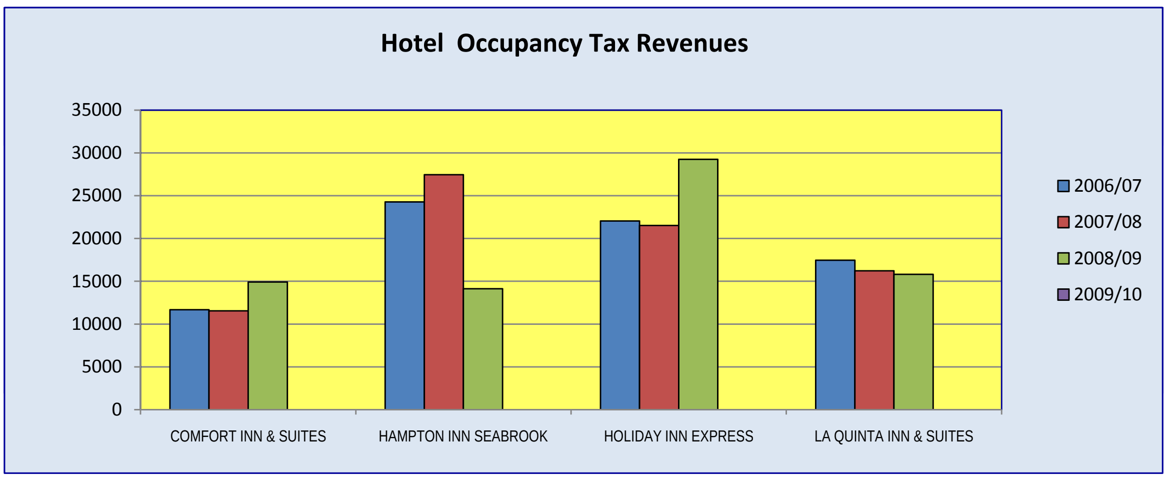


CHART I

HOTEL TAX REVENUE ANALYSIS

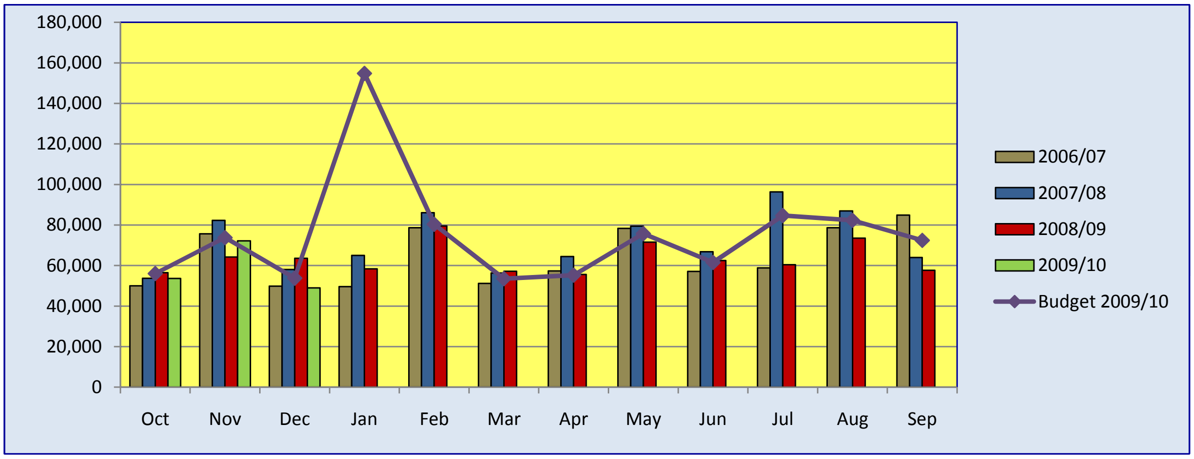


Hotel occupancy tax is paid quarterly. The City will receive payments for the 1st quarter of 2009/10 in January 2010.

