



**CENTRAL TEXAS
Regional Mobility Authority**

AGENDA ITEM #10 SUMMARY

Accept the monthly financial report for June, 2012.

Department: Finance

Associated Costs: None

Funding Source: None

Board Action Required: YES

Description of Matter:

Presentation and acceptance of the monthly financial report for June, 2012

Attached documentation for reference:

Draft Resolution and Investment Report for June, 2012.

A preliminary year-end financial report for June, 2012.

Contact for further information: Bill Chapman, Chief Financial Officer

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

RESOLUTION NO. 12-___

ACCEPT THE FINANCIAL REPORTS FOR JUNE, 2012.

WHEREAS, the Central Texas Regional Mobility Authority (“Mobility Authority”) 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 the Mobility Authority’s expenditures for goods and services, including those related to project development, as well as close scrutiny of the Mobility Authority’s financial condition and records is the responsibility of the Board and its designees through procedures the Board may implement from time to time; and

WHEREAS, the Board has adopted policies and procedures intended to provide strong fiscal oversight and which authorize the Executive Director, working with the Mobility Authority’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 June, 2012, and has caused a Financial Report to be prepared and attached to this resolution as Attachments A.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors accepts the Financial Report for June, 2012, attached as Attachment A.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 25th day of July, 2012.

Submitted and reviewed by:

Approved:

Andrew Martin
General Counsel for the Central
Texas Regional Mobility Authority

Ray A. Wilkerson
Chairman, Board of Directors
Resolution Number: 12-___
Date Passed: 7/25/2012

Attachment A

Financial Report for June, 2012

Central Texas Regional Mobility Authority

Balance Sheet

As of

June 30, 2012

June 30, 2011

Assets

Current Assets

Cash in Regions Operating Account 58,647 261,630

Cash In TexSTAR 14,035 41,792

Regions Payroll Account 6,776 62,242

Restricted cash/cash equivalents

Fidelity Government MMA 45,098,220 76,452,091

Restricted Cash-TexStar 55,402,454 31,064,495

Regions SIB account 0 888

Overpayment accounts 30,664 19,525

Total Cash and Cash Equivalents 100,552,149 107,902,665

Accounts Receivable 204,707 157,064

Due From Employees 18 0

Due From Other Funds 135,429 0

Due From TTA 457,666 355,993

Due From NTTA 52,695 36,761

Due From HCTRA 80,668 70,647

Due From TxDOT 1,852,645 4,802,137

Due From Federal Government 11,079,369 458,134

Interest Receivable 507,183 98,481

Total Receivables 14,370,381 5,979,217

Short Term Investments

Treasuries 4,549,017 4,549,017

Short Term Investments 193,785,392 22,709,125

Other Current Assets

Prepaid Insurance 15,922 23,765

Total Current Assets 308,782,491 136,616,426

Construction Work In Process

355,258,719 204,303,265

Fixed Assets

Computers(net) 27,774 32,092

Computer Software(net) 137,355 1,280,961

Furniture and Fixtures(net) 11,909 19,845

Equipment(net) 38,968 45,586

Autos and Trucks(net) 21,270 27,593

Buildings and Toll Facilities(net) 6,167,573 6,344,131

Highways and Bridges(net) 172,752,315 177,719,522

Communication Equipment(net) 951,443 1,142,276

Toll Equipment(net) 2,083,573 2,545,354

Signs(net) 4,933,836 5,089,093

Land Improvements(net) 1,112,550 1,178,354

Right of Way 24,683,553 24,683,553

Leasehold Improvements 57,898 59,556

Total Fixed Assets 212,980,017 220,167,916

Long Term Investments

GIC (Restricted) 0 266,522,987

Agencies-LT 18,145,913 44,308,040

Other Assets

Security Deposits 8,644 9,483

Intangible Assets 650 650

Total Bond Issuance Costs 15,152,758 16,095,507

Total Assets 910,329,192 888,024,274

Liabilities

Current Liabilities

Accounts Payable	11,504,297	29,815,436
Overpayments	31,558	20,132
Salaries Payable	47,722	22,416
Interest Payable	21,573,937	8,084,628
Due to other Funds	135,429	0
Deferred Compensation Payable	(0)	18,602
TCDRS Payable	59,457	58,772
Medical Reimbursement Payable	194	2,453
Due to other Entities	0	3,617
FICA Payable	0	12,464
FICA MED Payable	0	3,888
Federal Withholding Payable	0	23,629
Due to State of Texas	0	2,202
Total Current Liabilities	33,352,594	38,068,241

Long Term Liabilities

Accrued Vac & Sick Leave Paybl	413,815	413,815
Retainage Payable	0	(1)
Senior Lien Revenue Bonds 2005	172,143,281	173,163,400
Senior Lien Revenue Bonds 2010	101,442,404	98,456,963
Senior Lien Revenue Bonds 2011	306,571,550	305,929,944
Sn Lien Rev Bnd Prem/Disc 2005	4,630,366	4,791,306
Sn Lien Rev Bnd Prem/Disc 2010	168,801	203,591
Tot Sr Lien Rev Bond Pay Pre/D	865,456	1,269,524
Subordinated Lien Bond 2010	45,000,000	45,000,000
Subordinated Lien Bond 2011	70,000,000	70,000,000
Sub Lien Bond 2011 Prem/Disc	(2,074,819)	(2,172,800)
TIFIA note 2008	77,526,562	77,626,562
2010 Regions BAB's Payable	0	0
2011 Regions Draw Down Note	400,000	0
Total Long Term Liabilities	772,288,250	769,687,408
Total Liabilities	805,640,844	807,755,649

Net Assets Section

Contributed Capital	18,334,846	18,334,846
Net Assets beginning	61,930,780	37,764,291
Current Year Operations	24,422,722	24,169,489
Total Net Assets	86,353,502	61,933,780

