



MONTHLY FINANCIAL REPORT

PERFORMANCE SUMMARY

October 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	NEGATIVE	B
Property Tax Collection Analysis	NEUTRAL	NEUTRAL	C
Sales Tax Collection Analysis	POSITIVE	POSITIVE	D
Expenditure Analysis	NEGATIVE	NEGATIVE	E
ENTERPRISE FUND			
Water Billing Analysis	POSITIVE	POSITIVE	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	POSITIVE	POSITIVE	J
Expenditure Analysis	POSITIVE	POSITIVE	K
CRIME DISTRICT			
Sales Tax Collection Analysis	POSITIVE	POSITIVE	L
Expenditure Analysis	POSITIVE	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 OCTOBER 31, 2012

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	4,087,063	3,237	0.08%	0.12%
Penalties & Interest	55,000	1,343	2.44%	3.31%
Sales Tax	1,365,000	104,079	7.62%	7.55%
Franchise Tax	665,000	37,624	5.66%	11.51%
Other Tax	75,000	0	0.00%	0.00%
License & Permits	200,000	12,702	6.35%	6.39%
Charges for Services	55,000	1,365	2.48%	17.97%
DOT Fines	100,000	9,349	9.35%	6.55%
Other Municipal Court Fees	608,500	46,742	7.68%	9.47%
Interest Income	3,228	396	12.28%	5.52%
Intergovernmental	512,896	80,607	15.72%	15.80%
Other Revenue	43,600	3,517	8.07%	4.94%
Transfers from Enterprise Fund	1,668,673	139,056	8.33%	8.33%
Payment for Services-EDC	<u>125,000</u>	<u>10,417</u>	<u>8.33%</u>	<u>8.33%</u>
Total Revenues	9,563,960	450,433	4.71%	5.08%

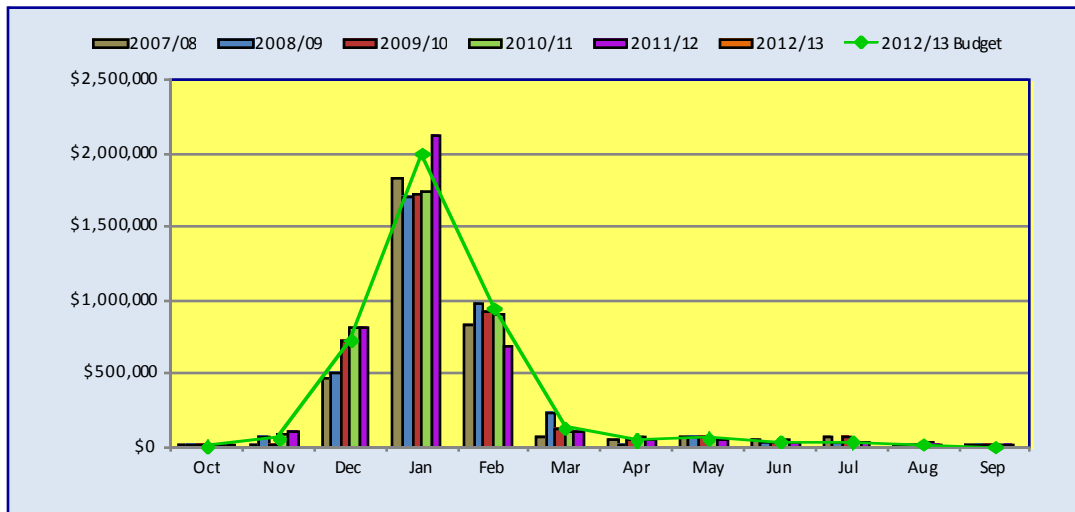
CHART B

TOTAL EXPENDITURES THROUGH OCTOBER 31, 2012

	Budget	YTD Expenditures	% of Budget Expended	Prior YTD % of Total Expended
Personnel	6,256,116	450,537	7.20%	7.63%
Supplies	334,575	28,069	8.39%	2.31%
Services	2,588,599	461,543	17.83%	14.97%
Capital	210,895	32,508	15.41%	0.53%
Oper Transfer to Other Funds	<u>0</u>	<u>0</u>	0.00%	0.00%
Total Expenditures	9,390,185	972,656	10.36%	9.15%

