

**GENERAL MEETING OF THE BOARD OF DIRECTORS
OF THE
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

RESOLUTION NO. 08-54

WHEREAS, the Central Texas Regional Mobility Authority ("CTRMA") is empowered to procure such goods and services as it deems necessary to assist with its operations and to study and develop potential transportation projects, and is responsible to insure accurate financial records are maintained using sound and acceptable financial practices; and

WHEREAS, close scrutiny of CTRMA expenditures for goods and services, including those related to project development, as well as close scrutiny of CTRMA's financial condition and records is the responsibility of the Board of Directors and its designees through procedures the Board may implement from time to time; and


WHEREAS, the Board of Directors has adopted policies and procedures intended to provide strong fiscal oversight and which authorize the Executive Director, working with the CTRMA's Chief Financial Officer, to review invoices, approve disbursements, and prepare and maintain accurate financial records and reports; and

WHEREAS, the Executive Director, working with the Chief Financial Officer, has reviewed and authorized the disbursements necessary for the month of July 2008 and has caused a Financial Report to be prepared which is attached hereto as Attachment "A."


NOW THEREFORE, BE IT RESOLVED, that the Board of Directors accepts the Financial Report for July 2008, attached hereto as Attachment "A."

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 27th day of August, 2008.

Submitted and reviewed by:


Tom Nielson
General Counsel for the Central
Texas Regional Mobility Authority

Approved:


Robert E. Tesch
Chairman, Board of Directors
Resolution Number 08-54
Date Passed 8/27/08

Central Texas Regional Mobility Authority
Balance Sheet
As of July 31, 2008

July 31, 2007

Assets

Current Assets

Cash in Operating Fund	60,703.78		3,290.93
Chase-Regions Trustee Account	3,365.26		5,363.27
Regions Trustee cash account	3,900.81		27,106.46
Cash In TexSTAR	2,668,865.17		7,101,974.79
Money Market Payroll Account	53,555.06		42,170.49
Fidelity Government MMA	1,663,852.39		223,219.43
Restricted Cash-TexStar	49,483,593.72		58,029,900.81
Total Cash Equivalents	53,869,866.34		65,397,265.52
Accounts Receivable	137,636.19		3,762.00
Due From TTA	475,842.05		452,758.40
Due From NTTA	19,710.90		23,631.25
Due From HCTRA	37,075.95		47,488.15
Interest Receivable	11,900.99		61,955.00
Total Receivables	682,166.08		589,594.80
Certificates of Deposit	4,476,000.00		
Agencies	1,007,211.49		4,960,845.25
Prepaid Insurance	32,614.04		12,981.87
Total Prepaid Expenses	32,614.04		12,981.87
Total Current Assets	60,135,827.80		70,996,448.10

Construction Work In Process

Utility Relocation Expense	7,296.44		7,296.44
Consulting-Admin Services	28,559.43		28,559.43
Consulting-Reimbursed Expenses	5,137.68		5,137.68
Environmental Fees	6,098.10		0.00
Funding Costs	93,785.52		0.00
Legal Fees-Construction	889,463.11		520,545.98
Traffic & Revenue Analysis	2,816,410.11		1,647,301.30
Engineering	3,976,105.43		2,117,276.97
Right of Way	1,123,383.10		53,730.43
Total Preliminary Costs	8,946,238.92		4,379,848.23
Public Involvement	155,086.74		134,552.92
Total Construction Engineering	155,086.74		134,552.92
Total Construction Costs	0.00		0.00
Toll Collection System	162,806.55		27,220.00
Total Accrued Interest	0.00		0.00
Amortization Bond Issue Costs	0.00		0.00
Total Construction WIP	9,264,132.21		4,541,621.15

Fixed Assets				
Computers	1,202,456.72		1,196,453.52	
Accum Deprec-Computers	<u>(517,236.55)</u>	685,220.17	<u>(151,787.73)</u>	1,044,665.79
Computer Software	5,994,433.98		4,320,376.88	
Accumulated Amortization-Software	<u>(1,236,024.67)</u>	4,758,409.31	<u>(183,433.74)</u>	4,136,943.14
Furniture and Fixtures	102,134.95		91,321.66	
Accum Deprec-Furn & Fixtures	<u>(34,262.16)</u>	67,872.79	<u>(16,567.76)</u>	74,753.90
Equipment	76,177.93		76,177.93	
Accum Depec-Equipment	<u>(34,740.86)</u>	41,437.07	<u>(15,843.72)</u>	60,334.21
Autos and Trucks	16,295.00		16,295.00	
Accum Deprec-Autos and Trucks	<u>(4,413.24)</u>	11,881.76	<u>(339.48)</u>	16,634.48
Buildings and Toll Facilities	7,062,332.11		6,897,618.00	
Accum Deprec-Buildings & Toll	<u>(203,239.46)</u>	6,859,092.65	<u>(28,740.08)</u>	6,868,877.92
Highways and Bridges	197,459,350.54		190,310,208.95	
Accum Deprec-Highways & Bridge	<u>(5,673,941.26)</u>	191,785,409.28	<u>(792,959.20)</u>	189,517,249.75
Communication Equipment	1,938,955.13		1,938,955.13	
Accum Deprec-Comm Equip	<u>(237,976.27)</u>	1,700,978.86	<u>(41,238.08)</u>	1,897,717.05
Toll Equipment	4,587,114.80		4,519,992.00	
Accum Deprec-Toll Equip	<u>(533,086.38)</u>	4,054,028.42	<u>(75,333.20)</u>	4,444,658.80
Signs	5,274,462.60		5,258,662.00	
Accum Deprec-Signs	<u>(153,437.11)</u>	5,121,025.49	<u>(21,911.08)</u>	5,236,750.92
Land Improvements	957,685.00		819,435.00	
Accum Deprec-Land Improv	<u>(50,497.83)</u>	907,187.17	<u>(6,828.62)</u>	812,606.38
Right of Way		22,800,623.88		22,767,076.00
Leasehold Improvements		44,242.76		46,030.27
Total Fixed Assets		238,837,409.61		236,924,298.61
Other Assets				
Security Deposits		9,483.30		8,643.30
Long Term Investments				
GIC		0.00		5,144,972.90
Other Assets				
Intangible Assets		650.00		650.00
2005 Bond Issuance Costs		8,686,384.49		9,448,893.55
Total Assets		316,933,887.41		327,065,527.61
Liabilities				
Current Liabilities				
Accounts Payable		1,030,456.16		1,628,509.43
Interest Payable		689,385.69		959,985.51
TCDRS Payable		21,205.71		18,175.98
Due to State of Texas		(5.40)		16.25
Total Current Liabilities		1,741,042.16		2,606,687.17
Long Term Liabilities				
Accrued Vac & Sick Leave Paybl		150,835.00		150,835.00
Retainage Payable		962,228.43		4,553,879.35
BANS 2005		0.00		66,000,000.00
Senior Lien Revenue Bonds 2005		170,521,942.82		169,715,619.24
Sn Lien Rev Bnd Prem/Disc 2005		5,272,258.27		6,023,562.80
TIFIA note 2008		67,851,249.00		0.00
Total Long Term Liabilities		244,758,513.52		246,443,896.39
Total Liabilities		246,499,555.68		249,050,583.56
Net Assets Section				

