



MONTHLY FINANCIAL REPORT

PERFORMANCE SUMMARY

February 2012

	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	NEGATIVE	NEGATIVE	D
Expenditure Analysis	POSITIVE	POSITIVE	E
ENTERPRISE FUND			
Water Billing Analysis	POSITIVE	POSITIVE	F
Sewer Billing Analysis	NEGATIVE	POSITIVE	G
Expense Analysis	POSITIVE	NEGATIVE	H
HOTEL OCCUPANCY TAX REVENUE			
Hotel Tax Revenue Analysis	N/A	N/A	I
SEDC			
Sales Tax Collection Analysis	NEGATIVE	NEGATIVE	J
Expenditure Analysis	POSITIVE	NEGATIVE	K
CRIME DISTRICT			
Sales Tax Collection Analysis	NEGATIVE	NEGATIVE	L
Expenditure Analysis	POSITIVE	NEGATIVE	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 JANUARY 31, 2012

	Budget	YTD Revenue	% of Budget Collected	Prior YTD % of Total Collected
Ad Valorem Taxes	3,980,689	3,742,240	94.01%	91.75%
Penalties & Interest	55,000	12,530	22.78%	38.41%
Sales Tax	1,445,161	549,069	37.99%	41.47%
Franchise Tax	710,000	332,695	46.86%	49.54%
Other Tax	74,000	19,871	26.85%	19.68%
License & Permits	200,000	79,937	39.97%	37.70%
Charges for Services	54,500	12,424	22.80%	44.89%
DOT Fines	110,000	27,865	25.33%	45.84%
Other Municipal Court Fees	608,000	242,055	39.81%	60.50%
Interest Income	3,052	1,083	35.48%	29.71%
Intergovernmental	363,069	143,775	39.60%	25.52%
Other Revenue	47,000	32,410	68.96%	26.74%
Transfers from Enterprise Fund	1,628,547	678,561	41.67%	43.75%
Payment for Services-EDC	<u>125,000</u>	<u>52,084</u>	<u>41.67%</u>	<u>13.64%</u>
Total Revenues	9,404,018	5,926,598	63.02%	62.00%

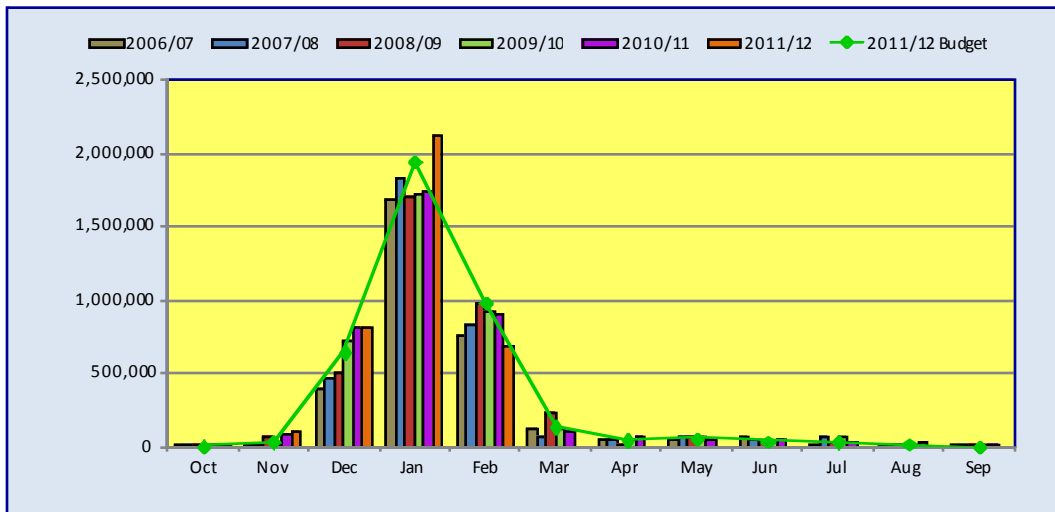
CHART B

TOTAL EXPENDITURES THROUGH JANUARY 31, 2012

	Budget	YTD Expenditures	% of Budget Expended	Prior YTD % of Total Expended
Personnel	6,256,116	2,550,644	40.77%	37.52%
Supplies	334,575	108,099	32.31%	26.83%
Services	2,588,599	975,732	37.69%	41.90%
Capital	210,895	8,011	3.80%	47.55%
Oper Transfer to Other Funds	<u>0</u>	<u>0</u>	0.00%	0.00%
Total Expenditures	9,390,185	3,642,485	38.79%	38.55%

