

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

RESOLUTION NO. 07-15

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 February 2007 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 February 2007, attached hereto as Attachment "A."


Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 28th day of March, 2007.

Submitted and reviewed by:



Lori Fixley Winland
Acting General Counsel for the Central
Texas Regional Mobility Authority

Approved:



Robert E. Tesch
Chairman, Board of Directors
Resolution Number 07-15
Date Passed 03/28/07

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Revenue	Budget FY 2007	Actual Year To Date 2/28/2007	Percent Of Budget	Actual Year To Date 2/28/2006
Toll Revenue-Cash-183A	510,000.00	0.00		0.00
Toll Revenue-TxTag-183A	510,000.00	0.00		0.00
Interest Income	503,050.00	322,566.03	64.12%	294,226.40
Reimbursed Expenditures	51,000.00	35,302.80	69.22%	8,535.86
Total Revenue	1,574,050.00	357,868.83	22.74%	302,762.26

Expenditures	Budget FY 2007	Actual Year To Date 2/28/2007	Percent Of Budget	Actual Year To Date 2/28/2006
Regular	1,210,148.00	611,311.33	50.52%	462,830.79
Part Time	17,000.00	2,268.76	13.35%	0.00
Overtime	10,000.00	764.58	7.65%	0.00
Contractual Employees	130,000.00	103,777.37	79.83%	85,831.27
TCDRS	155,866.00	81,229.30	52.11%	64,156.29
FICA	64,527.00	26,427.86	40.96%	22,476.77
FICA MED	17,939.00	8,676.91	48.37%	6,602.64
Health Insurance	117,223.00	58,058.30	49.53%	37,705.91
Life Insurance	1,682.00	703.75	41.84%	86.70
Auto Allowance	9,000.00	4,600.00	51.11%	5,950.00
Other Benefits	88,471.00	20,448.99	23.11%	0.00
Unemployment Taxes	4,590.00	3,104.15	67.63%	312.48
Workers Compensation	5,324.00	0.00		471.66
Total Salaries & Wages	1,831,770.00	921,371.30	50.30%	686,424.51

Contractual Services	Budget FY 2007	Actual Year To Date 2/28/2007	Percent Of Budget	Actual Year To Date 2/28/2006
Professional Services				
Accounting	12,000.00	3,738.14	31.15%	20,416.09
Auditing	35,000.00	11,747.50	33.56%	10,800.00
Financial Advisors	4,000.00	0.00		820.00
General Engineering Consultant	450,000.00	0.00		5,568.75
General System Consultant	100,000.00	0.00		0.00
Geotechnical	1,200,000.00	0.00		0.00
Human Resources	22,000.00	10,728.70	48.77%	0.00
Legal	300,000.00	44,960.04	14.99%	210,660.73
Photography	15,000.00	13,900.43	92.67%	13,117.66
Traffic & Revenue Consultants	40,000.00	0.00		0.00
Communications and Marketing	150,000.00	83,042.03	55.36%	0.00
Transcripts	2,000.00	0.00		1,900.00
Total Professional Services	2,330,000.00	168,116.84	7.22%	263,283.23