CHART C

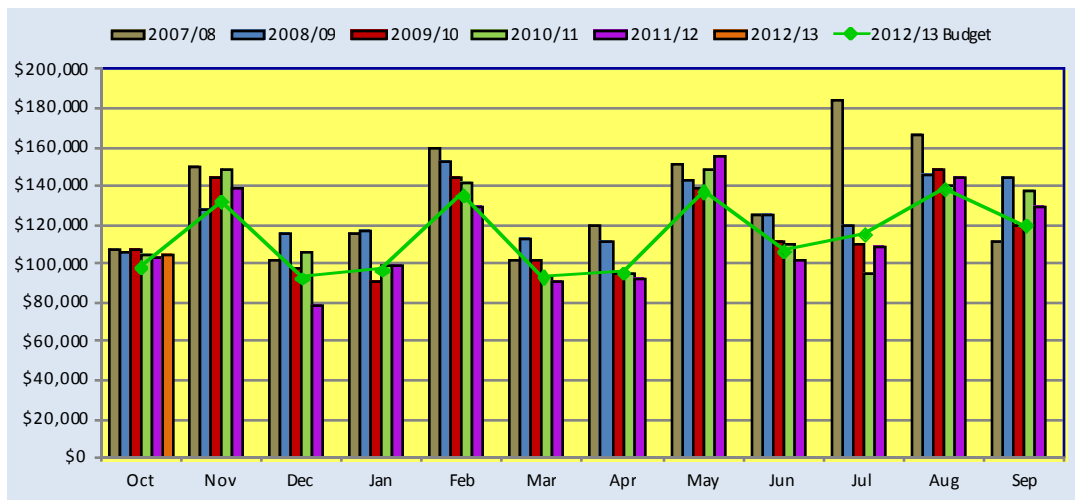
PROPERTY TAX ANALYSIS



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

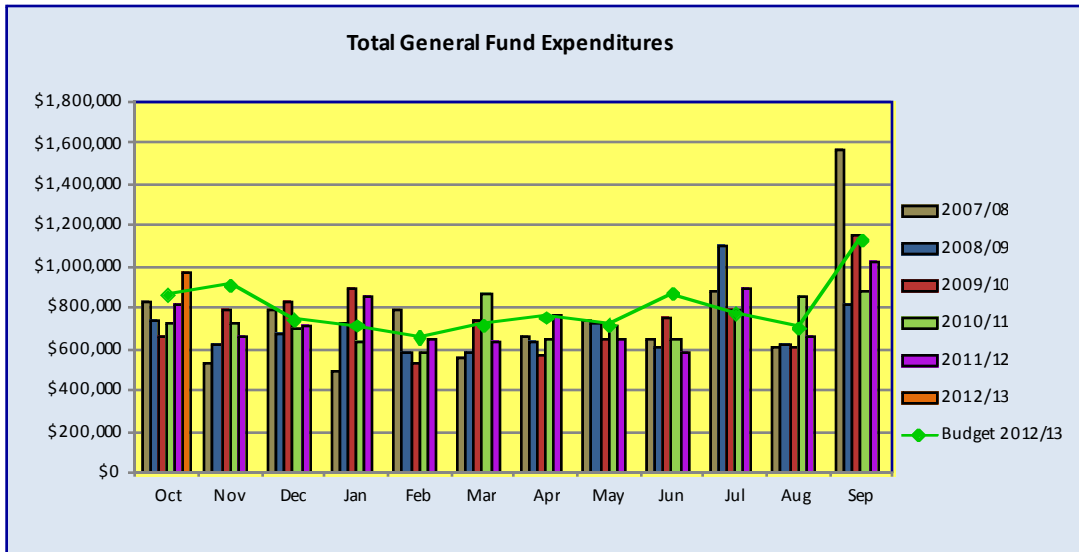
CHART D

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



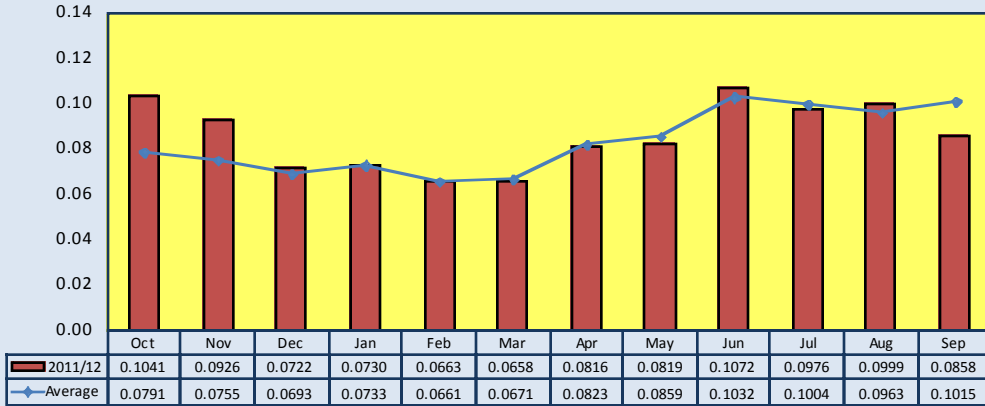
High expenditures in September 2008 are a result of Hurricane Ike.
 High expenditures in September 2010 are due to city hall A/C replacement.



