



Central Texas Regional
Mobility Authority

AGENDA ITEM #6 SUMMARY

Accept the monthly financial report for September, 2011.

Accept the monthly financial report for September, 2011.

Department: Finance

Associated Costs: None

Funding Source: None

Board Action Required: YES

Description of Matter:

Presentation and acceptance of the monthly financial report for September, 2011.

Attached documentation for reference:

Draft Resolution and Financial Report for September

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. 11-__

ACCEPT MONTHLY FINANCIAL REPORT

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 September, 2011, and has caused a Financial Report to be prepared which is attached to this resolution as Attachment “A.”

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors accepts the Financial Report for September, 2011, attached as Attachment “A” to this resolution.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 26th day of October, 2011.

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: 11-__
Date Passed: 10/26/2011

Exhibit A

Financial Report for September, 2011

Central Texas Regional Mobility Authority

Balance Sheet

As of

September 30, 2011

September 30, 2010

Assets

Current Assets

Cash in Regions Operating Account		140,197		231,903
Cash In TexSTAR	41,806		57,720	
Regions Payroll Account	4,288		1,162	

Restricted cash/cash equivalents

Fidelity Government MMA	16,332,278		4,688,500	
Restricted Cash-TexStar	66,035,743		88,343,016	
Regions SIB account	0		17,443,963	
Overpayment accounts	21,345		12,057	

Total Cash and Cash Equivalents

82,435,460		110,778,322
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Accounts Receivable	48,514		102,428	
Due From Other Funds	0		108,340	
Due From TTA	(79,991)		566,906	
Due From NTTA	37,399		32,432	
Due From HCTRA	120,828		55,780	
Due From TxDOT	5,859,614		5,562,171	
Due From Federal Government	463,466		466,420	
Interest Receivable	381,372		148,831	

Total Receivables

6,831,200		7,043,309
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Short Term Investments

Treasuries		4,549,017		
Certificates of Deposit		3,000,000		3,100,000
Investment in Government Agencies		12,308,580.9		13,063,295

Other Current Assets

Prepaid Expenses		1,655		
Prepaid Insurance		0		4,002

Total Current Assets

109,266,111		133,988,928
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Construction Work In Process

231,055,636		92,919,670
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Fixed Assets

Computers(net)		29,590		41,052
Computer Software(net)		981,673		2,177,275
Furniture and Fixtures(net)		17,503		27,171
Equipment(net)		41,991		56,369
Autos and Trucks(net)		26,443		2,950
Buildings and Toll Facilities(net)		6,299,991		6,476,550
Highways and Bridges(net)		176,477,720		181,444,927
Communication Equipment(net)		1,094,559		1,274,802
Toll Equipment(net)		2,429,909		2,967,717
Signs(net)		5,055,776		5,189,044
Land Improvements(net)		1,161,903		933,825
Right of Way		24,683,553		23,683,553
Leasehold Improvements		64,384		63,945

Total Fixed Assets

218,364,995		224,339,180
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Long Term Investments

GIC (Restricted)		247,157,994		89,544,586
Agencies-LT		44,308,040		0

Other Assets

Security Deposits		8,644		9,483
Intangible Assets		650		650
Total Bond Issuance Costs		15,944,458		11,011,783

Total Assets

866,106,527		551,814,280
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Liabilities

Current Liabilities

Accounts Payable	183,088	188,813
Overpayments	22,024	12,442
Interest Payable	11,386,420	4,735,594
Due to other Funds	0	184,367
TCDRS Payable	29,207	34,717
Due to other Entities	10,379	0
Due to State of Texas	2,113	605
Total Current Liabilities	11,633,231	5,156,539

Long Term Liabilities

Accrued Vac & Sick Leave Paybl	413,815	365,641
Retainage Payable	1,655	134,317
Tot Sr Lien Rev Bond Pay Pre/D	<u>1,253,365</u>	<u>5,144,531</u>
Subordinated Lien Bond 2010	45,000,000	45,000,000
Subordinated Lien Bond 2011	70,000,000	0
Sub Lien Bond 2011 Prem/Disc	(2,148,305)	
TIFIA note 2008	77,626,562	74,978,988
2010 Regions BAB's Payable	0	59,730,000
2009 State Infrastructure loan	0	32,389,798
Total Long Term Liabilities	<u>770,123,966</u>	<u>486,353,495</u>
Total Liabilities	781,757,197	491,510,034

Net Assets Section

Contributed Capital	18,334,846	18,334,846
Net Assets beginning	61,930,780	37,756,819
Current Year Operations	<u>4,083,705</u>	<u>4,212,582</u>
Total Net Assets	66,014,485	41,969,401
Total Liabilities and Net Assets	866,106,527	551,814,280

