



CORPUS CHRISTI REGIONAL  
TRANSPORTATION AUTHORITY

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5658 Bear Lane ~~~ Corpus Christi, Texas 78405 ~~~ 361 289 2712

**Financial Report**

**September 2011**

**Prepared by:**

**Finance Department**

**Susan Vinson, Director of Finance**

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**

**Financial Report for September 2011**

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**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY  
FINANCIAL REPORT  
MONTH AND YEAR TO DATE SEPTEMBER 2011**

The Corpus Christi Regional Transportation Authority (Authority) desires to supply clear and concise financial information to those who are interested in its financial activities. The financial information contained in this monthly financial report is un-audited. The Authority accounts for its financial activities as a single enterprise fund and issues full accrual basis financial statements, which begin on page 7 of this report. This narrative provides highlights of the results of operations for the month with some emphasis on the year to date where relevant. For a more lengthy discussion about the financial operations of the Authority, please consult the Authority's latest Comprehensive Annual Financial Report (CAFR). An electronic copy of that report in Adobe format can be obtained at <http://ccrta.org/wp-content/uploads//2010/03/2010-CAFR.pdf> or by filing a written request to the attention of Beth Vidaurri, Manager of the Executive Office.

**STATEMENT OF NET ASSETS**

This statement is located on page 7 of this report. In the past, questions have been raised about the net assets section of this statement. Therefore, this statement is being presented in a format that provides more detailed information about internal designations (reserves) for specific activities.

At the end of the month, the Authority had assets of \$61.8 million, liabilities of \$2.5 million and net assets (assets less liabilities) of \$59.3 million. Assets are comprised of undesignated and internally designated cash, investments, accounts receivable, fuel and parts inventories and capital assets used to fulfill the Authority's mission. Construction in Progress is a line item used to reflect the current year outlays as well as any construction in progress at the end of 2010. At year-end, an analysis will be performed to reclassify these outlays into the specific asset categories listed in the asset section.

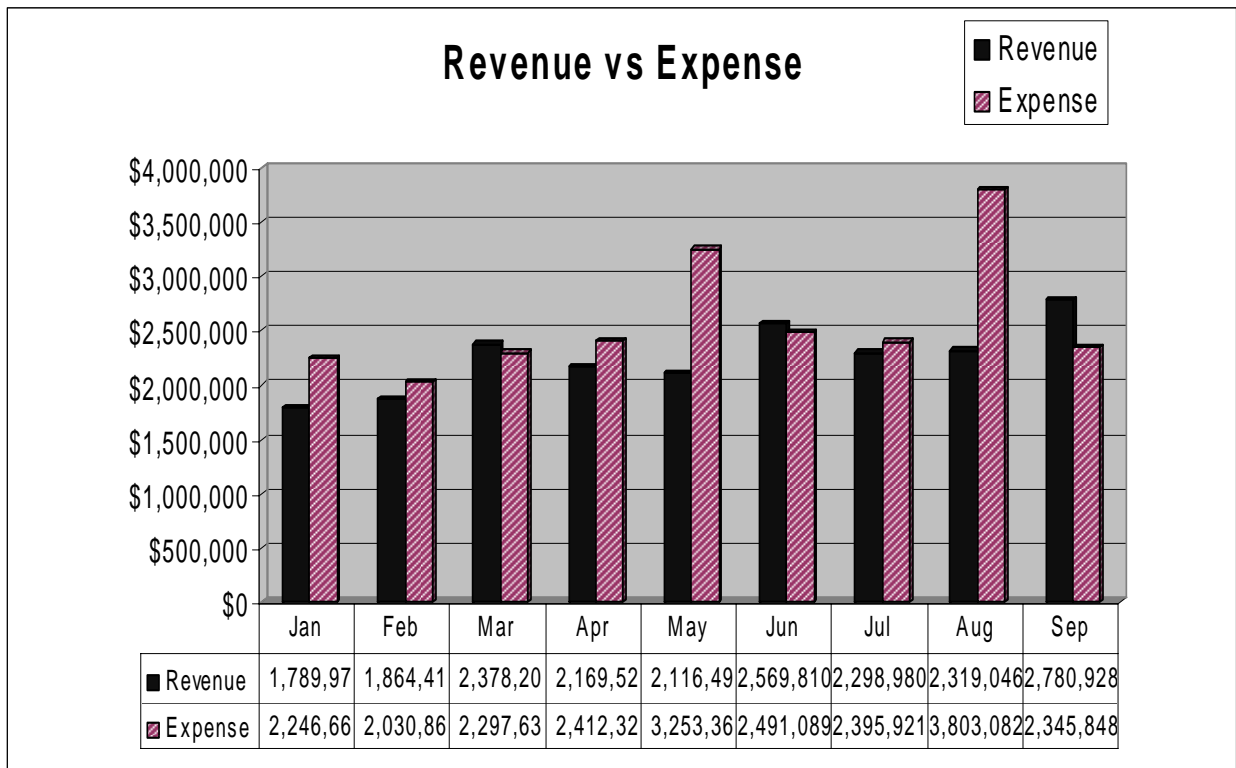
Liabilities include trade payables, accrued payroll and employee benefits, estimated leave balances due to Authority employees and amounts due for the Authority's street improvement program that are accrued but not paid as of the end of the month.