	Budget FY 2007	Actual Year To Date 2/28/2007	Percent Of Budget	Actual Year To Date 2/28/2006
Other Contractual Services				
IT Services	25,000.00	2,445.50	9.78%	0.00
Graphic Design Services	50,000.00	750.00	1.50%	22,429.02
Website Maintenance	20,000.00	11,460.41	57.30%	0.00
Research Services	45,000.00	0.00		42,628.07
Copy Machine	13,000.00	6,012.60	46.25%	1,252.02
Software licenses	21,675.00	20,397.80	94.11%	0.00
Advertising	50,000.00	9,061.09	18.12%	0.00
Direct Mail	20,000.00	4,326.70	21.63%	0.00
Video Production	50,000.00	78,744.48	157.49%	0.00
Television	150,000.00	170,484.68	113.66%	0.00
Radio	50,000.00	7,500.00	15.00%	0.00
Other Public Relations	0.00	13,933.75		74,698.23
Security Contracts	60,000.00	134.40	0.22%	0.00
Cell Phones	10,170.00	3,156.37	31.04%	3,218.15
Local	18,240.00	3,689.15	20.23%	832.53
Long Distance	2,400.00	550.06	22.92%	22.29
Internet	4,000.00	2,142.00	53.55%	486.95
Other Communication Expense	1,000.00	342.01	34.20%	859.03
Dues & Subscriptions	7,200.00	1,876.90	26.07%	1,540.76
Memberships	18,950.00	3,979.85	21.00%	2,660.00
Continuing Education	9,000.00	2,374.95	26.39%	0.00
Professional Development	11,000.00	950.00	8.64%	9,266.10
Seminars and Conferences	21,400.00	15,990.00	74.72%	5,103.39
Total Travel	70,500.00	13,551.83	19.22%	26,340.34
Other Contractual Svcs	9,000.00	3,240.50	36.01%	3,226.90
Contractual Contingencies	161,000.00	234.46	0.15%	
Total Other Contractual Services	826,860.00	377,329.49	45.63%	194,563.78
Total Contractual Expenses	3,156,860.00	545,446.33	17.28%	457,847.01

	Budget FY 2007	Actual Year To Date 2/28/2007	Percent Of Budget	Actual Year To Date 2/28/2006
Materials and Supplies				
Books & Publications	3,600.00	1,613.24	44.81%	176.55
Office Supplies	18,750.00	7,046.28	37.58%	10,982.60
Computer Supplies	17,500.00	4,417.05	25.24%	465.94
Copy Supplies	6,000.00	0.00		0.00
Annual Report	20,000.00	14,564.62	72.82%	7,200.00
Other Reports	60,500.00	1,006.00	1.66%	0.00
Office Supplies	18,350.00	3,574.77	19.48%	1,948.38
Maintenance Supplies	500.00	0.00		0.00
Promotional Items	12,500.00	7,926.37	63.41%	0.00
Displays	10,000.00	12,703.42	127.03%	0.00
Tools & Equipment	2,250.00	1,188.67	52.83%	544.69
Misc Materials & Supplies	6,000.00	929.98	15.50%	77.28
Total Materials & Supplies Exp	175,950.00	54,970.40	31.24%	24,918.29

	Budget FY 2007	Actual Year To Date 2/28/2007	Percent Of Budget	Actual Year To Date 2/28/2006
Operating Expenses				
Gasoline	10,000.00	0.00		18.92
Mileage Reimbursement	8,200.00	3,590.60	43.79%	4,670.26
Parking	22,100.00	14,675.42	66.40%	999.30
Meeting Facilities	3,000.00	0.00		0.00
Community Events	20,000.00	250.00	1.25%	0.00
Meeting Expense	4,900.00	2,214.22	45.19%	1,036.68
Public Notices	3,500.00	9.00	0.26%	565.16
Postage	11,500.00	1,250.09	10.87%	2,103.01
Overnight Services	2,200.00	142.90	6.50%	0.00
Delivery Services	3,200.00	1,114.21	34.82%	1,274.28
Insurance	26,200.00	21,568.24	82.32%	10,415.09
Reimbursements	1,150.00	0.00		28.36
Repair and Maintenance	3,600.00	0.00		158.00
Rent	162,290.00	112,607.63	69.39%	3,764.06
Water	17,000.00	0.00		0.00
Electricity	7,400.00	2,314.70	31.28%	0.91
Natural Gas	500.00	0.00		78.05
Amortization Expense	30,000.00	23,240.44	77.47%	1,790.60
Dep Exp- Furniture & Fixtures	12,000.00	6,843.61	57.03%	0.00
Dep Expense - Equipment	12,000.00	6,256.48	52.14%	1,038.46
Dep Expense-Communic Equip	6,000.00	3,995.15	66.59%	978.36
Depreciation Expense-Computers	48,000.00	23,030.89	47.98%	-3,260.43
Recruitment	4,000.00	0.00		1,306.16
Community Initiative Grants	200,000.00	109,492.00	54.75%	12,500.00
Total Operating Expense	618,740.00	332,595.58	53.75%	39,465.23
Financing Expenses				
Arbitrage Rebate	1,000.00	3,500.00	350.00%	0.00
Loan Fees	10,500.00	11,000.00	104.76%	10,500.00
Bond Issuance Cost	25,000.00	0.00		0.00
Trustee Fees	3,800.00	2,533.36	66.67%	2,533.36
Bank Fees	1,000.00	358.52	35.85%	342.85
Credit Card Fees	1,000.00	0.00		0.00
Contingency	20,000.00	0.00		0.00
Total Financing Expense	62,300.00	17,391.88	27.92%	13,376.21
Total Expenses	5,845,620.00	1,871,775.49	32.02%	1,222,031.25
Net Income	-4,271,570.00	-1,513,906.66		-919,268.99