Contributed Capital
Net Assets beginning

18,430,634.57
52,335,767.69

18,430,634.57
78,047,620.22

Current Year Operations

(332,070.53)

(33,355.13)

Total Liabilities and Net Assets

316,933,887.41

327,064,848.65

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Revenue	Budget	Actual Year	Percent	Actual Year
	FY 2009	To Date 7/31/2008	Of Budget	To Date 7/31/2007
Toll Revenue-Cash-183A	530,000.00	128,068.86	24.16%	0.00
Toll Revenue-TxTag-183A	13,040,000.00	1,130,799.45	8.67%	0.00
Toll Revenue-HCTRA-183A	350,000.00	37,075.95	10.59%	0.00
Toll Revenue-NTTA-183A	180,000.00	19,710.90	10.95%	0.00
Video Tolls	430,000.00	28,402.26	6.61%	0.00
Fee Revenue	0.00	7,448.77		0.00
Interest Income	1,133,500.00	141,928.04	12.52%	34,119.75
Total Revenue	15,663,500.00	1,493,434.23	9.53%	39,134.76

Expenditures	Budget	Actual Year	Percent	Actual Year
	FY 2009	To Date 7/31/2008	Of Budget	To Date 7/31/2007
Regular	1,729,245.00	107,891.72	6.24%	27,343.13
Part Time	12,000.00	0.00		2,231.63
Overtime	4,000.00	0.00		0.00
Contractual Employees	105,000.00	8,238.99	7.85%	11,600.00
TCDRS	244,264.00	13,225.44	5.41%	5,508.89
FICA	85,441.00	5,741.75	6.72%	2,216.18
FICA MED	26,031.00	1,515.06	5.82%	621.47
Health Insurance	184,994.00	11,755.33	6.35%	7,523.42
Life Insurance	5,707.00	340.82	5.97%	0.00
Auto Allowance	9,000.00	750.00	8.33%	350.00
Other Benefits	152,156.00	3,110.72	2.04%	2,951.86
Unemployment Taxes	2,079.00	13.20	0.63%	13.85
Salary Reserve	65,000.00	0.00		0.00
Total Salaries & Wages	2,624,917.00	152,583.03	5.81%	60,360.43

Contractual Services	Budget	Actual Year	Percent	Actual Year
	FY 2009	To Date 7/31/2008	Of Budget	To Date 7/31/2007
Professional Services				
Accounting	9,000.00	38.66	0.43%	16.11
Auditing	40,000.00	0.00		0.00
General Engineering Consultant	360,000.00	0.00		0.00
General System Consultant	250,000.00	0.00		0.00
Toll Collection contract	1,440,000.00	0.00		0.00
Toll collection mgt admi	75,000.00	0.00		0.00
CSC mgt admin	45,000.00	0.00		0.00
Facility maintenance	100,000.00	0.00		0.00
Toll perform plan	25,000.00	0.00		0.00
Human Resources	25,000.00	0.00		0.00
Legal	200,000.00	0.00		0.00
Photography	20,000.00	0.00		0.00
Traffic & Revenue Consultants	40,000.00	0.00		0.00
Transcripts	1,000.00	0.00		0.00
Total Professional Services	2,630,000.00	38.66	0.00%	16.11