Net Assets reflect externally funded assets provided primarily by the Federal Transit Administration (FTA) for the purchase of assets, internally designated reserves for particular purposes and unrestricted net assets.

**STATEMENT OF REVENUES AND EXPENSES**

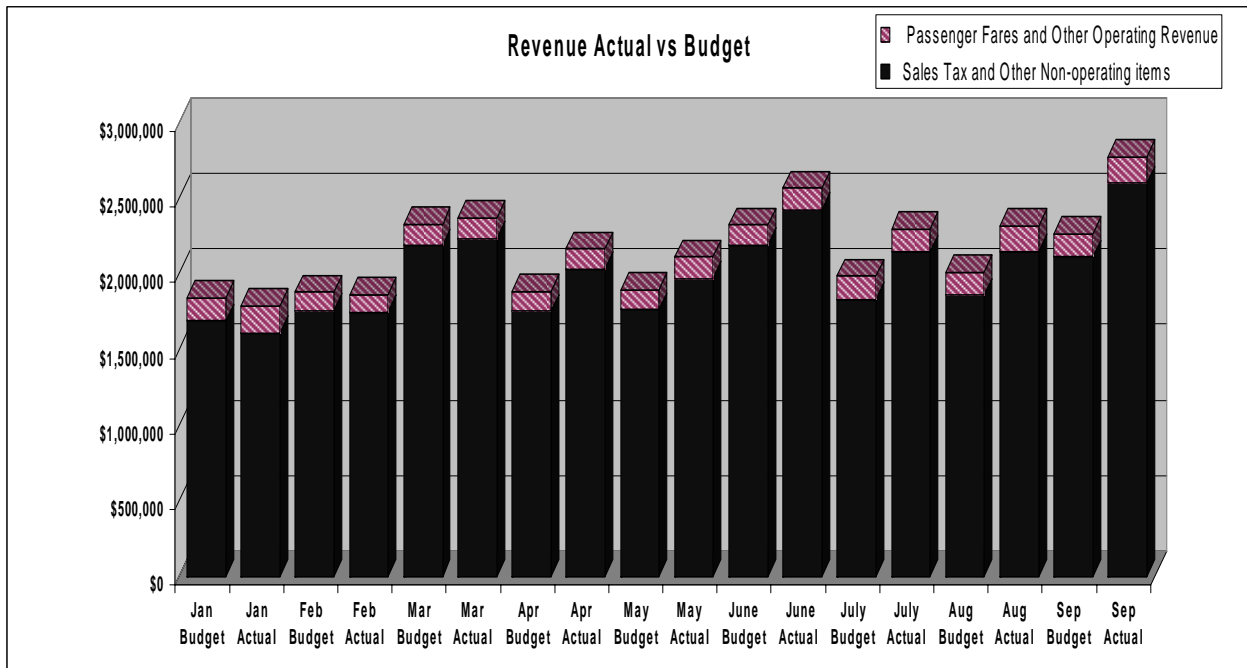
The monthly and annual statements of revenues and expenses begin on page 8. The Authority has a year-to-date net loss of \$2,989,416 compared to a budgeted year-to-date net loss of \$5,206,676. Total revenues exceed budget by \$1,848,267, while operating expenses are under budget by \$368,993. In August 2011, \$1,289,945 (budgeted) was accrued for the 2011 Regional Entities Street Improvement Program.

The following chart depicts revenues versus expense for each month year to date.



The following sections provide explanations of the details of major budget variances with an emphasis on the fiscal year to date activity.

**Revenue:** The following graph shows revenue versus budget by major type for each month year to date.



## **Passenger Fares and Other Operating Revenues:**

These revenues represent income from all of the various transportation services and ancillary activities. Total operating revenues are \$77,217 more than the Fiscal 2011 budget and \$120,066 more than 2010. The following discussion provides further details:

- Passenger service – This represents fares received from all modes of transportation services. For the year, these revenues are \$76,153 (6.3%) more than budgeted. Revenues from passenger service are \$122,375 (10.6%) higher than in 2010. The Harbor Ferry is responsible for \$48,425 of the increase over 2010. The increase is 6.4% if the Harbor Ferry is disregarded.
- Bus Advertising – This represents contractual on-board advertising. These revenues are even with the budgeted amounts and ahead of the prior year amounts by one month (July). In 2010, the former contract expired June 30 while the new contract was not effective until August 1.
- Other Operating – These revenues include bus bench advertising, charges for copies, sales of scrap metals, public telephone revenues and other expense reimbursements. For 2011 these revenues are \$1,061 over budget and \$2,642 lower than in 2010. Over \$4,000 was received in escheated property from the State of Texas in January 2010.

