

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

RESOLUTION NO. 08-08

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 months of November and December 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 November and December 2007, attached hereto as Attachment "A."

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30th day of January, 2008.

Submitted and reviewed by:



Tom Nielson
General Counsel for the Central
Texas Regional Mobility Authority

Approved:



Robert E. Tesch
Chairman, Board of Directors
Resolution Number 08-08
Date Passed 1/30/08

**Central Texas Regional Mobility Authority
Balance Sheet**

As of

November 30, 2007

November 30, 2006

Assets

Current Assets

Cash in Operating Fund	27,220.90		8,513.09
Chase-Regions Trustee Account	4,175.25		0.00
Regions Trustee cash account	89,178.35		0.00
Cash In TexSTAR	5,457,209.86		7,051,313.98
Cash in Chase Money Mkt Funds	0.00		3,562,820.29
Money Market Payroll Account	48,858.27		3,344.72
Fidelity Government MMA	2,183,431.25		0.00
Restricted Cash-TexStar	58,452,965.94		21,458,568.42
Total Cash Equivalents	<u>66,142,465.32</u>		<u>32,076,047.41</u>
Accounts Receivable	0.00		1,938.10
Due From TTA	393,891.10		0.00
Due From NTTA	93,481.60		0.00
Due From HCTRA	63,470.25		0.00
Interest Receivable	12,537.51		77,061.22
Total Receivables	<u>563,380.46</u>		<u>78,999.32</u>
Agencies		2,983,409.08	16,394,777.32
Prepaid Insurance	95,077.15		(0.14)
Prepaid Expenses	0.00		1,266.64
Total Prepaid Expenses	<u>95,077.15</u>		<u>1,266.50</u>
Total Current Assets	<u>69,904,906.51</u>		<u>48,559,603.64</u>
Construction Work In Process			
Utility Relocation Expense	7,296.44		60,531.19
Consulting-Admin Services	28,559.43		680,417.12
Consulting-Reimbursed Expenses	5,137.68		121.82
Environmental Fees	0.00		398,750.00
Funding Costs	0.00		30,000.00
Legal Fees-Construction	614,814.43		2,069,000.40
Traffic & Revenue Analysis	1,647,301.30		2,142,239.03
Unsuccessful Proposers	0.00		356,625.82
Engineering	2,197,144.43		2,645,832.81
Right of Way	65,680.89		138,740.83
Total Preliminary Costs	<u>4,565,934.60</u>		<u>8,522,259.02</u>
Public Involvement	138,787.88		182,227.76
CDA Oversight	0.00		5,676,812.04
Engineering	0.00		14,082,913.49
Total Construction Engineering	<u>138,787.88</u>		<u>19,941,953.29</u>
Design	0.00		27,424,668.85
Construction-CDA	0.00		105,214,023.18
Other Construction Costs	0.00		208,118.08
Total Construction	<u>0.00</u>		<u>132,846,810.11</u>
Toll Collection System		27,220.00	4,308,874.87
Accrued Interest Income	0.00		(12,102,953.90)
Accrued Interest Expense	0.00		20,776,225.39
Amortization of Bond Premium	0.00		(2,772,114.40)
Amortization Bond Disc Invest	0.00		(266,080.93)
Total Accrued Interest	<u>0.00</u>		<u>5,635,076.16</u>
Amortization Bond Issue Costs		0.00	2,518,966.27
Total Construction WIP	<u>4,731,942.48</u>		<u>173,773,939.72</u>

Fixed Assets

Computers	1,196,453.52		115,571.52	
Accum Deprec-Computers	<u>(273,789.76)</u>	922,663.76	<u>(79,922.95)</u>	35,648.57
Computer Software	5,080,929.89		95,156.88	
Accumulated Amortization-Software	<u>(487,620.92)</u>	4,593,308.97	<u>(23,831.09)</u>	71,325.79
Furniture and Fixtures	91,134.66		56,396.96	
Accum Deprec-Furn & Fixtures	<u>(22,350.99)</u>	68,783.67	<u>(8,164.87)</u>	48,232.09
Equipment	76,177.93		28,777.93	
Accum Depec-Equipment	<u>(22,164.36)</u>	54,013.57	<u>(8,072.04)</u>	20,705.89
Autos and Trucks	16,295.00		0.00	
Accum Deprec-Autos and Trucks	<u>(1,697.40)</u>	14,597.60	<u>0.00</u>	0.00
Buildings and Toll Facilities	6,897,618.00		0.00	
Accum Deprec-Buildings & Toll	<u>(86,220.24)</u>	6,811,397.76	<u>0.00</u>	0.00
Highways and Bridges	194,060,822.45		0.00	
Accum Deprec-Highways & Bridge	<u>(2,392,808.69)</u>	191,668,013.76	<u>0.00</u>	0.00
Communication Equipment	1,938,955.13		30,256.02	
Accum Deprec-Comm Equip	<u>(106,848.60)</u>	1,832,106.53	<u>(5,427.66)</u>	24,828.36
Toll Equipment	4,556,416.80		0.00	
Accum Deprec-Toll Equip	<u>(225,999.60)</u>	4,330,417.20	<u>0.00</u>	0.00
Signs	5,260,262.00		0.00	
Accum Deprec-Signs	<u>(65,736.57)</u>	5,194,525.43	<u>0.00</u>	0.00
Land Improvements	819,435.00		0.00	
Accum Deprec-Land Improv	<u>(20,485.86)</u>	798,949.14	<u>0.00</u>	0.00
Right of Way		22,768,209.38		
Leasehold Improvements		44,079.75		49,931.31
Total Fixed Assets		239,101,066.52		250,672.01
Other Assets		8,643.30		8,643.30
Security Deposits				
Long Term Investments				82,888,231.94
GIC		5,201,864.86		
Other Assets				650.00
Intangible Assets		650.00		
2005 Bond Issuance Costs		8,966,366.79		10,411,402.89
Total Assets		327,915,440.46		315,893,143.50

Liabilities**Current Liabilities**

Accounts Payable		231,505.45		632,329.63
Interest Payable		4,799,927.55		4,727,475.75
TCDRS Payable		20,339.10		15,441.27
Due to State of Texas		42.87		9.30
Total Due to other Entities		42.87		0.00
Total Current Liabilities		5,051,814.97		5,375,255.95

Long Term Liabilities

Accrued Vac & Sick Leave Paybl		150,835.00		0.00
Retainage Payable		4,585,936.89		6,832,705.32
BANS 2005		66,000,000.00		66,000,000.00
Senior Lien Revenue Bonds 2005		169,715,619.24		168,943,735.37
Sn Lien Rev Bnd Prem/Disc 2005		5,490,808.36		7,086,092.15
Total Long Term Liabilities		245,943,199.49		248,862,532.84
Total Liabilities		250,995,014.46		254,237,788.79

Net Assets Section

Contributed Capital	18,430,634.57	
Net Assets beginning	59,639,556.31	62,604,167.57
Current Year Operations	<u>(1,149,764.88)</u>	<u>(948,812.86)</u>
Total Liabilities and Net Assets	<u><u>327,915,440.46</u></u>	<u><u>315,893,143.50</u></u>

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

	Budget FY 2008	Actual Year To Date 11/30/2007	Percent Of Budget	Actual Year To Date 11/30/2006
Revenue				
Toll Revenue-Cash-183A	1,800,000.00	788,361.01	43.80%	0.00
Toll Revenue-TxTag-183A	6,500,000.00	5,588,024.51	85.97%	0.00
Interest Income	1,369,790.00	2,246,699.75	164.02%	199,812.41
Reimbursed Expenditures	20,060.00	26,828.89	133.74%	21,061.65
Total Revenue	9,689,850.00	8,649,914.16	89.27%	220,874.06