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 9/30/2011	Percent of Budget	Actual Prior Year to Date 9/30/10
Revenue				
Operating Revenue				
Toll Revenue-TxTag-183A	21,395,350	3,903,368	18.24%	3,950,627
Toll Revenue-HCTRA-183A	656,250	178,812	27.25%	168,164
Toll Revenue-NTTA-183A	411,600	109,122	26.51%	98,107
Video Tolls	3,004,800	802,082	26.69%	812,894
Fee revenue	1,252,000	296,301	23.67%	318,169
Total Operating Revenue	26,720,000	5,289,684	19.80%	5,347,960
Other Revenue				
Interest Income	180,000	53,095	29.50%	115,649
Grant Revenue	800,000	4,571,489	571.44%	5,514,144
Misc Revenue	2,200	835,495	37977%	733
Gain/Loss on Sale of Asset	-	12,342		-
Total Other Revenue	982,200	5,472,421	557.16%	5,630,526
Total Revenue	\$ 27,702,200	\$ 10,762,105	38.85%	\$ 10,978,486
Expenses				
Salaries and Wages				
Salary Expense-Regular	2,010,301	382,495	19.03%	386,012
Part Time Salry Expense	12,000	7,409	61.74%	4,391
Overtime Salary Expense	4,000	-	0.00%	-
Contractual Employees Expense	105,000	5,550	5.29%	20,225

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 9/30/2011	Percent of Budget	Actual Prior Year to Date 9/30/10
TCDRS	304,235	54,529	17.92%	55,380
FICA	97,856	15,931	16.28%	15,388
FICA MED	30,715	5,473	17.82%	5,440
Health Insurance Expense	204,527	48,173	23.55%	30,968
Life Insurance Expense	5,374	1,026	19.10%	1,389
Auto Allowance Expense	9,000	1,912	21.24%	1,998
Other Benefits	171,305	17,960	10.48%	16,105
Unemployment Taxes	13,059	15	0.12%	-
Salary Reserve	91,871	-	0.00%	-
Total Salaries and Wages	3,059,243	540,472	17.67%	537,294
Contractual Services				
<u>Professional Services</u>				
Accounting	9,500	9,587	100.92%	1,741
Auditing	55,000	30,365	55.21%	14,513
General Engineering Consultant	1,250,000	99,872	7.99%	111,787
General System Consultant	175,000	25,862	14.78%	1,380
Image Processing	600,000	209,663	34.94%	178,226
Facility maintenance	20,000	2,741	13.71%	18,482
HERO	820,000	121,736	14.85%	198,916
Human Resources	80,000	3,042	3.80%	8,470
Legal	250,000	2,850	1.14%	-
Photography	15,000	-	0.00%	9,000
Total Professional Services	3,274,500	505,718	15.44%	542,515

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 9/30/2011	Percent of Budget	Actual Prior Year to Date 9/30/10
<u>Other Contractual Services</u>				
IT Services	45,000	15,104	33.56%	11,480
Graphic Design Services	10,000	-	0.00%	780
Website Maintenance	25,000	671	2.68%	1,805
Research Services	25,000	3,100	12.40%	18,067
Copy Machine	9,000	1,360	15.11%	2,928
Software Licenses	26,000	734	2.82%	6,653
ETC Maintenance Contract	840,000	138,923	16.54%	196,327
ETC Development	125,000	-	0.00%	2,483
ETC Testing	30,000	16,620	55.40%	-
Communications and Marketing	170,000	-	0.00%	34,149
Advertising Expense	40,000	1,000	2.50%	16,543
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	-	0.00%	18,336
Special assignments	5,000	-	0.00%	-
Traffic Management	84,000	13,791	16.42%	12,721
Emergency Maintenance	10,000	-	0.00%	-
Security Contracts	600	-	0.00%	-
Roadway Maintenance Contract	300,000	29,315	9.77%	27,720
Landscape Maintenance	280,000	27,861	9.95%	27,266
Signal & Illumination Maint	175,000	10,000	5.71%	33,665
Mowing and litter control	40,000	24,754	61.88%	34,858
Hazardous Material Cleanup	10,000	-	0.00%	-
Striping	75,000	16,600	22.13%	-

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 9/30/2011	Percent of Budget	Actual Prior Year to Date 9/30/10
Graffiti removal	10,000	-	0.00%	-
Cell Phones	10,700	1,806	16.88%	1,743
Local Telephone Service	16,000	2,947	18.42%	1,408
Long Distance	600	-	0.00%	24
Internet	6,000	172	2.86%	306
Fiber Optic System	63,000	9,628	15.28%	5,324
Other Communication Expenses	1,500	47	3.10%	-
Subscriptions	1,850	-	0.00%	-
Memberships	29,100	3,045	10.47%	3,170
Continuing Education	2,000	472	23.61%	-
Professional Development	5,000	3,000	60.00%	-
Seminars and Conferences	32,500	2,325	7.15%	5,575
Staff-Travel	76,500	13,428	17.55%	5,936
Other Contractual Svcs	125,200	177	0.14%	-
TxTag Collection Fees	1,347,791	227,359	16.87%	232,359
Contractual Contingencies	140,500	3,309	2.36%	925
Total Other Contractual Services	4,470,341	569,493	12.74%	702,552
Total Contractual Services	7,744,841	1,075,211	13.88%	1,245,066
Materials and Supplies				
Books & Publications	16,000	-	0.00%	2,875
Office Supplies	10,000	1,012	10.12%	1,366
Computer Supplies	13,000	1,212	9.32%	1,258
Copy Supplies	2,200	18	0.81%	-
Annual Report printing	10,000	-	0.00%	-