## **Sales Tax and Other Non-Operating Items:**

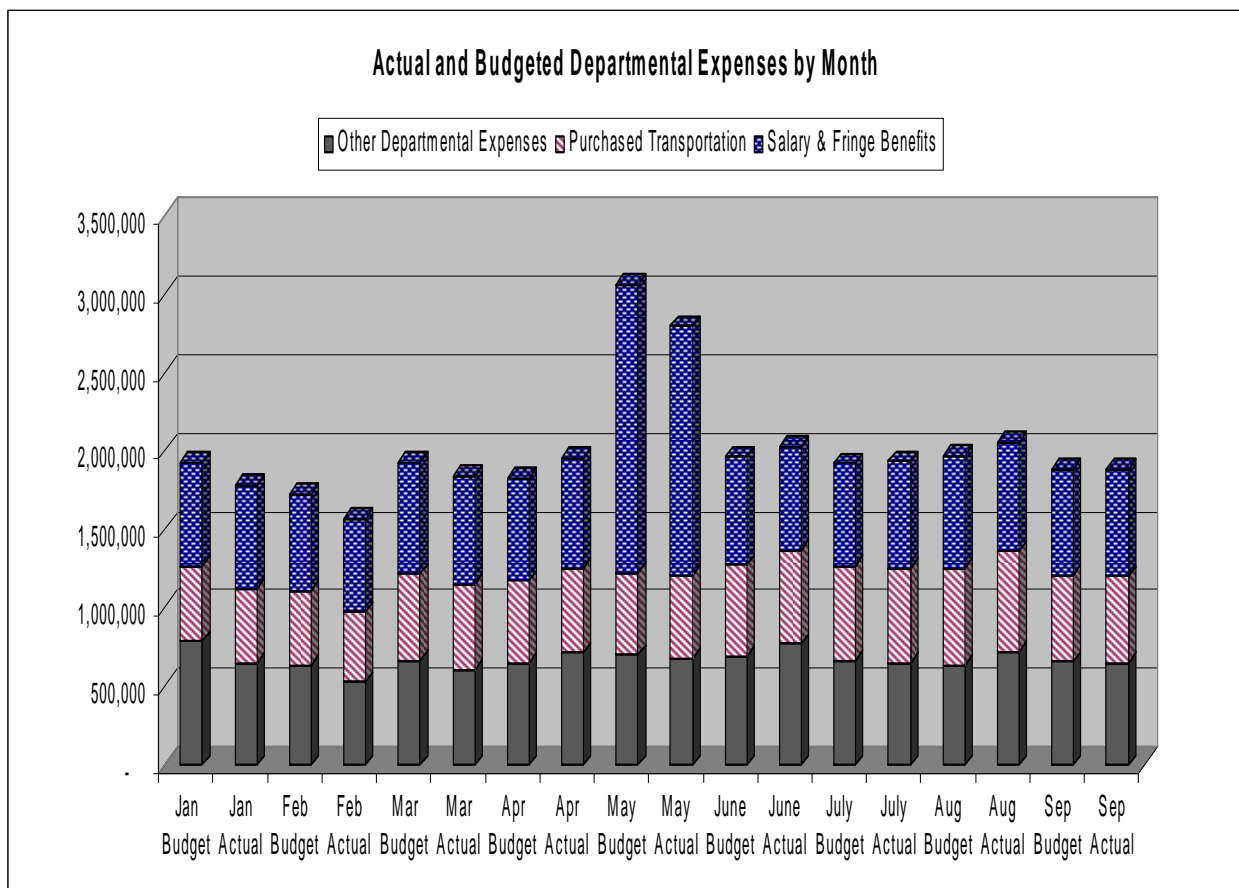
- **Sales Taxes** – Sales tax revenue information becomes known two months following the month in which the sales taxes were generated in the community. Through **August** of 2011, sales tax was as follows:
  - ◆ Year to date - \$16,778,274 which is \$2,182,363 (14.95%) more than 2010. Without audit activity, the increase would have been \$2,537,555 for an increase of 17.71%.
  - ◆ Year to date Actual vs. Budget – a favorable variance of \$1,996,410.
- Federal, state and local grant assistance is a category of non-operating income that includes reimbursements for certain maintenance activities using grants secured from the Federal Transit Administration. Year to date grant revenue is \$64,258 for JARC grants or about 27% of what was budgeted. We expect revenues to increase significantly in the coming months as we begin to draw down preventive maintenance funds.
- Investment income is \$29,521 which is about 36% of budget. The variance is due to continued lower than anticipated interest rates. The decrease in investment income when compared to 2010 is \$37,511. Recent statements by the Fed indicate that interest rates will remain historically low through 2012.

## Operating Expenses:

Operating expenses shown in the financial statements are listed by department or 'cost center.' For this more detailed discussion, expenses are presented by type of activity or "object code" for both the month and year-to-date:

Expense	Month			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Salaries & Benefits	\$ 684,058	681,006	(3,052)	6,936,742	7,210,976	274,234
Services	121,872	118,304	(3,568)	1,005,954	1,192,424	186,470
Materials & Supplies	350,287	328,769	(21,518)	3,121,762	2,991,543	(130,219)
Utilities	25,449	31,739	6,290	260,073	283,329	23,256
Insurance	125,236	145,664	20,428	1,305,819	1,283,861	(21,958)
Purchased Transportation	548,372	547,796	(576)	4,924,543	4,904,742	(19,801)
Miscellaneous	26,792	31,042	4,250	253,980	317,204	63,224
Leases	5,449	5,147	(302)	52,972	46,759	(6,213)
<b>Total Department Expenses</b>	<b>\$ 1,887,515</b>	<b>1,889,467</b>	<b>1,952</b>	<b>17,861,845</b>	<b>18,230,838</b>	<b>368,993</b>

The following chart shows the actual versus budgeted expense by month year to date.