CHART C

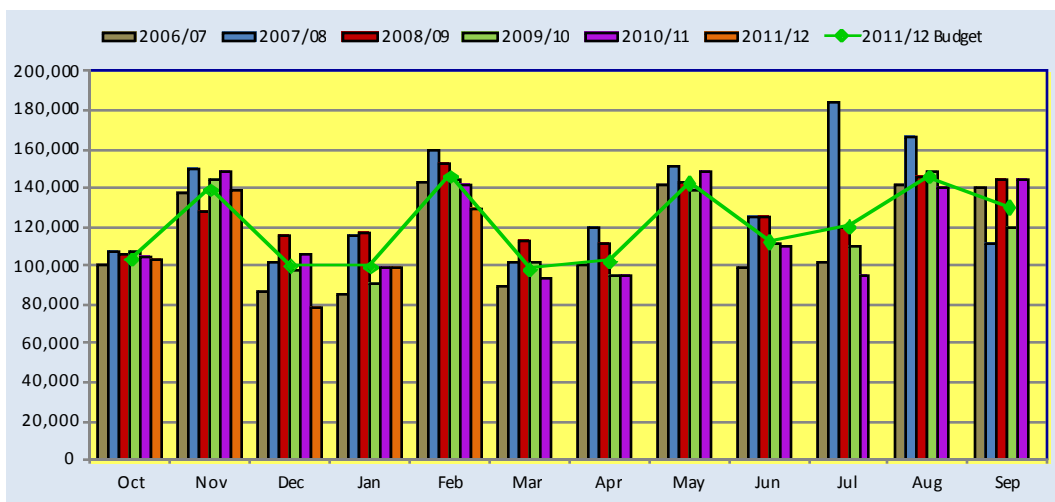
PROPERTY TAX ANALYSIS



2011/12 Budget is divided into months based on the monthly percentages of the last 5 years' collections.

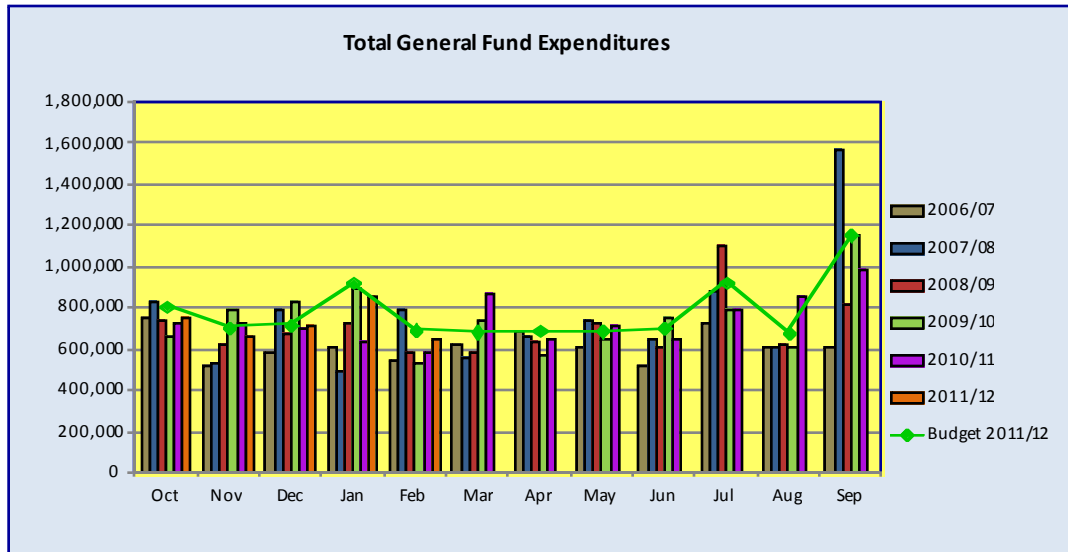
CHART D

SALES TAX ANALYSIS



2011/12 Budget is divided into months based on the monthly percentages of the last 5 years' activity of sales tax revenue.

EXPENDITURE ANALYSIS



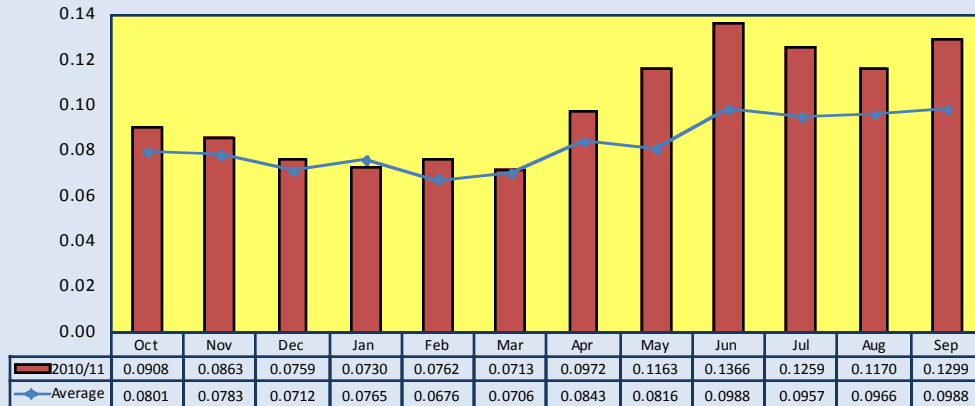
High expenditures in September 2008 are a result of Hurricane Ike.
 High expenditures in September 2010 are due to city hall A/C replacement.