	Budget FY 2008	Actual Year To Date 11/30/2007	Percent Of Budget	Actual Year To Date 11/30/2006
Expenditures				
Regular	1,431,950.00	466,010.64	32.54%	377,392.13
Part Time	20,000.00	2,524.51	12.62%	420.75
Overtime	7,000.00	157.41	2.25%	656.04
Contractual Employees	30,000.00	42,520.50	141.74%	64,200.00
TCDRS	181,533.00	60,143.43	33.13%	51,005.39
FICA	74,339.00	17,724.80	23.84%	15,378.75
FICA MED	21,591.00	6,824.48	31.61%	5,371.89
Health Insurance	134,542.00	43,609.60	32.41%	35,336.13
Life Insurance	1,697.00	1,051.38	61.96%	501.25
Auto Allowance	16,000.00	3,150.00	19.69%	3,150.00
Other Benefits	117,697.00	20,960.24	17.81%	14,113.57
Unemployment Taxes	855.00	164.12	19.20%	221.53
Total Salaries & Wages	2,037,204.00	664,841.11	32.63%	567,747.43

	Budget FY 2008	Actual Year To Date 11/30/2007	Percent Of Budget	Actual Year To Date 11/30/2006
Contractual Services				
Professional Services				
Accounting	9,000.00	3,815.22	42.39%	2,493.99
Auditing	50,000.00	22,560.00	45.12%	11,000.00
General Engineering Consultant	445,000.00	0.00		0.00
General System Consultant	425,000.00	0.00		0.00
Toll Collection contract	1,879,111.00	269,104.65	14.32%	0.00
Toll collection mgt admi	131,460.00	0.00		0.00
CSC mgt admin	84,074.00	0.00		0.00
Facility management	176,017.00	14,878.27	8.45%	0.00
Facility management	63,017.00	10,346.10	16.42%	0.00
Toll perform plan	35,106.00	0.00		0.00
Human Resources	30,000.00	8,088.90	26.96%	260.80
Legal	150,000.00	54,250.49	36.17%	34,992.99
Photography	15,000.00	259.00	1.73%	0.00
Traffic & Revenue Consultants	50,000.00	30,000.00	60.00%	0.00
Communications and Marketing	150,000.00	6,659.00	4.44%	65,368.60
Transcripts	1,000.00	0.00		0.00
Total Professional Services	3,693,785.00	419,961.63	11.37%	114,116.38

	Budget FY 2008	Actual Year To Date 11/30/2007	Percent Of Budget	Actual Year To Date 11/30/2006
Other Contractual Services				
IT Services	683,240.00	13,041.37	1.91%	1,665.25
Graphic Design Services	20,000.00	0.00		0.00
Website Maintenance	20,000.00	1,745.61	8.73%	5,132.96
Research Services	45,000.00	0.00		0.00
Copy Machine	13,000.00	3,148.40	24.22%	3,553.04
Software licenses	24,000.00	7,258.80	30.25%	7,259.80
Advertising	56,000.00	2,292.00	4.09%	7,665.89
Direct Mail	20,000.00	0.00		0.00
Video Production	10,000.00	0.00		77,744.48
Television	20,000.00	0.00		138,545.75
Radio	50,000.00	600.00	1.20%	7,500.00
Other Public Relations	0.00	1,032.73		13,933.75
Security Contracts	350,000.00	69,224.00	19.78%	134.40
Cell Phones	6,800.00	2,438.40	35.86%	1,843.64
Local	55,252.00	6,101.88	11.04%	2,664.02
Long Distance	2,000.00	253.18	12.66%	373.51
Internet	8,472.00	2,552.37	30.13%	1,530.00
Other Communication Expense	1,000.00	386.89	38.69%	60.26
Dues & Subscriptions	1,850.00	26.00	1.41%	1,265.00
Memberships	14,295.00	1,662.50	11.63%	1,915.00
Continuing Education	6,000.00	575.00	9.58%	1,928.95
Professional Development	22,000.00	238.00	1.08%	1,000.00
Seminars and Conferences	26,450.00	9,739.00	36.82%	12,620.00
Total Travel	70,500.00	21,904.91	31.07%	11,693.01
Other Contractual Svcs	0.00	1,277.90		735.00
Roadway maintenance contract	1,157,000.00	9,025.00	0.78%	0.00
Contractual Contingencies	141,000.00	2,898.43	2.06%	14850.00%
Total Other Contractual Services	2,823,859.00	157,422.37	5.57%	300,912.21
Total Contractual Expenses	6,517,644.00	577,384.00	8.86%	415,028.59

	Budget FY 2008	Actual Year To Date 11/30/2007	Percent Of Budget	Actual Year To Date 11/30/2006
Materials and Supplies				
Books & Publications	10,400.00	2,104.26	20.23%	1,518.87
Office Supplies	15,500.00	2,676.00	17.26%	5,438.43
Computer Supplies	15,500.00	1,021.33	6.59%	1,244.26
Copy Supplies	3,000.00	0.00		0.00
Annual Report	20,000.00	0.00		0.00
Other Reports	50,500.00	14,870.06	29.45%	1,006.00
Direct Mail	0.00	431.02		0.00
Office Supplies	3,500.00	797.72	22.79%	458.18
Maintenance Supplies	100.00	0.00		0.00
Promotional Items	10,000.00	199.34	1.99%	0.00
Displays	5,000.00	365.40	7.31%	11,368.00
Tools & Equipment	2,700.00	835.00	30.93%	163.28
Misc Materials & Supplies	3,500.00	6,331.00	180.89%	0.00
Total Materials & Supplies Exp	139,700.00	29,631.13	21.21%	21,197.02

	Budget FY 2008	Actual Year To Date 11/30/2007	Percent Of Budget	Actual Year To Date 11/30/2006
Operating Expenses				
Gasoline	10,000.00	1,268.07	12.68%	0.00
Mileage Reimbursement	7,850.00	2,499.91	31.85%	1,355.90
Parking	26,950.00	9,043.94	33.56%	7,065.42
Meeting Facilities	2,600.00	50.00	1.92%	0.00
Community Events	20,000.00	0.00		0.00
Meeting Expense	6,325.00	2,615.98	41.36%	1,221.29
Public Notices	2,300.00	410.96	17.87%	9.00
Postage	8,900.00	870.99	9.79%	507.92
Overnight Services	1,250.00	285.04	22.80%	37.12
Delivery Services	2,400.00	490.67	20.44%	692.26
Insurance	175,000.00	32,745.77	18.71%	11,137.52
Repair & Maintenance-Vehicles	2,000.00	32.94	1.65%	0.00
Rent	181,973.00	75,822.20	41.67%	67,080.50
Water	7,400.00	0.00		0.00
Electricity	56,000.00	23,355.81	41.71%	1,395.61
Amortization Expense	34,808.00	379,315.85	1089.74%	14,641.48
Dep Exp- Furniture & Fixtures	4,000.00	7,168.09	179.20%	3,978.25
Dep Expense - Equipment	1,200.00	7,860.30	655.03%	3,910.30
Dep Expense - Autos & Trucks	8,000.00	1,697.40	21.22%	0.00
Dep Expense-Buildng & Toll Fac	147,898.00	71,850.20	48.58%	0.00
Dep Expense-Highways & Bridges	5,429,806.00	1,996,329.09	36.77%	0.00
Dep Expense-Communic Equip	5,995.00	82,013.16	1368.03%	2,492.58
Dep Expense-Toll Equipment	918,771.00	188,333.00	20.50%	0.00
Dep Expense - Signs	120,436.00	54,781.03	45.49%	0.00
Dep Expense-Land Improvemts	733,880.00	17,071.55	2.33%	0.00
Depreciation Expense-Computers	33,000.00	147,138.29	445.87%	17,318.73
Recruitment	1,000.00	0.00		0.00
Community Initiative Grants	102,500.00	0.00		23,311.20
Total Operating Expense	8,052,242.00	3,103,050.24	38.54%	156,155.08
Financing Expenses				
Arbitrage Rebate	3,500.00	0.00		0.00
Bond Issuance Expense	0.00	603,158.45		0.00
Loan Fees	12,000.00	11,000.00	91.67%	11,000.00
Bond Issuance Cost	25,000.00	0.00		0.00
Trustee Fees	2,000.00	0.00		1,583.35
Bank Fees	2,500.00	10,686.56	427.46%	359.82
Interest Expense	11,443,524.00	4,799,927.55	41.94%	0.00
Contingency	20,000.00	0.00		0.00
Total Financing Expense	11,508,524.00	5,424,772.56	47.14%	12,943.17
Total Expenses	28,255,314.00	9,799,679.04	34.68%	1,173,071.29
Net Income	-18,565,464.00	-1,149,764.88		-952,197.23