- Salaries & Benefits – Favorable to budget by \$274,234 (3.8%) for the year due to a lower than anticipated required pension plan contribution.
- Services – Year to date service costs are below budget by \$186,470 (15.6%). This was due primarily to lower than budgeted amounts for contracted vehicle maintenance and other professional services and appears to be primarily due to timing differences.
- Materials – Fuel and related taxes and fees for directly operated modes of transportation and service vehicles are \$165,357 (10.2%) over budget for the year. Lower than anticipated fuel consumption for directly operated routes has partially offset year to date cost increases. There was a negative budget variance of \$36,517 (20.4%) for the month of September. Details as of the end of September:

<u>Fuel Type</u>	<u>Budget Price</u>	<u>Year to Date Average Price</u>	<u>Last Price Paid</u>
Diesel	\$ 2.64	\$3.05	\$ 2.91
Unleaded	\$ 2.48	\$ 2.90	\$ 2.64

Bus Repair Parts and related Vehicle Materials & Supplies combined are under budget by \$18,263.

Other materials are \$16,875 favorable to budget due primarily to delays in printing costs.

- Utilities – Favorable for the year by a variance of \$23,256 primarily due to lower telecommunications charges.
- Insurance – The Authority’s self-funded health insurance is \$22,239 (2.1%) over budget. Property & liability insurance has a positive variance of \$281 (.1%) due to lower than budgeted rates for windstorm and property coverage offset by higher than budgeted rates for auto liability coverage.
- Purchased Transportation – These costs include transportation services performed by the Authority’s contractors, related fuel, maintenance and other expenses of providing those services. These expenses are \$19,801 (.40%) over budget. Less than anticipated service costs for the Harbor Ferry of \$74,399 are more than offset by higher than budgeted fuel costs of over \$186,000. B-Line services are \$38,632 (1.7%) over budget.
- Miscellaneous Expenses – Overall, these expenses are under budget by \$63,224 due primarily to lower than expected costs for travel & training, advertising and community services.
- Leases – over budget by \$6,213 due primarily to lease payments to Kleberg bank on the Port Ayers property. Nothing was budgeted because the purchase of the land was expected to occur prior to the start of the year.

## **STATEMENT OF CASH FLOWS**

The Statement of Cash Flows on page 10 shows the sources and uses of the Authority's cash since January 1, 2011. The format of the statement is designed to clearly show the activities affecting cash flows. Of note is that the scope of this statement is cash and cash equivalents. For example, when investing activities section shows net of cash "used," this means that cash was put into longer term investments that are outside the scope of this statement. Also, when reviewing the Authority's cash position as it relates to net assets, it is important to understand that the Authority's cash and investments are not necessarily idle resources without a purpose attached to them. The primary uses are for the future replacement of buses and bus facilities in the Authority's capital improvement program, which require grant matching funds.

## **QUARTERLY INVESTMENT REPORT**

This report is on page 12. As of September 30, 2011, the Authority's investment portfolio had a book value of \$21.2 million and a market value of \$21.2 million. Market value is \$4,300 below book value. For the quarter the portfolio provided a yield of .16% vs. a benchmark of 0.06%. Investments held as of September 30, 2011 had a dollar weighted average yield of .18% and an average of 29 days to maturity.

**Corpus Christi Regional Transportation Authority  
Comparative Statements of Net Assets (Unaudited)  
At September 30, 2011 & August 31, 2011 & September 30, 2010**