Total Liabilities and Net Assets

910,329,192	888,024,274
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Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 6/30/2012	Percent of Budget	Actual Prior Year to Date 6/30/2011
Revenue				
Operating Revenue				
Toll Revenue-TxTag-183A	21,395,350	17,022,017	79.56%	15,740,530
Toll Revenue-HCTRA-183A	656,250	751,371	114.49%	649,905
Toll Revenue-NTTA-183A	411,600	482,128	117.14%	408,355
Video Tolls	3,004,800	3,822,651	127.22%	3,310,717
Fee revenue	1,252,000	1,525,338	121.83%	1,348,493
Total Operating Revenue	26,720,000	23,603,505	88.34%	21,458,000
Other Revenue				
Interest Income	180,000	208,754	115.97%	239,771
Grant Revenue	800,000	28,423,670	3553%	31,989,492
Reimbursed Expenditures	-	150,000		-
Misc Revenue	2,200	918,366	41744%	2,383
Gain/Loss on Redemption Bonds	-	-	0.00%	1,000
Gain/Loss on Sale of Asset	-	12,342		-
Total Other Revenue	982,200	29,713,133	3025%	32,232,647
Total Revenue	\$ 27,702,200	\$ 53,316,638	192.46%	\$ 53,690,646
Expenses				
Salaries and Wages				
Salary Expense-Regular	2,010,301	1,869,598	93.00%	1,795,329
Part Time Salry Expense	12,000	7,927	66.06%	9,591
Overtime Salary Expense	4,000	-	0.00%	-
Contractual Employees Expense	105,000	9,820	9.35%	36,525
TCDRS	304,235	261,951	86.10%	250,475
FICA	97,856	84,561	86.41%	82,422
FICA MED	30,715	26,813	87.30%	24,789
Health Insurance Expense	204,527	174,546	85.34%	162,667
Life Insurance Expense	5,374	3,551	66.08%	5,576
Auto Allowance Expense	9,000	4,462	49.58%	10,286
Other Benefits	171,305	158,770	92.68%	63,241
Unemployment Taxes	13,059	2,506	19.19%	2,978
Salary Reserve	91,871	-	0.00%	-
Total Salaries and Wages	3,059,243	2,604,506	85.14%	2,443,879

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 6/30/2012	Percent of Budget	Actual Prior Year to Date 6/30/2011
Contractual Services				
<u>Professional Services</u>				
Accounting	9,500	27,724	291.83%	5,881
Auditing	55,000	45,931	83.51%	43,751
General Engineering Consultant	1,250,000	991,665	79.33%	1,275,352
General System Consultant	175,000	41,339	23.62%	9,616
Image Processing	600,000	827,592	137.93%	798,784
Facility maintenance	20,000	17,508	87.54%	105,805
HERO	820,000	697,911	85.11%	927,614
Human Resources	80,000	73,059	91.32%	28,638
Legal	250,000	116,440	46.58%	175,463
Photography	15,000	12,549	83.66%	13,795
Total Professional Services	3,274,500	2,851,719	87.09%	3,384,699
<u>Other Contractual Services</u>				
IT Services	45,000	39,792	88.43%	37,132
Graphic Design Services	10,000	400	4.00%	3,509
Website Maintenance	25,000	17,627	70.51%	48,194
Research Services	25,000	3,100	12.40%	26,089
Copy Machine	9,000	6,215	69.06%	7,033
Software Licenses	26,000	805	3.09%	8,719
ETC Maintenance Contract	840,000	703,699	83.77%	876,941
ETC Development	125,000	15,356	12.28%	19,903
ETC Testing	30,000	1,620	5.40%	4,368
Communications and Marketing	170,000	127,232	74.84%	141,556
Advertising Expense	40,000	35,300	88.25%	41,052
Direct Mail	5,000	-	0.00%	-
Video Production	5,000	1,946	38.91%	-
Radio	15,000	-	0.00%	-
Other Public Relations	2,500	-	0.00%	-
Law Enforcement	250,000	231,981	92.79%	234,522
Special assignments	5,000	-	0.00%	-
Traffic Management	84,000	69,991	83.32%	66,415
Emergency Maintenance	10,000	-	0.00%	-
Security Contracts	600	-	0.00%	-

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 6/30/2012	Percent of Budget	Actual Prior Year to Date 6/30/2011
Roadway Maintenance Contract	300,000	92,084	30.69%	157,775
Landscape Maintenance	280,000	221,456	79.09%	139,276
Signal & Illumination Maint	175,000	142,545	81.45%	138,920
Mowing and litter control	40,000	52,095	130.24%	77,575
Hazardous Material Cleanup	10,000	-	0.00%	-
Striping	75,000	26,459	35.28%	-
Graffiti removal	10,000	-	0.00%	2,125
Cell Phones	10,700	9,266	86.59%	9,781
Local Telephone Service	16,000	13,260	82.87%	11,967
Long Distance	600	-	0.00%	334
Internet	6,000	435	7.25%	3,675
Fiber Optic System	63,000	56,296	89.36%	54,681
Other Communication Expenses	1,500	374	24.92%	1,778
Subscriptions	1,850	658	35.54%	1,464
Memberships	29,100	29,880	102.68%	26,387
Continuing Education	2,000	4,492	224.61%	3,100
Professional Development	5,000	3,490	69.80%	25
Seminars and Conferences	32,500	14,354	44.17%	16,880
Staff-Travel	76,500	46,923	61.34%	43,207
Other Contractual Svcs	125,200	177	0.14%	380
Roadway maintenance contract	-	(210)	0.00%	112,219
TxTag Collection Fees	1,347,791	1,334,845	99.04%	1,350,288
Contractual Contingencies	140,500	34,115	24.28%	27,382
Total Other Contractual Services	4,470,341	3,338,058	74.67%	3,694,652
Total Contractual Services	7,744,841	6,189,777	79.92%	7,079,351
Materials and Supplies				
Books & Publications	16,000	9,776	61.10%	16,452
Office Supplies	10,000	5,554	55.54%	9,860
Computer Supplies	13,000	11,441	88.01%	17,192
Copy Supplies	2,200	1,638	74.45%	1,245
Annual Report printing	10,000	7,673	76.73%	5,354
Other Reports-Printing	20,000	2,000	10.00%	2,451
Direct Mail Printing	5,000	-	0.00%	-
Office Supplies-Printed	3,000	1,985	66.17%	2,099