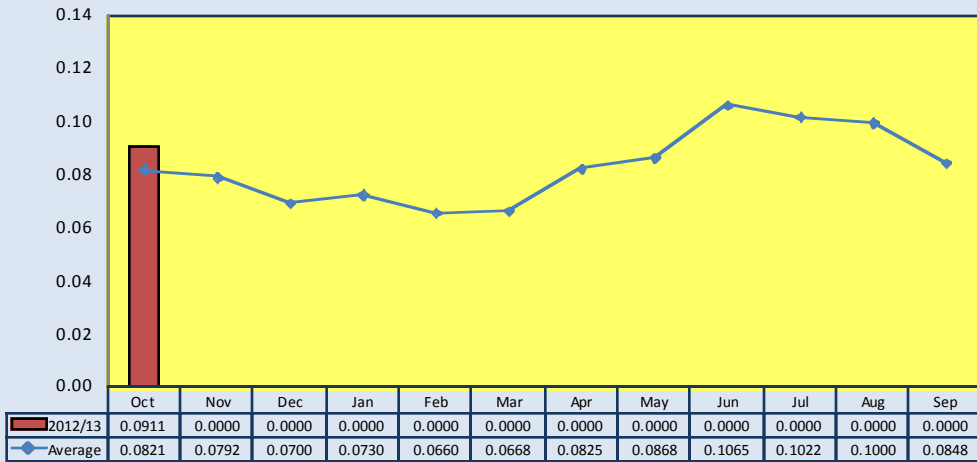
CHART F

WATER BILLING ANALYSIS

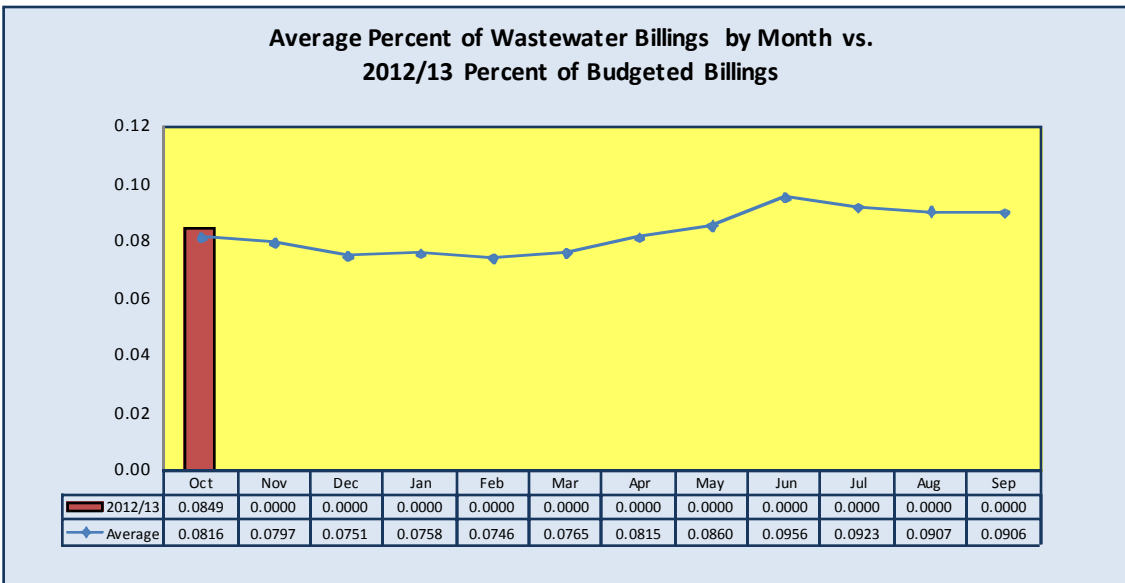
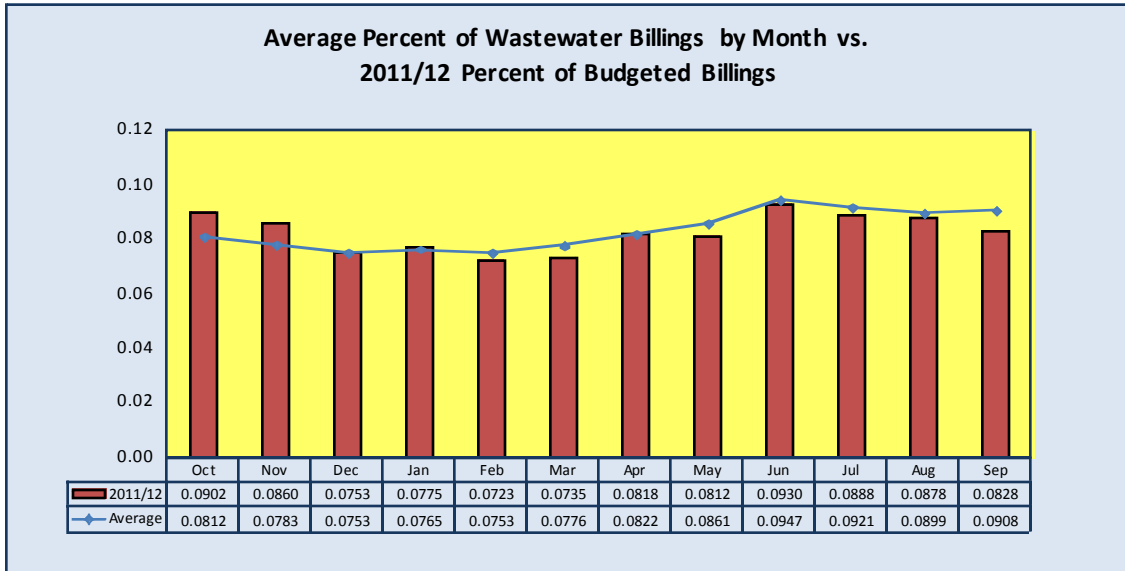
Average Percent of Water Billings by Month vs.
2011/12 Percent of Budgeted Billings



