



Central Texas Regional  
Mobility Authority

## AGENDA ITEM #14 SUMMARY

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Accept the monthly financial report for October, 2011.

**Accept the monthly financial report for October, 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 October, 2011.**

**Attached documentation for reference:**

**Draft Resolution and Financial Report for October**

**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 October, 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 October, 2011, attached as Attachment “A” to this resolution.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 7th day of December, 2011.

Submitted and reviewed by:

Approved:

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Andrew Martin  
General Counsel for the Central  
Texas Regional Mobility Authority

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Ray A. Wilkerson  
Chairman, Board of Directors  
Resolution Number: 11-\_\_\_  
Date Passed: 11/7/2011

**Exhibit A**

**Financial Report for October, 2011**

**Central Texas Regional Mobility Authority**

**Balance Sheet**

As of

October 31, 2011

October 31, 2010

**Assets**

**Current Assets**

Cash in Regions Operating Account		648,967		111,120
Cash In TexSTAR	41,811		81,731	
Regions Payroll Account	78,549		12,120	
<b>Restricted cash/cash equivalents</b>				
Fidelity Government MMA	17,317,063		7,360,120	
Restricted Cash-TexStar	68,478,577		87,381,950	
Regions SIB account	0		15,799,067	
Overpayment accounts	22,282		12,293	
<b>Total Cash and Cash Equivalents</b>		85,938,282		110,758,401
Accounts Receivable	32,656		96,588	
Due From TTA	364,039		358,780	
Due From NTTA	37,286		31,520	
Due From HCTRA	55,887		51,543	
Due From TxDOT	810,662		5,649,620	
Due From Federal Government	617,954		800,575	
Interest Receivable	473,708		162,440	
<b>Total Receivables</b>		2,392,191		7,151,066
<b>Short Term Investments</b>				
Treasuries		4,549,017		
Certificates of Deposit		0		3,100,000
Investment in Government Agencies		12,228,776.8		11,561,983
<b>Other Current Assets</b>				
Prepaid Expenses		1,655		
Prepaid Insurance		52,143		89,139
<b>Total Current Assets</b>		<b>105,811,031</b>		<b>132,660,590</b>
<b>Construction Work In Process</b>		<b>254,980,703</b>		<b>98,733,668</b>
<b>Fixed Assets</b>				
Computers(net)		28,789		40,128
Computer Software(net)		879,692		2,083,546
Furniture and Fixtures(net)		16,722		25,611
Equipment(net)		40,793		55,171
Autos and Trucks(net)		25,869		2,622
Buildings and Toll Facilities(net)		6,285,278		6,461,837
Highways and Bridges(net)		176,063,786		181,030,993
Communication Equipment(net)		1,078,657		1,258,431
Toll Equipment(net)		2,391,427		2,853,208
Signs(net)		5,044,670		5,177,938
Land Improvements(net)		1,156,420		929,526
Right of Way		24,683,553		23,683,553
Leasehold Improvements		63,896		63,457
<b>Total Fixed Assets</b>		<b>217,759,552</b>		<b>223,666,022</b>
<b>Long Term Investments</b>				
GIC (Restricted )		231,209,312		87,602,087
Agencies-LT		44,308,040		0
<b>Other Assets</b>				
Security Deposits		8,644		9,483
Intangible Assets		650		650
Total Bond Issuance Costs		15,890,118		10,925,879
<b>Total Assets</b>		<b>869,968,050</b>		<b>553,598,379</b>

## Liabilities

### Current Liabilities

Accounts Payable	543,676	33,666
Overpayments	22,985	12,703
Interest Payable	15,023,031	6,314,126
Due to other Funds	0	187,800
TCDRS Payable	29,716	24,899
Due to other Entities	15,081	0
Due to State of Texas	2,140	605
<b>Total Current Liabilities</b>	<b>15,636,629</b>	<b>6,573,799</b>

### Long Term Liabilities

Accrued Vac & Sick Leave Paybl	413,815	365,641
Retainage Payable	1,655	134,317
Senior Lien Revenue Bonds 2005	172,698,781	172,244,198
Senior Lien Revenue Bonds 2010	99,433,492	96,592,683
Senior Lien Revenue Bonds 2011	306,141,662	0
Sn Lien Rev Bnd Prem/Disc 2005	4,734,071	4,902,492
Sn Lien Rev Bnd Prem/Disc 2010	192,155	225,679
Tot Sr Lien Rev Bond Pay Pre/D	1,247,979	5,128,171
Subordinated Lien Bond 2010	45,000,000	45,000,000
Subordinated Lien Bond 2011	70,000,000	0
Sub Lien Bond 2011 Prem/Disc	(2,140,140)	
TIFIA note 2008	77,626,562	75,268,634
2010 Regions BAB's Payable	0	59,775,000
2009 State Infrastructure loan	0	32,469,033
Total Long Term Liabilities	<b>770,423,807</b>	<b>486,977,677</b>
<b>Total Liabilities</b>	<b>786,060,436</b>	<b>493,551,476</b>

### Net Assets Section

Contributed Capital	18,334,846	18,334,846
Net Assets beginning	61,930,780	37,756,819
Current Year Operations	3,641,989	3,955,239
<b>Total Net Assets</b>	<b>65,572,769</b>	<b>41,712,058</b>

### Total Liabilities and Net Assets

<b>869,968,050</b>	<b>553,598,379</b>
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**Central Texas Regional Mobility Authority**  
**Income Statement**  
**All Operating Departments**