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 6/30/2012	Percent of Budget	Actual Prior Year to Date 6/30/2011
Maintenance Supplies Expense	-	-	0.00%	210
Ice Control Materials	25,000	-	0.00%	-
Maintenance Supplies-Roadway	100,000	9,175	9.17%	-
Promotional Items	10,000	-	0.00%	3,235
Displays	5,000	-	0.00%	-
ETC spare parts expense	30,000	3,178	10.59%	-
Tools & Equipment Expense	1,000	184	18.42%	14
Misc Materials & Supplies	2,000	735	36.73%	413
Total Materials and Supplies	252,200	53,339	21.15%	58,524
Operating Expenses				
Gasoline Expense	5,000	4,999	99.99%	5,083
Mileage Reimbursement	7,500	5,436	72.48%	3,669
Toll Tag Expense	4,100	3,687	89.92%	3,580
Parking	38,595	43,534	112.80%	35,002
Meeting Facilities	450	-	0.00%	100
Community Meeting/ Events	5,000	-	0.00%	500
Meeting Expense	6,750	5,070	75.12%	6,541
Public Notices	2,400	100	4.17%	-
Postage Expense	5,950	665	11.17%	1,374
Overnight Delivery Services	1,600	556	34.72%	170
Local Delivery Services	1,950	6	0.29%	1,558
Insurance Expense	90,000	68,503	76.11%	57,827
Repair & Maintenance-General	500	480	96.09%	158
Repair & Maintenance-Vehicles	100	726	725.74%	3,338
Repair & Maintenance Toll Equip	5,000	2,047	40.94%	-
Rent Expense	190,000	211,666	111.40%	185,771
Water	7,500	5,744	76.59%	6,146
Electricity	83,500	64,481	77.22%	78,235
Other Licenses	250	510	204.00%	235
Community Initiative Grants	65,000	47,500	73.08%	60,250
Non Cash Operating Expenses				
Amortization Expense	1,230,000	1,161,211	94.41%	1,229,616
Dep Exp- Furniture & Fixtures	16,500	7,936	48.10%	14,588
Dep Expense - Equipment	14,500	17,617	121.50%	14,378

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 6/30/2012	Percent of Budget	Actual Prior Year to Date 6/30/2011
Dep Expense - Autos & Trucks	5,000	6,323	126.47%	3,933
Dep Expense-Buildng & Toll Fac	177,000	176,558	99.75%	176,558
Dep Expense-Highways & Bridges	5,000,000	4,967,207	99.34%	4,967,207
Dep Expense-Communic Equip	195,000	190,833	97.86%	193,705
Dep Expense-Toll Equipment	465,000	461,781	99.31%	461,781
Dep Expense - Signs	135,000	155,257	115.01%	133,268
Dep Expense-Land Improvemts	52,000	65,804	126.55%	52,769
Depreciation Expense-Computers	6,500	10,269	157.99%	11,382
Total Operating Expenses	7,817,645	7,686,508	98.32%	7,708,722
Financing Expenses				
Arbitrage Rebate Calculation	2,500	5,455	218.20%	5,750
Loan Fee Expense	12,500	12,000	96.00%	11,500
Rating Agency Expense	33,000	5,300	16.06%	31,300
Trustee Fees	2,000	8,000	400.00%	2,000
Bank Fee Expense	7,500	17,380	231.73%	6,606
Continuing Disclosure	4,000	-	0.00%	-
Interest Expense	12,038,096	12,009,794	99.76%	11,875,217
Contingency	15,000	-	0.00%	-
Non Cash Financing Expenses				
Bond issuance expense	385,707	301,858	78.26%	298,307
Total Financing Expenses	12,500,303	12,359,786	98.88%	12,230,680
Other Gains or Losses				
Total Other Gains or Losses	-	-	0.00%	-
Total Expenses	\$ 31,374,232	\$ 28,893,915	92.09%	\$ 29,521,157
Net Income	\$ (3,672,032)	\$ 24,422,722		\$ 24,169,489

INVESTMENTS by FUND

		Balance June 30, 2012		
Renewal & Replacement Fund				
TexSTAR	660,349.54		TexSTAR	55,416,489.25
Regions Sweep	0.66		CD's	-
Agencies		660,350.20	Regions Sweep	45,098,220.12
Agencies			Agencies	211,922,669.98
TxDOT Grant Fund				
TexSTAR	5,418,689.56			
Regions Sweep	3,034,560.79			
Agencies	1,000,000.00	9,453,250.35		\$ 312,437,379.35
Subordinate Lien DS Fund 05				
Regions Sweep	1,886,184.00	1,886,184.00		
Debt Service Reserve Fund 05				
TexSTAR	30,749,682.51			
Regions Sweep	71,924.87			
Agencies	12,236,185.19	43,057,792.57		
Debt Service Fund 05				
Regions Sweep	5,043,330.60	5,043,330.60		
2010 Senior Lien DSF				
TexSTAR	0.15	0.15		
2010-1 Debt Service Fund				
Regions Sweep	1,412,481.81	1,412,481.81		
2010-2 Debt Service Fund				
Regions Sweep	139,243.65	139,243.65		
2011 Debt Service Acct				
Regions Sweep	2,631.75	2,631.75		
2011 Sub Debt DSRF				
Regions Sweep	3,508,806.77			
Agencies	3,500,761.25	7,009,568.02		
Operating Fund				
TexSTAR	14,035.36			
TexSTAR-Trustee	200,403.14			
Regions Sweep	0.00	214,438.50		
Revenue Fund				
TexSTAR	1.00			
Regions Sweep	1,164,934.49	1,164,935.49		
General Fund				
TexSTAR	1,068,136.10			
Regions Sweep	5,819,399.14	6,887,535.24		
2010 Senior Lien Capitalized Interest				
Regions Sweep	531.49			
TexSTAR	3,425,738.45	3,426,269.94		
2010-1 Sub Lien Capitalized Interest				
Regions Sweep	0.00			
TexSTAR	0.00	-		
2010-2 Sub Lien Capitalized Interest				
TexSTAR	250,610.13			
Regions Sweep	1.03	250,611.16		
2011 Sr Capitalized Interest Fund				
Regions Sweep	215,524.09			
Agencies	26,705,782.53	26,921,306.62		
2011 Sub Capitalized Interest Fund				
Regions Sweep	48,639.48			
Agencies	7,057,389.98	7,106,029.46		
2010-1 Sub BABs subsidy				
Regions Sweep	712,031.64	712,031.64		
2010-2 Sub BABs subsidy				
Regions Sweep	185,167.35	185,167.35		
2010 Senior Lien Debt Service Reserve Fund				
TexSTAR	5,554,619.59			
Regions Sweep	21,943.45			
Agencies	3,933,856.87	9,510,419.91		
2010-2 Sub Lien Debt Service Reserve Fund				
TexSTAR	778,705.10			
Regions Sweep	202,494.34			
Agencies	190,000.00	1,171,199.44		
2010-1Sub Lien Debt Service Reserve Fund				
TexSTAR	1,963,994.14			
Regions Sweep	9,000.14			
Agencies	2,009,500.00	3,982,494.28		
2010-1 Sub Lien Projects Fund				
TexSTAR	1,167,516.53			
Regions Sweep	0.00	1,167,516.53		
2010 Senior Lien Construction Fund				
TexSTAR	1.19			
Regions Sweep	5,764,258.06	5,764,259.25		
2011 Sub Debt Project fund				
TexSTAR	4,163,887.11			
Agencies	43,568,728.33			
Regions Sweep	50,000.00	47,782,615.44		
2011 Senior Lien Project Fund				
TexSTAR	119.65			
Regions Sweep	15,805,130.52			
Agencies	111,720,465.83	127,525,716.00		
		<u>\$ 312,437,379.35</u>		