Central Texas Regional Mobility Authority
Balance Sheet

As of

February 28, 2007

February 28, 2006

Assets

Current Assets

Cash in Operating Fund		15,357.43		10,488.21
Cash In TexSTAR	8,443,227.50		7,814,417.50	
Cash in Chase Money Mkt Funds	0.00		1,170,427.51	
Money Market Payroll Account	43,394.95		0.00	
Restricted Cash-TexStar	29,097,506.82		25,395,024.11	
Total Cash Equivalents		37,584,129.27		34,379,869.12
Accounts Receivable	2,049.40		111.30	
Interest Receivable	62,654.27		138,068.42	
Agencies		5,432,582.83		17,056,218.63
Prepaid Insurance	30,119.42		17,464.25	
Prepaid Expenses	316.63		0.00	
Total Prepaid Expenses		30,436.05		17,464.25
Total Current Assets		43,127,209.25		51,602,219.93

Construction Work In Process

Utility Relocation Expense	61,411.19		7,068.41	
Consulting-Admin Services	687,052.37		105,872.11	
Consulting-Reimbursed Expenses	5,703.31		(290.86)	
Environmental Fees	398,750.00		398,750.00	
Funding Costs	30,000.00		30,000.00	
Legal Fees-Construction	2,174,971.27		1,547,538.38	
Traffic & Revenue Analysis	2,449,353.50		976,286.66	
Unsuccessful Proposers	356,625.82		356,625.82	
Engineering	3,721,261.14		574,165.35	
Right of Way	155,178.62		65,957.25	
Total Preliminary Costs		10,040,307.22		4,061,973.12
Public Involvement	319,800.36		18,454.16	
CDA Oversight	6,973,635.86		2,071,136.34	
Engineering	14,082,913.49		13,450,346.62	
Total Construction Engineering		21,376,349.71		15,539,937.12
Design	30,212,840.43		18,061,120.07	
Construction-CDA	126,498,804.52		59,479,707.52	
Other Construction Costs	296,476.42		23,117.00	
Total Construction		157,008,121.37		77,563,944.59
Toll Collection System		6,696,407.72		914,396.55
Accrued Interest Income	(13,112,152.67)		(7,983,576.56)	
Accrued Interest Expense	23,684,774.80		12,184,518.64	
Amortization of Bond Premium	(3,168,700.70)		(1,611,884.00)	
Amortization Bond Disc Invest	(303,886.44)		(65,403.49)	
Total Accrued Interest		7,100,034.99		2,523,654.59
Amortization Bond Issue Costs		2,878,317.16		1,466,126.52
Total Construction WIP		205,099,538.17		102,070,032.49

Fixed Assets

Computers	115,571.52		107,202.01	
Accum Deprec-Computers	<u>(85,635.11)</u>	29,936.41	<u>(47,262.31)</u>	59,939.70
Computer Software	95,156.88		83,409.88	
Accumulated Amortization-Software	<u>(30,967.16)</u>	64,189.72	<u>(1,790.60)</u>	81,619.28
Furniture and Fixtures	60,057.16		41,623.50	
Accum Deprec-Furn & Fixtures	<u>(11,030.23)</u>	49,026.93	<u>0.00</u>	41,623.50
Equipment	28,777.93		25,765.93	
Accum Depec-Equipment	<u>(10,418.22)</u>	18,359.71	<u>(1,038.46)</u>	24,727.47
Communication Equipment	30,743.13		28,871.02	
Accum Deprec-Comm Equip	<u>(6,930.23)</u>	23,812.90	<u>(978.36)</u>	27,892.66
Leasehold Improvements		48,468.42		227,243.55
Total Fixed Assets		<u>233,794.09</u>		<u>463,046.16</u>
Other Assets				
Security Deposits		8,643.30		8,643.30
Long Term Investments				
GIC		54,971,815.88		146,601,702.98
Other Assets				
Intangible Assets		650.00		0.00
2005 Bond Issuance Costs		10,052,052.00		11,464,242.64
Total Assets		<u>313,493,052.69</u>		<u>312,209,887.50</u>