Account Name	Budget Amount FY 2012	Actual Year to Date 10/31/2011	Percent of Budget	Actual Prior Year to Date 10/31/10
<b>Revenue</b>				
<b>Operating Revenue</b>				
Toll Revenue-TxTag-183A	21,395,350	5,228,808	24.44%	5,279,001
Toll Revenue-HCTRA-183A	656,250	234,012	35.66%	219,707
Toll Revenue-NTTA-183A	411,600	146,328	35.55%	129,627
Video Tolls	3,004,800	1,085,824	36.14%	1,040,035
Fee revenue	1,252,000	391,707	31.29%	414,283
<b>Total Operating Revenue</b>	<b>26,720,000</b>	<b>7,086,680</b>	<b>26.52%</b>	<b>7,082,652</b>
<b>Other Revenue</b>				
Interest Income	180,000	70,705	39.28%	149,006
Grant Revenue	800,000	4,635,829	579.48%	5,601,593
Misc Revenue	2,200	836,218	38010%	733
Gain/Loss on Sale of Asset	-	12,342	#DIV/0!	-
<b>Total Other Revenue</b>	<b>982,200</b>	<b>5,555,095</b>	<b>565.58%</b>	<b>5,751,332</b>
<b>Total Revenue</b>	<b>\$ 27,702,200</b>	<b>\$ 12,641,775</b>	<b>45.63%</b>	<b>\$ 12,833,985</b>
<b>Expenses</b>				
<b>Salaries and Wages</b>				
Salary Expense-Regular	2,010,301	526,075	26.17%	504,673
Part Time Salry Expense	12,000	7,858	65.49%	4,862
Overtime Salary Expense	4,000	-	0.00%	-
Contractual Employees Expense	105,000	5,550	5.29%	28,500
TCDRS	304,235	74,672	24.54%	72,332
FICA	97,856	20,484	20.93%	19,060
FICA MED	30,715	7,525	24.50%	7,094
Health Insurance Expense	204,527	50,346	24.62%	41,557
Life Insurance Expense	5,374	1,406	26.16%	1,816
Auto Allowance Expense	9,000	2,762	30.69%	2,848
Other Benefits	171,305	24,819	14.49%	17,922
Unemployment Taxes	13,059	58	0.44%	-
Salary Reserve	91,871	-	0.00%	-
<b>Total Salaries and Wages</b>	<b>3,059,243</b>	<b>721,554</b>	<b>23.59%</b>	<b>700,663</b>
<b>Contractual Services</b>				
<b>Professional Services</b>				
Accounting	9,500	10,576	111.33%	2,760
Auditing	55,000	37,745	68.63%	19,908
General Engineering Consultant	1,250,000	202,512	16.20%	120,983
General System Consultant	175,000	26,284	15.02%	2,508
Image Processing	600,000	290,239	48.37%	237,227
Facility maintenance	20,000	4,186	20.93%	18,482
HERO	820,000	188,791	23.02%	198,916
Human Resources	80,000	3,042	3.80%	8,566
Legal	250,000	2,850	1.14%	30,680

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**All Operating Departments**

Account Name	Budget Amount FY 2012	Actual Year to Date 10/31/2011	Percent of Budget	Actual Prior Year to Date 10/31/10
Photography	15,000	11,850	79.00%	9,000
Communications and Marketing	-	10,409		-
<b>Total Professional Services</b>	<b>3,274,500</b>	<b>788,484</b>	<b>24.08%</b>	<b>649,030</b>
<b>Other Contractual Services</b>				
IT Services	45,000	18,198	40.44%	11,774
Graphic Design Services	10,000	400	4.00%	780
Website Maintenance	25,000	1,196	4.78%	2,755
Research Services	25,000	3,100	12.40%	18,067
Copy Machine	9,000	1,722	19.13%	3,584
Software Licenses	26,000	734	2.82%	7,387
ETC Maintenance Contract	840,000	138,923	16.54%	196,327
ETC Development	125,000	-	0.00%	3,863
ETC Testing	30,000	16,620	55.40%	-
Communications and Marketing	170,000	-	0.00%	34,982
Advertising Expense	40,000	1,250	3.13%	16,882
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	20,814	24.78%	12,721
Emergency Maintenance	10,000	-	0.00%	-
Security Contracts	600	-	0.00%	-
Roadway Maintenance Contract	300,000	48,396	16.13%	33,576
Landscape Maintenance	280,000	44,304	15.82%	41,746
Signal & Illumination Maint	175,000	14,314	8.18%	63,034
Mowing and litter control	40,000	34,802	87.01%	43,305
Hazardous Material Cleanup	10,000	-	0.00%	-
Striping	75,000	16,600	22.13%	-
Graffiti removal	10,000	-	0.00%	1,900
Cell Phones	10,700	2,286	21.36%	2,357
Local Telephone Service	16,000	3,191	19.94%	2,368
Long Distance	600	-	0.00%	46
Internet	6,000	172	2.86%	612
Fiber Optic System	63,000	9,628	15.28%	10,366
Other Communication Expenses	1,500	47	3.10%	-
Subscriptions	1,850	-	0.00%	-
Memberships	29,100	3,045	10.47%	4,650
Continuing Education	2,000	472	23.61%	-
Professional Development	5,000	3,000	60.00%	-
Seminars and Conferences	32,500	2,505	7.71%	7,075
Staff-Travel	76,500	13,026	17.03%	7,528
Other Contractual Svcs	125,200	177	0.14%	-
TxTag Collection Fees	1,347,791	334,943	24.85%	344,086
Contractual Contingencies	140,500	3,309	2.36%	1,039