CTRMA INVESTMENT REPORT

Month Ending 11/30/2007						Current	
Balance	Additions	Discount	Accrued Interest	Withdrawals	Balance	Rate as of	Maturity
10/31/2007		Amortization			11/30/2007	11/30/2007	
Amount in repo							
Debt Service Fund			14,222.99		5,165,444.72	3.35%	Jan 1, 08
totals	0.00	0.00	14,222.99	0.00	5,165,444.72		
Amount in Trustee TexStar							
Additional Projects Fund	53,978.21		36,340.73		9,500,882.16	4.705%	
Construction Fund			69,625.13	1,455,778.38	17,726,844.07	4.705%	
Trustee Operating Fund			3,197.62		831,391.58	4.705%	
Renewal & Replacement Fund			383.28		99,654.76	4.705%	
TxDOT Grant Fund			41,992.75		10,918,249.13	4.705%	
Revenue Fund	1,874,591.38		17,410.80		5,946,612.67	4.705%	
Debt Service Reserve Fund			51,650.64		13,829,331.57	4.705%	
	1,928,569.59	0.00	220,600.95	1,455,778.38	58,852,965.94		
Amount in TexStar Operating Fund							
			21,762.68	314,210.89	5,457,209.86	4.705%	
5,749,658.07							
Fidelity Money Market Fund							
-Operating Fund			21.85		5,628.98	4.350%	
-Additional Projects Fund			493.20	123,850.91	24,598.46	4.350%	
-Construction Fund	1,401,800.08		79.48	1,401,879.56	0.00	4.350%	
-Debt Service Fund			200.27		51,599.24	4.350%	
-Subordinate Lien DS Fund			6.41		1,650.35	4.350%	
-TxDOT Grant Fund			8,001.06		2,061,432.01	4.350%	
-Renewal and Replavement			96.24		29,273.83	4.350%	
-Revenue Fund	1,510,397.50		1,664.57	1,874,591.38	0.00	4.350%	
-Debt Service Reserve Fund			35.90		9,248.38	4.350%	
	2,912,197.58	0.00	10,598.98	3,400,321.85	2,183,431.25		
Money Market Fund-payroll							
	92,000.00		61.30	91,794.96	48,858.27	3.950%	
48,591.93							
Amount in Fed Agencies							
Amortized Principal		4,857.46			2,983,409.57		
Accrued Interest	0.00		8,157.50				
	0.00	4,857.46		0.00	2,983,409.57		
Total in Repo's							
	0.00	0.00	14,222.99	0.00	5,165,444.72		
Total in Pools	1,928,569.59	0.00	242,363.63	1,769,989.27	64,310,175.80		
Total in Money Market	3,004,197.58	0.00	10,660.28	3,492,116.81	2,232,289.52		
Total in Fed Agencies	0.00	4,857.46	0.00	0.00	2,983,409.57		
Total Invested	4,932,767.17	4,857.46	267,246.90	5,262,106.08	74,691,319.61		

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

William Chapman, CFO

Amount in Fed Agencies As of November 30, 2007

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
Federal Home Loan Bank	3133X5DV7	2,466,550.00	2,493,600.87	2,496,875.00	5.310%	5/24/2007	1/14/2008	Additional Projects Fund
Federal Home Loan Bank	3133X1GR2	487,831.06	489,808.71	493,915.95	5.250%	7/31/2007	10/15/2008	Renewal and Replacement
	Totals	<u>2,954,381.06</u>	<u>2,983,409.58</u>	<u>2,990,790.95</u>				

Agency	CUSIP #	COST	Cumulative Amortization	11/30/07 Book Value	Maturity Value	Interest Income November 2007		
						Accrued Interest	Amortization	Interest Earned
Federal Home Loan Bank	3133X5DV7	2,466,550.00	27,050.87	2,493,600.87	2,500,000.00	6,562.50	4,363.05	10,925.55
Federal Home Loan Bank	3133X1GR2	487,831.06	1,977.65	489,808.71	495,000.00	1,595.00	494.41	2,089.41
		<u>2,954,381.06</u>	<u>29,028.52</u>	<u>2,983,409.58</u>	<u>2,995,000.00</u>	<u>8,157.50</u>	<u>4,857.46</u>	<u>13,014.96</u>



Monthly Newsletter - November 2007

Performance

As of November 30, 2007

Current Invested Balance	\$4,999,671,312.52
Weighted Average Maturity (1)	19 Days
Weighted Average Maturity (2)	80 Days
Net Asset Value	1.000190
Total Number of Participants	591
Management Fee on Invested Balance	0.12%*
Interest Distributed	\$19,422,603.96
Management Fee Collected	\$204,554.66
% of Portfolio Invested Beyond 1 Year	11.01%
Standard & Poor's Current Rating	AAAm

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

November Averages

Average Invested Balance	\$4,977,724,031.99
Average Monthly Yield, on a simple basis	4.6975%
Average Weighted Average Maturity (1)*	18 Days
Average Weighted Average Maturity (2)*	79 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 November 2007:

- ★ City of Arlington
- ★ Memorial MUD
- ★ Garner ISD
- ★ Bloomington ISD
- ★ Forest Hills MUD
- ★ Liberty County
- ★ City of Muleshoe

Holiday Reminder

Please note that in observance of the Christmas holiday, **TexSTAR will be closed on Tuesday, December 25, 2007** and in observance of the New Year's Day holiday, **TexSTAR will be closed on Tuesday, January 1, 2008**. Notification of any early transaction deadlines on the days preceding these holidays will be sent by email to the primary contact on file for all TexSTAR participants.

Economic Commentary

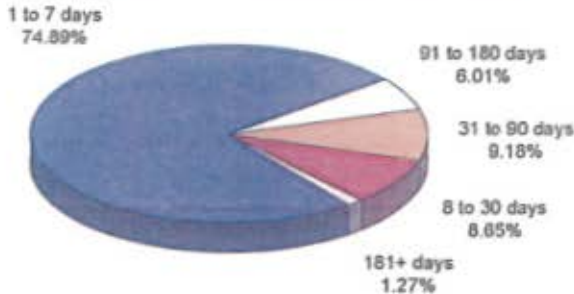
The financial news has been dreary: multi-billion dollar subprime related write-downs at banks, countless downgrades of collateralized debt obligations, and fears of weak capitalization with insurers. Now, as earlier in the year, there is clamor for the Federal Reserve to cut rates and any good news in the economy has been drowned by fears of inflation and the effects of a weaker dollar and tighter consumer credit. In some respects, today's investment environment ought to be better than it was as of Labor Day. Now, unlike then, wild conjecture about the exposure of financial companies to subprime securities has been replaced to some degree by factual revelation and actual write-downs. Now, unlike then, we have some evidence that the Fed is willing to take decisive action and there is evidence that the weak credit conditions and strong dollar have not torpedoed growth.

While mid year provided well above-trend growth, the economy is expected to slow significantly in late 2007. Personal consumption is anticipated to slow as a result of higher gasoline and heating-related energy prices. With regard to monetary policy, although economic data has not deviated from the Fed's expectations, anticipations are that the fed funds rate will be cut another 25 bps to 4.25% at the December 11th meeting, based on the continued deterioration of the financial markets.