Liabilities**Current Liabilities**

Accounts Payable		4,479,365.76		1,137.26
Vouchers Payable		0.00		0.00
Interest Payable		1,919,971.02		1,878,990.57
Deferred Compensation Payable		0.00		0.00
TCDRS Payable		15,931.07		0.00
Due to State of Texas		2,831.77		240.33
Total Current Liabilities		<u>6,418,099.62</u>		<u>1,881,549.64</u>

Long Term Liabilities

Retainage Payable		8,155,265.53		3,928,396.97
BANS 2005		66,000,000.00		66,000,000.00
Senior Lien Revenue Bonds 2005		169,325,456.18		168,570,263.80
Sn Lien Rev Bnd Prem/Disc 2005		6,689,505.85		8,246,322.55
Total Long Term Liabilities		<u>250,170,227.56</u>		<u>246,744,983.32</u>
Total Liabilities		<u>256,588,327.18</u>		<u>248,626,532.96</u>

Net Assets Section

Net Assets beginning		62,604,167.57		64,467,206.86
Current Year Operations		<u>(1,513,906.66)</u>		<u>(883,852.32)</u>
Total Liabilities and Net Assets		<u>317,678,588.09</u>		<u>312,209,887.50</u>

CTRMA INVESTMENT REPORT

Month Ending 2/28/2007						Current	
Balance		Discount			Balance	Rate as of	Maturity
1/31/2007	Additions	Amortization	Accrued Interest	Withdrawals	2/28/2007	2/28/2007	
Amount in repo							
Construction Fund	44,685,471.71		124,334.27		44,809,805.98	3.35%	April 1, 2007
Debt Servi	10,133,347.79		28,212.79		10,161,560.58	3.35%	April 1, 2007
totals	54,818,819.50	0.00	0.00	152,547.06	54,971,366.56		
Amount in Trustee TexStar							
Additional Projects Fund	7,442,706.26		30,195.16	5,200.00	7,467,701.42	5.358%	
Renewal & Replacement Fund	95,479.39		387.49		95,866.88	5.358%	
TxDOT Grant Fund	8,395,113.93		34,070.16		8,429,184.09	5.358%	
Debt Service Reserve Fund	13,051,785.95		52,968.48		13,104,754.43	5.358%	
	28,985,085.53	0.00	117,621.29	5,200.00	29,097,506.82		
Amount in TexStar Operating Fund							
	8,714,109.14		34,882.85	305,764.49	8,443,227.50	5.358%	
Fidelity Money Market Fund							
-Operating Fund	2,336.61		3,090.46		5,427.07	4.957%	
-Additional Projects Fund	0.00	1,550,998.64	0.09	523,248.64	1,027,750.09	4.957%	
-Construction Fund	23,357.69		107.68	23,357.69	107.68	4.957%	
-Debt Service Fund	49,475.05		249.86		49,724.91	4.957%	
-Subordinate Lien DS Fund	1,584.67		6.48		1,591.15	4.957%	
-TxDOT Grant Fund	230.21	3,000,000.00	59,064.56		3,059,294.77	4.957%	
-Renewal and Replavement	24.74		16.07		40.81	4.957%	
-Debt Service Reserve Fund	47.68		8,868.94		8,916.62	4.957%	
	77,056.65	4,550,998.64	0.00	546,606.33	4,152,853.10		
Money Market Fund-payroll							
	39,401.67	76,000.00		35.71	72,042.43	4.840%	
Amount in Fed Agencies							
Amortized Principal	9,427,234.94		5,348.40	4,000,000.00	5,432,583.34		
Accrued Interest			22,866.25				
	9,427,234.94	0.00	5,348.40	4,000,000.00	5,432,583.34		
Total in Repo's							
	54,818,819.50	0.00	0.00	152,547.06	0.00	54,971,366.56	
Total in Pools							
	37,699,194.67	0.00	0.00	152,504.14	310,964.49	37,540,734.32	
Total in Money Market							
	116,458.32	4,626,998.64	0.00	71,439.85	618,648.76	4,196,248.05	
Total in Fed Agencies							
	9,427,234.94	0.00	5,348.40	0.00	4,000,000.00	5,432,583.34	
Total Invested							
	102,061,707.43	4,626,998.64	5,348.40	376,491.05	4,929,613.25	102,140,932.27	