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**All Operating Departments**

Account Name	Budget Amount FY 2012	Actual Year to Date 10/31/2011	Percent of Budget	Actual Prior Year to Date 10/31/10
Total Other Contractual Services	4,470,341	739,118	16.53%	891,147
<b>Total Contractual Services</b>	<b>7,744,841</b>	<b>1,527,602</b>	<b>19.72%</b>	<b>1,540,178</b>
<b>Materials and Supplies</b>				
Books & Publications	16,000	-	0.00%	2,875
Office Supplies	10,000	1,012	10.12%	1,471
Computer Supplies	13,000	1,212	9.32%	1,258
Copy Supplies	2,200	18	0.81%	-
Annual Report printing	10,000	-	0.00%	-
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%	2,163
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
<b>Total Materials and Supplies</b>	<b>252,200</b>	<b>2,380</b>	<b>0.94%</b>	<b>9,053</b>
<b>Operating Expenses</b>				
Gasoline Expense	5,000	1,049	20.99%	787
Mileage Reimbursement	7,500	1,007	13.43%	1,020
Toll Tag Expense	4,100	690	16.82%	661
Parking	38,595	13,864	35.92%	12,827
Meeting Facilities	450	-	0.00%	100
Community Meeting/ Events	5,000	-	0.00%	500
Meeting Expense	6,750	938	13.89%	539
Public Notices	2,400	-	0.00%	-
Postage Expense	5,950	14	0.24%	277
Overnight Delivery Services	1,600	106	6.66%	48
Local Delivery Services	1,950	6	0.29%	26
Insurance Expense	90,000	28,968	32.19%	36,859
Repair & Maintenance-General	500	-	0.00%	-
Repair & Maintenance-Vehicles	100	325	325.00%	408
Repair & Maintenance Toll Equip	5,000	-	0.00%	-
Rent Expense	190,000	67,632	35.60%	62,644
Water	7,500	1,378	18.37%	917
Electricity	83,500	13,832	16.56%	14,722
Other Licenses	250	40	16.00%	-
Community Initiative Grants	65,000	-	0.00%	30,750
<b>Non Cash Operating Expenses</b>				
Amortization Expense	1,230,000	409,872	33.32%	409,872



**Central Texas Regional Mobility Authority**  
**Income Statement**  
**All Operating Departments**

Account Name	Budget Amount FY 2012	Actual Year to Date 10/31/2011	Percent of Budget	Actual Prior Year to Date 10/31/10
Dep Exp- Furniture & Fixtures	16,500	3,123	18.93%	6,242
Dep Expense - Equipment	14,500	4,793	33.05%	4,793
Dep Expense - Autos & Trucks	5,000	1,725	34.49%	1,311
Dep Expense-Buildng & Toll Fac	177,000	58,853	33.25%	58,853
Dep Expense-Highways & Bridges	5,000,000	1,655,736	33.11%	1,655,736
Dep Expense-Communic Equip	195,000	63,619	32.62%	65,483
Dep Expense-Toll Equipment	465,000	153,927	33.10%	153,927
Dep Expense - Signs	135,000	44,423	32.91%	44,423
Dep Expense-Land Improvemts	52,000	21,935	42.18%	17,195
Depreciation Expense-Computers	6,500	3,303	50.82%	3,346
<b>Total Operating Expenses</b>	<b>7,817,645</b>	<b>2,551,156</b>	<b>32.63%</b>	<b>2,584,264</b>
<b>Financing Expenses</b>				
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
Trustee Fees	2,000	-	0.00%	-
Bank Fee Expense	7,500	13,058	174.11%	2,463
Continuing Disclosure	4,000	-	0.00%	-
Interest Expense	12,038,096	4,009,983	33.31%	3,938,521
Contingency	15,000	-	0.00%	-
<b>Non Cash Financing Expenses</b>				
Bond issuance expense	385,707	168,753	43.75%	98,603
<b>Total Financing Expenses</b>	<b>12,500,303</b>	<b>4,197,094</b>	<b>33.58%</b>	<b>4,044,587</b>
<b>Other Gains or Losses</b>				
Total Other Gains or Losses	-	-	0.00%	-
<b>Total Expenses</b>	<b>\$ 31,374,232</b>	<b>\$ 8,999,786</b>	<b>28.69%</b>	<b>\$ 8,878,746</b>
<b>Net Income</b>	<b>\$ (3,672,032)</b>	<b>\$ 3,641,989</b>		<b>\$ 3,955,239</b>