	Budget FY 2009	Actual Year To Date 7/31/2008	Percent Of Budget	Actual Year To Date 7/31/2007
Other Contractual Services				
IT Services	170,000.00	2,310.00	1.36%	0.00
Graphic Design Services	20,000.00	0.00		0.00
Website Maintenance	20,000.00	0.00		0.00
Research Services	30,000.00	0.00		0.00
Copy Machine	11,800.00	465.12	3.94%	0.00
Software licenses	23,000.00	6,524.80	28.37%	6,524.80
ETC system Maintenance	1,188,000.00	0.00		0.00
ETC Development	399,000.00	0.00		0.00
ETC Testing	100,000.00	0.00		0.00
Communications and Marketing	125,000.00	0.00		0.00
Advertising	100,000.00	0.00		0.00
Direct Mail	15,000.00	0.00		0.00
Video Production	10,000.00	0.00		0.00
Television	5,000.00	0.00		0.00
Radio	25,000.00	0.00		0.00
Other Public Relations	2,500.00	0.00		0.00
Law Enforcement	260,000.00	0.00		0.00
Special Assignments	30,000.00	0.00		0.00
Traffic Management	50,000.00	0.00		0.00
Emergency Maintenance	40,000.00	0.00		0.00
Railroad Crossing Maintenance	10,000.00	0.00		0.00
Contingency Projects	100,000.00	0.00		0.00
Roadway Maintenance Contract	300,000.00	925.00	0.31%	0.00
Landscape Maintenance	100,000.00	875.00	0.88%	0.00
Signal & Illumination Maintenance	250,000.00	0.00		0.00
Mowing and Litter Control	352,500.00	0.00		0.00
Hazardous Material Cleanup	15,000.00	0.00		0.00
Striping	50,000.00	0.00		0.00
Graffiti Removal	5,000.00	0.00		0.00
Cell Phones	9,760.00	0.00		0.00
Local	18,500.00	268.02	1.45%	1,594.86
Long Distance	1,500.00	0.00		77.97
Internet	6,060.00	0.00		306.00
Fiber Optic System	62,900.00	0.00		0.00
Other Communication Expense	2,000.00	375.00	18.75%	0.00
Subscriptions	2,000.00	0.00		0.00
Memberships	16,000.00	600.00	3.75%	1,100.00
Continuing Education	2,150.00	0.00		0.00
Professional Development	15,250.00	0.00		0.00
Seminars and Conferences	32,250.00	300.00	0.93%	750.00
Other Contractual Svcs	1,500.00	0.00		0.00
TxTag Collection Fees	1,077,600.00	0.00		0.00
Contractual Contingencies	191,000.00	475.00	0.25%	0.00
Total Other Contractual Services	5,339,770.00	13,117.94	0.25%	12,722.60
Total Contractual Expenses	7,969,770.00	13,156.60	0.17%	12,738.71

	Budget FY 2009	Actual Year To Date 7/31/2008	Percent Of Budget	Actual Year To Date 7/31/2007
Materials and Supplies				
Books & Publications	10,200.00	0.00		0.00
Office Supplies Expense	19,600.00	0.00		411.63
Computer Supplies Expense	5,250.00	0.00		346.29
Copy Supplies Expense	2,000.00	0.00		0.00
Annual Report Printing	10,000.00	0.00		0.00
Other Printed Reports	20,500.00	0.00		0.00
Direct Mail-printing Expense	20,000.00	0.00		0.00
Office Supplies-printed	1,000.00	0.00		0.00
Maintenance Supplies Expense	100.00	0.00		0.00
Promotional Items expense	10,000.00	0.00		0.00
Displays	5,000.00	0.00		0.00
Tools & Equipment Expense	11,500.00	0.00		0.00
Misc Materials & Supplies	3,200.00	0.00		6,073.00
Total Materials & Supplies Exp	153,350.00	0.00		6,830.92

	Budget FY 2009	Actual Year To Date 7/31/2008	Percent Of Budget	Actual Year To Date 7/31/2007
Operating Expenses				
Gasoline Expense	6,000.00	0.00		0.00
Mileage Reimbursement	17,550.00	196.63	1.12%	109.13
Toll Tag Expense	1,650.00	0.00		0.00
Parking	41,790.00	2,280.00	5.46%	1,650.00
Meeting Facilities	3,400.00	45.00	1.32%	0.00
Community Events	20,000.00	0.00		0.00
Meeting Expense	7,250.00	40.38	0.56%	0.00
Public Notices	9,800.00	0.00		0.00
Postage	8,750.00	180.00	2.06%	0.00
Overnight Delivery Services	2,850.00	0.00		0.00
Local Delivery Services	3,100.00	0.00		9.00
Insurance	156,000.00	12,121.79	7.77%	3,427.51
Repair and Maintenance	500.00	0.00		0.00
Repair & Maintenance-Vehicles	1,000.00	0.00		0.00
Repair and Maintenance Toll Equip	15,000.00	0.00		0.00
Rent	192,191.00	15,548.52	8.09%	15,164.44
Water	8,500.00	0.00		0.00
Electricity	122,000.00	0.00		0.00
Amortization Expense	1,140,000.00	104,275.70	9.15%	73,178.15
Dep Exp- Furniture & Fixtures	18,000.00	1,576.52	8.76%	1,384.86
Dep Expense - Equipment	4,200.00	1,572.08	37.43%	1,539.66
Dep Expense - Autos & Trucks	4,080.00	339.48	8.32%	339.48
Dep Expense-Buildng & Toll Fac	177,600.00	14,713.19	8.28%	14,370.04
Dep Expense-Highways & Bridges	5,040,000.00	413,121.45	8.20%	396,479.60
Dep Expense-Communic Equip	196,800.00	16,389.29	8.33%	16,402.64
Dep Expense-Toll Equipment	480,000.00	38,481.78	8.02%	37,666.60
Dep Expense - Signs	144,000.00	10,988.45	7.63%	10,955.54
Dep Expense-Land Improvemts	54,000.00	3,990.32	7.39%	3,414.31
Depreciation Expense-Computers	384,000.00	30,462.78	7.93%	25,136.26
Other Licenses	1,250.00	0.00		0.00
Community Initiative Grants	67,000.00	15,000.00	22.39%	0.00
Total Operating Expense	8,328,261.00	681,323.36	8.18%	601,227.22
Financing Expenses				
Arbitrage Rebate	3,500.00	0.00		0.00
Bond Issuance Expense	276,000.00	23,081.07	8.36%	0.00
Loan Fees	11,000.00	0.00		0.00
Bond Issuance Cost	25,000.00	0.00		0.00
Trustee Fees	2,000.00	0.00		0.00
Bank Fees	25,000.00	1,976.01	7.90%	2,423.89
Interest Expense	11,144,632.00	953,384.69	8.55%	0.00
Contingency	20,000.00	0.00		0.00
Total Financing Expense	11,507,132.00	978,441.77	8.50%	2,423.89
Total Expenses	30,583,430.00	1,825,504.76	5.97%	683,581.17
Net Income	-14,919,930.00	-332,070.53		-644,446.41