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 9/30/2011	Percent of Budget	Actual Prior Year to Date 9/30/10
Other Reports-Printing	20,000	-	0.00%	381
Direct Mail Printing	5,000	-	0.00%	-
Office Supplies-Printed	3,000	-	0.00%	900
Ice Control Materials	25,000	-	0.00%	-
Maintenance Supplies-Roadway	100,000	-	0.00%	-
Promotional Items	10,000	-	0.00%	1,491
Displays	5,000	-	0.00%	-
ETC spare parts expense	30,000	-	0.00%	-
Tools & Equipment Expense	1,000	6	0.55%	-
Misc Materials & Supplies	2,000	133	6.67%	6
Total Materials and Supplies	252,200	2,380	0.94%	8,277

Operating Expenses

Gasoline Expense	5,000	1,049	20.99%	402
Mileage Reimbursement	7,500	747	9.96%	651
Toll Tag Expense	4,100	674	16.45%	353
Parking	38,595	11,073	28.69%	10,237
Meeting Facilities	450	-	0.00%	100
Community Meeting/ Events	5,000	-	0.00%	500
Meeting Expense	6,750	938	13.89%	294
Public Notices	2,400	-	0.00%	-
Postage Expense	5,950	14	0.24%	265
Overnight Delivery Services	1,600	106	6.66%	31
Local Delivery Services	1,950	6	0.29%	26
Insurance Expense	90,000	24,228	26.92%	26,936
Repair & Maintenance-General	500	-	0.00%	-

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 9/30/2011	Percent of Budget	Actual Prior Year to Date 9/30/10
Repair & Maintenance-Vehicles	100	325	325.00%	-
Repair & Maintenance Toll Equip	5,000	-	0.00%	-
Rent Expense	190,000	50,724	26.70%	46,983
Water	7,500	1,378	18.37%	442
Electricity	83,500	12,494	14.96%	7,416
Other Licenses	250	40	16.00%	-
Community Initiative Grants	65,000	-	0.00%	30,750
<u>Non Cash Operating Expenses</u>				
Amortization Expense	1,230,000	307,404	24.99%	307,404
Dep Exp- Furniture & Fixtures	16,500	2,342	14.20%	4,682
Dep Expense - Equipment	14,500	3,594	24.79%	3,594
Dep Expense - Autos & Trucks	5,000	1,150	22.99%	983
Dep Expense-Buildng & Toll Fac	177,000	44,140	24.94%	44,140
Dep Expense-Highways & Bridges	5,000,000	1,241,802	24.84%	1,241,802
Dep Expense-Communic Equip	195,000	47,717	24.47%	49,112
Dep Expense-Toll Equipment	465,000	115,445	24.83%	115,445
Dep Expense - Signs	135,000	33,317	24.68%	33,317
Dep Expense-Land Improvemts	52,000	16,451	31.64%	12,896
Depreciation Expense-Computers	6,500	2,502	38.49%	2,422
Total Operating Expenses	7,817,645	1,919,661	24.56%	1,941,183
Financing Expenses				
Arbitrage Rebate Calculation	2,500	-	0.00%	-
Loan Fee Expense	12,500	-	0.00%	-
Rating Agency Expense	33,000	5,300	16.06%	5,000

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Account Name	Budget Amount FY 2012	Actual Year to Date 9/30/2011	Percent of Budget	Actual Prior Year to Date 9/30/10
Trustee Fees	2,000	-	0.00%	-
Bank Fee Expense	7,500	1,325	17.67%	1,979
Continuing Disclosure	4,000	-	0.00%	-
Interest Expense	12,038,096	3,007,487	24.98%	2,953,153
Contingency	15,000	-	0.00%	-
<u>Non Cash Financing Expenses</u>				
Bond issuance expense	385,707	126,565	32.81%	73,952
Total Financing Expenses	12,500,303	3,140,677	25.12%	3,034,084
Other Gains or Losses				
Total Other Gains or Losses	-	-	0.00%	-
Total Expenses	\$ 31,374,232	\$ 6,678,401	21.29%	\$ 6,765,904
Net Income	\$ (3,672,032)	\$ 4,083,705		\$ 4,212,582