**CTRMA INVESTMENT REPORT**

Month Ending 10/31/11						
Balance 9/30/11	Additions	Discount Amortization	Accrued Interest	Withdrawals	Balance 10/31/11	Rate Oct 11
<b>Amount in Trustee TexStar</b>						
183A/290E Project Acct	0.00		0.00	0.00	0.00	0.091%
2011 Senior Lien Construction Fund	3,543,539.11		48.71	3,543,445.86	141.96	0.096%
2010 Senior Lien Construction Fund	1.19				1.19	0.096%
2010-1 Sub Lien Projects	1,004,170.45		68.86		1,004,239.31	0.096%
General Fund	5,978,973.28	4,895,215.23	639.95	1,735,940.83	9,138,887.63	0.096%
Trustee Operating Fund	430,869.79	546,344.44	14.40	725,000.00	252,228.63	0.096%
Renewal & Replacement Fund	659,833.47		45.25		659,878.72	0.096%
TxDOT Grant Fund	4,412,717.22		302.61		4,413,019.83	0.096%
Revenue Fund	67.25	1,308,412.93	33.96	1,308,479.18	34.96	0.096%
Senior Lien Debt Service Reserve Fund	40,033,553.84	3,000,962.70	2,916.56		43,037,433.10	0.096%
2010 Senior Lien DSF	0.15				0.15	0.096%
2010 Senior Lien Debt Service Reserve Fund	6,755,730.35		463.29		6,756,193.64	0.096%
2010-2Sub Lien Debt Service Reserve Fund	710,866.59		48.75		710,915.34	0.096%
2010-1Sub Lien Debt Service Reserve Fund	2,504,041.65		171.72		2,504,213.37	0.096%
2010 Senior Lien Capitalized Interest	842.24		0.06		842.30	0.096%
2010-1 Sub Lien Capitalized Interest	420.00		0.03		420.03	0.096%
2010-2 Sub Lien Capitalized Interest	126.76		0.01		126.77	0.096%
	<b>66,035,753.34</b>	<b>9,750,935.30</b>	<b>0.00</b>	<b>4,754.16</b>	<b>7,312,865.87</b>	<b>68,478,576.93</b>
<b>Amount in TexStar Operating Fund</b>						
	<b>41,805.86</b>	<b>725,000.00</b>		<b>5.38</b>	<b>725,000.00</b>	<b>41,811.24</b>



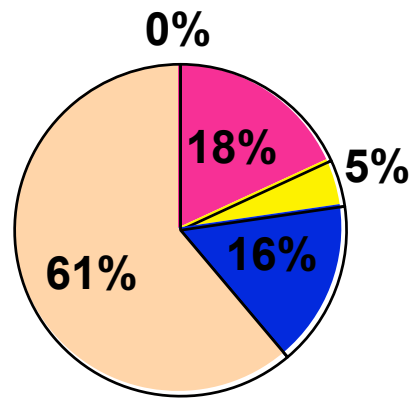
**CTRMA INVESTMENT REPORT**

	Month Ending 10/31/11					Rate Oct 11	
	Balance 9/30/11	Additions	Discount Amortization	Accrued Interest	Withdrawals		Balance 10/31/11
<b>Amount in Bayerische Landesbank GIC</b>							
Subordinate Lien Cap-I 2010-1	1,317,165.66			548.81		1,317,714.47	0.500%
Subordinate Lien Cap-I 2010-2	339,776.13			141.57		339,917.70	0.500%
Senior Lien Cap-I 2010	5,122,332.54			3,756.37		5,126,088.91	0.880%
Senior Lien Project Fund 2010	31,282,731.46			52,786.70	3,869,696.00	27,465,822.16	0.850%
Senior Lien Project Fund 2011	161,136,022.38			39,612.60	12,187,466.33	148,988,168.65	0.295%
Subordinate Lien Project Fund 2011	47,959,809.50			11,790.22		47,971,599.72	0.295%
	<b>247,157,837.67</b>	<b>0.00</b>	<b>0.00</b>	<b>108,636.27</b>	<b>16,057,162.33</b>	<b>231,209,311.61</b>	
<b>Amount in Fed Agencies</b>							
Amortized Principal	61,165,220.24		(79,804.17)			61,085,416.07	
Accrued Interest				99,166.05			
	<b>61,165,220.24</b>	<b>0.00</b>	<b>(79,804.17)</b>		<b>0.00</b>	<b>61,085,416.07</b>	
<b>Certificates of Deposit</b>	<b>3,000,000.00</b>				<b>3,000,000.00</b>	<b>0.00</b>	
Total in Pools	66,077,559.20	10,475,935.30		4,759.54	8,037,865.87	68,520,388.17	
Total in Money Market	15,941,084.51	33,242,652.45		383.69	31,867,058.15	17,317,062.50	
Total in Fed Agencies	61,165,220.24	0.00	(79,804.17)		0.00	61,085,416.07	
Bayerische Landesbank GIC	247,157,837.67	0.00		108,636.27	16,057,162.33	231,209,311.61	
<b>Total Invested</b>	<b>393,341,701.62</b>	<b>43,718,587.75</b>	<b>(79,804.17)</b>	<b>113,779.50</b>	<b>58,962,086.35</b>	<b>378,132,178.35</b>	