CTRMA INVESTMENT REPORT

Month Ending 6 /30/12						
Balance 5/31/2012	Additions	Discount Amortization	Accrued Interest	Withdrawals	Balance 6/30/2012	Rate June 12
Regions Sweep Money Market Fund						
Operating Fund	650,000.00			650,000.00	0.00	0.150%
2010-1 Sub Lien Project Acct	3,734.41			3,734.85	0.00	0.150%
2010 Senior Lien Project Acct	6,615,574.23		999.08	852,315.25	5,764,258.06	0.150%
2011 Sub Lien Project Acct	0.00		50,000.00		50,000.00	0.150%
2011 Senior Lien Project Acct	17,403,454.14	4,200,000.00	62,338.53	5,860,662.15	15,805,130.52	0.150%
2005 Debt Service Fund	4,202,447.74	840,395.83	487.03		5,043,330.60	0.150%
2011 Senior Lien Debt Service Acct	2,631.41		0.34		2,631.75	0.150%
2010-1 Debt Service Fund	1,412,321.30	0.09	160.42		1,412,481.81	0.150%
Subordinate Lien TIFIA DS Fund	1,563,315.19	322,687.69	181.12		1,886,184.00	0.150%
2010-2 BABs Supplemental Security	2.25	185,165.10			185,167.35	0.150%
2010-2 Debt Service Fund	139,243.00		0.65		139,243.65	0.150%
2010-2 Cap I Fund	1.03				1.03	0.150%
2010 CAP Interest Senior lien	531.42		0.07		531.49	0.150%
2010-1 CAP Interest	0.00	0.09		0.09	0.00	0.150%
2011 Sr Cap I Fund	34,420.95		181,103.14		215,524.09	0.150%
2011 Sub Debt CAP I	817.50		47,821.98		48,639.48	0.150%
TxDOT Grant Fund	3,034,174.24		386.55		3,034,560.79	0.150%
Renewal and Replacement	0.66				0.66	0.150%
Revenue Fund	1,281,155.38	2,463,223.58	147.16	2,579,591.63	1,164,934.49	0.150%
General Fund	3,060,168.46	4,430,575.08	491.53	1,671,835.93	5,819,399.14	0.150%
2010 Senior Debt Service Reserve Fund	21,940.65		2.80		21,943.45	0.150%
2010-1 Debt Service Reserve Fund	0.14		9,000.00		9,000.14	0.150%
2010-2 Debt Service Reserve Fund	202,493.40		0.94		202,494.34	0.150%
2011 Sub Debt Debt Service Reserve Fund	3,499,610.93		9,195.84		3,508,806.77	0.150%
2005 Senior Lien Debt Service Reserve Fund	21,547.12		50,377.75		71,924.87	0.150%
42,495,851.97	13,807,813.12	0.00	412,694.93	11,618,139.90	45,098,220.12	
Amount in Fed Agencies and Treasuries						
Amortized Principal	223,092,551.26		(172,881.29)	10,997,000.00	211,922,669.97	
Accrued Interest			259,065.51			
223,092,551.26	0.00	(172,881.29)		10,997,000.00	211,922,669.97	
Certificates of Deposit						
3,000,000.00				3,000,000.00	0.00	
56,991,050.17	1,075,000.00		6,323.91	2,655,884.83	55,416,489.25	

CTRMA INVESTMENT REPORT

Month Ending 6 /30/12						
Balance 5/31/2012	Additions	Discount Amortization	Accrued Interest	Withdrawals	Balance 6/30/2012	
Total in Money Market	42,495,851.97	13,807,813.12		412,694.93	11,618,139.90	45,098,220.12
Total in Fed Agencies	223,092,551.26	0.00	(172,881.29)		10,997,000.00	211,922,669.97
Total Invested	325,579,453.40	14,882,813.12	(172,881.29)	419,018.84	28,271,024.73	312,437,379.34