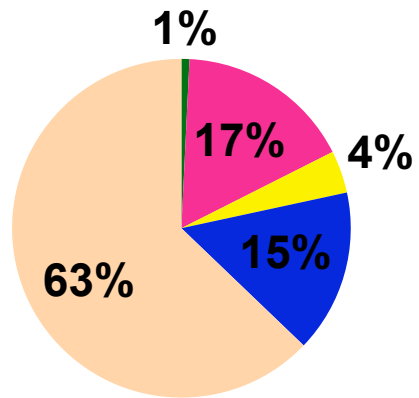
CTRMA INVESTMENT REPORT

Month Ending 9/30/11						
Balance 8/31/11	Additions	Discount Amortization	Accrued Interest	Withdrawals	Balance 9/30/11	Rate Sept 11
Amount in Bayerische Landesbank GIC						
Subordinate Lien Cap-I 2010-1	1,316,617.07		548.59		1,317,165.66	0.500%
Subordinate Lien Cap-I 2010-2	339,634.61		141.52		339,776.13	0.500%
Senior Lien Cap-I 2010	5,118,578.92		3,753.62		5,122,332.54	0.880%
Senior Lien Project Fund 2010	40,403,508.85		30,296.06	9,151,073.45	31,282,731.46	0.850%
Senior Lien Project Fund 2011	161,096,419.51		39,602.87		161,136,022.38	0.295%
Subordinate Lien Project Fund 2011	47,948,022.28		11,787.22		47,959,809.50	0.295%
256,222,781.24	0.00	0.00	86,129.88	9,151,073.45	247,157,837.67	
Amount in Fed Agencies						
Amortized Principal	61,245,024.41	(79,804.17)			61,165,220.24	
Accrued Interest			99,166.05			
	61,245,024.41	(79,804.17)		0.00	61,165,220.24	
Certificates of Deposit						
Total in Pools	3,000,000.00	3,000,000.00			3,000,000.00	3,000,000.00
Total in Money Market	119,664,285.55	5,222,670.00		8,319.41	58,817,715.76	66,077,559.20
Total in Fed Agencies	19,294,120.71	65,397,294.51		32,271.19	68,782,601.80	15,941,084.61
Bayerische Landesbank GIC	61,245,024.41	0.00	(79,804.17)	0.00	61,165,220.24	
	256,222,781.24	0.00		86,129.88	9,151,073.45	247,157,837.67
Total Invested	459,426,211.91	73,619,964.51	(79,804.17)	126,720.48	139,751,391.01	393,341,701.72

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

William Chapman, CFO

Allocation of Funds



- Certificates of Deposit
- Total in Pools
- Total in Money Market
- Total in Fed Agencies
- Bayerische Landesbank GIC

Amount of investments As of September 30, 2011

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
Federal Farm Credit	31331J2B8	1,997,836.00	1,998,773.73	2,000,040.00	1.000280%	11/22/10	2/15/13	TxDOT Grant Fund
San Antonio Water Utilities	79642BLM3	200,000.00	200,000.00	200,192.00	1.1090%	11/23/10	5/15/12	2010-2 DSRF
San Antonio Water Utilities	79642BLN1	190,000.00	190,000.00	190,957.60	1.4570%	11/23/10	5/15/13	2010-2 DSRF
Federal Home loan Bank	3137EABY4	3,064,452.00	3,025,780.80	3,027,180.00	0.4005%	12/23/10	3/23/12	TxDOT Grant Fund
Fannie Mae	31398A6F4	2,319,702.34	2,318,918.61	2,317,315.00	0.2391%	6/29/11	12/28/12	2011 Sub Debt CAP I
Federal Home loan Bank	3137EABM0	2,473,720.78	2,454,380.68	2,456,841.36	0.3930%	6/29/11	6/28/13	2011 Sub Debt CAP I
Federal Home loan Bank	3134A4UL6	2,326,924.30	2,331,308.76	2,318,846.26	0.6300%	6/29/11	11/15/13	2011 Sub Debt CAP I
Treasury	912828GC8	2,181,302.50	2,156,651.25	2,155,558.60	0.0240%	6/29/30	12/31/11	2011 Sub Debt CAP I
Treasury	912828GW4	2,367,714.38	2,340,535.79	2,337,793.92	0.0730%	6/29/11	6/30/12	2011 Sub Debt CAP I
Federal Home loan Bank	3134A4UL6	8,794,454.76	8,813,647.92	8,782,556.58	0.7190%	6/29/11	11/15/13	2011 Sr Debt CAP I
Federal Home loan Bank	3137EABM0	9,351,457.81	9,280,275.58	9,304,002.08	0.4830%	6/29/11	6/28/13	2011 Sr Debt CAP I
Treasury	912828NS5	8,776,228.75	8,766,671.56	8,768,058.72	0.1880%	6/29/11	6/30/12	2011 Sr Debt CAP I
Treasury	912828GC8	8,614,419.84	8,517,709.92	8,514,052.05	0.0550%	6/29/11	12/31/11	2011 Sr Debt CAP I
Fannie Mae	31398A6F4	8,771,478.75	8,770,565.62	8,774,766.00	0.3331%	6/29/11	12/28/12	2011 Sr Debt CAP I
		<u>61,429,692.21</u>	<u>61,165,220.22</u>	<u>61,148,160.17</u>				