SEABROOK EDC

CHART J

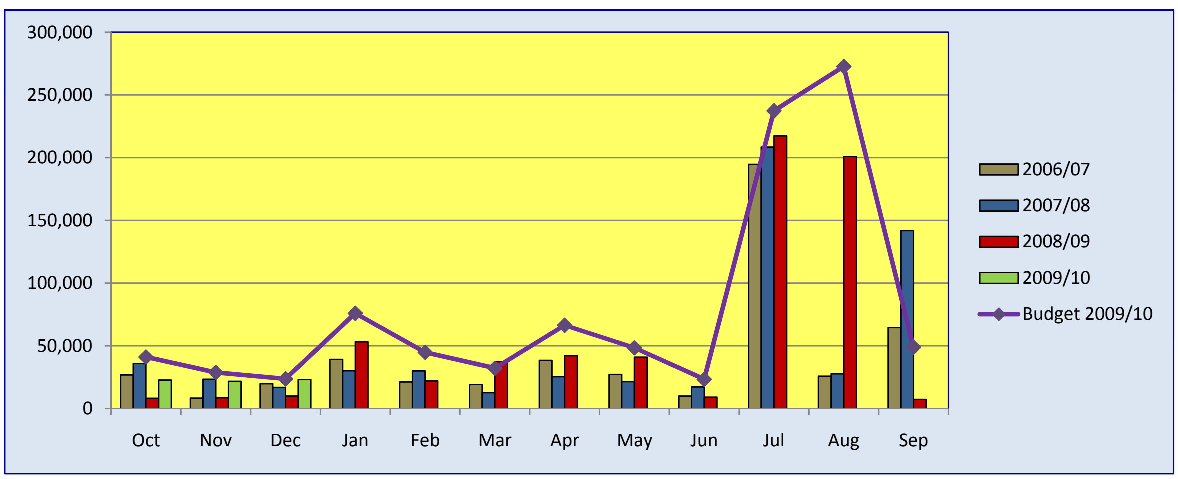
SALES TAX REVENUE ANALYSIS



Increased revenues in January due to budgeted repayment of loan

CHART K

EXPENDITURE ANALYSIS



CRIME DISTRICT

CHART L

SALES TAX REVENUE ANALYSIS

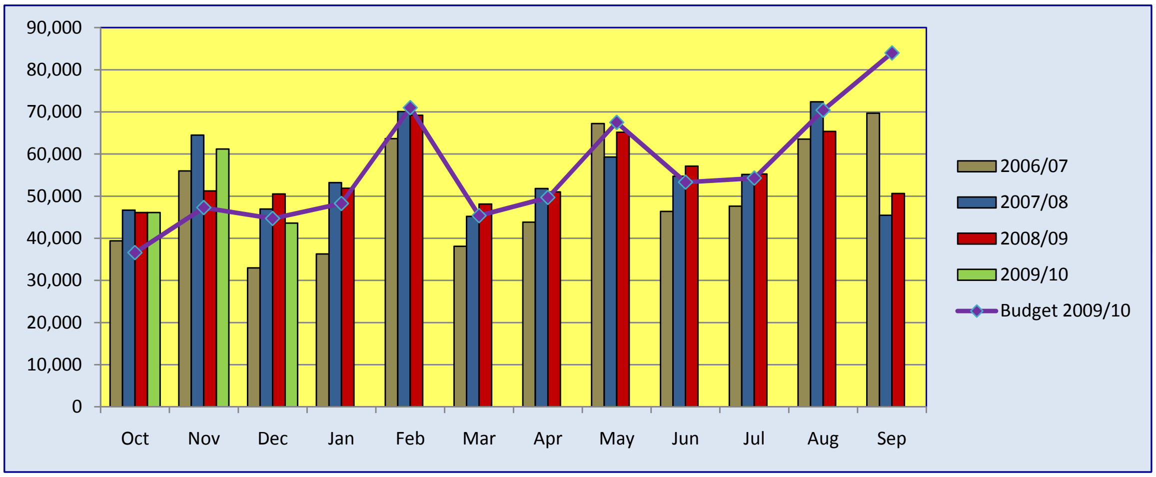
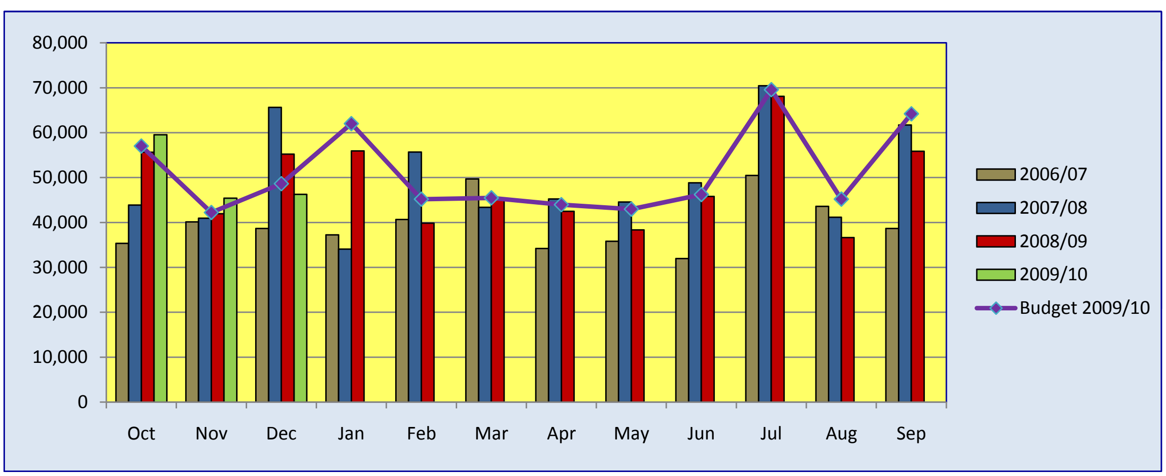