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 Money Market

■ Bayerische Landesbank GIC

■ Total in Pools

■ Total in Fed Agencies

Amount of investments As of October 31, 2011

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
Federal Farm Credit	31331J2B8	1,997,836.00	1,998,845.87	2,000,060.00	1.000280%	11/22/10	2/15/13	TxDOT Grant Fund
San Antonio Water Utilities	79642BLM3	200,000.00	200,000.00	200,180.00	1.1090%	11/23/10	5/15/12	2010-2 DSRF
San Antonio Water Utilities	79642BLN1	190,000.00	190,000.00	191,056.40	1.4570%	11/23/10	5/15/13	2010-2 DSRF
Federal Home loan Bank	3137EABY4	3,064,452.00	3,021,484.00	3,023,700.00	0.4005%	12/23/10	3/23/12	TxDOT Grant Fund
Fannie Mae	31398A6F4	2,319,702.34	2,318,657.37	2,319,259.60	0.2391%	6/29/11	12/28/12	2011 Sub Debt CAP I
Federal Home loan Bank	3137EABM0	2,473,720.78	2,447,933.98	2,451,577.23	0.3930%	6/29/11	6/28/13	2011 Sub Debt CAP I
Federal Home loan Bank	3134A4UL6	2,326,924.30	2,332,770.25	2,320,853.96	0.6300%	6/29/11	11/15/13	2011 Sub Debt CAP I
Treasury	912828GC8	2,181,302.50	2,148,434.17	2,147,819.44	0.0240%	6/29/30	12/31/11	2011 Sub Debt CAP I
Treasury	912828GW4	2,367,714.38	2,331,476.25	2,330,113.32	0.0730%	6/29/11	6/30/12	2011 Sub Debt CAP I
Federal Home loan Bank	3134A4UL6	8,794,454.76	8,820,045.63	8,790,160.68	0.7190%	6/29/11	11/15/13	2011 Sr Debt CAP I
Federal Home loan Bank	3137EABM0	9,351,457.81	9,256,548.17	9,284,066.94	0.4830%	6/29/11	6/28/13	2011 Sr Debt CAP I
Treasury	912828NS5	8,776,228.75	8,763,485.83	8,767,359.68	0.1880%	6/29/11	6/30/12	2011 Sr Debt CAP I
Treasury	912828GC8	8,614,419.84	8,485,473.28	8,483,483.82	0.0550%	6/29/11	12/31/11	2011 Sr Debt CAP I
Fannie Mae	31398A6F4	8,771,478.75	8,770,261.25	8,782,129.44	0.3331%	6/29/11	12/28/12	2011 Sr Debt CAP I
		<u>61,429,692.21</u>	<u>61,085,416.05</u>	<u>61,091,820.51</u>				

Agency	CUSIP #	COST	Cumulative			Interest Income October 2011		
			Amortization	10/31/11 Book Value	Maturity Value	Accrued Interest	Amortizatuion	Interest Earned
Federal Farm Credit	31331J2B8	1,997,836.00	1009.87	1,998,845.87	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	42,968.00	3,021,484.00	3,000,000.00	5,312.50	(4,296.80)	1,015.70
Fannie Mae	31398A6F4	2,319,702.34	1,044.97	2,318,657.37	2,315,000.00	723.44	(261.24)	462.20
Federal Home loan Bank	3137EABM0	2,473,720.78	25,786.80	2,447,933.98	2,319,000.00	7,246.88	(6,446.70)	800.18
Federal Home loan Bank	3134A4UL6	2,326,924.30	5,845.95	2,332,770.25	2,362,000.00		1,461.49	1,461.49
Treasury	912828GC8	2,181,302.50	32,868.33	2,148,434.17	2,132,000.00	8,217.08	(8,217.08)	0.00
Treasury	912828GW4	2,367,714.38	36,238.13	2,331,476.25	2,259,000.00	9,177.19	(9,059.53)	117.66
Federal Home loan Bank	3134A4UL6	8,794,454.76	25,590.87	8,820,045.63	8,946,000.00		6,397.72	6,397.72
Federal Home loan Bank	3137EABM0	9,351,457.81	94,909.64	9,256,548.17	8,782,000.00	27,443.75	(23,727.41)	3,716.34
Treasury	912828NS5	8,776,228.75	12,742.92	8,763,485.83	8,738,000.00	4,551.04	(3,185.73)	1,365.31
Treasury	912828GC8	8,614,419.84	128,946.56	8,485,473.28	8,421,000.00	32,455.94	(32,236.64)	219.30
Fannie Mae	31398A6F4	8,771,478.75	1,217.50	8,770,261.25	8,766,000.00	2,739.38	(304.38)	2,435.00
		<u>61,429,692.21</u>	<u>409,169.54</u>	<u>61,085,416.05</u>	<u>60,430,000.00</u>	<u>99,166.05</u>	<u>(79,804.17)</u>	<u>19,361.88</u>