CTRMA INVESTMENT REPORT

	Month Ending 7/31/2008					Current Rate as of 7/31/2008	
	Balance 6/30/2008	Additions	Discount Amortization	Accrued Interest	Withdrawals		Balance 7/31/2008
Amount in Trustee TexStar							
Additional Projects Fund	9,147,402.63			16,832.68	279,218.36	8,885,016.95	2.250%
Construction Fund	9,648,096.11			17,499.98	895,049.88	8,770,546.21	2.250%
General Fund	0.00	7,083,266.79		12,057.60		7,095,324.39	2.250%
Trustee Operating Fund	1,569,596.26	1,202,299.84		4,709.92		2,776,606.02	2.250%
Renewal & Replacement Fund	101,504.34			188.57		101,692.91	2.250%
TxDOT Grant Fund	11,198,018.37			20,803.40		11,218,821.77	2.250%
Revenue Fund	8,030.54	845,495.40		611.84	853,525.52	612.26	2.250%
Subordinate Lien DS Fund	0.00			0.00	0.00	0.00	2.250%
Debt Service Reserve Fund	13,678,578.02			22,953.72	3,066,558.53	10,634,973.21	2.250%
	45,351,226.27	9,131,062.03	0.00	95,657.71	5,094,352.29	49,483,593.72	
Amount in TexStar Operating Fund	3,069,888.65			5,406.14	406,429.62	2,668,865.17	2.250%
Fidelity Money Market Fund							
-Operating Fund	801,479.98			819.86	802,299.84	0.00	1.960%
-Additional Projects Fund	0.00	279,218.36			174,804.12	104,414.24	1.960%
-Construction Fund	0.08	895,049.88			895,049.96	0.00	1.960%
-Debt Service Fund	3,719,749.63	619,958.33		5,404.92	3,719,750.00	625,362.88	1.960%
-Subordinate Lien DS Fund	7,791.51			12.53		7,804.04	1.960%
-TxDOT Grant Fund	22,050.10			1,389.94		23,440.04	1.960%
-Renewal and Replacement	35,449.29			594.66		36,043.95	1.960%
-Revenue Fund	645,834.69	2,261,170.06		1,777.89	2,141,995.40	766,787.24	1.960%
-General Fund	6,796,473.20	276,541.67		10,251.92	7,083,266.79	0.00	1.960%
-Debt Service Reserve Fund	9,426.32	3,066,558.53		15.15	2,976,000.00	100,000.00	1.960%
	12,038,254.80	7,398,496.83	0.00	20,266.87	17,793,166.11	1,663,852.39	
Money Market Fund-payroll	1,952.66	149,000.00		20.80	133,183.78	17,789.68	1.850%
Amount in Fed Agencies							
Amortized Principal	1,007,640.25		(429.25)			1,007,211.00	
Accrued Interest				3,583.34			
	1,007,640.25	0.00	(429.25)	3,583.34	0.00	1,007,211.00	
Certificates of Deposit	1,500,000.00	2,976,000.00		0.00		4,476,000.00	
Total in Pools	48,421,114.92	9,131,062.03	0.00	101,063.85	5,500,781.91	52,152,458.89	
Total in Money Market	12,040,207.46	7,547,496.83	0.00	20,287.67	17,926,349.89	1,681,642.07	
Total in Fed Agencies	1,007,640.25	0.00	(429.25)	3,583.34	0.00	1,007,211.00	
Total Invested	62,968,962.63	19,654,558.86	(429.25)	124,934.86	23,427,131.80	59,317,311.96	

All investments in the portfolio are in compliance with the CTRMA's investment policy.

William Chapman, CFO

Amount of investments As of July 31, 2008

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
Federal Home Loan Bank	31398AKU5	1,008,070	1,007,211	1,006,880	2.85%	6/30/2008	12/24/2009	TxDOT Grant Fund
		<u>1,008,070.00</u>	<u>1,007,211.49</u>	<u>1,006,880.00</u>				

Agency	CUSIP #	COST	Cummulative Amortization	7/31/08 Book Value	Maturity Value	Interest Income July 2008		
						Accrued Interest	Amortizatuion	Interest Earned
Federal Home Loan Bank	31398AKU5	1,008,070	858.51	1,007,211	1,000,000	\$ 3,583.34	(429)	\$ 3,154.09
		<u>1,008,070.00</u>	<u>858.51</u>	<u>1,007,211.49</u>	<u>1,000,000.00</u>	<u>3,583.34</u>	<u>0.00</u>	<u>3,154.09</u>