Rate
June 12

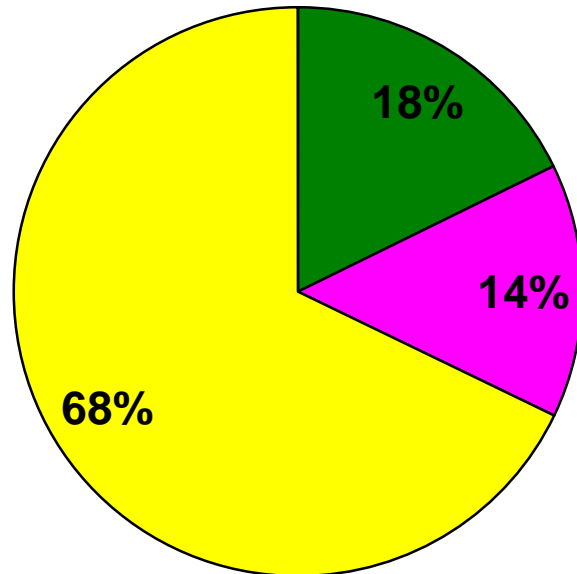
Total in Money Market
Total in Fed Agencies

Total Invested

All Investments in the portfolio are in compliance with the CTRMA's Investment policy.

William Chapman, CFO

Allocation of Funds



■ Total in Pools ■ Total in Money Market
■ Total in Fed Agencies

Amount of investments As of June 2012

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
San Antonio Water Utilities	79642BLN1	190,000.00	190,000.00	191,347.10	1.4570%	11/23/2010	5/15/2013	2010-2 DSRF
Freddie Mac	3134G2U42	1,000,000.00	1,000,000.00	1,000,890.00	0.3750%	3/15/2012	10/15/2013	TxDOT Grant Fund
Fannie Mae	31398A6F4	2,319,702.34	2,316,567.44	2,317,662.25	0.2391%	6/29/2011	12/28/2012	2011 Sub Debt CAP I
Federal Home loan Bank	3137EABM0	2,473,720.78	2,396,360.39	2,400,536.04	0.3930%	6/29/2011	6/28/2013	2011 Sub Debt CAP I
Federal Home loan Bank	3134A4UL6	2,326,924.30	2,344,462.15	2,333,419.80	0.6300%	6/29/2011	11/15/2013	2011 Sub Debt CAP I
Treasury	912828GW4	Matured	Matured	Matured	0.0730%	6/29/2011	6/30/2012	2011 Sub Debt CAP I
Federal Home loan Bank	3134A4UL6	8,794,454.76	8,871,227.38	8,837,753.40	0.7190%	6/29/2011	11/15/2013	2011 Sr Debt CAP I
Federal Home loan Bank	3137EABM0	9,351,457.81	9,066,728.90	9,090,775.12	0.4830%	6/29/2011	6/28/2013	2011 Sr Debt CAP I
Treasury	912828NS5	Matured	Matured	Matured	0.1880%	6/29/2011	6/30/2012	2011 Sr Debt CAP I
Fannie Mae	31398A6F4	8,771,478.75	8,767,826.25	8,776,080.90	0.3331%	6/29/2011	12/28/2012	2011 Sr Debt CAP I
Fannie Mae	3135G0GU1	7,002,030.00	7,001,522.50	7,005,530.00	0.4704%	1/3/2012	12/27/2013	2011 Sr DSRF
Fannie Mae	3135G0GU1	3,501,015.00	3,500,761.25	3,502,765.00	0.4704%	1/3/2012	12/27/2013	2011 Sub DSRF
Davis Cnty Utah Sch Dist	239019UK6	1,397,056.00	1,371,413.50	1,371,952.65	0.2300%	2/9/2012	6/1/2013	2011 SR DSRF
Fannie Mae	31398A3L4	3,883,198.70	3,863,249.19	3,864,546.60	0.2605%	2/7/2012	9/17/2013	2005 Sr DSRF
Fannie Mae	31398A3L4	3,954,171.00	3,933,856.87	3,935,178.00	0.2605%	2/7/2012	9/17/2013	2010 Sr DSRF
Fannie Mae	3135G0GH0	2,011,400.00	2,009,500.00	2,005,580.00	0.2104%	2/6/2012	12/5/2014	2010-1 DSRF
Federal Home Loan Bank	3133XR88	7,370,650.00	7,308,875.00	7,305,410.00	0.2990%	3/30/2012	9/6/2013	2011 Sr Project
Federal Home Loan Bank	313376M85	24,999,500.00	24,999,750.00	24,996,500.00	0.1830%	3/30/2012	12/28/2012	2011 Sr Project
Federal Home Loan Bank	313378U41	12,009,480.00	12,007,900.00	12,006,600.00	0.2970%	3/30/2012	9/30/2013	2011 Sr Project
Freddie Mac	3134G3BF6	12,054,960.00	12,041,220.00	12,045,360.00	0.3592%	3/30/2012	12/23/2013	2011 Sr Project
Federal Home Loan Bank	3133765P6	20,007,600.00	20,002,533.33	20,004,400.00	0.1535%	3/30/2012	10/26/2012	2011 Sr Project
Federal Home Loan Bank	3137EACK3	25,081,000.00	25,020,250.00	25,016,250.00	0.1102%	4/2/2012	7/27/2012	2011 Sr Project
Federal Home Loan Bank	313376KS3	25,047,750.00	25,031,833.33	25,020,000.00	0.2440%	3/30/2012	6/21/2013	2011 Sub Project
Fannie Mae	31359MRG0	18,715,860.00	18,536,895.00	18,519,660.00	0.1950%	3/30/2012	3/15/2013	2011 Sub Project
Federal Home Loan Bank	3133XWKV0	10,388,500.00	10,339,937.50	10,340,400.00	0.3791%	3/30/2012	3/14/2014	2011 Sr Project
		<u>212,651,909.44</u>	<u>211,922,669.98</u>	<u>211,888,596.86</u>				