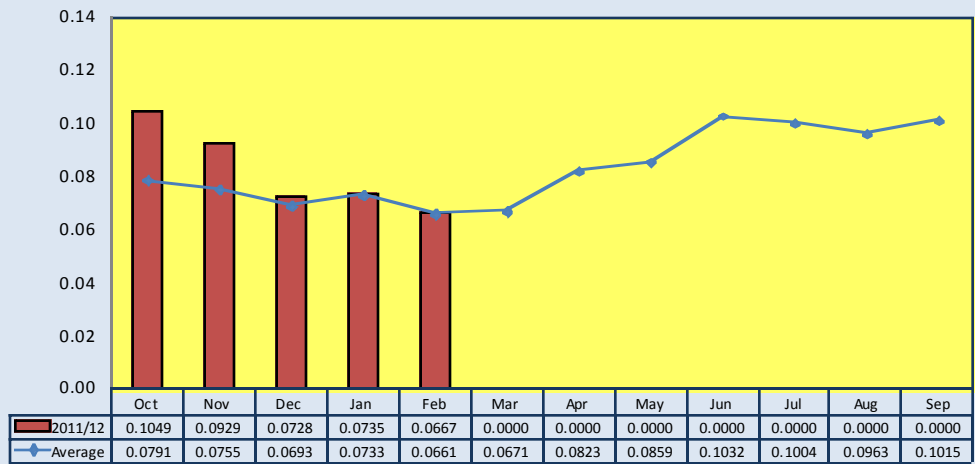
CHART F

WATER BILLING ANALYSIS

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



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



WASTEWATER BILLING ANALYSIS

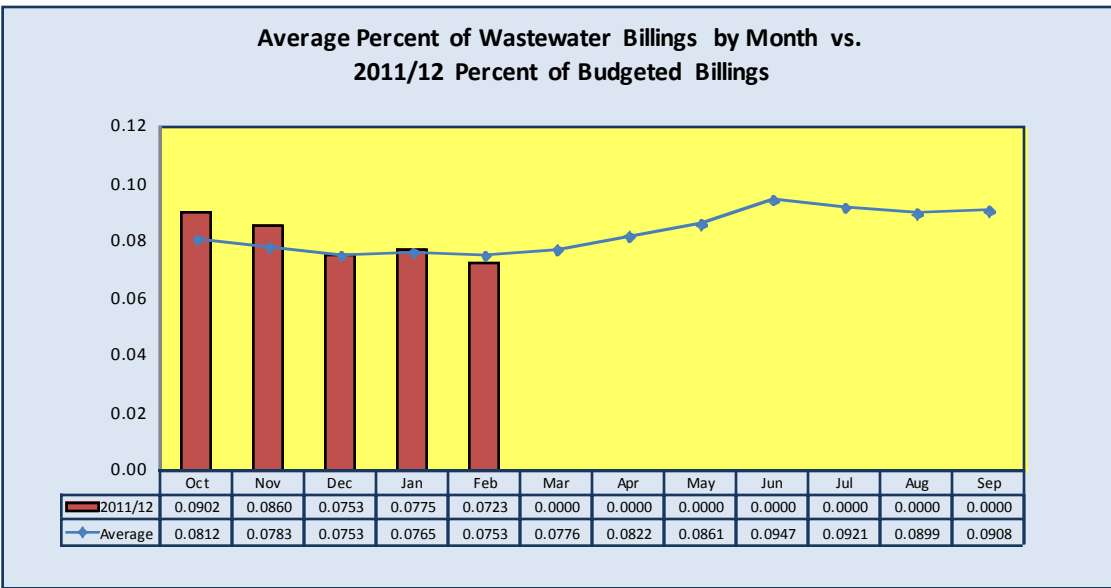
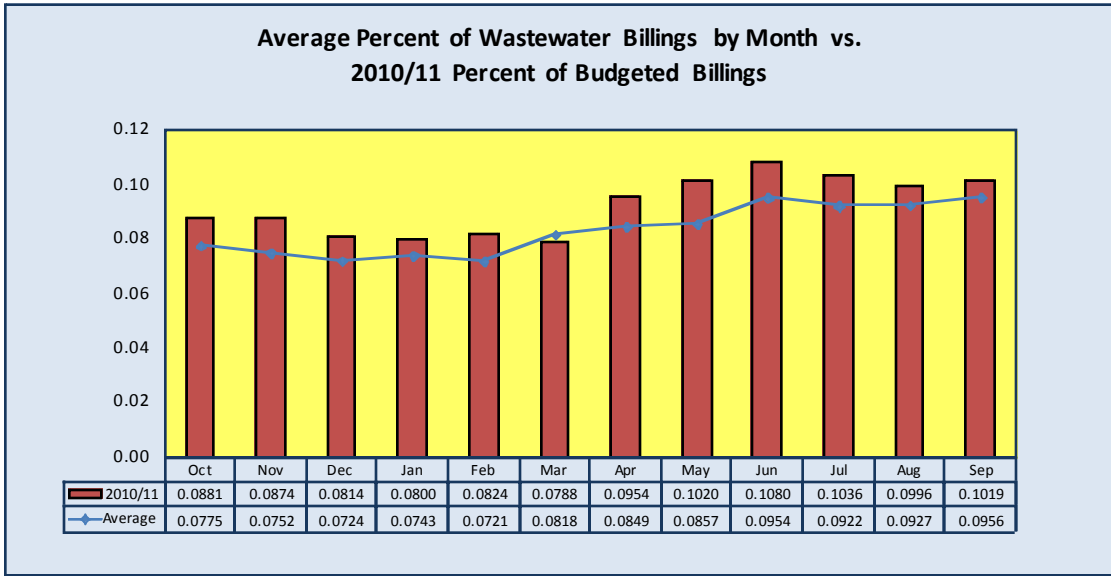
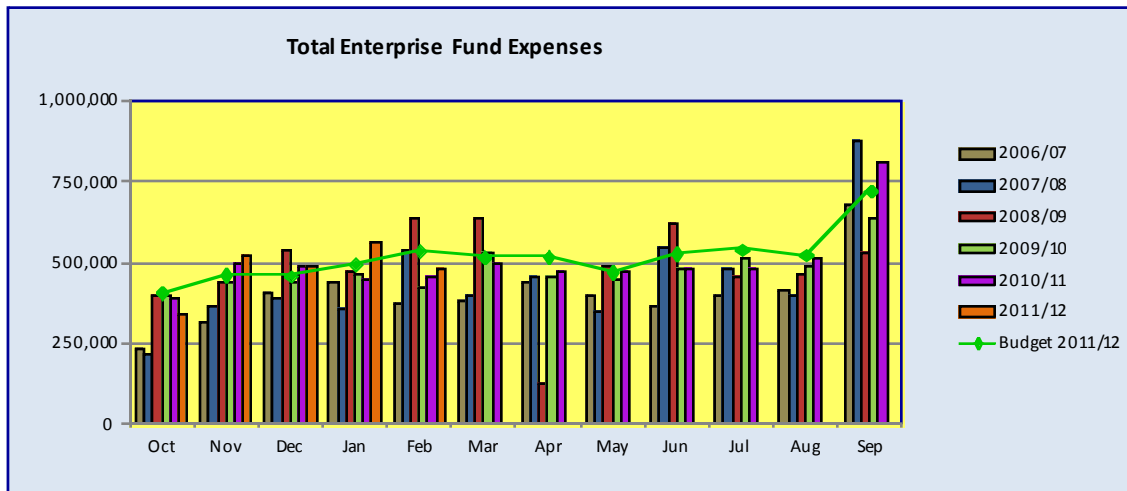