July 08 Certificates of Deposit Outstan

Bank	CUSIP #	COST	Yield to Maturity	Purchased	Matures	July 08 Interest	Cummulative Interest Earned	Cummulative Interest Received	FUND
Horicon Bank	440392EB0	100,000	3.30%	5/21/2008	5/22/2009	\$ 275.96	\$ 624.49		Renewal and Replacement
First Trust Bank	33732NAP0	100,000	3.25%	5/21/2008	5/21/2009	\$ 267.12	\$ 619.42	\$ 538.17	Renewal and Replacement
Merrick Bank	59012YRW9	100,000	3.30%	5/21/2008	5/21/2009	\$ 275.98	\$ 633.71		Renewal and Replacement
Capmark Bank	140653UQ7	100,000	3.30%	5/21/2009	5/21/2009	\$ 275.98	\$ 633.71		Renewal and Replacement
Farmers & Merchants Bank	308680AJ6	100,000	3.30%	5/23/2008	5/23/2009	\$ 271.23	\$ 610.57	\$ 546.41	Renewal and Replacement
Cathay Bank	149159DV4	100,000	3.40%	6/13/2008	6/12/2009	\$ 283.82	\$ 453.82		TxDOT Grant Fund
Wright Exp Fin Serv	98233PNY9	100,000	3.35%	6/13/2008	6/12/2009	\$ 279.63	\$ 447.13		TxDOT Grant Fund
First National Bank	32115CAW8	100,000	3.35%	6/18/2008	6/18/2009	\$ 279.48	\$ 391.15		TxDOT Grant Fund
Firstcity Bank	33765PCS7	100,000	3.35%	6/12/2008	6/12/2009	\$ 275.34	\$ 442.84	\$ 275.34	TxDOT Grant Fund
SCB Bank	78391TCX5	100,000	3.35%	6/13/2008	6/13/2009	\$ 275.34	\$ 442.84	\$ 275.34	TxDOT Grant Fund
Horicon Bank	440392ED6	100,000	3.35%	6/17/2008	6/17/2009	\$ 279.50	\$ 400.48		TxDOT Grant Fund
New South Savings Bank	64880T5A1	100,000	3.35%	6/12/2008	6/12/2009	\$ 279.63	\$ 447.13		TxDOT Grant Fund
Oregon Community Bank	68583TCD8	100,000	3.35%	6/18/2008	6/18/2009	\$ 275.34	\$ 387.01	\$ 275.34	TxDOT Grant Fund
Capital Bank	14056MCC7	100,000	3.35%	6/18/2008	6/18/2009	\$ 275.34	\$ 387.01	\$ 275.34	TxDOT Grant Fund
New Century Bank	64353PDU4	100,000	3.40%	6/18/2008	6/18/2009	\$ 279.45	\$ 392.78	\$ 279.45	TxDOT Grant Fund
United FSB Bank	06651NAW8	100,000	3.20%	7/11/2008	1/12/2009	\$ 168.89	\$ 168.89		Senior Lien Debt Service Reserve
Union Bank	06651NAW8	100,000	3.05%	7/16/2008	12/16/2009	\$ 118.61	\$ 118.61		Senior Lien Debt Service Reserve
Viking Community Bank	905200AP6	100,000	3.10%	7/16/2008	1/16/2009	\$ 120.56	\$ 120.56		Senior Lien Debt Service Reserve
Midfirst Bank	92676MBR1	100,000	3.10%	7/16/2008	1/16/2009	\$ 120.56	\$ 120.56		Senior Lien Debt Service Reserve
Randolph Bank and Trust	59740LV84	100,000	3.10%	7/16/2008	1/16/2009	\$ 120.56	\$ 120.56		Senior Lien Debt Service Reserve
Community West Bank	75237NAH9	100,000	3.10%	7/16/2008	1/16/2009	\$ 120.56	\$ 120.56		Senior Lien Debt Service Reserve
Montgomery Bank SA	20415QCN7	100,000	3.15%	7/16/2008	1/16/2009	\$ 122.50	\$ 122.50		Senior Lien Debt Service Reserve
Quad City Bank	613118AV0	100,000	3.15%	7/16/2008	1/16/2009	\$ 122.50	\$ 122.50		Senior Lien Debt Service Reserve
Cascade Bank	74731SAU3	100,000	3.15%	7/16/2008	1/16/2009	\$ 122.50	\$ 122.50		Senior Lien Debt Service Reserve
Washington Trust bank	147352DJ4	100,000	3.15%	7/16/2008	1/16/2009	\$ 122.50	\$ 122.50		Senior Lien Debt Service Reserve
FirstBank	940615FB8	100,000	3.20%	7/16/2008	1/16/2009	\$ 124.44	\$ 124.44		Senior Lien Debt Service Reserve
GE Capital Financial	337629VW6	100,000	3.20%	7/16/2008	1/16/2009	\$ 124.44	\$ 124.44		Senior Lien Debt Service Reserve
NY Community Bank	36160WBK4	100,000	3.20%	7/16/2008	1/16/2009	\$ 124.44	\$ 124.44		Senior Lien Debt Service Reserve
State Bank	649447NPO	100,000	3.20%	7/16/2008	1/16/2009	\$ 124.44	\$ 124.44		Senior Lien Debt Service Reserve
Paragon Bank and Trust	856283HW9	100,000	3.15%	7/17/2008	1/20/2009	\$ 113.75	\$ 113.75		Senior Lien Debt Service Reserve
Washington Mutual Bank	69911NCQ3	100,000	3.25%	7/17/2008	1/16/2009	\$ 117.36	\$ 117.36		Senior Lien Debt Service Reserve
Central Bank	939371NZ9	98,000	3.10%	7/18/2008	1/20/2009	\$ 101.27	\$ 101.27		Senior Lien Debt Service Reserve
Madison County Bank	152526CY3	98,000	3.10%	7/18/2008	1/20/2009	\$ 101.27	\$ 101.27		Senior Lien Debt Service Reserve
Ranier Pacific Bank	55677LAU3	98,000	3.15%	7/18/2008	1/16/2009	\$ 102.90	\$ 102.90		Senior Lien Debt Service Reserve
Heritage Community Bank	75087WCS4	98,000	3.15%	7/18/2008	1/20/2009	\$ 102.90	\$ 102.90		Senior Lien Debt Service Reserve
Syringa Bank	42723UBA8	100,000	3.20%	7/18/2008	1/20/2009	\$ 106.67	\$ 106.67		Senior Lien Debt Service Reserve
Security Bank and Trust	87182PBJ9	98,000	3.15%	7/21/2008	1/21/2009	\$ 77.18	\$ 77.18		Senior Lien Debt Service Reserve
Patriot State Bank	813788BL9	98,000	3.10%	7/23/2008	1/23/2009	\$ 59.07	\$ 59.07		Senior Lien Debt Service Reserve
Williamsburg FNB	703375AE5	98,000	3.10%	7/23/2008	1/23/2009	\$ 59.07	\$ 59.07		Senior Lien Debt Service Reserve
First South Bank	969555CA7	98,000	3.10%	7/23/2008	1/23/2009	\$ 59.07	\$ 59.07		Senior Lien Debt Service Reserve
Signature Bank	33644DAC8	98,000	3.15%	7/23/2008	1/23/2009	\$ 60.03	\$ 60.03		Senior Lien Debt Service Reserve
Bank of Florida SW	82669LCC5	98,000	3.15%	7/23/2008	1/23/2009	\$ 60.03	\$ 60.03		Senior Lien Debt Service Reserve
Florida Ft Lauderdale Bank	06425CBX4	98,000	3.15%	7/23/2008	1/23/2009	\$ 60.03	\$ 60.03		Senior Lien Debt Service Reserve
National Bank of Commerce	062131CJ4	98,000	3.15%	7/23/2008	1/23/2009	\$ 60.03	\$ 60.03		Senior Lien Debt Service Reserve
Corefirst Bank	21871AAK5	100,000	3.15%	7/25/2008	1/26/2009	\$ 43.75	\$ 43.75		Senior Lien Debt Service Reserve
		<u>4,476,000.00</u>				<u>7,191.01</u>	<u>10,355.95</u>	<u>2,465.39</u>	