**INVESTMENTS by FUND**

		<b>Balance</b>		
			<b>October 31, 2011</b>	
<b>Renewal &amp; Replacement Fund</b>				
<b>TexSTAR</b>	<b>659,878.72</b>			<b>68,520,388.17</b>
<b>Fidelity</b>	<b>0.66</b>			<b>0.00</b>
<b>Agencies</b>		659,879.38		<b>17,317,062.50</b>
<b>TxDOT Grant Fund</b>				<b>0.00</b>
<b>TexSTAR</b>	<b>4,413,019.83</b>			<b>61,085,416.07</b>
<b>Fidelity</b>	<b>0.90</b>			<b>231,209,311.61</b>
<b>Agencies</b>	5,020,329.87	9,433,350.60		<b>\$ 378,132,178.35</b>
<b>Subordinate Lien DS Fund 05</b>				
<b>Fidelity</b>	1,304,790.13	1,304,790.13		
<b>Debt Service Reserve Fund 05</b>				
<b>TexSTAR</b>	<b>43,037,433.10</b>			
<b>Fidelity</b>	<b>0.00</b>			
<b>CD's</b>	<b>0.00</b>			
<b>Agencies</b>		43,037,433.10		
<b>Debt Service Fund 05</b>				
<b>Fidelity</b>	2,632,613.70	2,632,613.70		
<b>2011 Debt Service Acct</b>				
<b>Fidelity</b>	2,630.94	2,630.94		
<b>2010 Senior Lien DSF</b>				
<b>TexSTAR</b>	<b>0.15</b>			
<b>Fidelity</b>	<b>0.00</b>	0.15		
<b>2011 Sub Debt DSRF</b>				
<b>Fidelity</b>	7,000,180.30	7,000,180.30		
<b>Operating Fund</b>				
<b>TexSTAR</b>	41,811.24			
<b>TexSTAR-Trustee</b>	252,228.63			
<b>Fidelity</b>	0.00			
<b>Region's SIB Loan MMA</b>	0.00	294,039.87		
<b>Revenue Fund</b>				
<b>TexSTAR</b>	<b>34.96</b>			
<b>Fidelity</b>	888,166.58	888,201.54		
<b>General Fund</b>				
<b>TexSTAR</b>	9,138,887.63			
<b>Fidelity</b>	702,828.05	9,841,715.68		
<b>2010 Senior Lien Capitalized Interest</b>				
<b>Fidelity</b>	2,081.74			
<b>TexSTAR</b>	842.30			
<b>Bayerische GIC</b>	5,126,088.91	5,129,012.95		
<b>2010-1 Sub Lien Capitalized Interest</b>				
<b>Fidelity</b>	0.55			
<b>TexSTAR</b>	420.03			
<b>Bayerische GIC</b>	1,317,714.47	1,318,135.05		
<b>2010-2 Sub Lien Capitalized Interest</b>				
<b>TexSTAR</b>	<b>126.77</b>			
<b>Fidelity</b>	2,817.82			
<b>Bayerische GIC</b>	339,917.70	342,862.29		
<b>2011 Sr Capitalized Interest Fund</b>				
<b>Fidelity</b>	256,280.94			
<b>Agencies</b>	44,095,814.18	44,352,095.12		
<b>2011 Sub Capitalized Interest Fund</b>				
<b>Fidelity</b>	105,377.05			
<b>Agencies</b>	11,579,272.02	11,684,649.07		
<b>2010-1 Sub BABs subsidy</b>				
<b>Fidelity</b>	13.66	13.66		
<b>2010-2 Sub BABs subsidy</b>				
<b>Fidelity</b>	213,138.36	213,138.36		
<b>2010 Senior Lien Debt Service Reserve Fund</b>				
<b>TexSTAR</b>	6,756,193.64			
<b>Fidelity</b>	2,765,309.71			
<b>Agencies</b>		9,521,503.35		
<b>2010-2Sub Lien Debt Service Reserve Fund</b>				
<b>TexSTAR</b>	710,915.34			
<b>Fidelity</b>	32,441.99			
<b>Agencies</b>	390,000.00	1,133,357.33		
<b>2010-1Sub Lien Debt Service Reserve Fund</b>				
<b>TexSTAR</b>	2,504,213.37			
<b>Fidelity</b>	1,363,081.55			
<b>Agencies</b>		3,867,294.92		
<b>2010-1 Sub Lien Projects Fund</b>				
<b>TexSTAR</b>	1,004,239.31			
<b>Fidelity</b>	19,606.98	1,023,846.29		
<b>2010 Senior Lien Construction Fund</b>				
<b>TexSTAR</b>	<b>1.19</b>			
<b>Fidelity</b>	<b>0.65</b>			
<b>Bayerische GIC</b>	27,465,822.16	27,465,824.00		
<b>2011 Sub Debt Project fund</b>				
<b>Bayerische GIC</b>	47,971,599.72			
<b>Fidelity</b>	0.10	47,971,599.82		
<b>2011 Senior Lien Project Fund</b>				
<b>TexSTAR</b>	<b>141.96</b>			
<b>Fidelity</b>	<b>25,700.05</b>			
<b>Bayerische GIC</b>	148,988,168.65	149,014,010.66		
		<b>\$ 378,132,178.35</b>		



## Monthly Newsletter - October 2011

### Performance

#### As of October 31, 2011

Current Invested Balance	\$5,191,742,744.46
Weighted Average Maturity (1)	51 Days
Weighted Average Maturity (2)	79 Days
Net Asset Value	1.000065
Total Number of Participants	745
Management Fee on Invested Balance	0.05%*
Interest Distributed	\$581,969.72
Management Fee Collected	\$222,593.12
% of Portfolio Invested Beyond 1 Year	4.55%
Standard & Poor's Current Rating	AAAm

#### October Averages

Average Invested Balance	\$5,239,865,855.93
Average Monthly Yield, on a simple basis	0.0807%
Average Weighted Average Maturity (1)*	47 Days
Average Weighted Average Maturity (2)*	74 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.

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

### New Participants

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

★ Aransas County

★ City of Richwood

★ KIPP Austin Public Schools, Inc.

★ North Park PUD

### Holiday Reminder

Please note that 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.

In observance of Thanksgiving Day holiday, **TexSTAR will be closed Thursday, November 24, 2011**. All ACH transactions initiated on Wednesday, November 23rd will settle on Friday, November 25th. 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. Please plan accordingly for your liquidity needs.

### Economic Commentary

U.S. economic data released during the month was generally better than expected, thus lowering the risk of recession. September's employment report was significantly stronger than expected. Consumer confidence, one of the weakest spots in economic data, remained at historically low levels. Surprisingly, economic activity measures continued to diverge significantly from confidence data. Retail and vehicle sales increased as well as industrial production. Business investment rose 16.3% over the quarter (annualized), consumer spending rose 2.4%, and inventories fell—all positive indicators for future growth. However, some of the growth in consumption came at the expense of personal savings. Specifically, the savings rate dropped one percentage point in the third quarter to 4.1%.