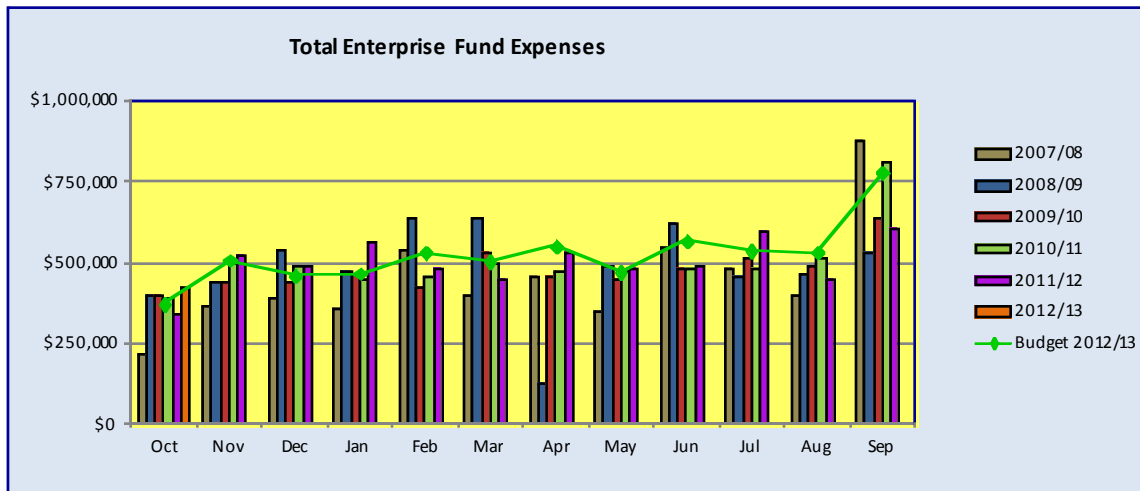
Average Percent of Water Billings by Month vs.
2012/13 Percent of Budgeted Billings



WASTEWATER BILLING ANALYSIS



EXPENDITURE ANALYSIS



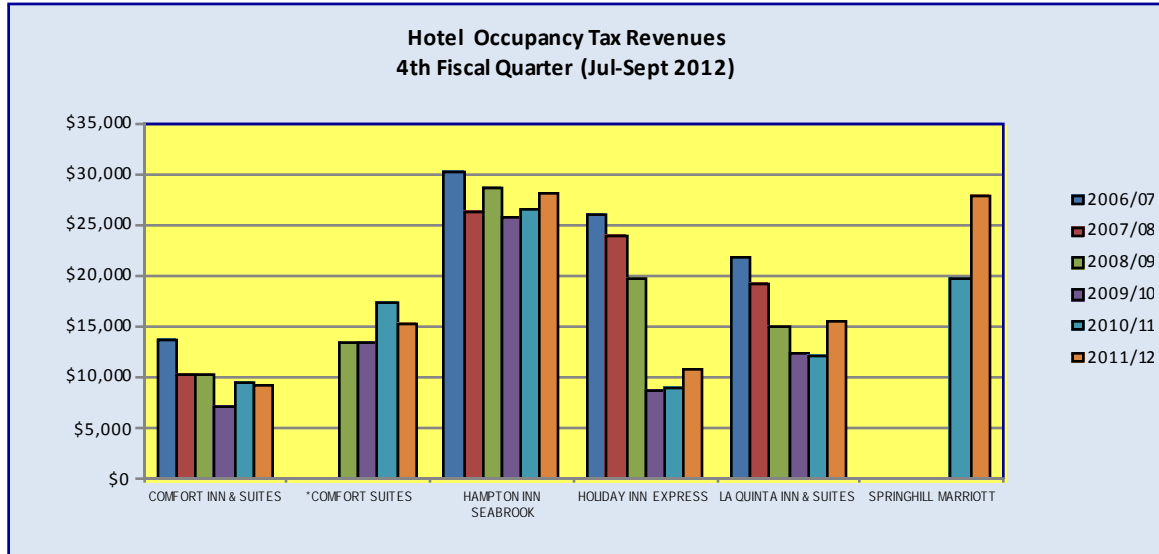
Low expenses April 2009 due to TML insurance reimbursement for IKE