Monthly Newsletter - July 2008

Performance

<i>As of July 31, 2008</i>		<i>July Averages</i>	
Current Invested Balance	\$5,328,247,286.85	Average Invested Balance	\$5,486,840,960.02
Weighted Average Maturity (1)	36 Days	Average Monthly Yield, on a simple basis	2.1874%
Weighted Average Maturity (2)	88 Days	Average Weighted Average Maturity (1)*	30 Days
Net Asset Value	0.999529	Average Weighted Average Maturity (2)*	84 Days
Total Number of Participants	643		
Management Fee on Invested Balance	0.05%*		
Interest Distributed	\$10,426,561.66		
Management Fee Collected	\$233,809.69		
% of Portfolio Invested Beyond 1 Year	5.70%		
Standard & Poor's Current Rating	AAAm		

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.

* The maximum management fee authorized for the TexSTAR Cash Reserve Fund is 12 basis points. This fee may be waived in full or in part in the discretion of the TexSTAR co-administrators at any time as provided for in the TexSTAR Information Statement.

Rates reflect historical information and are not an indication of future performance.

New Participants

We would like to welcome the following entities who joined the TexSTAR program in July 2008:

- | | | |
|------------------------|------------------------|-----------------------|
| ★ City of Paducah | ★ Princeton ISD | ★ Kingsland WSC |
| ★ Denton County FWSD 6 | ★ Denton County FWSD 7 | ★ City of Willow Park |

Holiday Reminder

Please note that in observance of the Labor Day holiday, **TexSTAR will be closed on Monday, September 1, 2008**. Notification of any early transaction deadlines on the day preceding this holiday will be sent by email to the primary contact on file for all TexSTAR participants.

Economic Commentary

Recent economic data remained mixed, with manufacturing surveys signaling modest growth while employment indicators suggest further weakness. The drop in energy prices could provide a boost to consumer spending, but tighter credit and the continued housing adjustment remain drags on the economy. Home sales have shown some signs of stabilization recently and existing home sales have been basically flat since December 2007 but inventories remain highly elevated and foreclosures are boosting inventories higher.

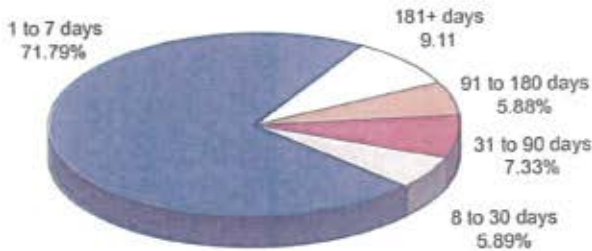
Consumer spending, at 1.5%, was disappointing in the context of the nearly \$80 billion in rebate checks. Surveys suggest the rebates may have already been spent or used for debt service which could result in notable deceleration of consumer spending. A key criterion for sustained expansion once the boost from the fiscal stimulus has eased is income and job growth. Easy monetary policy alone may not suffice to ensure growth should job losses continue. Job losses have been steady for July and quite close to the Q2 average. However, at the same time, the unemployment rate surged 0.2% to 5.7% in July, and has risen by a remarkable 0.7% since April. Treasury yields fell in July as the weak housing market continued to plague the economy. Two-year yields ended down 11 bps at 2.51%, and five-year yields ended down 9 bps at 3.24%.