	<u>September 30, 2011</u>	<u>August 31, 2011</u>	<u>September 30, 2010</u>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ -	-	-
Investments	6,900,514	8,141,730	5,832,963
Receivables:			
Sales taxes	4,407,591	3,925,573	3,715,953
Accrued interest receivable	58,077	42,456	82,041
Due from federal/state Government	27,416	22,461	1,241,712
Other	116,950	67,495	53,164
Inventory	500,143	514,027	601,979
Other current assets	174,060	181,955	158,899
Total current assets	<u>12,184,751</u>	<u>12,895,697</u>	<u>11,686,711</u>
Reserved Assets:			
Cash and cash equivalents	13,101,783	14,192,775	10,353,267
Investments	1,236,686	8,194	2,460,384
Sales taxes	-	-	-
Accrued interest receivable	-	-	-
Due from federal/state Government	-	-	-
Other current assets	-	-	-
Total reserved assets	<u>14,338,469</u>	<u>14,200,969</u>	<u>12,813,651</u>
Property and Equipment:			
Land	1,928,997	1,928,997	1,722,307
Buildings	16,741,830	16,741,830	9,823,133
Transit stations, bus stops & Street Pads	17,370,114	17,370,114	16,871,482
Other improvements	1,695,709	1,695,709	1,695,710
Vehicles and equipment	40,831,600	40,831,600	38,950,830
Construction in progress	5,848,714	5,557,080	11,635,635
Total property and equipment	84,416,964	84,125,330	80,699,097
Less: Accumulated Depreciation	(49,297,496)	(48,839,163)	(43,691,403)
Net property and equipment	<u>35,119,468</u>	<u>35,286,167</u>	<u>37,007,694</u>
Net Pension asset	177,546	177,546	-
<b>Total Assets</b>	<b>\$ <u>61,820,234</u></b>	<b><u>62,560,379</u></b>	<b><u>61,508,056</u></b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	\$ 1,257,114	2,222,817	1,025,295
Accrued compensated absences	201,115	201,115	191,872
Accrued pension liability	-	-	-
Other accrued liabilities	601,596	811,114	748,835
Total current liabilities	<u>2,059,825</u>	<u>3,235,046</u>	<u>1,966,002</u>
Noncurrent Liabilities:			
Accrued compensated absences	68,902	68,902	70,382
Other Post Employment Benefits	383,756	383,756	217,505
Total noncurrent liabilities	<u>452,658</u>	<u>452,658</u>	<u>287,887</u>
<b>Total Liabilities</b>	2,512,483	3,687,704	2,253,889
<b>NET ASSETS (Note)</b>			
Investment in Capital Assets:			
Contributed Capital Assets	29,741,330	29,741,330	30,597,285
Other Capital Assets	5,378,138	5,544,837	6,410,409
Total Investment in Capital Assets	<u>35,119,468</u>	<u>35,286,167</u>	<u>37,007,694</u>
Internally Designated Net Assets:			
Operating reserve	3,369,408	3,369,408	3,309,578
Employee benefit reserve	487,960	487,960	715,800
Grant matching reserve	5,257,845	5,257,845	4,765,015
Capital acquisition reserve	3,621,402	3,621,402	2,150,684
Capital replacement reserve	1,601,854	1,464,354	1,872,574
Reserves before pension plan	14,338,469	14,200,969	12,813,651
Reserve for pension plan obligation	177,546	177,546	-
Unreserved	12,661,684	12,632,489	12,268,126
Current year income (loss)	(2,989,416)	(3,424,496)	(2,835,304)
Total Net Assets	<u>59,307,751</u>	<u>58,872,675</u>	<u>59,254,167</u>
<b>Total Liabilities and Net Assets</b>	<b>\$ <u>61,820,234</u></b>	<b><u>62,560,379</u></b>	<b><u>61,508,056</u></b>

Note - See Accompanying Narrative

Corpus Christi Regional Transportation Authority  
Statement of Revenues And Expenditures By Cost Center (Unaudited)  
Months ended September 30, 2011 & September 30, 2010

	Current Month			Prior Year Comparison	
	Actual	Budget	Favorable	2010	Favorable
			(Unfavorable)		(Unfavorable)
A	B	A vs B	C	A vs C	
Operating Revenues:					
Passenger service	\$ 166,287	148,236	18,051	159,239	7,048
Bus advertising	3,333	3,333	-	3,334	(1)
Charter service	-	-	-	-	-
Other operating revenues	7,230	4,204	3,026	4,770	2,460
Total Operating Revenues	176,850	155,773	21,077	167,343	9,507
Operating Expenses:					
Transportation	434,624	421,206	(13,418)	315,636	(118,988)
Customer Programs	31,118	33,515	2,397	27,176	(3,942)
Purchased Transportation	553,063	552,482	(581)	470,214	(82,849)
Service Development	23,950	19,561	(4,389)	9,463	(14,487)
MIS	16,270	18,642	2,372	22,016	5,746
Vehicle Maintenance	474,979	434,301	(40,678)	384,197	(90,782)
Facilities Maintenance	81,066	82,483	1,417	158,078	77,012
Contracts and Grants	14,525	10,567	(3,958)	10,790	(3,735)
CEO's Office	69,732	66,576	(3,156)	57,864	(11,868)
Finance and Accounting	25,061	25,263	202	22,741	(2,320)
Materials Management	11,008	11,091	83	12,288	1,280
Human Resources	118,836	140,046	21,210	117,687	(1,149)
DBE/EEO	3,582	12,220	8,638	10,613	7,031
Capital Projects	9,680	7,835	(1,845)	6,409	(3,271)
Marketing & Special Projects	20,021	30,750	10,729	21,636	1,615
TCN - Regional Coordinator	-	22,929	22,929	5,659	5,659
Total Departmental Expenses	1,887,515	1,889,467	1,952	1,652,467	(235,048)
Depreciation	458,333	458,333	-	366,667	(91,666)
Total Operating Expenses	2,345,848	2,347,800	1,952	2,019,134	(326,714)
Operating Income (Loss)	(2,168,998)	(2,192,027)	23,029	(1,851,791)	(317,207)
Other Income (Expense)					
Sales Tax Revenue	2,596,301	2,063,917	532,384	1,935,395	660,906
Federal, state and local grant assistance	4,955	40,000	(35,045)	61,087	(56,132)
Investment Income	2,822	10,000	(7,178)	5,979	(3,157)
Gain (Loss) on Disposition of Property	-	-	-	-	-
Pension Plan Income (Expense)	-	-	-	-	-
Street Improvements Program for CCRTA Region Entities	-	-	-	(96,213)	96,213
Net Other Income (Expense)	2,604,078	2,113,917	490,161	1,906,248	697,830
Net Income (Loss)	\$ 435,080	(78,110)	513,190	54,457	380,623