Agency	CUSIP #	COST	Cumulative			Interest Income June 2012		
			Amortization	6/30/2012 Book Value	Maturity Value	Accrued Interest	Amortization	Interest Earned
San Antonio Water Utilities	79642BLN1	190,000.00	0.00	190,000.00	190,000.00		230.69	230.69
Freddie Mac	3134G2U42	1,000,000.00	0.00	1,000,000.00	1,000,000.00		312.50	312.50
Fannie Mae	31398A6F4	2,319,702.34	3,134.90	2,316,567.44	2,315,000.00		723.44	(261.24) 462.20
Federal Home loan Bank	3137EABM0	2,473,720.78	77,360.39	2,396,360.39	2,319,000.00		7,246.88	(6,446.70) 800.18
Federal Home loan Bank	3134A4UL6	2,326,924.30	17,537.85	2,344,462.15	2,362,000.00			1,461.49 1,461.49
Treasury	912828GW4	Matured	Matured	Matured	2,259,000.00		9,177.19	(9,059.53) 117.66
Federal Home loan Bank	3134A4UL6	8,794,454.76	76,772.62	8,871,227.38	8,946,000.00			6,397.72 6,397.72
Federal Home loan Bank	3137EABM0	9,351,457.81	284,728.91	9,066,728.90	8,782,000.00		27,443.75	(23,727.41) 3,716.34
Treasury	912828NS5	Matured	Matured	Matured	8,738,000.00		4,551.04	(3,185.73) 1,365.31
Fannie Mae	31398A6F4	8,771,478.75	3,652.50	8,767,826.25	8,766,000.00		2,739.38	(304.38) 2,435.00
Fannie Mae	3135G0GU1	7,002,030.00	507.50	7,001,522.50	7,000,000.00		2,916.67	(84.58) 2,832.09
Fannie Mae	3135G0GU2	3,501,015.00	253.75	3,500,761.25	3,500,000.00		1,458.33	(42.29) 1,416.04
Davis Cnty Utah Sch Dist	239019UK6	1,397,056.00	25,642.50	1,371,413.50	1,315,000.00		5,479.17	(5,128.50) 350.67

Fannie Mae	31398A3L4	3,883,198.70	19,949.51	3,863,249.19	3,830,000.00		3,590.63	(2,216.61)	1,374.02
Fannie Mae	31398A3L4	3,954,171.00	20,314.13	3,933,856.87	3,900,000.00		3,656.25	(2,257.13)	1,399.12
Fannie Mae	3135G0GH0	2,011,400.00	1,900.00	2,009,500.00	2,000,000.00		1,800.00	(380.00)	1,420.00
Federal Home Loan Bank	3133XR88	7,370,650.00	61,775.00	7,308,875.00	7,000,000.00		23,333.33	(20,591.67)	2,741.66
Federal Home Loan Bank	313376M85	24,999,500.00	(250.00)	24,999,750.00	25,000,000.00		7,500.00	83.33	7,583.33
Federal Home Loan Bank	313378U41	12,009,480.00	1,580.00	12,007,900.00	12,000,000.00		3,500.00	(526.67)	2,973.33
Freddie Mac	3134G3BF6	12,054,960.00	13,740.00	12,041,220.00	12,000,000.00		12,500.00	(4,580.00)	7,920.00
Federal Home Loan Bank	3133765P6	20,007,600.00	5,066.67	20,002,533.33	20,000,000.00		3,666.67	(633.33)	3,033.34
Federal Home Loan Bank	3137EACK3	25,081,000.00	60,750.00	25,020,250.00	25,000,000.00		35,156.25	(20,250.00)	14,906.25
Federal Home Loan Bank	313376KS3	25,047,750.00	15,916.67	25,031,833.33	25,000,000.00		16,666.67	(5,305.56)	11,361.11
Fannie Mae	31359MRG0	18,715,860.00	178,965.00	18,536,895.00	18,000,000.00		65,625.00	(59,655.00)	5,970.00
Federal Home Loan Bank	3133XWKV0	10,388,500.00	48,562.50	10,339,937.50	10,000,000.00		19,791.67	(16,187.50)	3,604.17
		212,651,909.44	917,860.40	211,922,669.98	221,222,000.00		259,065.51	(172,881.29)	86,184.22



Monthly Newsletter - June 2012

Performance

As of June 30, 2012

Current Invested Balance	\$4,983,255,681.46
Weighted Average Maturity (1)	47 Days
Weighted Average Maturity (2)	69 Days
Net Asset Value	1.000102
Total Number of Participants	756
Management Fee on Invested Balance	0.05%*
Interest Distributed	\$801,163.04
Management Fee Collected	\$212,824.64
% of Portfolio Invested Beyond 1 Year	4.02%
Standard & Poor's Current Rating	AAAm

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

June Averages

Average Invested Balance	\$5,192,618,969.19
Average Monthly Yield, on a simple basis	0.1379%
Average Weighted Average Maturity (1)*	48 Days
Average Weighted Average Maturity (2)*	70 Days

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.

New Participants

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

★ Loraine ISD

★ Water Valley ISD

Program Update

TexSTAR will be going through a conversion of back office systems effective July 23, 2012. You should have already received information regarding the change to your account numbers. In the next week, you will be receiving information regarding the updated internet transaction system along with a new temporary password and system user guide. Should you have any questions, please contact TexSTAR Participant Services at 1-800-839-7827.

Economic Commentary

European and global growth concerns continued to be the main drivers of markets during the quarter. In the U.S., an unseasonably warm winter pulled economic activity forward into the first quarter. While the housing market appears to be stabilizing, consumers continue to de-leverage and corporations are still hoarding cash, thus holding back spending and job creation. Consistent with slowing growth in the labor market, consumer spending growth has waned. In Europe, austerity measures are taking a bite out of growth, pushing the peripheral areas into a recession and threatening to do the same to the core. Growth in Asia, and China in particular, has been below expectations, and the Bank of China has not been as aggressive in stimulating the economy as investors had hoped. Markets found some reassurance from the EU Leaders Summit where the leaders agreed to use pooled ESM funds from all EU countries that can issue bonds to directly recapitalize banks without using the sovereign as intermediary and guarantor. This announcement was the main reason markets rebounded the last day of the quarter, pointing to the extremely low expectations from investors that EU leaders would come up with any substantial agreement. In the U.S., investors hoped that the Federal Reserve would embark on a new asset purchase program, but were disappointed as the Fed announced only the continuation of its "Operation Twist" program until the end of 2012.