CHART M

EXPENDITURE ANALYSIS



INVESTMENTS

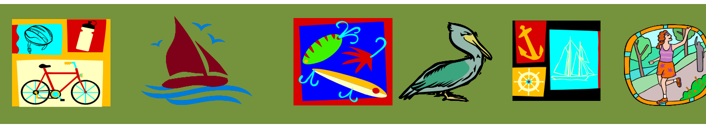


CHART N

MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF DECEMBER 2009

AVG RATE .2090%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted DEC)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	1,392,976.50	(196,106.96)	211.88	1,197,081.42	Working capital
ENTERPRISE FUND - UNRESTRICT	2,166,751.77	(28,615.12)	417.34	2,138,553.99	Working capital
ENTERPRISE FUND - RESTRICTED	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	1,899,376.35	0.00	337.23	1,899,713.58	Water & sewer lines extensions & expansions
PARK FEES	12,139.32	0.00	2.16	12,141.48	Reserved for acquisition & development of park land
CHILD SAFETY PROGRAMS	17,020.80	(2,000.00)	3.01	15,023.81	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	80,260.48	0.00	14.25	80,274.73	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	659,943.69	(50,000.00)	116.75	610,060.44	Restricted for promotion of tourism
DEBT SERVICE FUND	1,668,328.18	0.00	296.21	1,668,624.39	Restricted for General fund res & yearly debt service
WTR/SWR BONDS	922,246.68	(40,000.00)	163.40	882,410.08	Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	1,269,104.75	0.00	225.33	1,269,330.08	Funds transferred from Bond Mkt Acct to allow liquidity
STREET BONDS	143,487.71	0.00	25.48	143,513.19	Funds transferred from Bond Mkt Acct to allow liquidity
PINE GULLY PARK BONDS	369,806.11	0.00	65.66	369,871.77	Funds transferred from Bond Mkt Acct to allow liquidity
LIBRARY BONDS	821,505.66	0.00	145.86	821,651.52	Funds transferred from Bond Mkt Acct to allow liquidity
CRIME DISTRICT	137,237.81	0.00	24.37	137,262.18	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	1,689,382.90	16,722.08	377.16	1,706,482.14	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 - RESTR FOR EMERGENCY	180,000.00	0.00	incl in above	180,000.00	Emergency Reserve
MUNI COURT - SECURITY FUND	26,987.09	0.00	4.79	26,991.88	Funds from fines to be used for security
MUNI COURT - TECHNOLOGY FUND	2,375.84	0.00	0.42	2,376.26	Funds from fines to be used to improve court
TOTAL TEXPOOL FUND	13,982,686.64	(300,000.00)	2,431.30	$13,685,117.94	

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

January 2010

PERFORMANCE

As of December 31, 2009	*TexPool*	*TexPool Prime*
Current Invested Balance	$16,757,493,075.84	$1,776,130,190.21
Weighted Average Maturity (1)*	39 Days	34 Days
Weighted Average Maturity (2)*	59 Days	42 Days
Net Asset Value	1.00016	1.00006
Total Number of Participants	2,209	110
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	$2,769,852.90	$331,198.66
Management Fee Collected	$629,621.63	$54,052.98
Standard & Poor's Current Rating	AAAm	AAAm
December Averages		
Average Invested Balance	$15,734,045,058.44	$1,631,260,022.32
Average Monthly Yield, on a simple basis (3)*	0.2090%	0.2395%
Average Weighted Average Maturity (1)*	42 Days	46 Days
Average Weighted Average Maturity (2)*	67 Days	57 Days