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

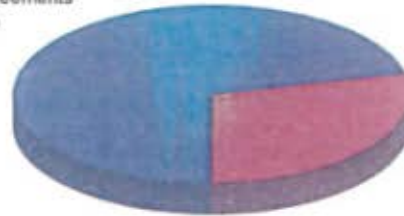
Information at a Glance

Portfolio by Type of Investment As of November 30, 2007

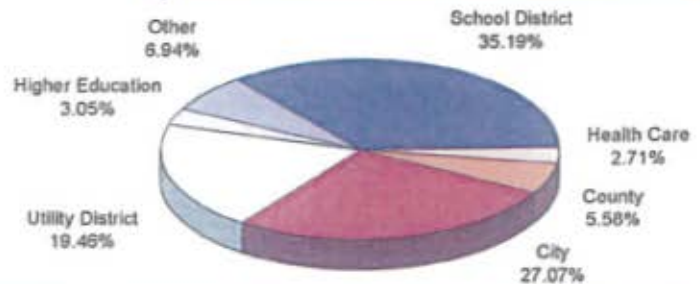


Distribution of Participants by Type As of November 30, 2007

Repurchase Agreements
71.35%



Portfolio by Maturity As of November 30, 2007



Performance

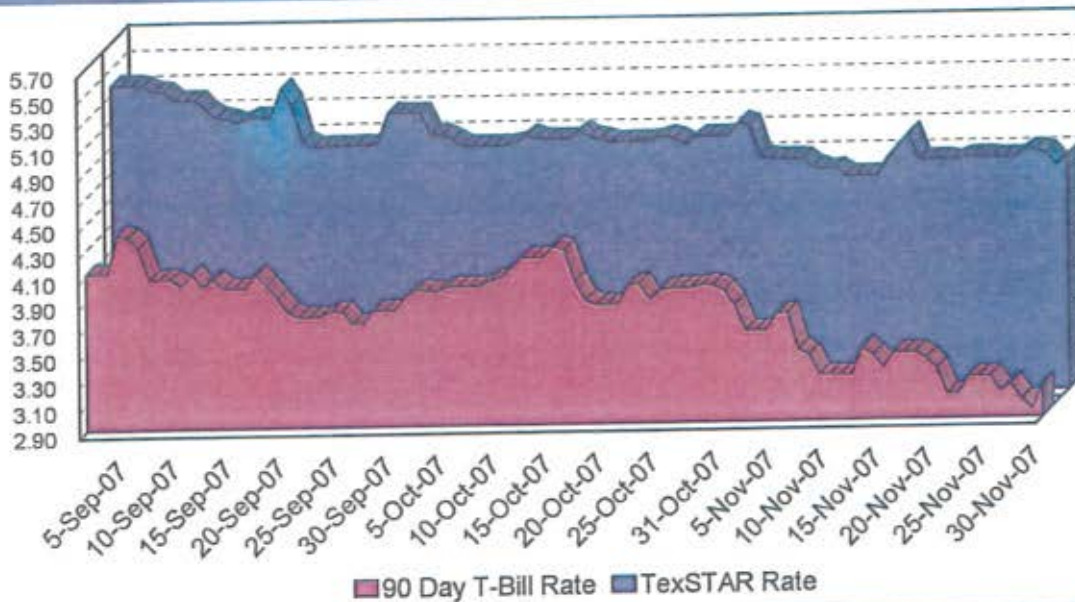
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Nov 07	4.6975%	\$ 4,999,671,312.52	\$ 5,000,767,637.47	1.000190	18	79	591
Oct 07	4.9007%	4,793,406,663.48	4,794,712,410.18	1.000272	19	84	584
Sep 07	5.1175%	5,101,146,389.66	5,102,374,857.54	1.000240	20	78	573
Aug 07	5.2540%	5,117,776,256.51	5,118,532,127.32	1.000118	16	42	567
Jul 07	5.2829%	5,037,425,646.08	5,037,616,062.72	1.000037	18	22	554
Jun 07	5.2883%	4,850,271,396.79	4,850,377,392.01	1.000014	18	25	543
May 07	5.2613%	4,809,313,042.18	4,809,314,578.92	1.000000	11	20	531
Apr 07	5.2803%	5,032,146,136.61	5,031,747,141.26	0.999920	13	23	523
Mar 07	5.2999%	5,200,629,725.85	5,200,442,100.26	0.999957	11	26	513
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

Portfolio Asset Summary as of November 30, 2007

	Book Value	Market Value
Uninvested Balance	\$ 13.19	\$ 13.19
Accrual of Interest Income	6,171,668.49	6,171,668.49
Interest and Management Fees Payable	(19,175,515.13)	(19,175,515.13)
Payable for Investment Purchased	(74,726,052.08)	(74,726,052.08)
Repurchase Agreements	3,635,279,000.00	3,635,279,000.00
Government Securities	1,452,122,198.05	1,453,218,523.00
Total	\$ 4,999,671,312.52	\$ 5,000,767,637.47

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 November 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-Nov-07	4.7447%	0.000129993	4,794,901,167.25	1.000282	18	84
2-Nov-07	4.7226%	0.000129386	4,871,034,735.70	1.000280	18	80
3-Nov-07	4.7226%	0.000129386	4,871,034,735.70	1.000280	18	80
4-Nov-07	4.7226%	0.000129386	4,871,034,735.70	1.000280	18	80
5-Nov-07	4.7173%	0.000129242	4,888,097,524.25	1.000266	18	79
6-Nov-07	4.6551%	0.000127538	5,014,486,727.58	1.000259	18	81
7-Nov-07	4.6300%	0.000126850	5,001,108,658.48	1.000267	18	80
8-Nov-07	4.6389%	0.000127094	5,005,577,201.43	1.000274	19	81
9-Nov-07	4.5790%	0.000125452	5,038,280,818.67	1.000270	17	79
10-Nov-07	4.5790%	0.000125452	5,038,280,818.67	1.000270	17	79
11-Nov-07	4.5790%	0.000125452	5,038,280,818.67	1.000270	17	79
12-Nov-07	4.5790%	0.000125452	5,038,280,818.67	1.000270	17	79
13-Nov-07	4.7179%	0.000129258	5,032,239,271.12	1.000262	17	79
14-Nov-07	4.8137%	0.000131883	5,015,614,976.80	1.000254	17	79
15-Nov-07	4.9041%	0.000134359	5,054,864,165.54	1.000257	17	78
16-Nov-07	4.6963%	0.000128666	5,065,035,550.46	1.000225	18	77
17-Nov-07	4.6963%	0.000128666	5,065,035,550.46	1.000225	18	77
18-Nov-07	4.6963%	0.000128666	5,065,035,550.46	1.000225	18	77
19-Nov-07	4.6831%	0.000128305	5,044,294,961.94	1.000228	18	77
20-Nov-07	4.7123%	0.000129104	4,915,451,945.27	1.000226	19	79
21-Nov-07	4.7138%	0.000129146	4,896,582,141.88	1.000225	19	80
22-Nov-07	4.7138%	0.000129146	4,896,582,141.88	1.000225	19	80
23-Nov-07	4.7047%	0.000128897	4,909,327,048.42	1.000214	18	79
24-Nov-07	4.7047%	0.000128897	4,909,327,048.42	1.000214	18	79
25-Nov-07	4.7047%	0.000128897	4,909,327,048.42	1.000214	18	79
26-Nov-07	4.7591%	0.000130387	4,999,904,318.58	1.000214	20	79
27-Nov-07	4.7563%	0.000130310	5,082,183,281.64	1.000206	20	81
28-Nov-07	4.7301%	0.000129591	5,035,842,872.99	1.000219	20	81
29-Nov-07	4.6428%	0.000127199	4,965,003,012.06	1.000224	20	82
30-Nov-07	4.7047%	0.000128896	4,999,671,312.52	1.000190	19	80
Average	4.6975%	0.000128699	4,977,724,031.99		18	79

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



TexSTAR Board Members

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

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

 **First Southwest Asset Management**

 **JPMorganChase**

Central Texas Regional Mobility Authority
Income Statement
All Operating Departments

Revenue	Budget	Actual Year	Percent	Actual Year
	FY 2008	To Date 12/31/2007	Of Budget	To Date 12/31/2006
Toll Revenue-Cash-183A	1,800,000.00	921,667.12	51.20%	0.00
Toll Revenue-TxTag-183A	6,500,000.00	6,668,632.18	102.59%	0.00
Interest Income	1,369,790.00	2,753,117.46	200.99%	239,581.60
Reimbursed Expenditures	20,060.00	31,843.90	158.74%	25,272.78
Total Revenue	9,689,850.00	10,375,260.66	107.07%	264,854.38