CHART H

EXPENDITURE ANALYSIS



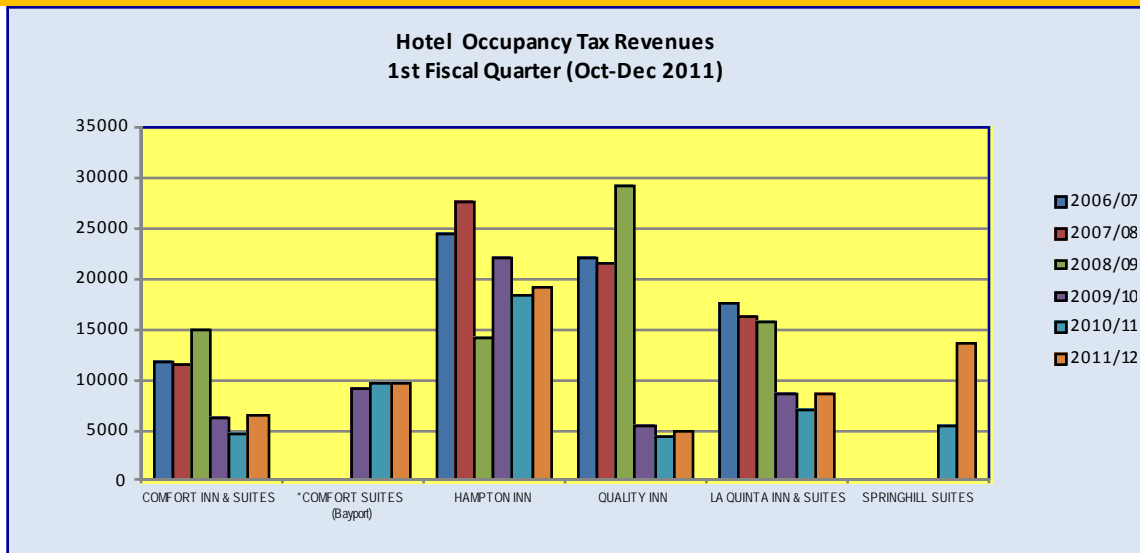
Low expenses April 2009 due to TML insurance reimbursement for IKE

HOTEL TAX FUND



CHART I

HOTEL TAX REVENUE ANALYSIS



Hotel occupancy tax is paid quarterly. The 2nd quarter ending March 31st will be due April 30th.