Agency	CUSIP #	COST	Cumulative 9/30/11			Interest Income September 2011		
			Amortization	Book Value	Maturity Value	Accrued Interest	Amortization	Interest Earned
Federal Farm Credit	31331J2B8	1,997,836.00	937.73	1,998,773.73	2,000,000.00	883.33	72.13	955.46
San Antonio Water Utilities	79642BLM3	200,000.00	0.00	200,000.00	200,000.00	184.83		184.83
San Antonio Water Utilities	79642BLN1	190,000.00	0.00	190,000.00	190,000.00	230.69		230.69
Federal Home loan Bank	3137EABY4	3,064,452.00	38,671.20	3,025,780.80	3,000,000.00	5,312.50	(4,296.80)	1,015.70
Fannie Mae	31398A6F4	2,319,702.34	783.73	2,318,918.61	2,315,000.00	723.44	(261.24)	462.20
Federal Home loan Bank	3137EABM0	2,473,720.78	19,340.10	2,454,380.68	2,319,000.00	7,246.88	(6,446.70)	800.18
Federal Home loan Bank	3134A4UL6	2,326,924.30	4,384.46	2,331,308.76	2,362,000.00		1,461.49	1,461.49
Treasury	912828GC8	2,181,302.50	24,651.25	2,156,651.25	2,132,000.00	8,217.08	(8,217.08)	0.00
Treasury	912828GW4	2,367,714.38	27,178.59	2,340,535.79	2,259,000.00	9,177.19	(9,059.53)	117.66
Federal Home loan Bank	3134A4UL6	8,794,454.76	19,193.16	8,813,647.92	8,946,000.00		6,397.72	6,397.72
Federal Home loan Bank	3137EABM0	9,351,457.81	71,182.23	9,280,275.58	8,782,000.00	27,443.75	(23,727.41)	3,716.34
Treasury	912828NS5	8,776,228.75	9,557.19	8,766,671.56	8,738,000.00	4,551.04	(3,185.73)	1,365.31
Treasury	912828GC8	8,614,419.84	96,709.92	8,517,709.92	8,421,000.00	32,455.94	(32,236.64)	219.30
Fannie Mae	31398A6F4	8,771,478.75	913.13	8,770,565.62	8,766,000.00	2,739.38	(304.38)	2,435.00
		<u>61,429,692.21</u>	<u>313,502.69</u>	<u>61,165,220.22</u>	<u>60,430,000.00</u>	<u>99,166.05</u>	<u>(79,804.17)</u>	<u>19,361.88</u>

September 2011 Certificates of Deposit Outstanding

Bank	CUSIP #	COST	Yield to Maturity	Purchased	Matures	September 2011 Interest	FUND
Regions Bank	CDRB37495	3,000,000	0.10%	6/1/11	10/2/11	\$ 254.80	Debt Service Reserve Fund 05
		<u>3,000,000</u>				<u>\$ 254.80</u>	

INVESTMENTS by FUND

		Balance September 30, 2011		
Renewal & Replacement Fund				
TexSTAR	659,833.47		TexSTAR	66,077,559.20
Fidelity	0.66		CD's	3,000,000.00
Agencies		659,834.13	Fidelity	15,941,084.61
TxDOT Grant Fund			SIB	0.00
TexSTAR	4,412,717.22		Agencies	61,165,220.24
Fidelity	0.00		Bayerische GIC	247,157,837.67
Agencies	5,024,554.53	9,437,271.75		
Subordinate Lien DS Fund 05				\$ 393,341,701.72
Fidelity	993,059.33	993,059.33		
Debt Service Reserve Fund 05				
TexSTAR	40,033,553.84			
Fidelity	732.55			
CD's	3,000,000.00			
Agencies		43,034,286.39		
Debt Service Fund 05				
Fidelity	2,012,641.20	2,012,641.20		
2011 Debt Service Acct				
Fidelity	2,630.92	2,630.92		
2010 Senior Lien DSF				
TexSTAR	0.15			
Fidelity	0.00	0.15		
2011 Sub Debt DSRF				
Fidelity	7,000,122.76	7,000,122.76		
Operating Fund				
TexSTAR	41,805.86			
TexSTAR-Trustee	430,869.79			
Fidelity	0.00			
Region's SIB Loan MMA	0.00	472,675.65		
Revenue Fund				
TexSTAR	67.25			
Fidelity	1,155,043.25	1,155,110.50		
General Fund				
TexSTAR	5,978,973.28			
Fidelity	9,880.25	5,988,853.53		
2010 Senior Lien Capitalized Interest				
Fidelity	2,081.72			
TexSTAR	842.24			
Bayerische GIC	5,122,332.54	5,125,256.50		
2010-1 Sub Lien Capitalized Interest				
Fidelity	0.55			
TexSTAR	420.00			
Bayerische GIC	1,317,165.66	1,317,586.21		
2010-2 Sub Lien Capitalized Interest				
TexSTAR	126.76			
Fidelity	2,817.80			
Bayerische GIC	339,776.13	342,720.69		
2011 Sr Capitalized Interest Fund				
Fidelity	256,278.83			
Agencies	44,148,870.62	44,405,149.45		
2011 Sub Capitalized Interest Fund				
Fidelity	105,376.18			
Agencies	11,601,795.09	11,707,171.27		
2010-1 Sub BABs subsidy				
Fidelity	13.66	13.66		
2010-2 Sub BABs subsidy				
Fidelity	213,136.61	213,136.61		
2010 Senior Lien Debt Service Reserve Fund				
TexSTAR	6,755,730.35			
Fidelity	2,765,286.98			
Agencies		9,521,017.33		
2010-2Sub Lien Debt Service Reserve Fund				
TexSTAR	710,866.59			
Fidelity	25,478.69			
Agencies	390,000.00	1,126,345.28		
2010-1Sub Lien Debt Service Reserve Fund				
TexSTAR	2,504,041.65			
Fidelity	1,343,945.77			
Agencies		3,847,987.42		
2010-1 Sub Lien Projects Fund				
TexSTAR	1,004,170.45			
Fidelity	29,962.10	1,034,132.55		
2010 Senior Lien Construction Fund				
TexSTAR	1.19			
Fidelity	1.24			
Bayerische GIC	31,282,731.46	31,282,733.89		
2011 Sub Debt Project fund				
Bayerische GIC	47,959,809.50			
Fidelity	0.10	47,959,809.60		
2011 Senior Lien Project Fund				
TexSTAR	3,543,539.11			
Fidelity	22,593.46			
Bayerische GIC	161,136,022.38	164,702,154.95		
		<u>\$ 393,341,701.72</u>		