HOTEL TAX FUND



CHART I

HOTEL TAX REVENUE ANALYSIS

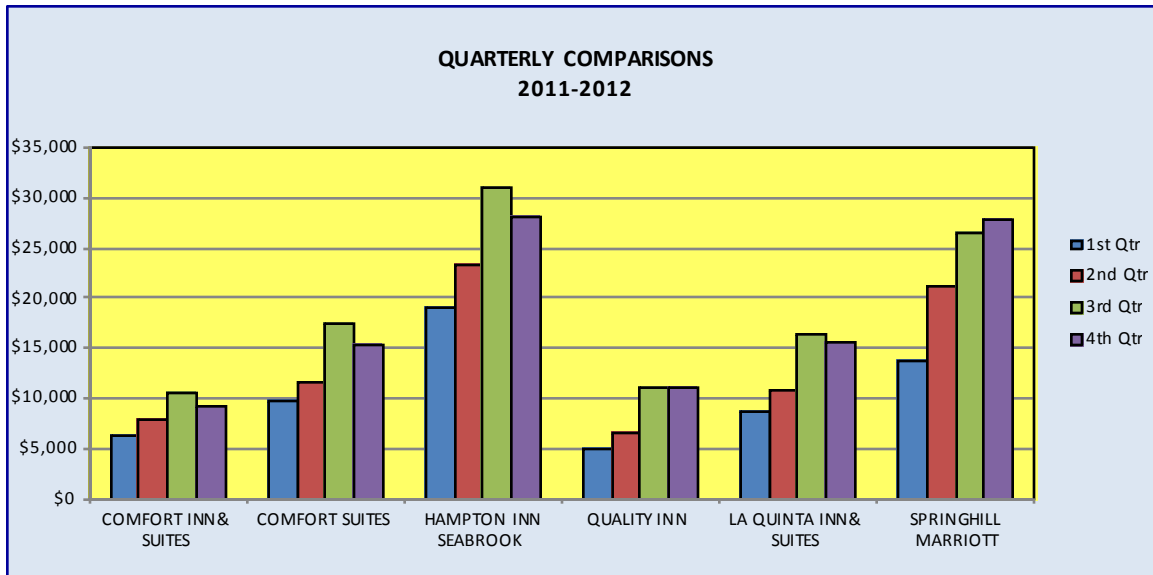


*Comfort Suites-Bayport Blvd. opened 2008/09

** Springhill Marriott opened last quarter 2010

CHART I

HOTEL TAX REVENUE



SEABROOK EDC



CHART J

SALES TAX REVENUE ANALYSIS

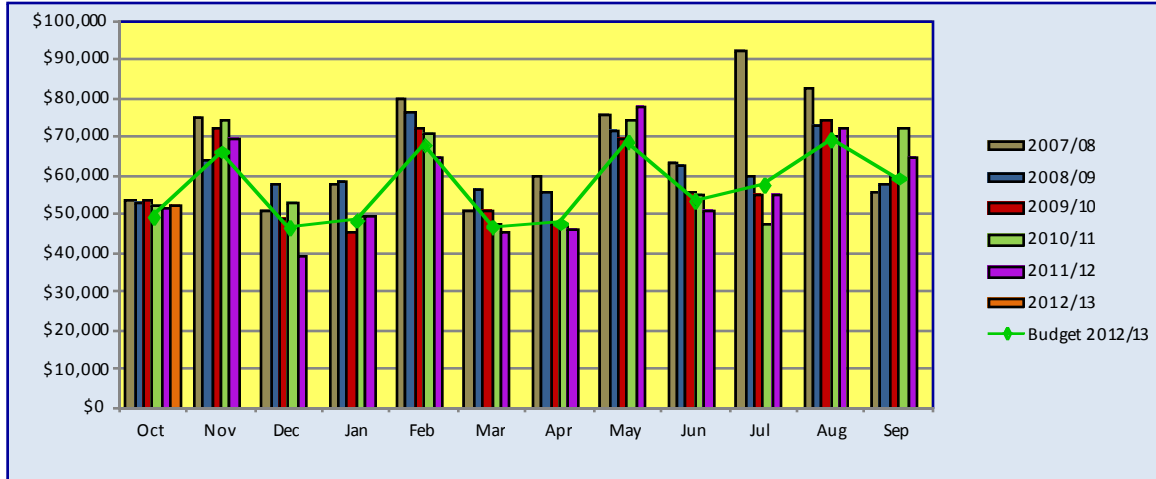
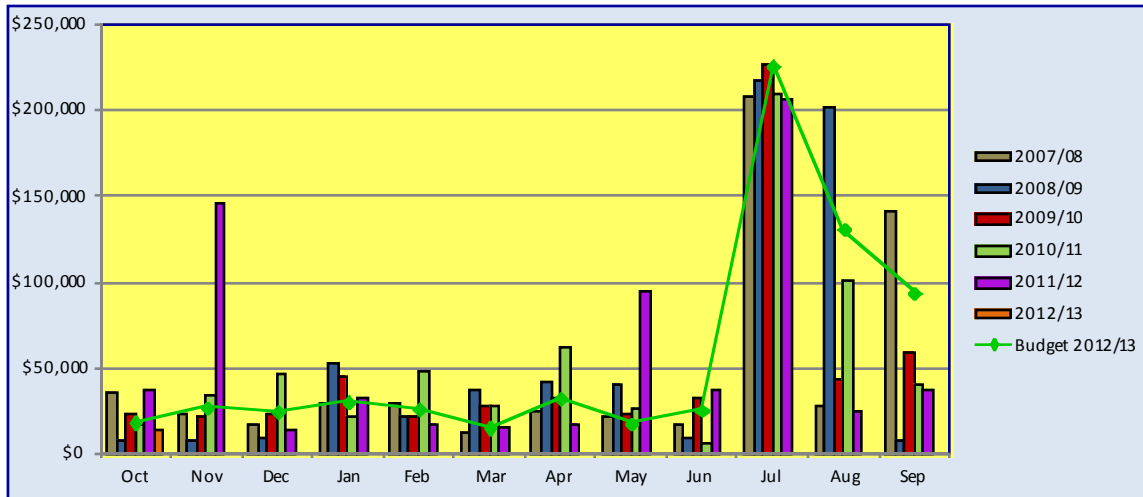


CHART K

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.