The unaudited financial statements for the month of September 30, 2011 have been reviewed and appear to be reasonable. SEV Reviewed

Corpus Christi Regional Transportation Authority  
Statement of Revenues And Expenditures By Cost Center (Unaudited)  
Year-to-date September 30, 2011 & September 30, 2010

	Year-to-date			Prior Year Comparison	
	Actual	Budget	Favorable (Unfavorable)	2010	Favorable (Unfavorable)
			Variance		Comparison
A	B	A vs B	C	A vs C	
<b>Operating Revenues:</b>					
Passenger service	\$ 1,280,643	1,204,490	76,153	1,158,268	122,375
Bus advertising	30,000	29,997	3	26,667	3,333
Charter service	-	-	-	3,000	(3,000)
Other operating revenues	38,897	37,836	1,061	41,539	(2,642)
<b>Total Operating Revenues</b>	<b>1,349,540</b>	<b>1,272,323</b>	<b>77,217</b>	<b>1,229,474</b>	<b>120,066</b>
<b>Operating Expenses:</b>					
Transportation	3,807,841	3,735,176	(72,665)	3,651,211	(156,630)
Customer Programs	235,501	304,821	69,320	240,821	5,320
Purchased Transportation	4,994,272	4,951,232	(43,040)	4,318,914	(675,358)
Service Development	136,634	157,473	20,839	147,180	10,546
MIS	200,220	257,178	56,958	183,185	(17,035)
Vehicle Maintenance	4,130,819	4,063,657	(67,162)	3,517,718	(613,101)
Facilities Maintenance	713,575	735,526	21,951	667,858	(45,717)
Contracts and Grants	98,616	99,787	1,171	95,662	(2,954)
CEO's Office	600,191	592,621	(7,570)	586,821	(13,370)
Finance and Accounting	240,675	252,806	12,131	244,595	3,920
Materials Management	102,913	103,773	860	105,014	2,101
Human Resources	2,188,439	2,414,662	226,223	2,265,694	77,255
DBE/EEO	113,582	117,736	4,154	101,056	(12,526)
Capital Projects	80,183	75,406	(4,777)	76,069	(4,114)
Marketing & Special Projects	206,170	268,740	62,570	157,296	(48,874)
TCN - Regional Coordinator	12,214	100,244	88,030	27,504	15,290
<b>Total Departmental Expenses</b>	<b>17,861,845</b>	<b>18,230,838</b>	<b>368,993</b>	<b>16,386,598</b>	<b>(1,475,247)</b>
Depreciation	4,124,997	4,124,997	-	3,300,003	(824,994)
<b>Total Operating Expenses</b>	<b>21,986,842</b>	<b>22,355,835</b>	<b>368,993</b>	<b>19,686,601</b>	<b>(2,300,241)</b>
<b>Operating Income (Loss)</b>	<b>(20,637,302)</b>	<b>(21,083,512)</b>	<b>446,210</b>	<b>(18,457,127)</b>	<b>(2,180,175)</b>
<b>Other Income (Expense)</b>					
Sales Tax Revenue	18,842,282	16,845,781	1,996,501	16,542,336	2,299,946
Federal, state and local grant assistance	64,258	240,000	(175,742)	205,732	(141,474)
Investment Income	29,521	81,000	(51,479)	67,032	(37,511)
Gain (Loss) on Disposition of Property	1,770	-	1,770	10,827	(9,057)
Pension Plan Income (Expense)	-	-	-	-	-
Street Improvements Program for CCRTA Region Entities	(1,289,945)	(1,289,945)	-	(1,204,104)	(85,841)
<b>Net Other Income (Expense)</b>	<b>17,647,886</b>	<b>15,876,836</b>	<b>1,771,050</b>	<b>15,621,823</b>	<b>2,026,063</b>
<b>Net Income (Loss)</b>	<b>\$ (2,989,416)</b>	<b>(5,206,676)</b>	<b>2,217,260</b>	<b>(2,835,304)</b>	<b>(154,112)</b>

The unaudited financial statements for year-to-date ended September 30, 2011 have been reviewed and appear to be reason SEV Reviewed

Corpus Christi Regional Transportation Authority  
Statement of Cash Flows (Unaudited)  
Year-to-date September 30, 2011