Amount in Fed Agencies As of February 28, 2007

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
Federal Home Loan Bank	3133XC5C3	493,295.00	497,819.08	498,125.00	5.344%	4/21/2006	6/22/2007	Renewal and Replacement Fund
Federal Home Loan Bank	3133XEK57	1,000,000.00	1,000,000.00	997,655.00	4.750%	2/16/2006	8/16/2007	TxDOT Grant Fund
Federal Home Loan Mortgage C	3128X4Q95	939,624.00	939,991.54	939,877.80	5.092%	3/8/2006	3/30/2007	Additional Projects Fund
Federal Home Loan Bank	3133X7C51	1,476,113.31	1,495,366.85	1,494,607.50	5.019%	4/13/2006	5/15/2007	Additional Projects Fund
Federal Home Loan Bank	3133X8KT8	1,473,398.44	1,499,405.85	1,499,535.00	5.139%	4/21/2006	3/7/2007	Additional Projects Fund
	Totals	<u>5,382,430.75</u>	<u>5,432,583.32</u>	<u>5,429,800.30</u>				
				CALLED				
Federal Home Loan Bank	3133XGJE5	1,000,000.00	1,000,000.00	1,000,000.00	5.550%	8/8/2006	Called 2/8/07	Additional Projects Fund
				MATURED				
Federal Home Loan Bank	3133XDKQ3	2,000,000.00	2,000,000.00	2,000,000.00	4.500%	11/9/2005	2/9/2007	TxDOT Grant Fund
Federal Home Loan Bank	3133XBPW9	990,810.00	1,000,000.00	1,000,000.00	4.778%	1/27/2006	2/16/2007	TxDOT Grant Fund
		<u>3,990,810.00</u>	<u>4,000,000.00</u>	<u>4,000,000.00</u>				

Agency	CUSIP #	COST	Cummulative Amortization	February 28		Interest Income February 2007		
				Book Value	Maturity Value	Accrued Interest	Amortization	Interest Earned
Federal Home Loan Bank	3133XC5C3	493,295.00	4,524.08	497,819.08	500,000.00	1,666.67	545.24	2,211.91
Federal Home Loan Bank	3133XEK57	1,000,000.00	0.00	1,000,000.00	1,000,000.00	3,958.34	0.00	3,958.34
Federal Home Loan Mortgage C	3128X4Q95	939,624.00	367.54	939,991.54	940,000.00	3,955.83	31.73	3,987.56
Federal Home Loan Bank	3133X7C51	1,476,113.31	19,253.54	1,495,366.85	1,500,000.00	4,375.00	1,853.26	6,228.26
Federal Home Loan Bank	3133X8KT8	1,473,398.44	26,007.41	1,499,405.85	1,500,000.00	3,812.50	2,546.34	6,358.84
		<u>5,382,430.75</u>	<u>50,152.57</u>	<u>5,432,583.32</u>	<u>5,440,000.00</u>	<u>17,768.34</u>	<u>4,976.57</u>	<u>22,744.91</u>
				CALLED				
Federal Home Loan Bank	3133XGJE5	1,000,000.00	0.00	1,000,000.00	1,000,000.00	1,233.33	0.00	1,233.33
				MATURED				
Federal Home Loan Bank	3133XDKQ3	2,000,000.00	0.00	2,000,000.00	2,000,000.00	2,250.00	0.00	2,250.00
Federal Home Loan Bank	3133XBPW9	990,810.00	9,190.00	1,000,000.00	1,000,000.00	1,614.58	371.83	1,986.41
		<u>3,990,810.00</u>	<u>9,190.00</u>	<u>4,000,000.00</u>	<u>4,000,000.00</u>	<u>5,097.91</u>	<u>371.83</u>	<u>5,469.74</u>