Expenditures	Budget	Actual Year	Percent	Actual Year
	FY 2008	To Date 12/31/2007	Of Budget	To Date 12/31/2006
Regular	1,431,950.00	569,604.08	39.78%	453,122.82
Part Time	20,000.00	2,524.51	12.62%	2,136.76
Overtime	7,000.00	157.41	2.25%	667.23
Contractual Employees	30,000.00	52,507.34	175.02%	79,808.20
TCDRS	181,533.00	73,025.10	40.23%	61,192.44
FICA	74,339.00	20,408.60	27.45%	16,887.73
FICA MED	21,591.00	8,287.34	38.38%	6,445.77
Health Insurance	134,542.00	55,255.61	41.07%	42,216.96
Life Insurance	1,697.00	1,371.99	80.85%	602.50
Auto Allowance	16,000.00	3,850.00	24.06%	3,200.00
Other Benefits	117,697.00	23,124.20	19.65%	15,525.47
Unemployment Taxes	855.00	177.70	20.78%	248.15
Total Salaries & Wages	2,037,204.00	810,293.88	39.77%	682,054.03

Contractual Services	Budget	Actual Year	Percent	Actual Year
	FY 2008	To Date 12/31/2007	Of Budget	To Date 12/31/2006
Professional Services				
Accounting	9,000.00	4,455.47	49.51%	2,527.28
Auditing	50,000.00	22,560.00	45.12%	11,747.50
General Engineering Consultant	445,000.00	0.00		0.00
General System Consultant	425,000.00	0.00		0.00
Toll Collection contract	1,879,111.00	541,827.02	28.83%	0.00
Toll collection mgt admi	131,460.00	0.00		0.00
CSC mgt admin	84,074.00	0.00		0.00
Facility management	176,017.00	21,550.86	12.24%	0.00
Facility management	63,017.00	20,388.18	32.35%	0.00
Toll perform plan	35,106.00	0.00		0.00
Human Resources	30,000.00	8,167.70	27.23%	2,826.00
Legal	150,000.00	57,223.69	38.15%	38,320.50
Photography	15,000.00	11,285.00	75.23%	11,016.32
Traffic & Revenue Consultants	50,000.00	45,000.00	90.00%	0.00
Communications and Marketing	150,000.00	16,864.00	11.24%	83,042.03
Transcripts	1,000.00	0.00		0.00
Total Professional Services	3,693,785.00	749,321.92	20.29%	149,479.63

	Budget FY 2008	Actual Year To Date 12/31/2007	Percent Of Budget	Actual Year To Date 12/31/2006
Other Contractual Services				
IT Services	683,240.00	16,819.77	2.46%	1,840.25
Graphic Design Services	20,000.00	0.00		750.00
Website Maintenance	20,000.00	2,285.25	11.43%	8,690.41
Research Services	45,000.00	0.00		0.00
Copy Machine	13,000.00	3,986.24	30.66%	4,368.10
Software licenses	24,000.00	7,258.80	30.25%	7,259.80
ETC system Maintenance	1,177,800.00	0.00		0.00
Advertising	56,000.00	5,153.14	9.20%	8,265.89
Direct Mail	20,000.00	0.00		0.00
Video Production	10,000.00	0.00		77,744.48
Television	20,000.00	0.00		133,560.68
Radio	50,000.00	4,685.00	9.37%	7,500.00
Other Public Relations	0.00	1,032.73		13,933.75
Security Contracts	350,000.00	86,530.00	24.72%	134.40
Cell Phones	6,800.00	3,185.90	46.85%	2,320.32
Local	55,252.00	7,699.77	13.94%	3,175.53
Long Distance	2,000.00	313.78	15.69%	449.49
Internet	8,472.00	2,858.37	33.74%	1,836.00
Other Communication Expense	1,000.00	386.89	38.69%	60.26
Dues & Subscriptions	1,850.00	26.00	1.41%	1,501.90
Memberships	14,295.00	4,162.50	29.12%	2,884.85
Continuing Education	6,000.00	575.00	9.58%	2,083.95
Professional Development	22,000.00	238.00	1.08%	950.00
Seminars and Conferences	26,450.00	10,787.00	40.78%	14,570.00
Total Travel	70,500.00	27,653.53	39.22%	13,351.83
Other Contractual Svcs	0.00	1,277.90		2,784.50
Roadway maintenance contract	1,157,000.00	60,110.05	5.20%	0.00
Contractual Contingencies	141,000.00	2,898.43	2.06%	14850.00%
Total Other Contractual Services	4,001,659.00	249,924.05	6.25%	310,164.89
Total Contractual Expenses	7,695,444.00	999,245.97	12.98%	459,644.52

	Budget FY 2008	Actual Year To Date 12/31/2007	Percent Of Budget	Actual Year To Date 12/31/2006
Materials and Supplies				
Books & Publications	10,400.00	3,146.66	30.26%	1,518.87
Office Supplies	15,500.00	2,995.23	19.32%	6,169.08
Computer Supplies	15,500.00	1,251.31	8.07%	1,623.66
Copy Supplies	3,000.00	0.00		0.00
Annual Report	20,000.00	0.00		4,250.00
Other Reports	50,500.00	15,222.11	30.14%	1,006.00
Direct Mail	0.00	431.02		0.00
Office Supplies	3,500.00	1,607.29	45.92%	838.02
Maintenance Supplies	100.00	0.00		0.00
Promotional Items	10,000.00	199.34	1.99%	7,926.37
Displays	5,000.00	468.93	9.38%	12,703.42
Tools & Equipment	2,700.00	864.95	32.04%	274.67
Misc Materials & Supplies	3,500.00	6,331.00	180.89%	261.19
Total Materials & Supplies Exp	139,700.00	32,517.84	23.28%	36,571.28

	Budget FY 2008	Actual Year To Date 12/31/2007	Percent Of Budget	Actual Year To Date 12/31/2006
Operating Expenses				
Gasoline	10,000.00	1,534.92	15.35%	0.00
Mileage Reimbursement	7,850.00	3,029.78	38.60%	2,333.68
Parking	26,950.00	11,845.44	43.95%	8,887.14
Meeting Facilities	2,600.00	50.00	1.92%	0.00
Community Events	20,000.00	0.00		250.00
Meeting Expense	6,325.00	2,806.17	44.37%	1,427.13
Public Notices	2,300.00	2,915.21	126.75%	9.00
Postage	8,900.00	870.99	9.79%	687.51
Overnight Services	1,250.00	712.86	57.03%	81.49
Delivery Services	2,400.00	685.08	28.55%	915.17
Insurance	175,000.00	45,042.62	25.74%	14,713.22
Repair & Maintenance-Vehicles	2,000.00	65.88	3.29%	0.00
Rent	181,973.00	90,986.64	50.00%	82,244.94
Water	7,400.00	0.00		0.00
Electricity	56,000.00	31,022.03	55.40%	1,740.46
Amortization Expense	34,808.00	469,624.78	1349.19%	17,507.80
Dep Exp- Furniture & Fixtures	4,000.00	8,610.83	215.27%	4,998.41
Dep Expense - Equipment	1,200.00	9,432.36	786.03%	4,692.36
Dep Expense - Autos & Trucks	8,000.00	2,036.88	25.46%	0.00
Dep Expense-Buildng & Toll Fac	147,898.00	86,220.24	58.30%	0.00
Dep Expense-Highways & Bridges	5,429,806.00	2,400,579.02	44.21%	0.00
Dep Expense-Communic Equip	5,995.00	98,415.78	1641.63%	2,993.43
Dep Expense-Toll Equipment	918,771.00	226,303.14	24.63%	0.00
Dep Expense - Signs	120,436.00	65,739.90	54.58%	0.00
Dep Expense-Land Improvemts	733,880.00	20,485.86	2.79%	0.00
Depreciation Expense-Computers	33,000.00	177,509.06	537.91%	19,662.21
Recruitment	1,000.00	0.00		0.00
Community Initiative Grants	102,500.00	15,000.00	14.63%	63,929.20
Total Operating Expense	8,052,242.00	3,771,525.47	46.84%	227,073.15
Financing Expenses				
Arbitrage Rebate	3,500.00	0.00		0.00
Bond Issuance Expense	0.00	723,790.14		0.00
Loan Fees	12,000.00	11,000.00	91.67%	11,000.00
Bond Issuance Cost	25,000.00	0.00		0.00
Trustee Fees	2,000.00	0.00		1,900.02
Bank Fees	2,500.00	13,476.62	539.06%	359.82
Interest Expense	11,443,524.00	5,759,913.06	50.33%	0.00
Contingency	20,000.00	0.00		0.00
Total Financing Expense	11,508,524.00	6,508,179.82	56.55%	13,259.84
Total Expenses	29,433,114.00	12,121,762.98	41.18%	1,418,602.82
Net Income	-19,743,264.00	-1,746,502.32		-1,153,748.44