**Cash Flows From Operating Activities:**

Cash Received from Customers	\$ 1,280,643
Cash Received from Bus Advertising and Other Ancillary	19,168
Cash Payments to Suppliers for Goods and Services	(9,598,062)
Cash Payments to Employees for Services	(5,863,184)
Cash Payments for Employee Benefits	<u>(2,412,897)</u>
Net Cash Used for Operating Activities	<u>(16,574,332)</u>

**Cash Flows from Non-Capital Financing Activities:**

Sales and Use Taxes Received	18,876,853
Grants and Other Reimbursements	64,258
Distributions to Region Entities	<u>(1,379,662)</u>
Net Cash Provided by Non-Capital Financing Activities	<u>17,561,449</u>

**Cash Flows from Capital and Related Financing Activities:**

Federal and Other Grant Assistance	3,973,312
Proceeds from Sale of Capital Assets	1,764
Purchase and Construction of Capital Assets	<u>(3,756,084)</u>
Net Cash Provided by Capital and Related Financing Activities	<u>218,992</u>

**Cash Flows from Investing Activities:**

Investment Income	206,995
Purchases of Investments	(5,121,840)
Maturities and Redemptions of Investments	<u>5,100,000</u>
Net Cash Provided by Non-Capital Financing Activities	<u>185,155</u>

**Net Increase in Cash and Cash Equivalents** 1,391,264

**Cash and Cash Equivalents, January 1** 11,710,519

**Cash and Cash Equivalents, Ending** \$ 13,101,783

**Reconciliation to Statement of Net Assets:**

Operating cash and cash equivalents	\$ 0
Reserved cash and cash equivalents	<u>13,101,783</u>
Cash and Cash Equivalents, Ending	<u>\$ 13,101,783</u>

## Corpus Christi Regional Transportation Authority Sales Tax History

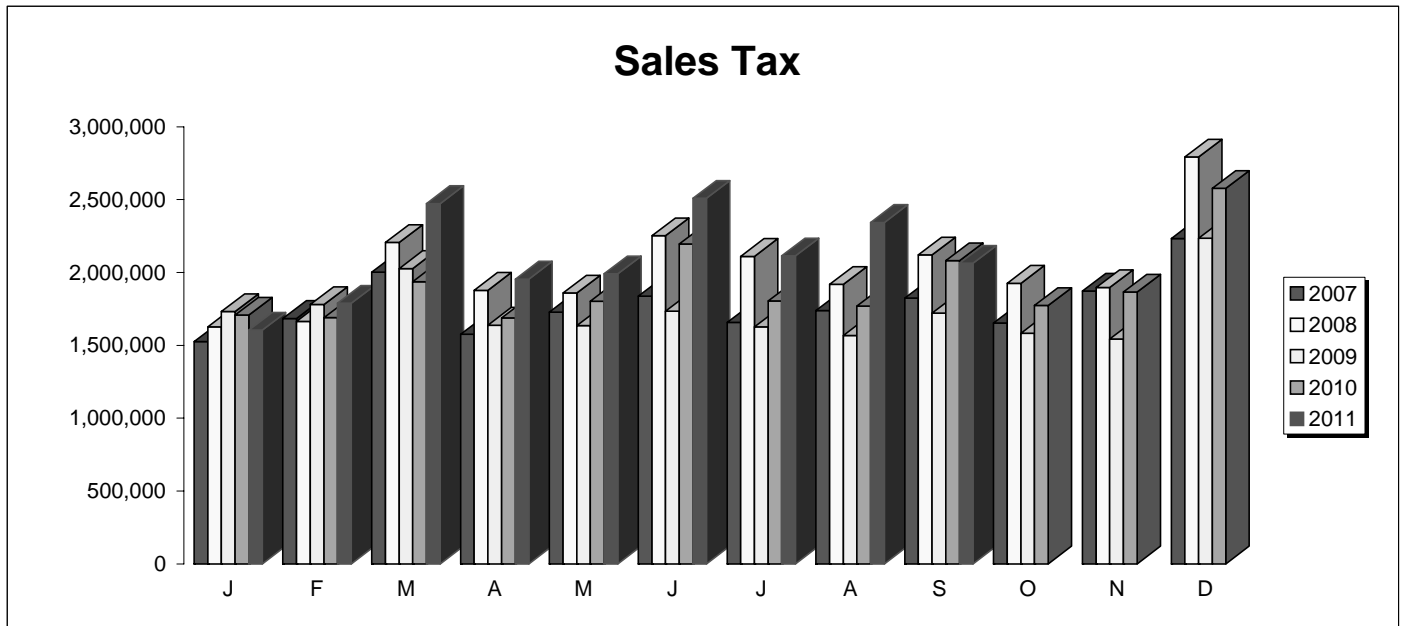
Highest comparable months are shaded

**Sales tax history reported by month generated in the community.**

(Accrual Method of Accounting - Reported in month RTA earns the income.)