*Comfort Suites-Bayport Blvd. opened 2008/09

** Springhill Marriott opened last quarter 2010

SEABROOK EDC



CHART J

SALES TAX REVENUE ANALYSIS

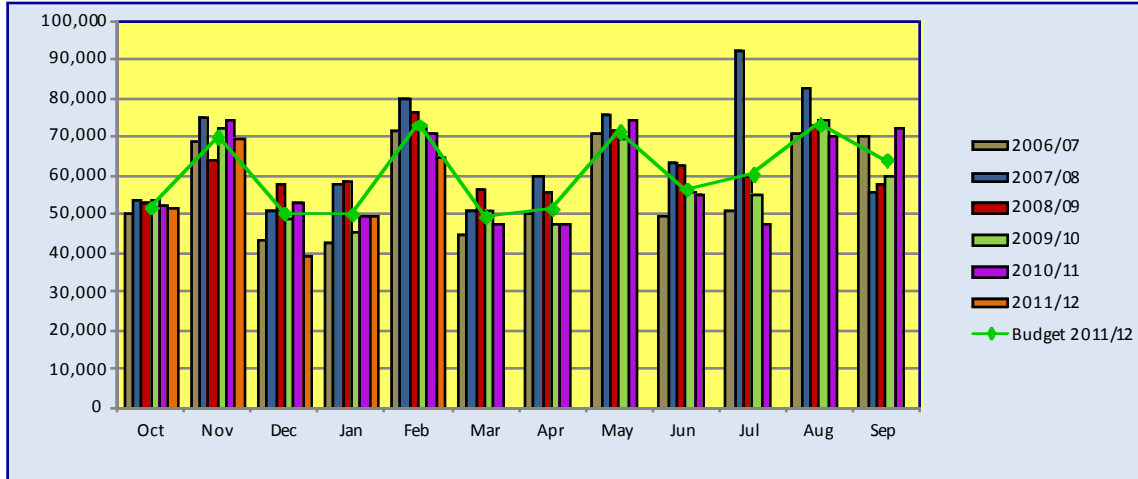
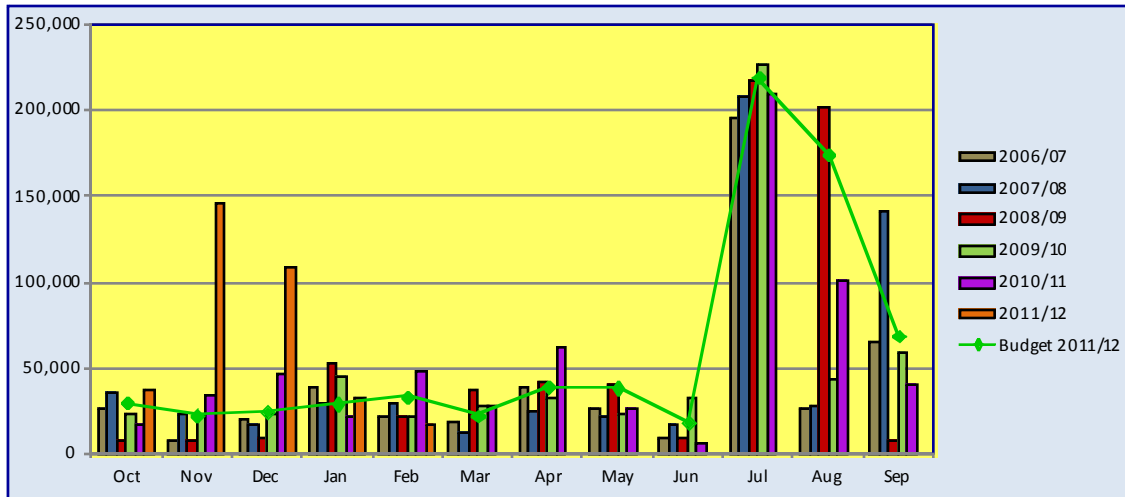


CHART K

EXPENDITURE ANALYSIS



November & December 2011 expenditures up due to Gateway Sign project finished. Originally budgeted in 2010-11, the 2011-12 budget will be amended to account for the later completion.

INVESTMENTS



CHART N

MONTHLY INVESTMENT REPORT

TEXPOOL REPORT

MONTH OF FEBRUARY 2012

0.0903%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Dec)	ENDING PURPOSE OF BALANCE FUND
GENERAL FUND - UNRESTRICTED	3,545,255.26	331,698.17	263.05	3,877,216.48 Working capital
ENTERPRISE FUND - UNRESTRIC	3,345,282.86	(153,552.61)	251.37	3,191,981.62 Working capital
ENTERPRISE FUND - RESTRICTEI	300,000.00	0.00	incl in above	300,000.00 Customer liability
CAPITAL IMPACT FEES	2,166,944.39	0.00	155.39	2,167,099.78 Water & sewer lines extensions & expansions
PARK FEES	15,687.70	0.00	1.12	15,688.82 Reserved for acquisition & development of park land
CHILD SAFETY PROGRAMS	15,069.02	0.00	1.08	15,070.10 Reserved for Child Safety/School Zones
FEDERAL SEIZURE	115,543.72	0.00	8.29	115,552.01 Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	742,173.82	0.00	53.22	742,227.04 Restricted for promotion of tourism
DEBT SERVICE FUND	2,746,909.43	(130,376.33)	194.93	2,616,728.03 Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	381,310.58	0.00	27.34	381,337.92 Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	935,109.90	(120,000.00)	66.65	815,176.55 Funds transferred from Bond Mkt Acct to allow liquidity
STREET BONDS	128,914.24	0.00	9.24	128,923.48 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	22,883.18	0.00	1.64	22,884.82 Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	415,936.59	0.00	29.83	415,966.42
CRIME DISTRICT	149,485.87	(6,986.91)	10.57	142,509.53 Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	1,640,240.24	79,217.68	150.40	1,719,608.32 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	130,213.50	0.00	9.34	130,222.84
PUBLIC SAFETY	65,034.09	0.00	4.66	65,038.75
MUNI COURT - SECURITY FUND	31,102.31	0.00	2.23	31,104.54 Funds from fines to be used for security
COURT - TIME PAYMENT FEES	10,015.88	0.00	0.72	10,016.60 Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUNI	6,469.62	0.00	0.46	6,470.08
TOTAL TEXPOOL FUND	17,313,337.20	0.00	1,241.53	\$17,314,578.73