November is likely to be a more challenging month, with potential for continued volatility. Consumer confidence data remains weak and may be more a reflection of consumers' extreme pessimism toward policymakers rather than their own economic outlook. In the U.S., budgetary matters will be center stage. The fiscal "super-committee" must submit its plan to cut at least \$1.5 trillion from the deficit to Congress by November 23rd. Officials from both parties have suggested the eventual proposal is likely to exceed \$1.5 trillion, but a failure to reach that goal could cause investors to worry about further rating agency downgrades. Greece might be a small economy, but referendum/confidence vote fears in the early days of November highlight how much the eurozone periphery can move global markets. While it is believed that Europe is committed to holding the European Monetary Union together, this crisis is far from over. Despite the improved growth in U.S. Q3 GDP, prospects for growth in the years ahead will be lackluster. Capital inflows will continue to go to emerging markets where growth is stronger with sound fundamentals. Meanwhile, tightening fiscal policy suggests looser monetary policy as central banks try to cushion growth.

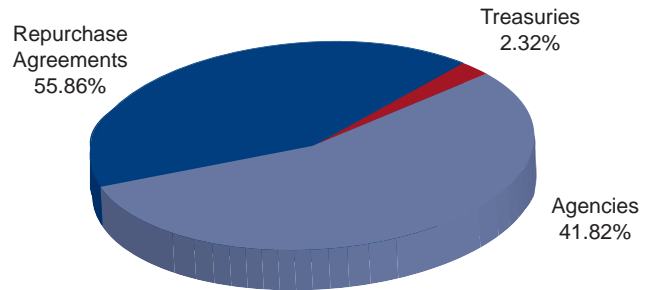
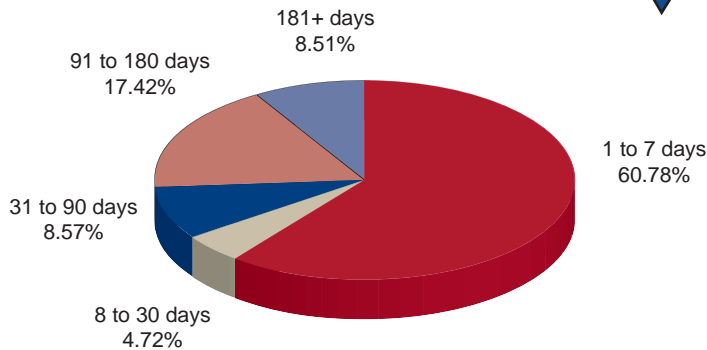
This information is an excerpt from an economic report dated October 2011 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.

**For more information about TexSTAR, please visit our web site at [www.texstar.org](http://www.texstar.org).**

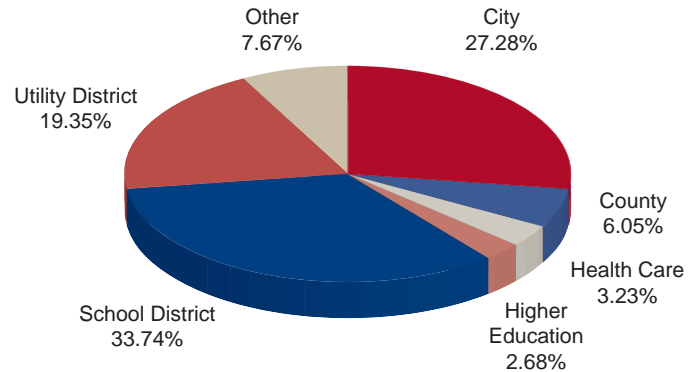


# Information at a Glance

## Portfolio by Type of Investment As of October 31, 2011



## Portfolio by Maturity As of October 31, 2011



## Distribution of Participants by Type As of October 31, 2011

# Historical Program Information

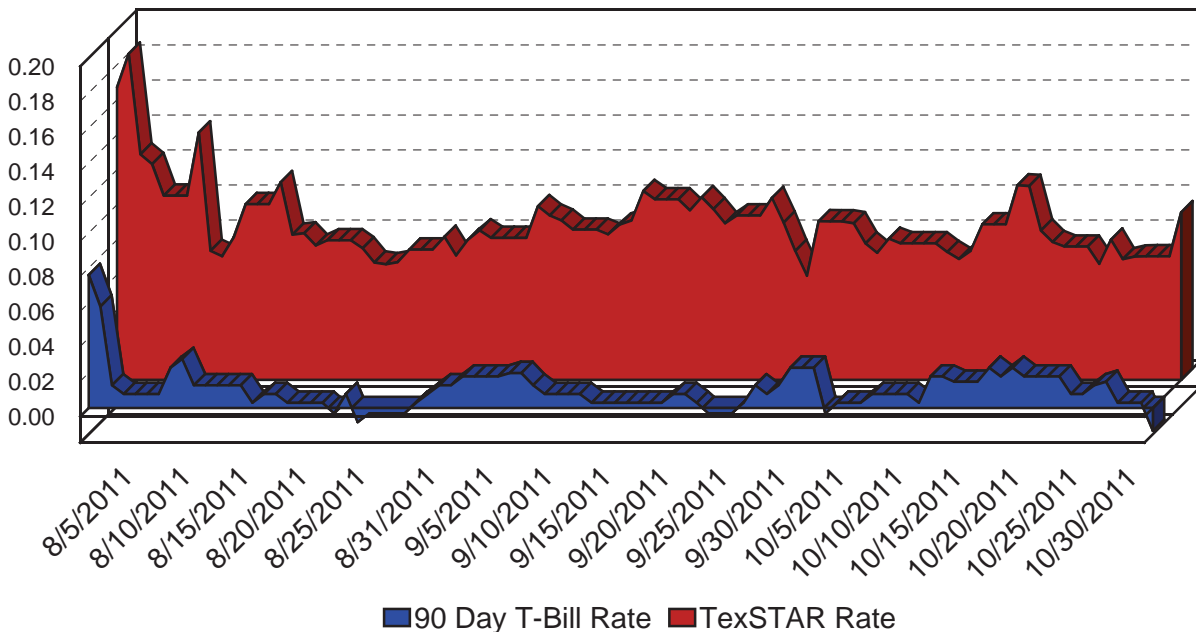
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Oct 11	0.0807%	\$5,191,742,744.46	\$5,192,081,793.52	1.000065	47	74	745
Sep 11	0.0906%	5,218,150,511.94	5,218,680,416.17	1.000100	46	76	741
Aug 11	0.0940%	4,773,149,074.88	4,773,628,030.81	1.000100	45	69	735
Jul 11	0.0746%	4,990,872,181.48	4,991,025,373.13	1.000030	38	55	735
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