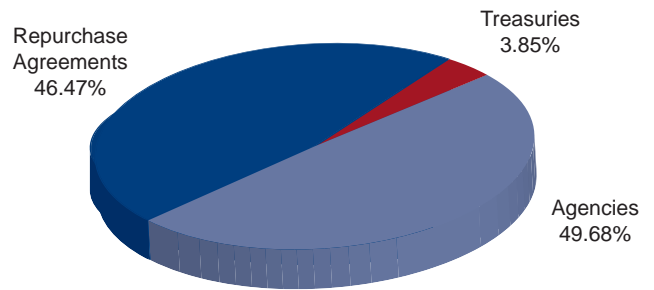
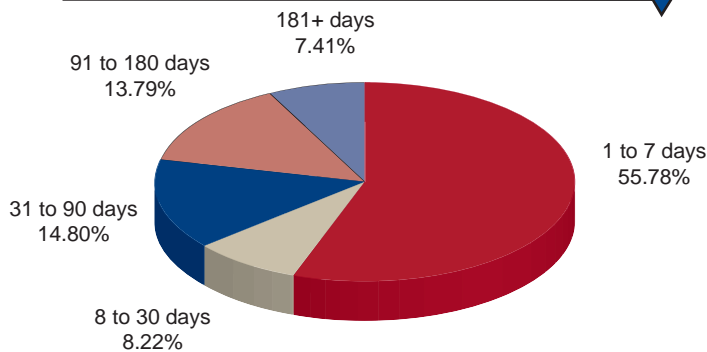
Economic outlook for growth in the U.S. is still mired with uncertainty, much of which is due to the "fiscal cliff" of automatic spending cuts via sequestration and expiring income tax cuts, payroll tax cuts and Medicare reimbursement rates for doctors. Congress will likely vote to delay the effective date of spending cuts until well into the first quarter of 2013. However, the lack of a compromise could detract from GDP by as much as 3% to 4% and trigger a recession next year. If the markets see a growing probability that no agreement can be reached, Treasury rates will fall further and risk assets, such as corporate credit, will underperform, pricing in the expectation of lower earnings. The Fed has communicated that it is ready to ease again, should economic conditions warrant. With inflation subdued and even falling, and little improvement in labor market slack, the chances of further accommodation prior to the end of the year is about even.

This information is an excerpt from an economic report dated June 2012 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.

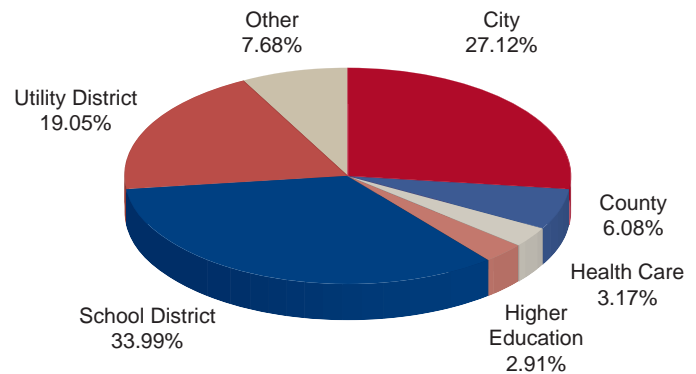
For more information about TexSTAR, please visit our web site at www.texstar.org.

Information at a Glance

Portfolio by Type of Investment As of June 30, 2012



Portfolio by Maturity As of June 30, 2012



Distribution of Participants by Type As of June 30, 2012

Historical Program Information

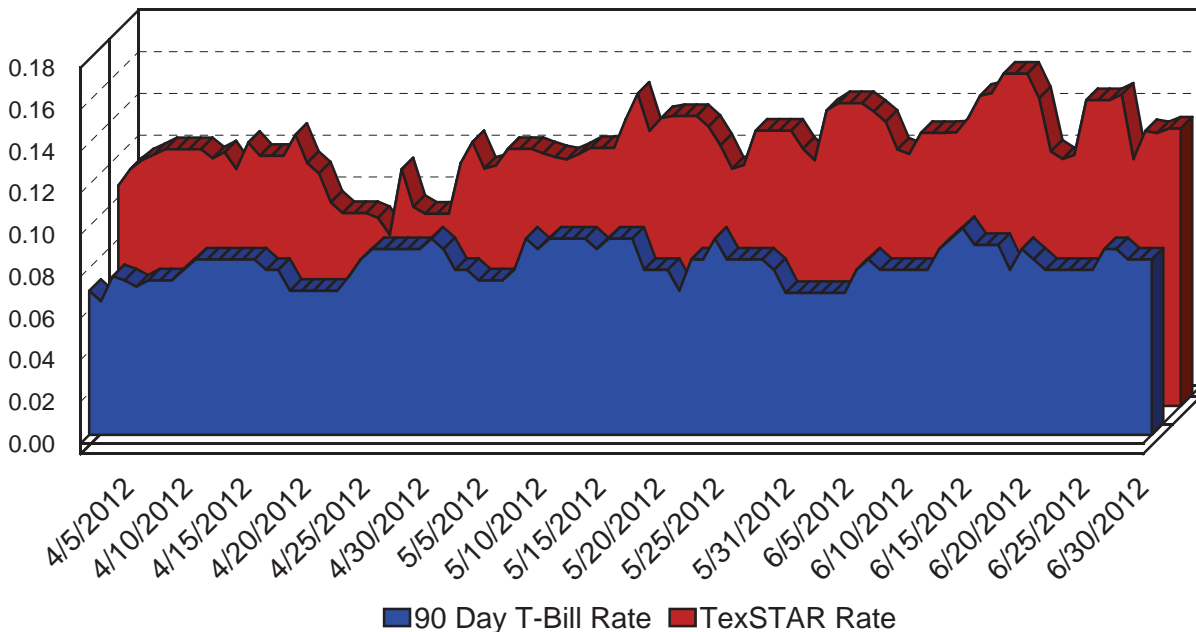
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Jun 12	0.1379%	\$4,983,255,681.46	\$4,983,767,166.12	1.000102	48	70	756
May 12	0.1273%	5,178,606,480.90	5,179,224,581.51	1.000119	47	70	754
Apr 12	0.1098%	5,255,005,296.99	5,255,613,981.07	1.000115	46	69	752
Mar 12	0.1148%	5,668,145,582.64	5,668,844,552.57	1.000123	48	71	751
Feb 12	0.0986%	6,014,562,468.35	6,015,309,681.45	1.000124	48	70	751
Jan 12	0.0902%	6,122,141,791.23	6,122,989,120.67	1.000138	46	73	750
Dec 11	0.0815%	5,164,291,074.36	5,164,844,831.26	1.000107	48	79	749
Nov 11	0.0973%	4,964,174,535.92	4,964,899,185.74	1.000145	48	80	747
Oct 11	0.0807%	5,191,742,744.46	5,192,081,793.52	1.000065	47	74	745
Sep 11	0.0906%	5,218,150,511.94	5,218,680,416.17	1.000100	46	76	741
Aug 11	0.0940%	4,773,149,074.88	4,773,628,030.81	1.000100	45	69	735
Jul 11	0.0746%	4,990,872,181.48	4,991,025,373.13	1.000030	38	55	735