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 2012:

TEXPOOL PRIME

- Town of Prosper

Upcoming Events

04/15/12 - 04/19/12
VG Young Institute/CTAT, College Station

04/15/12 - 04/17/12
GFOAT Spring Conference, 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
1-866-839-7665
(1-866-TEX-POOL)
Fax: 866-839-3291

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Monthly Newsletter March 2012

Economic and Market Commentary

Month in Cash: Hoping for nirvana, aka, a 1% target funds rate

March 1, 2012

Bank credit rates continued to decline in February as an improving domestic economy and easing euro-debt concerns created a more positive tone in the credit markets. One-month, three-month, six-month and one-year London interbank offered rates (Libor) slipped by two to five basis points along the cash-yield curve over the course of the month, closing at 0.24%, 0.49%, 0.75% and 1.06%, respectively. The good news, from an investment perspective, is this slight flattening of the curve was more than offset by increases in overnight repo rates to the low-to-mid teens from January's single-digits. The uptrend in overnight repos—a significant component of our money fund portfolios—along with the improving credit conditions that let us venture a little further out on the yield curve and push average maturities up a few days, helped TexPool and TexPool Prime yields rise marginally.

Clearly, investors and businesses are growing more comfortable with the course of events, not just in the United States but in Europe. The domestic economy appears to be proceeding on a recovery path with a little more velocity than was anticipated just a few months ago. January's unemployment rate hit a three-year low, a 243,000 jump in nonfarm payrolls more than doubled the consensus forecast, consumer spending and confidence continued to rise, and even a moribund housing market exhibited signs of life. The ongoing string of upside surprises has a growing number of Wall Street economists questioning the resolve of the Federal Reserve's pledge to keep interest rates low until late 2014. That's a debate savers and those of us who toil in the money markets would very much welcome.

In Europe, the International Monetary Fund is forecasting a recession. But if one comes, many observers believe it's more likely to be moderate than deep—and possibly may bypass Germany and much of the euro-zone's northern tier. Moreover, it appears that the agreement providing Greece with another bailout may do what proponents hoped—buy time for an orderly default, if it comes to that. With holders of Greek sovereign debt already effectively taking a 70% haircut under the new plan, it could be argued that in a sense, a default already has happened—there's not much more pain that can be inflicted on their interests. Finally, liquidity continues to improve in the European banking markets, abetted by a second massive round of low-rate European Central Bank loans to European banks late in the month.

(continued page 6)

PERFORMANCE as of February 29, 2012

	TexPool	TexPool Prime
Current Invested Balance	\$17,837,858,528.90	\$1,354,252,861.30
Weighted Average Maturity (1)*	40 Days	35 Days
Weighted Average Maturity (2)*	82 Days	40 Days
Net Asset Value	1.00009	1.00003
Total Number of Participants	2,263	138
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$1,385,481.67	\$153,027.16
Management Fee Collected	\$727,256.19	\$72,205.88
Standard & Poor's Current Rating	AAAm	AAAm

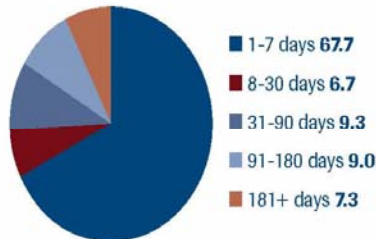
Month Averages

Average Invested Balance	\$19,345,917,884.63	\$1,430,869,592.65
Average Monthly Yield, on a simple basis (3)*	0.09%	0.13%
Average Weighted Average Maturity (1)*	43 Days	39 Days
Average Weighted Average Maturity (2)*	82 Days	44 Days

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

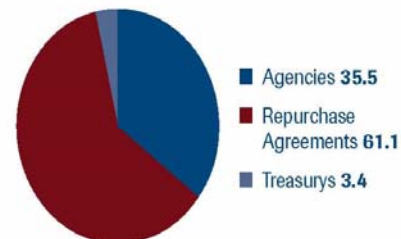
Portfolio by Maturity (%)

As of February 29, 2012



Portfolio by Type of Investment (%)