# Portfolio Asset Summary as of October 31, 2011

	Book Value	Market Value
Uninvested Balance	\$ 275.99	\$ 275.99
Accrual of Interest Income	803,405.30	803,405.30
Interest and Management Fees Payable	(595,913.88)	(595,913.88)
Payable for Investment Purchased	(25,000,000.00)	(25,000,000.00)
Repurchase Agreement	2,914,127,000.00	2,914,127,000.00
Government Securities	2,302,407,977.05	2,302,747,026.11
<b>Total</b>	<b>\$ 5,191,742,744.46</b>	<b>\$ 5,192,081,793.52</b>

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

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
10/1/2011	0.0905%	0.000002483	\$5,218,150,511.94	1.000100	40	67
10/2/2011	0.0905%	0.000002483	\$5,218,150,511.94	1.000100	40	67
10/3/2011	0.0894%	0.000002449	\$5,222,366,919.30	1.000105	40	67
10/4/2011	0.0779%	0.000002135	\$5,304,994,160.63	1.000070	39	66
10/5/2011	0.0725%	0.000001985	\$5,317,229,590.43	1.000083	38	65
10/6/2011	0.0806%	0.000002208	\$5,299,190,806.20	1.000093	44	70
10/7/2011	0.0780%	0.000002138	\$5,248,427,810.78	1.000096	47	74
10/8/2011	0.0780%	0.000002138	\$5,248,427,810.78	1.000096	47	74
10/9/2011	0.0780%	0.000002138	\$5,248,427,810.78	1.000096	47	74
10/10/2011	0.0780%	0.000002138	\$5,248,427,810.78	1.000096	47	74
10/11/2011	0.0730%	0.000002001	\$5,297,043,763.83	1.000095	47	73
10/12/2011	0.0690%	0.000001891	\$5,293,521,651.01	1.000105	46	73
10/13/2011	0.0737%	0.000002020	\$5,277,992,030.45	1.000093	47	73
10/14/2011	0.0888%	0.000002432	\$5,266,320,901.55	1.000077	46	72
10/15/2011	0.0888%	0.000002432	\$5,266,320,901.55	1.000077	46	72
10/16/2011	0.0888%	0.000002432	\$5,266,320,901.55	1.000077	46	72
10/17/2011	0.1111%	0.000003044	\$5,269,314,589.24	1.000074	47	73
10/18/2011	0.1107%	0.000003032	\$5,251,250,057.59	1.000068	48	73
10/19/2011	0.0853%	0.000002337	\$5,252,550,405.07	1.000066	47	73
10/20/2011	0.0787%	0.000002156	\$5,225,925,066.75	1.000063	49	75
10/21/2011	0.0761%	0.000002084	\$5,180,432,430.76	1.000062	48	74
10/22/2011	0.0761%	0.000002084	\$5,180,432,430.76	1.000062	48	74
10/23/2011	0.0761%	0.000002084	\$5,180,432,430.76	1.000062	48	74
10/24/2011	0.0662%	0.000001815	\$5,171,690,688.16	1.000069	51	77
10/25/2011	0.0801%	0.000002195	\$5,218,836,221.67	1.000068	51	80
10/26/2011	0.0689%	0.000001888	\$5,223,678,778.61	1.000066	52	81
10/27/2011	0.0704%	0.000001929	\$5,245,728,535.17	1.000067	51	80
10/28/2011	0.0706%	0.000001935	\$5,200,837,753.78	1.000052	51	80
10/29/2011	0.0706%	0.000001935	\$5,200,837,753.78	1.000052	51	80
10/30/2011	0.0706%	0.000001935	\$5,200,837,753.78	1.000052	51	80
10/31/2011	0.0957%	0.000002621	\$5,191,742,744.46	1.000065	51	79
<b>Average</b>	<b>0.0807%</b>	<b>0.000002212</b>	<b>\$5,239,865,855.93</b>		<b>47</b>	<b>74</b>

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>Stephen Fortenberry</i>	<i>McKinney ISD</i>	<i>Advisory Board</i>
<i>Monte Mercer</i>	<i>North Central TX Council of Government</i>	<i>Advisory Board</i>
<i>Becky Brooks</i>	<i>Government Resource Associates, LLC</i>	<i>Advisory Board</i>
<i>Len Santow</i>	<i>Griggs &amp; Santow</i>	<i>Advisory Board</i>

**For more information contact TexSTAR Participant Services ★ 1-800-TEX-STAR ★ [www.texstar.org](http://www.texstar.org)**



**J.P.Morgan**  
Asset Management