CRIME DISTRICT



CHART L

SALES TAX REVENUE ANALYSIS

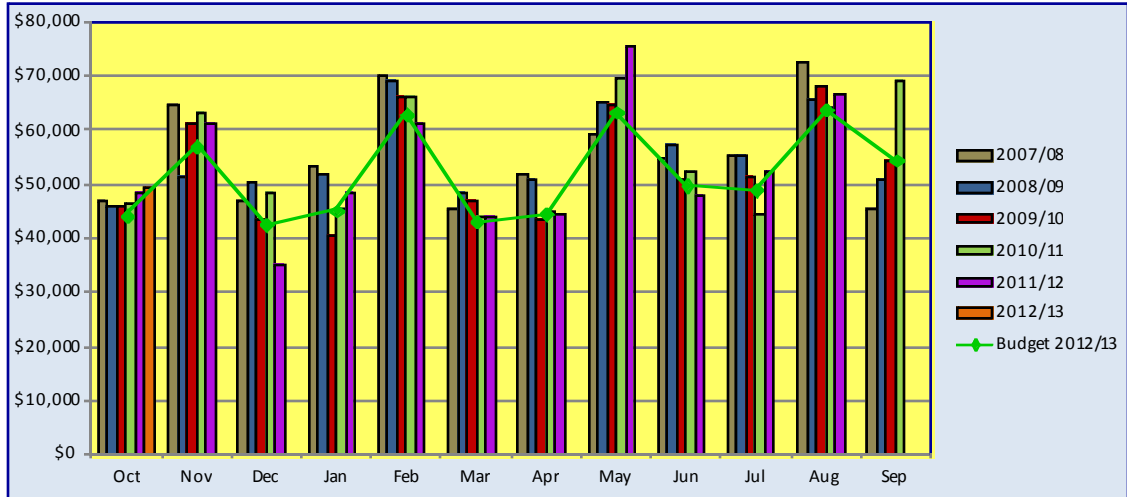
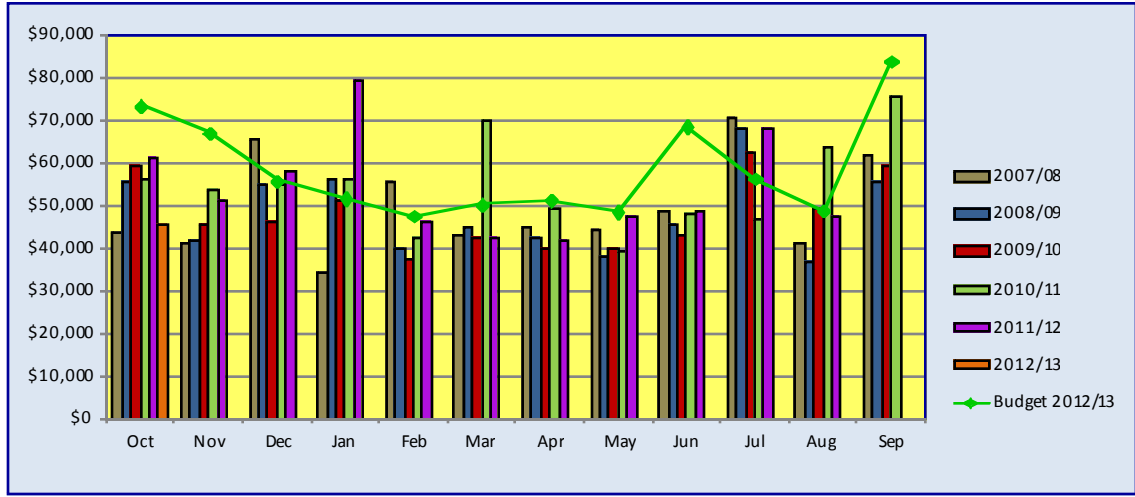