Central Texas Regional Mobility Authority
Balance Sheet
As of December 31, 2007

December 31, 2006

Assets

Current Assets

	31,352.76		8,147.49
Cash in Operating Fund			0.00
Chase-Regions Trustee Account	6,070.86		0.00
Regions Trustee cash account	350,703.02		
Cash In TexSTAR	4,883,169.33		6,807,362.86
Money Market Payroll Account	1,268.55		1,435.73
Fidelity Government MMA	2,053,209.40		10,500,664.07
Restricted Cash-TexStar	120,338,145.41		21,304,010.28
Total Cash Equivalents		127,275,792.69	38,613,472.94
Due From TTA	260,997.35		0.00
Due From NTTA	33,560.55		0.00
Due From HCTRA	63,501.30		0.00
Interest Receivable	26,288.20		93,433.89
Total Receivables		384,347.40	93,433.89
Agencies		3,985,884.86	9,421,514.21
Prepaid Insurance	117,466.93		36,679.56
Prepaid Expenses	0.00		949.97
Total Prepaid Expenses		117,466.93	37,629.53
Total Current Assets		132,151,618.52	48,174,198.06

Construction Work In Process

Utility Relocation Expense	7,296.44		61,411.19
Consulting-Admin Services	28,559.43		680,522.33
Consulting-Reimbursed Expenses	5,137.68		421.82
Environmental Fees	0.00		398,750.00
Funding Costs	39,204.26		30,000.00
Legal Fees-Construction	652,921.54		2,174,971.27
Traffic & Revenue Analysis	1,647,301.30		2,288,832.75
Unsuccessful Proposers	0.00		356,625.82
Engineering	2,259,416.43		2,645,832.81
Right of Way	68,947.30		138,740.83
Total Preliminary Costs		4,708,784.38	8,776,108.82
Public Involvement	138,787.88		215,751.21
CDA Oversight	0.00		5,677,438.07
Engineering	0.00		14,082,913.49
Total Construction Engineering		138,787.88	19,976,102.77
Design	0.00		28,945,394.60
Construction-CDA	0.00		116,218,405.20
Other Construction Costs	0.00		228,847.24
Total Construction		0.00	145,392,647.04
Toll Collection System		27,220.00	5,918,354.63
Accrued Interest Income	0.00		(12,466,257.99)
Accrued Interest Expense	0.00		21,764,803.78
Amortization of Bond Premium	0.00		(2,902,323.48)
Amortization Bond Disc Invest	0.00		(292,817.82)
Total Accrued Interest		0.00	6,103,404.49
Amortization Bond Issue Costs		0.00	2,637,053.78
Total Construction WIP		4,874,792.26	188,803,671.53

Fixed Assets				
Computers	1,196,453.52		115,571.52	
Accum Deprec-Computers	<u>(304,160.53)</u>	892,292.99	<u>(82,266.43)</u>	33,305.09
Computer Software	5,313,619.41		95,156.88	
Accumulated Amortization-Software	<u>(577,442.22)</u>	4,736,177.19	<u>(26,209.78)</u>	68,947.10
Furniture and Fixtures	91,134.66		68,051.96	
Accum Deprec-Furn & Fixtures	<u>(23,793.73)</u>	67,340.93	<u>(9,185.03)</u>	58,866.93
Equipment	76,177.93		28,777.93	
Accum Deprec-Equipment	<u>(23,736.42)</u>	52,441.51	<u>(8,854.10)</u>	19,923.83
Autos and Trucks	16,295.00		0.00	
Accum Deprec-Autos and Trucks	<u>(2,036.88)</u>	14,258.12	<u>0.00</u>	0.00
Buildings and Toll Facilities	6,897,618.00		0.00	
Accum Deprec-Buildings & Toll	<u>(100,590.28)</u>	6,797,027.72	<u>0.00</u>	0.00
Highways and Bridges	195,125,641.42		0.00	
Accum Deprec-Highways & Bridge	<u>(2,797,058.62)</u>	192,328,582.80	<u>0.00</u>	0.00
Communication Equipment	1,938,955.13		30,256.02	
Accum Deprec-Comm Equip	<u>(123,251.22)</u>	1,815,703.91	<u>(5,928.51)</u>	24,327.51
Toll Equipment	4,587,114.80		0.00	
Accum Deprec-Toll Equip	<u>(263,969.74)</u>	4,323,145.06	<u>0.00</u>	0.00
Signs	5,260,262.00		0.00	
Accum Deprec-Signs	<u>(76,695.44)</u>	5,183,566.56	<u>0.00</u>	0.00
Land Improvements	820,385.00		0.00	
Accum Deprec-Land Improv	<u>(23,900.17)</u>	796,484.83	<u>0.00</u>	0.00
Right of Way		22,768,323.38		
Leasehold Improvements		43,592.12		49,443.68
Total Fixed Assets		239,818,937.12		254,814.14
Other Assets				
Security Deposits		8,643.30		8,643.30
Long Term Investments				
GIC		5,216,089.97		74,964,413.00
Other Assets				
Intangible Assets		650.00		650.00
2005 Bond Issuance Costs		8,845,735.10		10,293,315.38
Total Assets		390,916,466.27		322,499,705.41
Liabilities				
Current Liabilities				
Accounts Payable		(340,757.37)		5,875,337.43
Interest Payable		5,759,913.06		5,716,054.14
TCDRS Payable		20,658.55		15,433.39
Due to State of Texas		56.45		35.92
Total Due to other Entities		56.45		0.00
Total Current Liabilities		5,439,870.69		11,606,860.88
Long Term Liabilities				
Accrued Vac & Sick Leave Paybl		150,835.00		0.00
Retainage Payable		1,928,833.03		7,539,422.59
BANS 2005		66,000,000.00		66,000,000.00
Senior Lien Revenue Bonds 2005		169,715,619.24		168,943,735.37
Sn Lien Rev Bnd Prem/Disc 2005		5,357,619.75		6,955,883.07
Total Long Term Liabilities		243,152,907.02		249,439,041.03
Total Liabilities		248,592,777.71		261,045,901.91
Net Assets Section				

Contributed Capital	18,430,634.57	62,604,167.57
Net Assets beginning	59,639,556.31	
Current Year Operations	<u>(1,746,502.32)</u>	<u>(1,150,364.07)</u>
Total Liabilities and Net Assets	<u><u>324,916,466.27</u></u>	<u><u>322,499,705.41</u></u>