Monthly Newsletter - September 2011

Performance

As of September 30, 2011

Current Invested Balance	\$5,218,150,511.94
Weighted Average Maturity (1)	40 Days
Weighted Average Maturity (2)	67 Days
Net Asset Value	1.000100
Total Number of Participants	741
Management Fee on Invested Balance	0.05%*
Interest Distributed	\$558,364.49
Management Fee Collected	\$198,730.06
% of Portfolio Invested Beyond 1 Year	5.02%
Standard & Poor's Current Rating	AAAm

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

September Averages

Average Invested Balance	\$4,835,986,113.35
Average Monthly Yield, on a simple basis	0.0906%
Average Weighted Average Maturity (1)*	46 Days
Average Weighted Average Maturity (2)*	76 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 September:

- ★ Anna ISD
- ★ City of Bangs
- ★ Bella Vista MUD
- ★ Lake Forest Utility District
- ★ Latexo ISD
- ★ Nueces County Hospital District

Holiday Reminder

Please note that in observance of the Columbus Day holiday, **TexSTAR will be closed Monday, October 10, 2011.** All ACH transactions initiated on Friday, October 7th will settle on Tuesday, October 11th.

In observance of the Veterans Day holiday, **TexSTAR will be closed Friday, November 11, 2011.** All ACH transactions initiated on Thursday, November 10th will settle on Monday, November 14th.

Please plan accordingly for your liquidity needs.

Economic Commentary

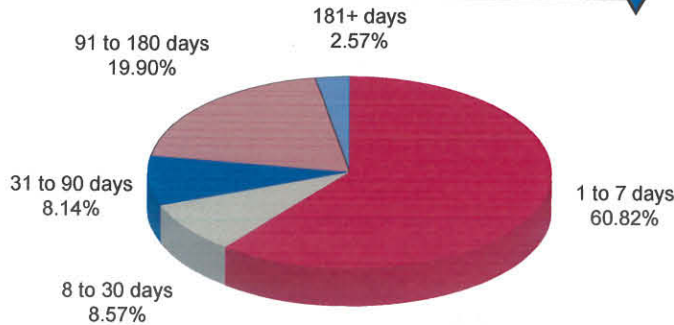
While the first half of the year was tumultuous, the third quarter proved to be equally unsettled. Investors were on edge as uncertainty over global economic growth and worries over the inability of policymakers in the U.S. and Europe to tackle sovereign debt woes caused significant volatility in markets. Congress brought the country to the brink of default as both political parties only agreed to increase the debt limit at the last minute. However, this was not enough to keep S&P from downgrading the U.S. sovereign rating one notch, from AAA to AA+. The Fed made important announcements at the August and September FOMC meetings, which were met by dissent. At the August meeting, the Fed explicitly stated that policy rates would be held "exceptionally low" through at least mid-2013. In September, the Fed announced "Operation Twist," in an effort to "put downward pressure on longer-term interest rates and make broader financial conditions more accommodative." By the end of June 2012, the Fed will purchase \$400 billion of Treasuries with maturities between 6 and 30 years and sell an equal amount of Treasuries with maturities of 3 years or less. The Fed went further, announcing it will reinvest principal payments from its agency debt and agency MBS holdings back into agency MBS in an effort to "support conditions in mortgage markets." Economic activity and confidence data appear to be diverging. This implies that policy action must begin to have a positive impact on the real economy or consumer spending will decline. Market dynamics are most concerning, with risk aversion approaching levels not seen since the fourth quarter of 2008. In the U.S., the political parties are at polar opposites in their approach to reigning in the budget deficit through tax increases and/or spending cuts. This is particularly worrisome as lawmakers approach an upcoming due date of November 18th for the Super Committee's deficit reduction recommendations. Given evidence of contagion from the European sovereign debt crisis, as well as fiscal retrenchment domestically, expected anemic GDP growth puts the U.S. precariously close to recession, the probability of which increases in 2012.