As of February 29, 2012



PORTFOLIO ASSET SUMMARY AS OF February 29, 2012

	Book Value	Market Value
Uninvested Balance	-\$37,701.53	\$37,701.53
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	4,731,181.74	4,731,181.74
Interest and Management Fees Payable	-1,388,055.32	-1,388,055.32
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	10,900,261,000.00	10,900,259,050.00
Mutual Fund Investments	0.00	0.00
Government Securities	6,333,176,746.43	6,334,796,376.69
US Treasury Bills	298,987,083.34	298,988,200.00
US Treasury Notes	301,118,274.24	301,083,900.00
Total	\$17,837,858,528.90	\$17,839,442,951.58

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	\$6,674,583,764.80
Higher Education	56	\$2,053,081,260.55
Healthcare	80	\$441,504,809.87
Utility District	694	\$1,540,950,516.73
City	438	\$4,514,959,272.71
County	171	\$1,499,075,120.39
Other	255	\$1,113,519,564.67

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

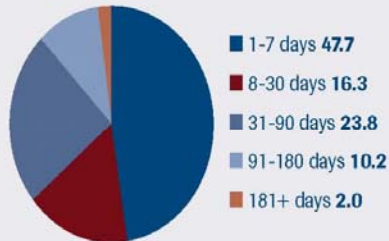
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
01-Feb	0.1212%	0.000003321	\$19,551,720,115.25	1.00010	41	81
02-Feb	0.1037%	0.000002842	\$19,754,053,660.16	1.00008	40	79
03-Feb	0.1038%	0.000002843	\$19,837,062,942.62	1.00008	42	81
04-Feb	0.1038%	0.000002843	\$19,837,062,942.62	1.00008	42	81
05-Feb	0.1038%	0.000002843	\$19,837,062,942.62	1.00008	42	81
06-Feb	0.0763%	0.000002090	\$19,998,745,434.96	1.00008	42	80
07-Feb	0.0715%	0.000001960	\$20,084,614,284.63	1.00009	43	79
08-Feb	0.0714%	0.000001956	\$20,111,064,681.96	1.00008	44	81
09-Feb	0.0777%	0.000002130	\$20,200,070,116.43	1.00008	44	81
10-Feb	0.1050%	0.000002876	\$20,295,665,152.78	1.00008	44	81
11-Feb	0.1050%	0.000002876	\$20,295,665,152.78	1.00008	44	81
12-Feb	0.1050%	0.000002876	\$20,295,665,152.78	1.00008	44	81
13-Feb	0.1154%	0.000003161	\$20,152,990,445.03	1.00007	43	80
14-Feb	0.0844%	0.000002313	\$19,675,136,208.66	1.00006	44	82
15-Feb	0.1088%	0.000002982	\$19,309,861,527.97	1.00007	44	83
16-Feb	0.0837%	0.000002292	\$19,270,311,350.65	1.00007	42	83
17-Feb	0.0757%	0.000002073	\$19,167,190,252.78	1.00008	44	85
18-Feb	0.0757%	0.000002073	\$19,167,190,252.78	1.00008	44	85
19-Feb	0.0757%	0.000002073	\$19,167,190,252.78	1.00008	44	85
20-Feb	0.0757%	0.000002073	\$19,167,190,252.78	1.00008	44	85
21-Feb	0.0650%	0.000001781	\$19,002,288,592.97	1.00008	41	82
22-Feb	0.0606%	0.000001661	\$18,687,763,313.50	1.00008	42	84
23-Feb	0.0741%	0.000002030	\$18,597,032,500.86	1.00010	41	82
24-Feb	0.0860%	0.000002356	\$18,464,945,123.08	1.00009	43	83
25-Feb	0.0860%	0.000002356	\$18,464,945,123.08	1.00009	43	83
26-Feb	0.0860%	0.000002356	\$18,464,945,123.08	1.00009	43	83
27-Feb	0.1088%	0.000002982	\$18,241,021,947.55	1.00009	40	82
28-Feb	0.0849%	0.000002326	\$18,090,305,278.17	1.00011	40	81
29-Feb	0.1229%	0.000003366	\$17,837,858,528.90	1.00009	40	82
Average	0.0903%	0.000002473	\$19,345,917,884.63	1.00008	43	82

TEXPOOL PRIME

March 2012

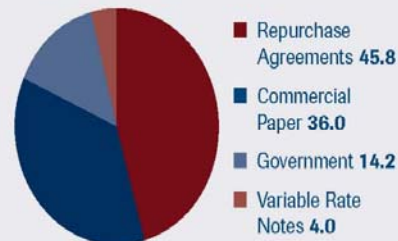
Portfolio by Maturity (%)

As of February 29, 2012



Portfolio by Type of Investment (%)

As of February 29, 2012



PORTFOLIO ASSET SUMMARY AS OF February 29, 2012

	Book Value	Market Value
Uninvested Balance	-5716.88	-5716.88
Accrual of Interest Income	104,493.80	104,493.80
Interest and Management Fees Payable	-153,026.84	-153,026.84
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	620,459,000.00	620,459,000.00
Commercial Paper	601,368,835.94	601,415,525.08
Bank Instruments	0.00	0.00
Mutual Fund Investments	0.00	0.00
Government Securities	77,974,275.28	77,973,698.22
Variable Rate Notes	54,500,000.00	54,494,985.00
Total	\$1,354,252,861.30	\$1,354,293,958.38