CHART M

EXPENDITURE ANALYSIS



INVESTMENTS



CHART N

MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF OCTOBER 2012

0.1657%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Oct)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	2,683,482.74	(295,267.31)	396.38	2,388,611.81	Working capital
ENTERPRISE FUND - UNRESTRIC	2,670,181.01	482,949.05	404.19	3,153,534.25	Working capital
ENTERPRISE FUND - RESTRICTEI	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,308,845.53	0.00	324.88	2,309,170.41	Water & sewer lines extensions & expansions
PARK FEES	15,700.77	0.00	2.21	15,702.98	Reserved for acquisition & development of park land
CHILD SAFETY PROGRAMS	15,110.61	(5.34)	2.13	15,107.40	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	109,798.84	0.00	15.45	109,814.29	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	767,323.03	0.00	107.97	767,431.00	Restricted for promotion of tourism
DEBT SERVICE FUND	1,701,002.13	5,307.08	240.08	1,706,549.29	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	381,628.57	0.00	53.70	381,682.27	Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	695,757.60	0.00	97.90	695,855.50	Funds transferred from Bond Mkt Acct to allow liquidity
STREET BONDS	129,021.73	(120,000.00)	16.34	9,038.07	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	17,901.69	(10,000.00)	2.37	7,904.06	Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	232,362.24	0.00	32.70	232,394.94	
CRIME DISTRICT	124,568.71	(3,977.18)	17.15	120,608.68	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	1,678,139.52	(59,006.30)	289.53	1,619,422.75	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	130,322.08	0.00	18.34	130,340.42	
PUBLIC SAFETY	65,088.32	0.00	9.16	65,097.48	
MUNI COURT - SECURITY FUND	31,128.25	0.00	4.38	31,132.63	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	10,024.23	0.00	1.41	10,025.64	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUNI	6,475.00	0.00	0.91	6,475.91	
STABILIZATION FUND	800,531.55	0.00	112.64	800,644.19	
TOTAL TEXPOOL FUND	15,278,149.15	(0.00)	2,149.82	\$15,280,298.97	

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 October 2012:

TEXPOOL

- Williamson County MUD 22
- Lazy Nine MUD 1A
- City of Bevil Oaks
- Kerrville Economic Improvement Corp.

TEXPOOL PRIME

- Montgomery County ECD
- City of Cibolo
- City of Bevil Oaks

Upcoming Events

11/13/12 – 11/16/12

TML Conference, Grapevine

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: *MoneyNet* as of 8/31/12).

Visit us at FederatedInvestors.com.

G35884-24 (11/12)

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Monthly Newsletter November 2012

Economic and Market Commentary

Month in Cash: Fed likely to keep lid on rates for some time

November 1, 2012

Repo rates and overnight rates have been pretty static at around 20 to 22 basis points. We saw a slight dip late in October into the high teens, but only for a few days. They've been holding on nicely through the past quarter and have even been up compared to where they were in the early part of 2012. But we expect those rates to decline as we head toward the end of the year and for that trend to continue into 2013. That means we're likely to see a slight decrease in the overall gross yields for government portfolios. The reason is twofold: First, the Federal Reserve's "Operation Twist" is coming to an end. Although only a mild positive from a rate perspective, it has put additional collateral into the marketplace and has held rates a little bit firmer than they might have been otherwise. In addition, the Fed's promise of open-ended purchases of mortgage-backed securities will take those instruments off the market, leading to declining rates overall, including repo rates.

Yields also are expected to decline for prime portfolios, but for a different reason. The Libor/cash-yield curve has come in drastically and flattened, partly as a result of the health of the European banks and improvements in the overall credit markets. While that's a good thing from an economic growth perspective, on the spread basis, we are getting less spread for the issuers today versus what we had been seeing.

We're also closely watching the potential December 31, 2012 expiration of the FDIC's unlimited insurance on non-interest bearing checking accounts. Of course, that wouldn't mean that all coverage would cease, just that we'd revert back to the \$250,000 per account limit in force prior to 2008. It would take some sort of affirmative congressional action to change this scenario, but don't count out powerful lobbying by bankers' associations who hope to have the unlimited coverage extended and keep those assets in those community banks.

(continued page 6)

PERFORMANCE as of October 31, 2012

	TexPool	TexPool Prime
Current Invested Balance	\$13,943,382,158.15	\$867,793,498.08
Weighted Average Maturity (1)*	48 Days	46 Days
Weighted Average Maturity (2)*	82 Days	61 Days
Net Asset Value	1.00008	1.00003
Total Number of Participants	2,276	152
Management Fee on Invested Balance	0.0473%	0.0630%
Interest Distributed	\$1,925,908.14	\$140,339.23
Management Fee Collected	\$551,055.44	\$43,046.95
Standard & Poor's Current Rating	AAAm	AAAm

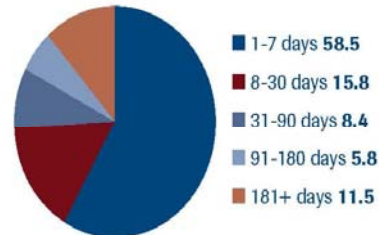
Month Averages

Average Invested Balance	\$13,698,021,054.18	\$885,737,187.12
Average Monthly Yield, on a simple basis (3)*	0.17%	0.19%
Average Weighted Average Maturity (1)*	44 Days	44 Days
Average Weighted Average Maturity (2)*	81 Days	60 Days

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

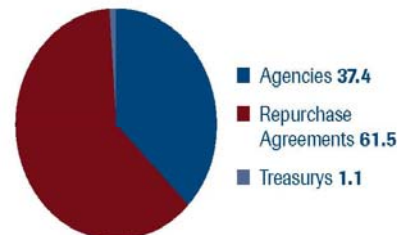
Portfolio by Maturity (%)

As of October 31, 2012



Portfolio by Type of Investment (%)