CTRMA INVESTMENT REPORT

Month Ending 12/31/2007						Current	
Balance		Discount	Accrued Interest	Withdrawals	Balance	Rate as of	Maturity
11/30/2007	Additions	Amortization			12/31/2007	12/31/2007	
Amount in repo							
Debt Service Fund			14,225.11		5,179,669.83	3.35%	Jan 1, 08
totals	0.00	0.00	14,225.11	0.00	5,179,669.83		
Amount in Trustee TexStar							
Additional Projects Fund			36,557.24	136,183.62	9,401,255.78	4.704%	
Construction Fund			58,410.79	4,291,799.24	13,493,455.62	4.704%	
Trustee Operating Fund			3,207.87		834,599.45	4.704%	
Renewal & Replacement Fund			384.51		100,039.27	4.704%	
TxDOT Grant Fund			42,127.41		10,960,376.54	4.704%	
Revenue Fund			22,944.65		5,969,557.32	4.704%	
Subordinate Lien DS Fund	66,000,000.00		97,713.59		66,097,713.59	4.704%	
Debt Service Reserve Fund			51,816.27		13,481,147.84	4.704%	
	66,000,000.00	0.00	313,162.33	4,427,982.86	120,338,145.41		
Amount in TexStar Operating Fund							
			19,959.47	594,000.00	4,883,169.33	4.704%	
Fidelity Money Market Fund							
-Operating Fund			20.37		5,649.35	4.240%	
-Additional Projects Fund	136,183.62		362.34	161,144.42	0.00	4.240%	
-Construction Fund	4,291,799.24		20.62	4,549,957.74	-258,137.88	4.240%	
-Debt Service Fund	3.00		186.68		51,788.92	4.240%	
-Subordinate Lien DS Fund	66,000,000.00		5.97	66,000,000.00	1,656.32	4.240%	
-TxDOT Grant Fund			7,458.17	1,000,162.83	1,068,727.35	4.240%	
-Renewal and Replavement			105.91		29,379.74	4.240%	
-Revenue Fund	1,143,277.25		1,589.51		1,144,866.76	4.240%	
-Debt Service Reserve Fund			33.46		9,281.84	4.240%	
	71,571,263.11	0.00	9,783.03	71,711,264.99	2,053,212.40		
Money Market Fund-payroll							
	46,000.00		35.52	93,625.24	1,268.55	3.350%	
Amount in Fed Agencies							
Amortized Principal	997,142.00	5,333.78		0.00	3,985,885.36		
Accrued Interest			10,729.86				
	997,142.00	5,333.78		0.00	3,985,885.36		
Total in Repo's							
Total in Pools	66,000,000.00	0.00	333,121.80	5,021,982.86	125,221,314.74		
Total in Money Market	71,617,263.11	0.00	9,818.55	71,804,890.23	2,054,480.95		
Total in Fed Agencies	997,142.00	5,333.78	0.00	0.00	3,985,885.36		
Total Invested	138,614,405.11	5,333.78	357,165.46	76,826,873.09	136,441,350.88		

Amount in Fed Agencies As of December 31, 2007

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
Federal Home Loan Bank	3133X5DV7	2,466,550.00	2,497,963.91	2,496,875.00	5.310%	5/24/2007	1/14/2008	Additional Projects Fund
Federal Home Loan Bank	3133X1GR2	487,831.06	490,303.12	494,074.35	5.250%	7/31/2007	10/15/2008	Renewal and Replacement
Federal Home Loan Bank	3133X6DE3	997,142.00	997,618.33	996,560.00	4.310%	12/5/2007	5/5/2008	TxDOT Grant Fund
	Totals	<u>3,951,523.06</u>	<u>3,985,885.36</u>	<u>3,987,509.35</u>				

Agency	CUSIP #	COST	Cumulative Amortization	12/31/07		Interest Income December 2007		
				Book Value	Maturity Value	Accrued Interest	Amortizatuion	Interest Earned
Federal Home Loan Bank	3133X5DV7	2,466,550.00	31,413.91	2,497,963.91	2,500,000.00	6,562.50	4,363.04	10,925.54
Federal Home Loan Bank	3133X1GR2	487,831.06	2,472.06	490,303.12	495,000.00	1,650.00	494.41	2,144.41
Federal Home Loan Bank	3133X6DE3	997,142.00	476.33	997,618.33	1,000,000.00	2,517.36	476.33	2,993.69
		<u>3,951,523.06</u>	<u>34,362.30</u>	<u>3,985,885.36</u>	<u>3,995,000.00</u>	<u>10,729.86</u>	<u>5,333.78</u>	<u>16,063.64</u>



Monthly Newsletter - December 2007

Performance

As of December 31, 2007

Current Invested Balance	\$5,180,414,831.71
Weighted Average Maturity (1)	20 Days
Weighted Average Maturity (2)	75 Days
Net Asset Value	1.000202
Total Number of Participants	594
Management Fee on Invested Balance	0.12%*
Interest Distributed	\$19,783,405.96
Management Fee Collected	\$215,331.10
% of Portfolio Invested Beyond 1 Year	10.78%
Standard & Poor's Current Rating	AAAm

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

December Averages

Average Invested Balance	\$5,071,039,394.56
Average Monthly Yield, on a simple basis	4.5430%
Average Weighted Average Maturity (1)*	21 Days
Average Weighted Average Maturity (2)*	79 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 307 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 December 2007:

★ Seminole ISD

★ Hutto ISD

★ Kinney County

Holiday Reminder

Please note that in observance of the Martin Luther King, Jr. holiday, **TexSTAR will be closed on Monday, January 21, 2008.** Notification of any early transaction deadlines on the day preceding this holiday will be sent by email to the primary contact on file for all TexSTAR participants.

Economic Commentary

Despite concerns of a significant slowdown in the economy in the fourth quarter, data released during the period was mixed. However, as expected, the housing market continued to weaken, the first signs of softening in the labor market and manufacturing sector materialized, and inflation fears reemerged. Consumer spending, which represents 70% of the economy, remains healthy. Personal spending grew between 2.5% and 3.0% on an annualized basis. In the labor market, jobless claims rose in the month of December to a surprising 5% unemployment rate. Housing data reported during the quarter pointed to a continued contraction in that sector. The manufacturing sector also softened with the ISM Manufacturing Index ending the year at its lowest level since April 2003, dipping to 47.7.

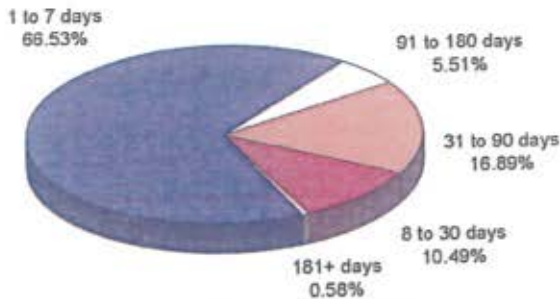
Inflation concerns reappeared during the quarter. The November core CPI was up 2.3% from a year ago versus 2.1%. The core PCE, the Federal Reserve's preferred inflation gauge, rose to 2.2% in November on a year-on-year basis versus 1.9% in September, and currently stands well above the Fed's year-end projection of 1.8% - 1.9%. In the markets' flight to quality, Treasury yields plummeted and the curve steepened, with two-year yields ending the quarter down 93 bps at 3.05% and five-year yields ending down 80 bps at 3.44%. The LIBOR curve inverted further, with one-month rates lower by 52 bps at 4.60% and 12-month rates down sharply by 68 bps to yield 4.22%, as the Fed lowered rates and provided liquidity to the market.

The Federal Reserve is expected to lower the fed funds rate to 4.0% at the end of January and maintain friendly language until either growth prospects pick up or labor market data change materially. With weaker-than-expected labor market conditions, the Fed can reasonably forecast a tempering of inflation in the intermediate term. The forecast for fourth quarter GDP is 2.5%, boosted by still-solid growth in consumer spending, continued strength in net exports, and strong government spending. Residential investment is expected to fall significantly further while business investment is expected to soften. A slower pace of inventory rebuilding is also anticipated resulting in a 1.8% GDP for the first quarter of 2008.

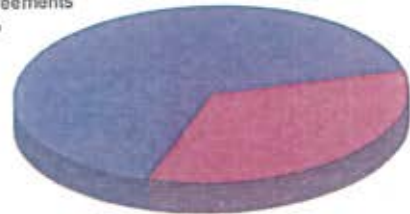
For more information about TexSTAR, please visit our web site at www.texstar.org.