Monthly Newsletter - February 2007

Performance

As of February 28, 2007

Current Invested Balance	\$5,608,621,555.72
Weighted Average Maturity (1)	11 Days
Weighted Average Maturity (2)	28 Days
Net Asset Value	1.000007
Total Number of Participants	505
Management Fee on Invested Balance	0.12%*
Interest Distributed	\$22,561,968.70
Management Fee Collected	\$211,240.04
Standard & Poor's Current Rating	AAAm

February Averages

Average Invested Balance	\$5,507,172,361.92
Average Monthly Yield, on a simple basis	5.2903%
Average Weighted Average Maturity (1)*	12 Days
Average Weighted Average Maturity (2)*	31 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 February 2007:

- ★ City of Big Spring
- ★ Lufkin ISD

- ★ University of North Texas System
- ★ Nacogdoches County

Holiday Reminder

Please note that in observance of the Good Friday holiday, **TexSTAR will be closed on Friday, April 6, 2007.** In addition, due to markets closing early in anticipation of the holiday, **TexSTAR will close early on Thursday, April 5, 2007.** The transaction deadline for same day wire deposits and withdrawals will be 2 p.m. There will be no change to the standard ACH deadline of 3:30 p.m. This is one of the unusual dates when banks are open but markets are closed. Please plan accordingly to meet your liquidity needs.

Economic Commentary

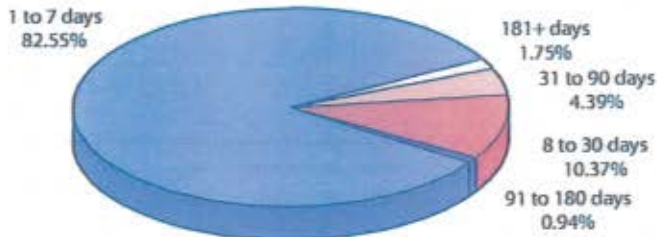
The month of February saw a potentially fundamental shift in the markets' assessment of risk that included an aggressive rally in rates and steepening of the yield curve, as well as a general repricing of spread sectors along with global equities. While this coincided with mixed economic reports and credit concerns about subprime mortgages, data released in February suggest that the economy continues to move at a considerably healthy pace. The unemployment rate, despite an up-tick to 4.6%, still remained at the lower end of its range in the cycle. Initial jobless claims picked up throughout the month, but could have been affected by the poor weather conditions experienced throughout the country. The mix of housing data reported for the month of January pointed further to a market that may have already bottomed. Existing home sales, which account for roughly 85% of the housing market, were up a solid 3.0%. U.S. Treasury yields fell significantly across the curve, with the two- and five-year Treasury notes down by 30 basis points (bps) and 32 bps respectively.

The Federal Reserve is expected to remain on hold through the first half of the year, with the possibility of a rate hike in the second half. Although, it is not anticipated that the Fed will react to just one month of concerning inflation reports, it is expected they will keep a close watch on data released in coming months to determine whether the most recent increases in both the core PCE and core CPI are the start of a trend. The housing market correction is anticipated to abate by midyear, with GDP growth coming in at or above trend (2.75% - 3.0%) for the rest of the year, driven by strong personal consumption.

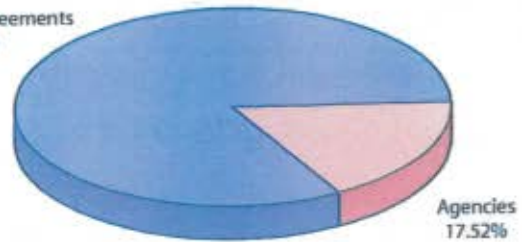
For more information about TexSTAR, please visit our web site at www.texstar.org.