Portfolio Asset Summary as of June 30, 2012

	Book Value	Market Value
Uninvested Balance	\$ 804.35	\$ 804.35
Accrual of Interest Income	1,872,034.02	1,872,034.02
Interest and Management Fees Payable	(895,750.02)	(895,750.02)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreement	2,315,107,000.00	2,315,107,000.00
Government Securities	2,667,171,593.11	2,667,683,077.77
Total	\$ 4,983,255,681.46	\$ 4,983,767,166.12

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



This material is for information purposes only. This information does not represent an offer to buy or sell a security. The above rate information is obtained from sources that are believed to be reliable; however, its accuracy or completeness may be subject to change. The TexSTAR management fee may be waived in full or in part at the discretion of the TexSTAR co-administrators and the TexSTAR rate for the period shown reflects waiver of fees. This table represents investment performance/return to the customer, net of fees, and is not an indication of future performance. An investment in the security is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the issuer seeks to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in the security. Information about these and other program details are in the fund's Information Statement which should be read carefully before investing. The yield on the 90-Day Treasury Bill ("T-Bill Yield") is shown for comparative purposes only. When comparing the investment returns of the TexSTAR pool to the T-Bill Yield, you should know that the TexSTAR pool consist of allocations of specific diversified securities as detailed in the respective Information Statements. The T-Bill Yield is taken from Bloomberg Finance L.P. and represents the daily closing yield on the then current 90-day T-Bill.

Daily Summary for June 2012

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
6/1/2012	0.1451%	0.000003975	\$5,135,151,063.92	1.000131	47	70
6/2/2012	0.1451%	0.000003975	\$5,135,151,063.92	1.000131	47	70
6/3/2012	0.1451%	0.000003975	\$5,135,151,063.92	1.000131	47	70
6/4/2012	0.1410%	0.000003864	\$5,150,742,654.57	1.000132	46	69
6/5/2012	0.1362%	0.000003732	\$5,152,319,750.25	1.000130	49	72
6/6/2012	0.1228%	0.000003364	\$5,136,016,906.81	1.000130	50	73
6/7/2012	0.1207%	0.000003308	\$5,180,530,981.16	1.000126	50	73
6/8/2012	0.1308%	0.000003584	\$5,308,676,702.18	1.000121	48	70
6/9/2012	0.1308%	0.000003584	\$5,308,676,702.18	1.000121	48	70
6/10/2012	0.1308%	0.000003584	\$5,308,676,702.18	1.000121	48	70
6/11/2012	0.1311%	0.000003592	\$5,212,552,071.48	1.000121	50	73
6/12/2012	0.1379%	0.000003778	\$5,197,684,149.52	1.000108	51	74
6/13/2012	0.1486%	0.000004071	\$5,178,724,884.35	1.000101	51	73
6/14/2012	0.1499%	0.000004107	\$5,168,798,204.50	1.000102	51	73
6/15/2012	0.1592%	0.000004361	\$5,173,867,394.63	1.000102	49	71
6/16/2012	0.1592%	0.000004361	\$5,173,867,394.63	1.000102	49	71
6/17/2012	0.1592%	0.000004361	\$5,173,867,394.63	1.000102	49	71
6/18/2012	0.1474%	0.000004037	\$5,207,733,992.87	1.000102	48	70
6/19/2012	0.1219%	0.000003340	\$5,212,562,103.89	1.000100	48	70
6/20/2012	0.1183%	0.000003240	\$5,265,337,090.69	1.000104	47	69
6/21/2012	0.1203%	0.000003295	\$5,251,274,654.22	1.000105	47	68
6/22/2012	0.1465%	0.000004015	\$5,219,310,812.66	1.000104	45	67
6/23/2012	0.1465%	0.000004015	\$5,219,310,812.66	1.000104	45	67
6/24/2012	0.1465%	0.000004015	\$5,219,310,812.66	1.000104	45	67
6/25/2012	0.1492%	0.000004089	\$5,209,794,756.93	1.000105	45	66
6/26/2012	0.1182%	0.000003239	\$5,274,687,265.29	1.000091	47	68
6/27/2012	0.1317%	0.000003608	\$5,265,485,559.19	1.000107	47	68
6/28/2012	0.1307%	0.000003582	\$5,236,794,766.92	1.000093	47	68
6/29/2012	0.1329%	0.000003641	\$4,983,255,681.46	1.000102	47	69
6/30/2012	0.1329%	0.000003641	\$4,983,255,681.46	1.000102	47	69
Average	0.1379%	0.000003778	\$5,192,618,969.19		48	70

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>Joni Freeman</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>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>Becky Brooks</i>	<i>Government Resource Associates, LLC</i>	<i>Advisory Board</i>
<i>Len Santow</i>	<i>Griggs & Santow</i>	<i>Advisory Board</i>

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



J.P.Morgan
Asset Management