	2011	% Change	2010	2009	2008	2007	2006
<b>January</b>	\$ 1,603,597	-6.1%	\$ 1,707,787	\$ 1,731,089	\$ 1,627,494	\$ 1,524,518	\$ 1,490,686
<b>February</b>	1,789,411	5.9%	1,690,511	1,780,559	1,664,758	1,684,537	1,537,300
<b>March</b>	2,473,035	27.7%	1,936,991	2,027,122	2,206,449	2,001,554	1,967,614
<b>April</b>	1,954,495	15.8%	1,688,314	1,638,161	1,878,111	1,576,532	1,612,713
<b>May</b>	1,990,917	10.4%	1,803,150	1,634,741	1,858,483	1,728,626	1,643,684
<b>June</b>	2,508,953	14.3%	2,195,580	1,733,918	2,252,697	1,836,852	1,834,691
<b>July</b>	2,114,283	17.2%	1,804,051	1,625,860	2,110,894	1,657,034	1,381,050
<b>August</b>	2,343,583	32.4%	1,769,527	1,567,976	1,919,105	1,737,809	1,619,501
<b>September</b>	2,064,008	-0.8%	2,080,698	1,720,734	2,120,582	1,823,751	1,672,215
<b>October</b>		N/A	1,772,941	1,583,354	1,926,081	1,652,417	1,525,077
<b>November</b>		N/A	1,865,505	1,542,919	1,897,111	1,871,651	1,578,043
<b>December</b>		N/A	2,576,657	2,235,142	2,792,366	2,233,684	2,252,708
<b>Total</b>	\$ 18,842,282	-17.7%	\$ 22,891,712	\$ 20,821,573	\$ 24,254,131	\$ 21,328,965	\$ 20,115,282

Note: The last month of the current year is estimated until the amount becomes known.



**Corpus Christi Regional Transportation Authority  
Quarterly Investment Report  
September 30, 2011**

**Holdings and Maturities - At Amortized (Book) Value:**

	Last Quarter	This Quarter	Change
0 - 3 Months	\$ 12,774,994	\$ 21,135,503	
3 - 6 Months	5,064,411	-	
6 - 12 Months	3,111,812	100,000	
Over 12 Months	-	-	
<b>Total</b>	<b>\$ 20,951,216</b>	<b>\$ 21,235,503</b>	<b>\$ 284,286</b>
<b>Holdings at Market Value</b>	<b>\$ 20,951,754</b>	<b>\$ 21,231,203</b>	<b>\$ 279,449</b>
<b>Gain (Loss) on holdings</b>	<b>\$ 538</b>	<b>\$ (4,300)</b>	

**Earnings Information:**

Earnings for this quarter	\$ 8,342
Yield for the Quarter	0.16%
Benchmark (6-Month Treasury)	0.06%
Dollar-Weighted Average Yield of Portfolio	0.18%
Weighted Average Maturity (Days)	29

Par Value	Institution/ Type	CUSIP	Date of Purchase	Date of Maturity	Date of Call Option	Average Days to Maturity	Purchase Yield	Prior Quarter		Current Quarter	
								Market Value	Amortized (Book) Value	Market Value	Amortized (Book) Value
<b>Certificate of Deposit:</b>											
\$ 100,000	Kleberg Bank	n/a	06/26/11	06/26/12	n/a	269	0.800%	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
						269	0.800%	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>Federal Government and Agency Issues:</b>											
3,000,000	FHLB 4.75%	3133XHRK0	06/11/10	12/09/11	n/a	70	0.762%	\$ 3,059,400	\$ 3,059,527	\$ 3,024,900	\$ 3,029,628
3,000,000	FHLB 1.0%	3133XVRS2	04/21/11	12/28/11	n/a	89	0.203%	\$ 3,012,300	\$ 3,011,812	\$ 3,006,300	\$ 3,005,808
2,000,000	FHLB .75%	3133XYLM5	06/13/11	11/21/11	n/a	52	0.128%	\$ 2,005,060	\$ 2,004,883	\$ 2,001,700	\$ 2,001,763
						70	0.395%	\$ 8,076,760	\$ 8,076,222	\$ 8,032,900	\$ 8,037,200
<b>Money Market Mutual Funds &amp; Sweep Accounts:</b>											
\$ 355,889	Goldman Sachs Gov Fd	n/a	n/a	n/a	n/a	1	0.010%	\$ 357,565	\$ 357,565	\$ 355,889	\$ 355,889
\$ 12,438,215	Wells Fargo Heritage Fund	n/a	n/a	n/a	n/a	1	0.040%	\$ 12,022,298	\$ 12,022,298	\$ 12,438,215	\$ 12,438,215
\$ 304,199	Wells Fargo Checking	n/a	n/a	n/a	n/a	1	0.000%	\$ 395,131	\$ 395,131	\$ 304,199	\$ 304,199
						1	0.038%	\$ 12,774,994	\$ 12,774,994	\$ 13,098,303	\$ 13,098,303
<b>Total Portfolio</b>								<b>\$ 20,951,754</b>	<b>\$ 20,951,216</b>	<b>\$ 21,231,203</b>	<b>\$ 21,235,503</b>

This report complies with Chapter 2256 of the Texas Government Code ("Public Funds Investment Act"). All investment strategies are consistent with those outlined in the RTA's Investment Policy. See narrative in this packet for additional information.

Submitted:

*Susan Vinson*