The Fed will take comfort from the drop in energy prices and pullback in some measures of inflation expectations. At the same time, continued financial market stress and labor market deterioration will be of concern. As the economy goes through the second half of the year, the most important requirement for continued expansion is job growth. The baseline scenario is that the Fed will begin the tightening process at the beginning of 2009, at which time the labor market is expected to add jobs and house prices should stabilize.

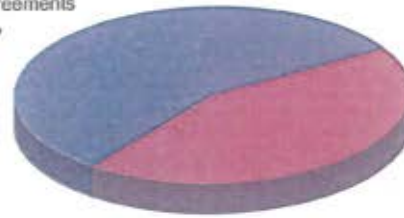
For more information about TexSTAR, please visit our web site at www.texstar.org.

Information at a Glance

Portfolio by Type of Investment As of July 31, 2008

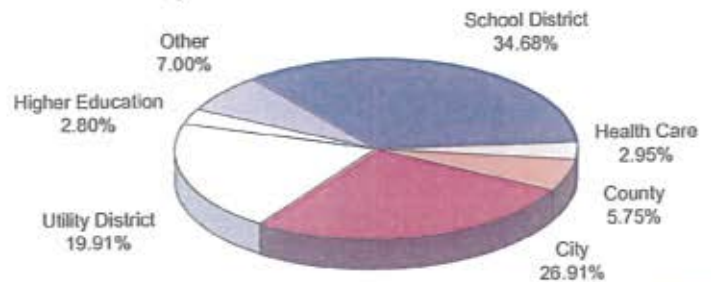


Repurchase Agreements
56.27%



Agencies
43.73%

Portfolio by Maturity As of July 31, 2008



Distribution of Participants by Type As of July 31, 2008

Performance

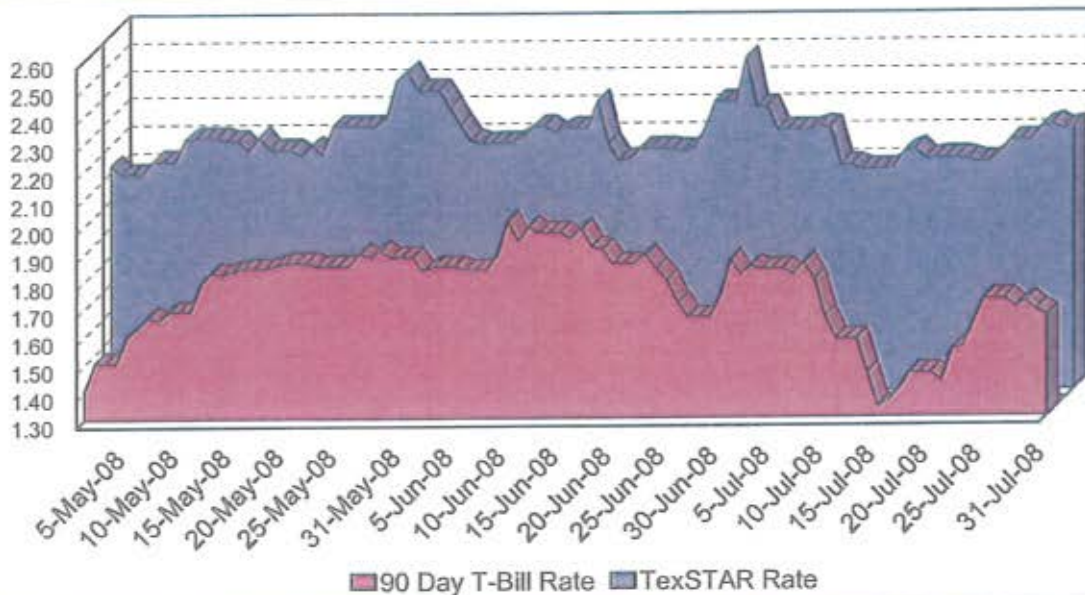
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Jul 08	2.1874%	\$ 5,328,247,286.85	\$ 5,325,742,811.75	0.999529	30	84	643
Jun 08	2.2467%	5,450,912,795.58	5,448,966,529.06	0.999642	31	86	637
May 08	2.2194%	5,893,819,751.64	5,893,907,633.72	1.000013	28	87	627
Apr 08	2.4396%	6,349,528,618.20	6,349,341,491.76	0.999970	21	82	623
Mar 08	2.9807%	6,635,062,776.30	6,636,736,509.65	1.000252	17	82	616
Feb 08	3.4224%	6,294,186,095.49	6,296,863,425.91	1.000401	17	82	609
Jan 08	4.2033%	5,919,661,192.90	5,923,891,294.00	1.000714	22	82	603
Dec 07	4.5430%	5,180,414,831.71	5,181,584,153.60	1.000202	21	79	594
Nov 07	4.6975%	4,999,671,312.52	5,000,767,637.47	1.000190	18	79	591
Oct 07	4.9007%	4,793,406,663.48	4,794,712,410.18	1.000272	19	84	584
Sep 07	5.1175%	5,101,146,389.66	5,102,374,857.54	1.000240	20	78	573
Aug 07	5.2540%	5,117,776,256.51	5,118,532,127.32	1.000118	16	42	567
Jul 07	5.2829%	5,037,425,646.08	5,037,616,062.72	1.000037	18	22	554

Portfolio Asset Summary as of July 31, 2008

	Book Value	Market Value
Uninvested Balance	\$ 276.44	\$ 276.44
Accrual of Interest Income	6,347,349.22	6,347,349.22
Interest and Management Fees Payable	(10,446,247.00)	(10,446,247.00)
Payable for Investment Purchased	(99,292,388.89)	(99,292,388.89)
Repurchase Agreements	3,056,398,000.00	3,056,398,000.00
Government Securities	2,375,240,297.08	2,372,735,821.98
Total	\$ 5,328,247,286.85	\$ 5,325,742,811.75

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by J.P. Morgan Chase & Co. and the assets are safekept in a separate custodial account at the Federal Reserve Bank in the name of TexSTAR. The only source of payment to the Participants are the assets of TexSTAR. There is no secondary source of payment for the pool such as insurance or guarantee. Should you require a copy of the portfolio, please contact TexSTAR Participant Services.