This information is an excerpt from an economic report dated September 2011 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.

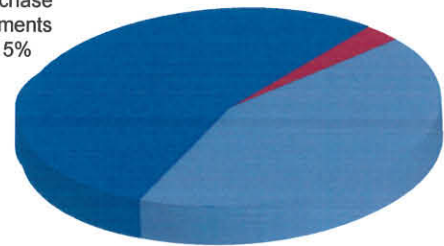
For more information about TexSTAR, please visit our web site at www.texstar.org.

Information at a Glance

Portfolio by Type of Investment As of September 30, 2011



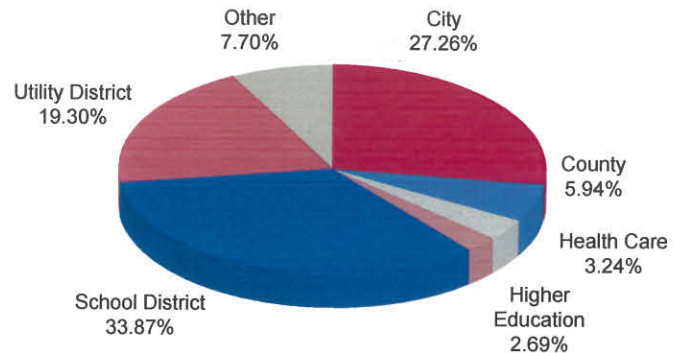
Repurchase
Agreements
54.15%



Treasuries
2.81%

Agencies
43.04%

Portfolio by Maturity As of September 30, 2011



Distribution of Participants by Type As of September 30, 2011

Historical Program Information

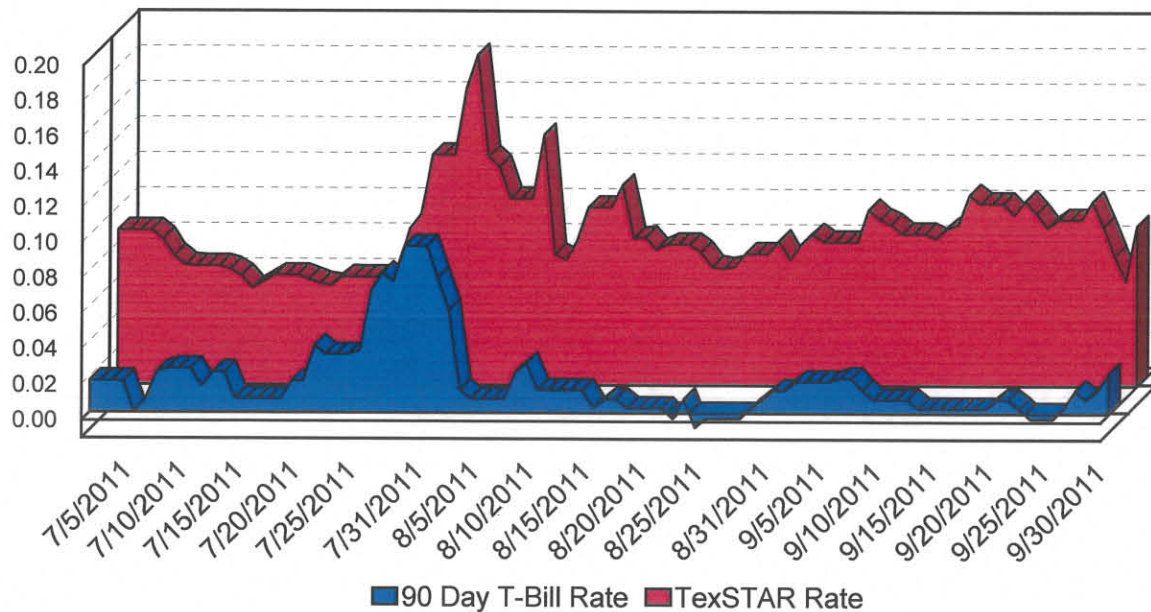
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Sept 11	0.0906%	\$5,218,150,511.94	\$5,218,680,416.17	1.000100	46	76	741
Aug 11	0.0940%	4,773,149,074.88	4,773,628,030.81	1.000100	45	69	735
Jul 11	0.0746%	4,990,872,181.48	4,991,025,373.13	1.000030	38	55	735
Jun 11	0.0889%	5,280,726,280.87	5,281,501,501.41	1.000146	50	69	733
May 11	0.0863%	5,566,580,016.75	5,567,478,247.07	1.000161	46	66	732
Apr 11	0.1108%	5,661,130,480.00	5,662,108,871.87	1.000172	50	72	731
Mar 11	0.1408%	5,949,037,975.79	5,949,804,553.22	1.000128	50	73	730
Feb 11	0.1476%	6,548,224,886.40	6,548,880,605.37	1.000100	48	71	729
Jan 11	0.1637%	6,541,049,111.05	6,541,464,771.26	1.000063	39	66	726
Dec 10	0.1713%	5,593,134,506.98	5,593,670,681.79	1.000091	47	79	723
Nov 10	0.1883%	5,143,274,228.56	5,143,635,927.81	1.000070	52	81	721
Oct 10	0.2002%	5,024,200,466.22	5,024,647,553.30	1.000088	49	74	719