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	66	\$630,439,582.17
Higher Education	8	\$56,859,041.56
Healthcare	7	\$10,802,871.66
Utility District	3	\$47,147,426.77
City	24	\$143,465,701.58
County	18	\$292,996,060.89
Other	12	\$172,537,705.97

TEXPOOL PRIME

DAILY SUMMARY

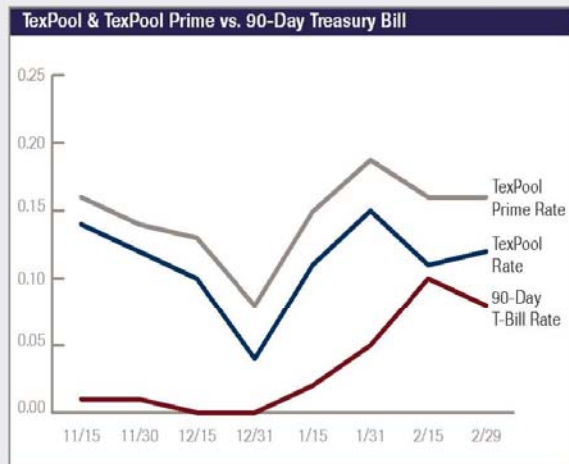
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Prime Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
01-Feb	0.1626%	0.000004455	\$1,321,112,346.66	1.00004	39	45
02-Feb	0.1504%	0.000004121	\$1,365,063,454.53	1.00003	40	45
03-Feb	0.1453%	0.000003981	\$1,429,220,161.28	1.00002	40	45
04-Feb	0.1453%	0.000003981	\$1,429,220,161.28	1.00002	40	45
05-Feb	0.1453%	0.000003981	\$1,429,220,161.28	1.00002	40	45
06-Feb	0.1203%	0.000003295	\$1,447,172,677.97	1.00003	39	44
07-Feb	0.1159%	0.000003174	\$1,494,172,542.06	1.00003	39	43
08-Feb	0.1183%	0.000003242	\$1,502,892,015.02	1.00002	39	44
09-Feb	0.1257%	0.000003443	\$1,504,086,200.04	1.00002	39	43
10-Feb	0.1499%	0.000004106	\$1,513,581,551.60	1.00002	39	44
11-Feb	0.1499%	0.000004106	\$1,513,581,551.60	1.00002	39	44
12-Feb	0.1499%	0.000004106	\$1,513,581,551.60	1.00002	39	44
13-Feb	0.1576%	0.000004318	\$1,539,029,555.27	1.00002	39	43
14-Feb	0.1306%	0.000003577	\$1,486,928,888.28	1.00002	40	44
15-Feb	0.1622%	0.000004443	\$1,431,816,945.59	1.00003	41	45
16-Feb	0.1304%	0.000003573	\$1,433,127,028.38	1.00003	40	45
17-Feb	0.1183%	0.000003242	\$1,432,934,918.99	1.00002	41	46
18-Feb	0.1183%	0.000003242	\$1,432,934,918.99	1.00002	41	46
19-Feb	0.1183%	0.000003242	\$1,432,934,918.99	1.00002	41	46
20-Feb	0.1183%	0.000003242	\$1,432,934,918.99	1.00002	41	46
21-Feb	0.1081%	0.000002961	\$1,435,613,414.42	1.00004	38	42
22-Feb	0.1015%	0.000002781	\$1,431,113,274.77	1.00004	37	42
23-Feb	0.1194%	0.000003271	\$1,425,309,724.38	1.00004	37	41
24-Feb	0.1331%	0.000003647	\$1,359,978,478.30	1.00001	40	44
25-Feb	0.1331%	0.000003647	\$1,359,978,478.30	1.00001	40	44
26-Feb	0.1331%	0.000003647	\$1,359,978,478.30	1.00001	40	44
27-Feb	0.1521%	0.000004167	\$1,344,616,529.10	1.00002	36	42
28-Feb	0.1323%	0.000003625	\$1,338,830,479.50	1.00003	36	41
29-Feb	0.1618%	0.000004433	\$1,354,252,861.30	1.00003	35	40
Average	0.1347%	0.000003691	\$1,430,869,592.65	1.00002	39	44

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Still, as savers are painfully aware, as long as the Fed remains committed to a low-rate environment, the investment options will be limited. If there's a positive on this front, it's that minutes released from late-January's meeting of policymakers confirmed our reading of their interest-rate forecasts: There's wide disparity about when to start tightening and about how much—and how fast—to move when the increases start to come. The Federal Open Market Committee comments, released mid-February, indicate that the "exceptionally low levels" policy template doesn't necessarily translate to the 0-to 0.25% target range that's been in place since December 2008. On an historical basis, the current inflation rate combined with improving economic fundamentals would indicate the target rate easily could be 1%, even 2%, and still be considered very accommodative. Indeed, in any other environment, a 1% target funds rate would seem extremely low. Now, it would seem like nirvana.



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.