Information at a Glance

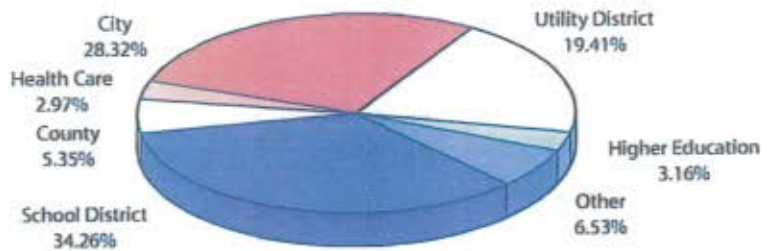
Portfolio by Type of Investment As of February 28, 2007



Repurchase Agreements
82.48%



Portfolio by Maturity As of February 28, 2007



Distribution of Participants by Type As of February 28, 2007

Historical Program Information

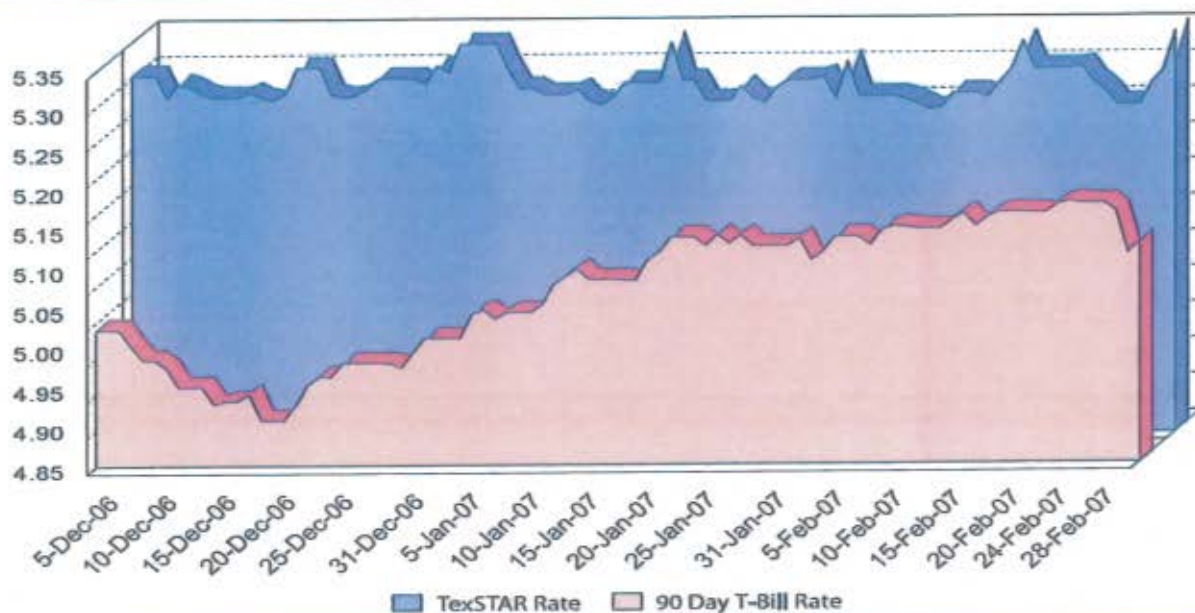
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Feb 07	5.2903%	\$ 5,608,621,555.72	\$ 5,608,663,678.19	1.000007	12	31	505
Jan 07	5.2920%	4,939,413,083.56	4,939,578,732.47	1.000033	17	40	501
Dec 06	5.2991%	4,277,003,031.52	4,276,711,759.92	0.999923	15	49	493
Nov 06	5.2785%	3,929,299,527.54	3,928,963,502.14	0.999914	22	63	488
Oct 06	5.2903%	3,782,690,698.30	3,782,682,727.03	0.999997	30	75	484
Sep 06	5.2742%	3,711,282,274.72	3,712,264,237.96	1.000249	24	81	472
Aug 06	5.2601%	3,403,609,840.35	3,403,747,759.54	1.000040	16	76	466
Jul 06	5.2609%	3,652,659,353.06	3,652,612,174.26	0.999987	15	72	461
Jun 06	5.0063%	3,490,853,364.63	3,490,672,360.70	0.999935	14	72	457
May 06	4.8929%	3,709,022,855.02	3,708,815,237.78	0.999944	11	59	456
Apr 06	4.7679%	3,886,888,058.02	3,886,490,684.37	0.999897	14	60	451
Mar 06	4.5746%	3,914,969,328.87	3,914,628,496.64	0.999912	13	57	447
Feb 06	4.4898%	4,002,329,057.36	4,001,985,615.58	0.999914	12	53	442