Portfolio Asset Summary as of September 30, 2011

	Book Value	Market Value
Uninvested Balance	\$ 648.10	\$ 648.10
Accrual of Interest Income	599,468.05	599,468.05
Interest and Management Fees Payable	(567,835.29)	(567,835.29)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreement	2,825,682,000.00	2,825,682,000.00
Government Securities	2,392,436,231.08	2,392,966,135.31
Total	\$ 5,218,150,511.94	\$ 5,218,680,416.17

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 September be subject to change. The TexSTAR management fee September 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 September 2011

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
9/1/2011	0.0854%	0.000002340	\$4,737,569,832.71	1.000098	49	77
9/2/2011	0.0811%	0.000002223	\$4,737,119,950.82	1.000094	46	74
9/3/2011	0.0811%	0.000002223	\$4,737,119,950.82	1.000094	46	74
9/4/2011	0.0811%	0.000002223	\$4,737,119,950.82	1.000094	46	74
9/5/2011	0.0811%	0.000002223	\$4,737,119,950.82	1.000094	46	74
9/6/2011	0.0992%	0.000002719	\$4,682,428,872.51	1.000107	47	76
9/7/2011	0.0939%	0.000002573	\$4,705,615,151.67	1.000102	50	78
9/8/2011	0.0910%	0.000002493	\$4,745,659,101.66	1.000089	49	77
9/9/2011	0.0858%	0.000002351	\$4,790,220,460.69	1.000070	46	78
9/10/2011	0.0858%	0.000002351	\$4,790,220,460.69	1.000070	46	78
9/11/2011	0.0858%	0.000002351	\$4,790,220,460.69	1.000070	46	78
9/12/2011	0.0831%	0.000002278	\$4,798,623,249.66	1.000085	49	79
9/13/2011	0.0887%	0.000002430	\$4,825,382,625.83	1.000077	48	79
9/14/2011	0.0910%	0.000002493	\$4,775,154,687.54	1.000079	50	81
9/15/2011	0.1078%	0.000002954	\$4,802,470,722.90	1.000090	49	79
9/16/2011	0.1031%	0.000002826	\$4,791,849,650.75	1.000102	47	78
9/17/2011	0.1031%	0.000002826	\$4,791,849,650.75	1.000102	47	78
9/18/2011	0.1031%	0.000002826	\$4,791,849,650.75	1.000102	47	78
9/19/2011	0.0968%	0.000002651	\$4,780,623,468.09	1.000103	47	78
9/20/2011	0.1043%	0.000002857	\$4,765,600,137.63	1.000116	49	79
9/21/2011	0.0975%	0.000002672	\$4,758,152,186.80	1.000118	49	79
9/22/2011	0.0894%	0.000002448	\$4,792,979,189.20	1.000096	48	78
9/23/2011	0.0939%	0.000002572	\$4,884,739,228.26	1.000120	45	75
9/24/2011	0.0939%	0.000002572	\$4,884,739,228.26	1.000120	45	75
9/25/2011	0.0939%	0.000002572	\$4,884,739,228.26	1.000120	45	75
9/26/2011	0.1039%	0.000002846	\$4,876,302,626.87	1.000119	45	75
9/27/2011	0.0898%	0.000002460	\$4,905,537,806.07	1.000127	45	75
9/28/2011	0.0736%	0.000002017	\$5,318,525,470.18	1.000127	41	68
9/29/2011	0.0594%	0.000001627	\$5,241,899,936.75	1.000119	41	69
9/30/2011	0.0906%	0.000002483	\$5,218,150,511.94	1.000100	40	67
Average	0.0906%	0.000002483	\$4,835,986,113.35		46	76

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



TexSTAR Board Members

William Chapman

Nell Lange

Melinda Garrett

Michael Bartolotta

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Stephen Fortenberry

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Advisory Board

Advisory Board

Advisory Board

Advisory Board

Advisory Board

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



J.P.Morgan
Asset Management