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

Economic and Market Commentary – December 31, 2009

With monetary policy in a prolonged holding pattern, the cash market in December was impacted mostly by seasonal forces that exerted downward pressure on yields at the extreme short end of the curve. Though this phenomenon also is observed at quarter end, it is usually more pronounced as the new year approaches. In the context of a rock-bottom interest rate environment, those seasonal factors — caused by institutional window dressing and year-end corporate financing needs — pushed overnight yields on commercial paper and Treasury securities to zero or below. Some longer-dated yields also declined slightly, with six-month Libor falling another five basis points to 0.43% and 12-month Libor dropping three basis points to 0.98%. However, the yield on two-year Treasury notes rose to 1.09% from 0.67% a month earlier, mostly due to scant year-end supply, but also in reflection of the growing confidence that the fledgling economic recovery is gaining traction.

If investors though they saw the first light of higher benchmark interest rates over the horizon, it was not because of any Fed announcement. The official statement accompanying the mid-December FOMC meeting repeated — at considerable length — what the market already knew about the pending withdrawal of various liquidity programs. The Fed did conduct a pair of successful tests of reverse repo transactions in a tri-party arrangement with its traditional counterparts in the primary dealer market. The tests had no policy significance; they were meant only to ensure from an operational standpoint that the system the Fed eventually will rely upon to soak up the excess reserves sloshing around the financial system as part of its exit strategy is sound and efficient. Though the scale of the tests was small, the process went smoothly.

On Christmas Eve, the Treasury Department announced that the government would remove the $200 billion limit on capital support that had been in place for Fannie Mae and Freddie Mac. Implicit in the move was the expectation that those agencies will have additional losses and that Uncle Sam remains ready to finance the mounting red ink. The timing of the Treasury announcement was designed to eliminate the need for Congressional authority to raise the $200 billion credit line for both Fannie and Freddie.

We mostly maintained our pool positions, with TexPool adding some floating rate securities and six-month agencies while TexPool Prime bought one-, two- and three-month commercial paper. Looking ahead, we continue to believe that the Fed will not raise interest rates until at least this summer. However, there are steps that the Fed can take in the meantime — such as a broader application of the reverse repo process — that will at least move the actual Fed funds rate closer to the upper end of its zero to 25 basis point target range. On balance, we are guardedly optimistic that the unfriendly environment for savers that has prevailed for over a year will gradually become more hospitable as the new year unfolds.

ANNOUNCEMENTS

New Participants

We would like to recognize and welcome the following entities who joined the TexPool/TexPool Prime program in December, 2009:

1. Madison County Clerk
2. Montgomery Co. ESD No. 10
3. Fannin County Appraisal District
4. San Benito Housing Authority
5. City of Troup

Operations Announcement

Now available on TexConnect…the Summary Statement! Available under the Statements tab, the Summary Statement allows you to view or download a single statement that summarizes your TexPool and TexPool Prime accounts.

Holiday Closings

In observance of Martin Luther King, Jr. day, TexPool will be closed on Monday, January 18, 2010. All ACH transactions placed on Friday, January 15th will settle on Tuesday, January 19th. Any transactions placed on Monday, January 18 will be given a transaction date of Tuesday, January 19, 2010. Please plan accordingly for you liquidity needs.

Upcoming Events

01/24/10 – 01/27/10	TASA MidWinter Conference	Austin
02/07/10 – 02/19/10	TASSCUBO Winter Conference	Dallas
02/15/10 – 02/19/10	TASBO Annual Conference	Ft. Worth

TexPool

PORTFOLIO ASSET SUMMARY AS OF DECEMBER 31, 2009

	Book Value	Market Value
Uninvested Balance	$89.55	$89.55
Receivable for Investments Sold	($36,516,545.33)	($36,516,545.33)
Accrual of Interest Income	16,704,556.98	16,704,556.98
Interest and Management Fees Payable	(2,786,543.48)	(2,786,543.48)
Payable for Investments Purchased	36,516,545.33	36,516,545.33
Repurchase Agreements	8,081,105,000.00	8,081,067,500.00
Mutual Fund Investments	0.00	0.00
Government Securities	8,160,423,651.67	8,162,746,089.13
U.S. Treasury Bills	339,590,625.00	339,950,700.00
U.S. Treasury Notes	162,455,696.12	162,462,024.00
Total	**$16,757,493,075.84**	**$16,760,144,416.18**