Information at a Glance

Portfolio by Type of Investment As of December 31, 2007

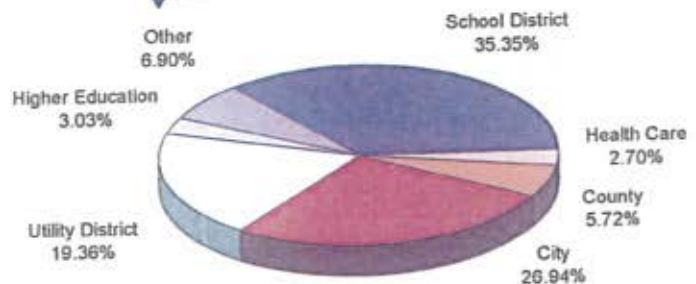


Repurchase Agreements
66.13%



Agencies
33.87%

Portfolio by Maturity As of December 31, 2007



Distribution of Participants by Type As of December 31, 2007

Performance

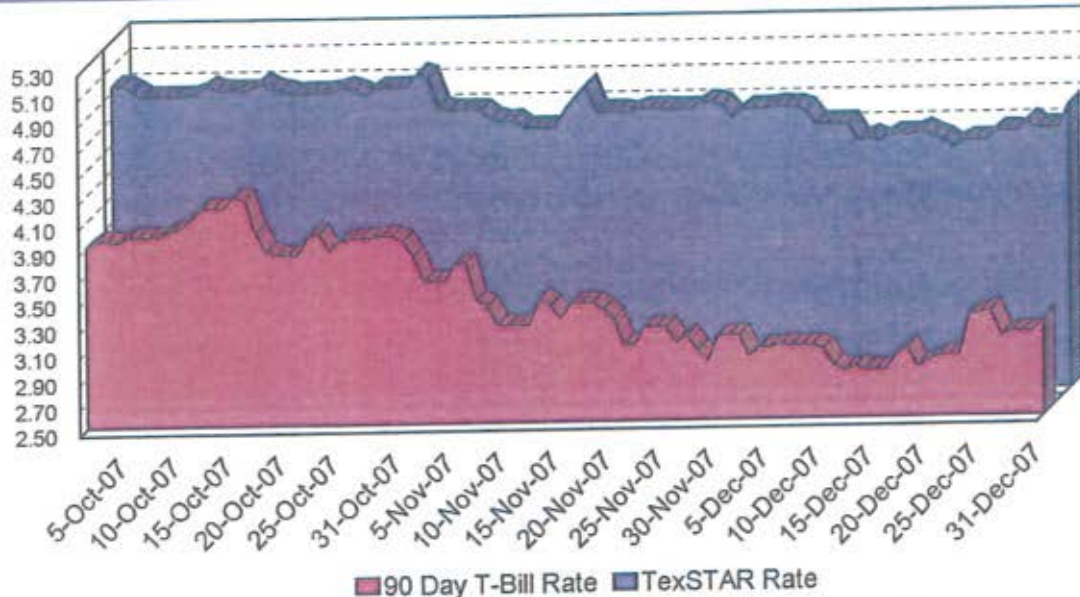
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Dec 07	4.5430%	\$ 5,180,414,831.71	\$ 5,181,584,153.60	1.000202	21	79	594
Nov 07	4.6975%	4,999,671,312.52	5,000,767,637.47	1.000190	18	79	591
Oct 07	4.9007%	4,793,406,663.48	4,794,712,410.18	1.000272	19	84	584
Sep 07	5.1175%	5,101,146,389.66	5,102,374,857.54	1.000240	20	78	573
Aug 07	5.2540%	5,117,776,256.51	5,118,532,127.32	1.000118	16	42	567
Jul 07	5.2829%	5,037,425,646.08	5,037,616,062.72	1.000037	18	22	554
Jun 07	5.2883%	4,850,271,396.79	4,850,377,392.01	1.000014	18	25	543
May 07	5.2613%	4,809,313,042.18	4,809,314,578.92	1.000000	11	20	531
Apr 07	5.2803%	5,032,146,136.61	5,031,747,141.26	0.999920	13	23	523
Mar 07	5.2999%	5,200,629,725.85	5,200,442,100.26	0.999957	11	26	513
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

Portfolio Asset Summary as of December 31, 2007

	Book Value	Market Value
Uninvested Balance	\$ 45,105.50	\$ 45,105.50
Accrual of Interest Income	5,794,552.50	5,794,552.50
Interest and Management Fees Payable	(19,619,959.68)	(19,619,959.68)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreements	3,440,990,000.00	3,440,990,000.00
Government Securities	1,753,205,133.39	1,754,374,455.28
Total	\$ 5,180,414,831.71	\$ 5,181,584,153.60

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 December 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-Dec-07	4.7047%	0.000128896	4,999,671,312.52	1.000190	19	80
2-Dec-07	4.7047%	0.000128896	4,999,671,312.52	1.000190	19	80
3-Dec-07	4.7195%	0.000129302	5,113,760,052.14	1.000198	19	79
4-Dec-07	4.7158%	0.000129200	5,138,078,044.97	1.000205	19	78
5-Dec-07	4.7151%	0.000129180	5,113,982,047.88	1.000197	19	79
6-Dec-07	4.6836%	0.000128317	5,139,806,345.63	1.000195	19	78
7-Dec-07	4.5777%	0.000125417	5,078,423,619.41	1.000182	19	79
8-Dec-07	4.5777%	0.000125417	5,078,423,619.41	1.000182	19	79
9-Dec-07	4.5777%	0.000125417	5,078,423,619.41	1.000182	19	79
10-Dec-07	4.5781%	0.000125428	5,057,062,673.45	1.000185	19	79
11-Dec-07	4.4462%	0.000121813	5,063,418,230.94	1.000199	20	80
12-Dec-07	4.4705%	0.000122479	5,073,224,177.34	1.000207	21	81
13-Dec-07	4.4418%	0.000121693	5,059,696,924.15	1.000209	21	80
14-Dec-07	4.4818%	0.000122790	5,158,357,726.12	1.000179	19	78
15-Dec-07	4.4818%	0.000122790	5,158,357,726.12	1.000179	19	78
16-Dec-07	4.4818%	0.000122790	5,158,357,726.12	1.000179	19	78
17-Dec-07	4.5170%	0.000123753	5,125,156,286.53	1.000170	21	78
18-Dec-07	4.4730%	0.000122547	4,997,196,116.13	1.000153	22	78
19-Dec-07	4.4459%	0.000121806	5,038,580,978.04	1.000159	23	80
20-Dec-07	4.3914%	0.000120312	5,036,245,401.46	1.000166	24	81
21-Dec-07	4.4355%	0.000121521	4,975,813,302.26	1.000143	24	81
22-Dec-07	4.4355%	0.000121521	4,975,813,302.26	1.000143	24	81
23-Dec-07	4.4355%	0.000121521	4,975,813,302.26	1.000143	24	81
24-Dec-07	4.5035%	0.000123384	4,977,082,605.08	1.000117	23	80
25-Dec-07	4.5035%	0.000123384	4,977,082,605.08	1.000117	23	80
26-Dec-07	4.4982%	0.000123239	5,016,750,036.32	1.000166	23	80
27-Dec-07	4.5718%	0.000125256	5,057,932,734.62	1.000153	22	79
28-Dec-07	4.5210%	0.000123864	5,133,208,190.53	1.000176	21	77
29-Dec-07	4.5210%	0.000123864	5,133,208,190.53	1.000176	21	77
30-Dec-07	4.5210%	0.000123864	5,133,208,190.53	1.000176	21	77
31-Dec-07	4.7004%	0.000128779	5,180,414,831.71	1.000202	20	75
Average	4.5430%	0.000124466	5,071,039,394.56		21	79

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

Will Williams

Hardy Browder

Oscar Cardenas

Scott Christensen

Ramiro Flores

Stephen Fortenberry

Monte Mercer

Len Santow

S. Renee Tidwell

Central Texas Regional Mobility Authority

City of Frisco

Houston ISD

First Southwest Company

JP Morgan Chase

City of Cedar Hill

Northside ISD

Reid Road MUD No. 1

Harlingen CISD

McKinney ISD

North Central TX Council of Government

Griggs & Santow

Tarrant County

Governing Board President

Governing Board Vice President

Governing Board Treasurer

Governing Board Secretary

Governing Board Asst. Sec./Treas.

Advisory Board

Advisory Board

Advisory Board

Advisory Board

Advisory Board

Advisory Board

Advisory Board

Advisory Board

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

 **First Southwest Asset Management**

 **JPMorganChase**