As of October 31, 2012



PORTFOLIO ASSET SUMMARY AS OF OCTOBER 31, 2012

	Book Value	Market Value
Uninvested Balance	-\$1,045,917.65	-\$1,045,917.65
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	10,243,804.28	10,243,804.28
Interest and Management Fees Payable	-1,791,410.24	-1,791,410.24
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	8,566,272,000.00	8,566,242,375.00
Mutual Fund Investments	0.00	0.00
Government Securities	5,205,907,753.41	5,206,820,668.66
US Treasury Bills	0.00	0.00
US Treasury Notes	163,785,928.35	163,781,280.00
Total	\$13,943,382,158.15	\$13,944,250,800.05

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	569	\$4,672,085,940.24
Higher Education	56	\$1,308,807,944.05
Healthcare	79	\$361,682,467.61
Utility District	698	\$1,376,933,189.38
City	444	\$4,009,252,765.10
County	172	\$960,707,843.48
Other	258	\$1,245,020,571.20

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

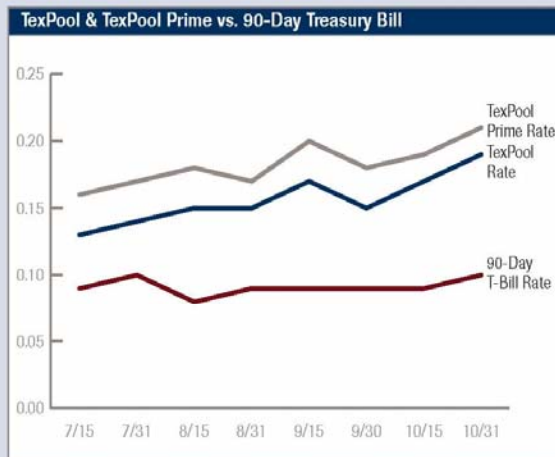
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
10/01	0.1847%	0.000005059	\$13,803,704,464.13	1.00008	39	78
10/02	0.1809%	0.000004956	\$13,843,300,793.54	1.00007	40	78
10/03	0.1648%	0.000004516	\$13,832,422,675.91	1.00008	41	79
10/04	0.1660%	0.000004548	\$13,834,774,911.15	1.00006	43	80
10/05	0.1815%	0.000004973	\$13,766,963,434.55	1.00005	45	82
10/06	0.1815%	0.000004973	\$13,766,963,434.55	1.00005	45	82
10/07	0.1815%	0.000004973	\$13,766,963,434.55	1.00005	45	82
10/08	0.1815%	0.000004973	\$13,766,963,434.55	1.00005	45	82
10/09	0.1598%	0.000004379	\$13,711,382,054.76	1.00006	43	80
10/10	0.1616%	0.000004427	\$13,683,253,182.06	1.00005	43	80
10/11	0.1637%	0.000004485	\$13,644,350,575.40	1.00005	44	81
10/12	0.1679%	0.000004599	\$13,636,359,586.65	1.00005	45	82
10/13	0.1679%	0.000004599	\$13,636,359,586.65	1.00005	45	82
10/14	0.1679%	0.000004599	\$13,636,359,586.65	1.00005	45	82
10/15	0.1745%	0.000004780	\$13,542,550,615.78	1.00005	43	80
10/16	0.1687%	0.000004623	\$13,510,889,897.26	1.00007	43	80
10/17	0.1607%	0.000004402	\$13,493,996,785.55	1.00006	43	80
10/18	0.1475%	0.000004042	\$13,477,420,812.03	1.00007	43	80
10/19	0.1624%	0.000004448	\$13,399,869,552.38	1.00007	46	83
10/20	0.1624%	0.000004448	\$13,399,869,552.38	1.00007	46	83
10/21	0.1624%	0.000004448	\$13,399,869,552.38	1.00007	46	83
10/22	0.1455%	0.000003985	\$13,411,218,033.80	1.00006	43	80
10/23	0.1278%	0.000003502	\$13,420,797,068.22	1.00006	43	80
10/24	0.1485%	0.000004069	\$13,484,875,318.25	1.00005	46	82
10/25	0.1676%	0.000004592	\$14,128,763,278.78	1.00005	44	79
10/26	0.1484%	0.000004065	\$14,013,700,597.51	1.00006	47	82
10/27	0.1484%	0.000004065	\$14,013,700,597.51	1.00006	47	82
10/28	0.1484%	0.000004065	\$14,013,700,597.51	1.00006	47	82
10/29	0.1796%	0.000004921	\$13,826,958,503.49	1.00006	45	77
10/30	0.1796%	0.000004921	\$13,826,958,503.49	1.00006	45	77
10/31	0.1926%	0.000005278	\$13,943,382,158.15	1.00008	48	82
Average	0.1657%	0.000004539	\$13,698,021,054.18	1.00006	44	81

TEXPOOL

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

(continued from page 1)

If in fact unlimited insurance does expire, the larger higher-quality banking institutions will probably see little change. Less creditworthy smaller institutions, however, might face new competition, with their investors likely looking for a new home for that cash. Probable destinations would include shorter-term securities from those particular institutions, direct-market Treasury and agency securities, and, of course, money markets that invest in Treasury and agency securities. Those investors are interested in alternatives that feature similar risk with governmental support, similar return and similar liquidity characteristics.



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.