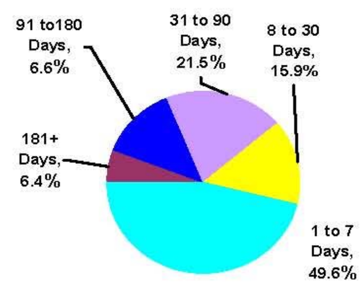
Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investors and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants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

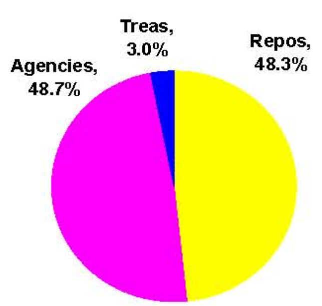
Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
12/01	0.2356%	0.000006456	$15,344,701,238.65	1.00034	45	70
12/02	0.2109%	0.000005778	$15,393,962,359.38	1.00032	45	72
12/03	0.2235%	0.000006122	$15,427,354,261.07	1.00029	45	72
12/04	0.2204%	0.000006039	$15,495,472,586.09	1.00027	45	71
12/05	0.2204%	0.000006039	$15,495,472,586.09	1.00027	45	71
12/06	0.2204%	0.000006039	$15,495,472,586.09	1.00027	45	71
12/07	0.2158%	0.000005912	$15,434,390,725.23	1.00028	44	70
12/08	0.2070%	0.000005670	$15,468,102,579.83	1.00028	43	69
12/09	0.2141%	0.000005866	$15,509,017,137.15	1.00029	42	68
12/10	0.2180%	0.000005973	$15,525,470,562.19	1.00031	42	68
12/11	0.2173%	0.000005953	$15,579,207,360.56	1.00029	42	68
12/12	0.2173%	0.000005953	$15,579,207,360.56	1.00029	42	68
12/13	0.2173%	0.000005953	$15,579,207,360.56	1.00029	42	68
12/14	0.2132%	0.000005842	$15,496,487,902.19	1.00030	40	66
12/15	0.2206%	0.000006044	$15,633,370,339.17	1.00028	39	64
12/16	0.2173%	0.000005953	$15,671,812,407.88	1.00027	39	65
12/17	0.2168%	0.000005939	$15,682,104,687.02	1.00027	43	68
12/18	0.2236%	0.000006126	$15,552,323,783.94	1.00024	43	68
12/19	0.2236%	0.000006126	$15,552,323,783.94	1.00024	43	68
12/20	0.2236%	0.000006126	$15,552,323,783.94	1.00024	43	68
12/21	0.2295%	0.000006288	$15,500,577,090.56	1.00023	41	66
12/22	0.2160%	0.000005918	$15,614,466,948.07	1.00023	41	66
12/23	0.1964%	0.000005382	$15,939,497,951.72	1.00022	41	65
12/24	0.1958%	0.000005365	$16,080,400,859.33	1.00020	43	65
12/25	0.1958%	0.000005365	$16,080,400,859.33	1.00020	43	65
12/26	0.1958%	0.000005365	$16,080,400,859.33	1.00020	43	65
12/27	0.1958%	0.000005365	$16,080,400,859.33	1.00020	43	65
12/28	0.1845%	0.000005055	$16,298,374,959.59	1.00018	39	61
12/29	0.1847%	0.000005060	$16,349,798,511.60	1.00018	39	60
12/30	0.1593%	0.000004364	$16,505,799,445.29	1.00018	38	59
12/31	0.1502%	0.000004115	$16,757,493,075.84	1.00016	39	59
Averages	0.2090%	0.000005727	$15,734,045,058.44		42	67

	Number of Participants	Balance
School District	556	$6,007,581,893.40
Higher Education	53	$2,096,991,774.95
Health Care	83	$508,209,750.62
Utility District	678	$1,709,174,122.69
City	432	$4,431,042,565.56
County	172	$1,628,412,130.85
Other	235	$375,398,042.88

Portfolio By Maturity
As of December 31, 2009



Portfolio By Type of Investment
As of December 31, 2009



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 DECEMBER 31, 2009

	Book Value	Market Value
Uninvested Balance	117.00	117.00
Accrual of Interest Income	547,604.78	547,604.78
Interest and Management Fees Payable	(329,738.79)	(329,738.79)
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	603,565,000.00	603,565,000.00
Mutual Fund Investments	0.00	0.00
Government Securities	329,983,008.21	330,107,890.00
Commercial Paper	842,364,199.01	842,353,165.24
Bank Instruments	0.00	0.00
Variable Rate Note	0.00	0.00
Total	**$1,776,130,190.21**	**$1,776,244,038.23**