TexSTAR versus 90-Day Treasury Bill



Daily Summary for July 2008

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
1-Jul-08	2.3284%	0.0000637910	5,520,174,110.09	0.999655	30	85
2-Jul-08	2.3279%	0.0000637790	5,521,256,757.93	0.999669	30	85
3-Jul-08	2.2430%	0.0000614530	5,540,420,972.95	0.999679	29	82
4-Jul-08	2.2430%	0.0000614530	5,540,420,972.95	0.999679	29	82
5-Jul-08	2.2430%	0.0000614530	5,540,420,972.95	0.999679	29	82
6-Jul-08	2.2430%	0.0000614530	5,540,420,972.95	0.999679	29	82
7-Jul-08	2.2569%	0.0000618340	5,604,407,740.82	0.999724	28	81
8-Jul-08	2.2515%	0.0000616840	5,587,675,162.12	0.999740	28	81
9-Jul-08	2.1165%	0.0000579870	5,602,031,708.90	0.999731	27	80
10-Jul-08	2.1151%	0.0000579480	5,579,287,722.83	0.999718	27	78
11-Jul-08	2.0999%	0.0000575320	5,616,662,663.67	0.999689	30	79
12-Jul-08	2.0999%	0.0000575320	5,616,662,663.67	0.999689	30	79
13-Jul-08	2.0999%	0.0000575320	5,616,662,663.67	0.999689	30	79
14-Jul-08	2.1089%	0.0000577780	5,566,661,246.23	0.999542	30	79
15-Jul-08	2.1609%	0.0000592000	5,499,876,496.17	0.999545	30	87
16-Jul-08	2.1727%	0.0000595250	5,453,208,016.11	0.999522	30	88
17-Jul-08	2.1367%	0.0000585400	5,446,882,860.25	0.999415	29	87
18-Jul-08	2.1418%	0.0000586800	5,403,867,721.78	0.999415	29	87
19-Jul-08	2.1418%	0.0000586800	5,403,867,721.78	0.999415	29	87
20-Jul-08	2.1418%	0.0000586800	5,403,867,721.78	0.999415	29	87
21-Jul-08	2.1347%	0.0000584840	5,394,305,279.54	0.999414	29	87
22-Jul-08	2.1220%	0.0000581360	5,455,795,910.01	0.999385	29	86
23-Jul-08	2.1273%	0.0000582820	5,398,829,921.23	0.999348	30	87
24-Jul-08	2.1534%	0.0000589960	5,403,875,819.42	0.999416	33	87
25-Jul-08	2.2007%	0.0000602930	5,448,861,840.88	0.999438	32	85
26-Jul-08	2.2007%	0.0000602930	5,448,861,840.88	0.999438	32	85
27-Jul-08	2.2007%	0.0000602930	5,448,861,840.88	0.999438	32	85
28-Jul-08	2.2471%	0.0000615640	5,411,107,218.13	0.999499	32	85
29-Jul-08	2.2592%	0.0000618970	5,394,910,857.93	0.999482	33	85
30-Jul-08	2.2402%	0.0000613750	5,353,675,075.13	0.999499	36	88
31-Jul-08	2.2500%	0.0000616450	5,328,247,286.85	0.999529	36	88
Average	2.1874%	0.000059928	5,486,840,960.02		30	84

TexSTAR Participant Services
First Southwest Asset Management, Inc.
325 North St. Paul Street, Suite 800
Dallas, Texas 75201



TexSTAR Board Members

<i>William Chapman</i>	<i>Central Texas Regional Mobility Authority</i>	<i>Governing Board President</i>
<i>Nell Lange</i>	<i>City of Frisco</i>	<i>Governing Board Vice President</i>
<i>Melinda Garrett</i>	<i>Houston ISD</i>	<i>Governing Board Treasurer</i>
<i>Michael Bartolotta</i>	<i>First Southwest Company</i>	<i>Governing Board Secretary</i>
<i>Will Williams</i>	<i>JP Morgan Chase</i>	<i>Governing Board Asst. Sec./Treas.</i>
<i>Hardy Browder</i>	<i>City of Cedar Hill</i>	<i>Advisory Board</i>
<i>Oscar Cardenas</i>	<i>Northside ISD</i>	<i>Advisory Board</i>
<i>Scott Christensen</i>	<i>Reid Road MUD No. 1</i>	<i>Advisory Board</i>
<i>Ramiro Flores</i>	<i>Harlingen CISD</i>	<i>Advisory Board</i>
<i>Stephen Fortenberry</i>	<i>McKinney ISD</i>	<i>Advisory Board</i>
<i>Monte Mercer</i>	<i>North Central TX Council of Government</i>	<i>Advisory Board</i>
<i>Len Santow</i>	<i>Griggs & Santow</i>	<i>Advisory Board</i>
<i>S. Renee Tidwell</i>	<i>Tarrant County</i>	<i>Advisory Board</i>

For more information contact TexSTAR Participant Services ★ 1-800-TEX-STAR ★ www.texstar.org