Portfolio Asset Summary as of February 28, 2007

	Book Value	Market Value
Uninvested Balance	\$ 1,188.06	\$ 1,188.06
Accrual of Interest Income	5,869,283.58	5,869,283.58
Interest and Management Fees Payable	(22,589,120.53)	(22,589,120.53)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreements	4,643,960,000.00	4,643,960,000.00
Government Securities	981,380,204.61	981,422,327.08
Total	\$ 5,608,621,555.72	\$ 5,608,663,678.19

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 February 2007

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
1-Feb-07	5.2770%	0.000144574	5,034,364,731.25	1.000031	16	37
2-Feb-07	5.2776%	0.000144593	5,138,766,871.78	1.000027	15	35
3-Feb-07	5.2776%	0.000144593	5,138,766,871.78	1.000027	15	35
4-Feb-07	5.2776%	0.000144593	5,138,766,871.78	1.000027	15	35
5-Feb-07	5.2733%	0.000144474	5,241,664,198.87	1.000026	14	34
6-Feb-07	5.2676%	0.000144318	5,301,252,679.21	1.000024	14	34
7-Feb-07	5.2601%	0.000144113	5,380,626,622.70	1.000023	14	33
8-Feb-07	5.2624%	0.000144174	5,425,740,258.08	1.000021	13	33
9-Feb-07	5.2805%	0.000144672	5,574,471,161.50	1.000016	13	31
10-Feb-07	5.2805%	0.000144672	5,574,471,161.50	1.000016	13	31
11-Feb-07	5.2805%	0.000144672	5,574,471,161.50	1.000016	13	31
12-Feb-07	5.2753%	0.000144530	5,595,129,939.56	1.000014	13	31
13-Feb-07	5.2929%	0.000145012	5,625,958,006.13	1.000013	13	31
14-Feb-07	5.3105%	0.000145492	5,575,657,098.47	1.000012	12	31
15-Feb-07	5.3460%	0.000146467	5,481,986,609.20	1.000013	12	31
16-Feb-07	5.3112%	0.000145511	5,539,111,904.20	1.000001	12	30
17-Feb-07	5.3112%	0.000145511	5,539,111,904.20	1.000001	12	30
18-Feb-07	5.3112%	0.000145511	5,539,111,904.20	1.000001	12	30
19-Feb-07	5.3112%	0.000145511	5,539,111,904.20	1.000001	12	30
20-Feb-07	5.3143%	0.000145597	5,555,756,541.56	1.000005	11	30
21-Feb-07	5.2948%	0.000145064	5,740,467,368.88	1.000003	11	29
22-Feb-07	5.2824%	0.000144722	5,810,669,199.69	0.999999	11	28
23-Feb-07	5.2653%	0.000144254	5,719,659,446.81	0.999998	10	28
24-Feb-07	5.2653%	0.000144254	5,719,659,446.81	0.999998	10	28
25-Feb-07	5.2653%	0.000144254	5,719,659,446.81	0.999998	10	28
26-Feb-07	5.2925%	0.000145001	5,706,029,289.98	0.999999	10	28
27-Feb-07	5.3076%	0.000145413	5,661,761,977.39	1.000003	11	28
28-Feb-07	5.3575%	0.000146780	5,608,621,555.72	1.000007	11	28
Average	5.2903%	0.000144940	5,507,172,361.92		12	31

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>
<i>Charles Wall</i>	<i>Texas Tech University</i>	<i>Advisory Board</i>