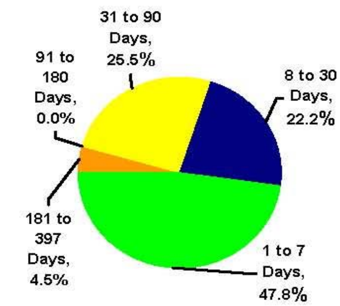
Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investors and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool *Prime*. The assets of TexPool *Prime* are the only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

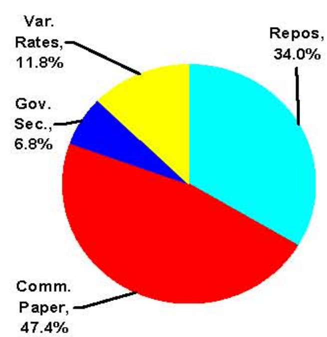
Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
12/01	0.2676%	0.000007332	$1,582,689,658.13	1.00020	46	61
12/02	0.2378%	0.000006515	$1,589,989,226.63	1.00019	52	64
12/03	0.2510%	0.000006877	$1,609,195,779.25	1.00015	51	62
12/04	0.2500%	0.000006850	$1,609,645,586.22	1.00012	51	62
12/05	0.2500%	0.000006850	$1,609,645,586.22	1.00012	51	62
12/06	0.2500%	0.000006850	$1,609,645,586.22	1.00012	51	62
12/07	0.2471%	0.000006771	$1,604,121,364.97	1.00014	51	61
12/08	0.2411%	0.000006606	$1,609,076,574.45	1.00014	57	68
12/09	0.2420%	0.000006629	$1,602,059,171.96	1.00008	58	69
12/10	0.2503%	0.000006857	$1,591,185,227.54	1.00010	53	64
12/11	0.2478%	0.000006788	$1,605,556,244.07	1.00013	52	63
12/12	0.2478%	0.000006788	$1,605,556,244.07	1.00013	52	63
12/13	0.2478%	0.000006788	$1,605,556,244.07	1.00013	52	63
12/14	0.2395%	0.000006563	$1,618,625,414.87	1.00014	49	59
12/15	0.2458%	0.000006734	$1,639,239,283.57	1.00012	48	58
12/16	0.2539%	0.000006955	$1,662,136,942.57	1.00013	47	57
12/17	0.2470%	0.000006766	$1,625,921,092.29	1.00015	47	57
12/18	0.2504%	0.000006859	$1,619,309,749.19	1.00012	47	57
12/19	0.2504%	0.000006859	$1,619,309,749.19	1.00012	47	57
12/20	0.2504%	0.000006859	$1,619,309,749.19	1.00012	47	57
12/21	0.2647%	0.000007253	$1,626,904,205.31	1.00011	45	54
12/22	0.2526%	0.000006920	$1,609,338,911.12	1.00010	41	50
12/23	0.2294%	0.000006286	$1,619,896,910.41	1.00011	41	51
12/24	0.2320%	0.000006356	$1,622,630,842.02	1.00006	41	51
12/25	0.2320%	0.000006356	$1,622,630,842.02	1.00006	41	51
12/26	0.2320%	0.000006356	$1,622,630,842.02	1.00006	41	51
12/27	0.2320%	0.000006356	$1,622,630,842.02	1.00006	41	51
12/28	0.2090%	0.000005727	$1,698,902,001.09	1.00006	36	45
12/29	0.2108%	0.000005774	$1,746,871,222.55	1.00006	35	43
12/30	0.1856%	0.000005086	$1,762,719,408.47	1.00007	34	42
12/31	0.1777%	0.000004869	$1,776,130,190.21	1.00006	34	42
Averages	0.2395%	0.000006562	$1,631,260,022.32		46	57

	Number of Participants	Balance
School District	60	$1,326,194,772.96
Higher Education	6	$100,338,791.51
Health Care	6	$44,159,728.37
Utility District	3	$10,721,532.03
City	17	$74,735,716.00
County	12	$219,833,028.47
Other	6	$148,115.52

Portfolio By Maturity
As of December 31, 2009



Portfolio By Type of Investment
As of December 31, 2009



*(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.