

City of Copperas Cove

"The City Built for Family Living"

Finance Department

April 30, 2008

Mayor and City Council Members:

The Finance Department is pleased to submit the Monthly Financial Report for the month of March 2008. The fiscal year 2007-08 mid-year analysis is complete and a mid-year budget amendment will be presented to City Council on May 6, 2008. The fiscal year 2008-09 budget process is in the beginning stages. Departments and outside organizations are working on their budget submissions. The fiscal year 2008-09 Proposed Annual Budget is scheduled to be presented to City Council at the July 15, 2008 Council meeting.

Year-to-date revenues through March 2008 are exceeding expenditures in all of the major funds of the City with the exception of the Golf Course Fund. Operating expenses at the Golf Course are exceeding the operating revenues by \$63,692, however, due to a transfer from the General Fund in October for \$59,072, the total Fund expenses exceed the total Fund revenues by only \$4,620.

The key economic indicators provide some insight for the financial activity of the City. The sales tax collections and the number of utility accounts established continue to show an increase from the prior year. The unemployment rate in the Killeen/Fort Hood region is consistent with the prior year. The number of building permits issued and the hotel occupancy tax collections are below the prior year. The hotel occupancy tax collections continue to be evaluated to determine if there is a timing issue with the reporting of revenue from the various hotels. A majority of the hotels are reporting their sales tax revenue on a quarterly basis. City staff will continue to monitor revenues and expenditures in all City funds and key economic indicators.

We hope the regular monitoring of the City's financial position will continue to provide the City Council with information that is useful for making sound policy decisions.

Respectfully submitted,

Wanda Bunting, CPA
Director of Financial Services

City of Copperas Cove
Financial Summary by Fund
March 31, 2008

GENERAL FUND

- March year-to-date revenues are above March year-to-date expenditures by \$2,881,946.
- Property tax revenue for March 2008 is \$84,751 or 48.3% above \$57,148 collected last March. Year-to-date property tax revenue is at \$5,858,281 or 9.7% above prior year-to-date collections.
- Year-to-date sales tax revenue of \$1,153,643 reflects a \$80,180 or 7.5% increase from the prior fiscal year.
- Year-to-date franchise tax revenue of \$289,438 is \$18,625 or 6.9% above prior year-to-date revenue.
- Interest earnings year-to-date of \$97,112 decreased by \$22,100 or 18.5% below the prior fiscal year-to-date earnings.
- General Fund expenditures year-to-date of \$6,290,408 reflect an increase of 7.3% over prior year-to-date expenditures of \$5,863,556.

WATER & SEWER FUND

- Year-to-date revenues are exceeding year-to-date expenses by \$394,844.
- Water revenue totaled \$323,855 for the month. This is \$22,073 or 7.3% above March 2007. Year-to-date water revenue is at \$2,108,672 which is above the prior year-to-date revenue by \$12,567 or 0.6%.
- Sewer revenue totaled \$285,038 for the month. This is \$18,545 or 7.0% above March 2007. Year-to-date sewer revenue is at \$1,690,892 which is above the prior year-to-date revenue by \$38,468 or 2.3%.
- Interest earnings year-to-date of \$51,980 decreased by \$20,013 or 27.8% below the prior fiscal year-to-date earnings.
- Connect fees produced revenues of \$4,575 for the month; \$31,680 year-to-date.
- Water tap fees year-to-date are \$37,265; \$27,701 below prior year-to-date. Sewer tap fees year-to-date are \$10,670; \$4,330 below prior year-to-date.
- Expenses year-to-date of \$3,641,445 reflect an increase of 12.0% over prior year-to-date expenses of \$3,250,886. The expenses for the current year are well within the budget for FY 2007-08.

SOLID WASTE FUND

- Year-to-date revenues are exceeding year-to-date expenses by \$163,977.
- Sanitary landfill fees for March 2008 are \$31,026; compared to \$33,406 in March 2007. Year-to-date revenue is at \$178,575 which is below the prior year-to-date revenue by \$16,049 or 8.2%.
- Refuse collection fees are \$197,012 for the month; an increase of \$12,652 over March 2007. Year-to-date revenue is at \$1,162,698 which is above the prior year-to-date revenue by \$61,443 or 5.6%.
- Interest earnings year-to-date of \$16,040 increased by \$1,017 or 6.8% above the prior fiscal year-to-date earnings.
- Expenses year-to-date of \$1,307,542 reflect an increase of 8.6% above prior year-to-date expenses of \$1,204,032.

DRAINAGE UTILITY FUND

- Year-to-date revenues are exceeding year-to-date expenses by \$100,595.
- Drainage Utility fees for the month of March are \$70,173; an increase of \$3,496 or 5.2 % above March 2007. Year-to-date revenue is at \$416,194 which is above the prior year-to-date revenue by \$13,522 or 3.4%.
- Expenses year-to-date of \$334,837 reflect an increase of 50.1% above prior year-to-date expenses of \$223,097. The expenses for the current year are well within the budget for FY 2007-08.

GOLF COURSE FUND

- Total year-to-date revenues are below year-to-date expenses by \$4,620. In addition, the year-to-date operating revenues include a transfer from the General Fund for \$59,072. Net of the transfer, expenses are exceeding revenues year-to-date by \$63,692.
- Revenues for the month of March totaled \$53,260, compared to revenues for March 2007 of \$52,317. Year-to-date operating revenues are at \$260,536 which is above the prior year-to-date operating revenues by \$41,267 or 18.8%.
- Expenses for the month are \$50,484; \$23,894 below March 2007 expenses. Year-to-date expenses of \$324,228 reflect a decrease of 11.3% below prior year-to-date expenses of \$365,382.

City of Copperas Cove
Economic Indicators Summary
March 31, 2008

Unemployment Rate

- The unemployment rate for the month of March 2008 was 4.4%, which is the consistent with March 2007, recorded at 4.4%.

Sales Tax Collections

- Sales tax collections for March 2008 totaled \$179,173, compared to March 2007 collections of \$151,231. Year to date, sales tax collections are at \$1,153,643 or 7.5% above prior year-to-date collections of \$1,073,463.
- In addition to the City sales tax collected above, \$576,821 year-to-date was paid to the Copperas Cove Economic Development Corporation.

Water Customers

- During the month of March 2008 there were 13,113 active water accounts.
- March 2007 recorded 12,386 water customers, which indicates a 5.9% or 727 increase in water customers from March 2007 to March 2008.

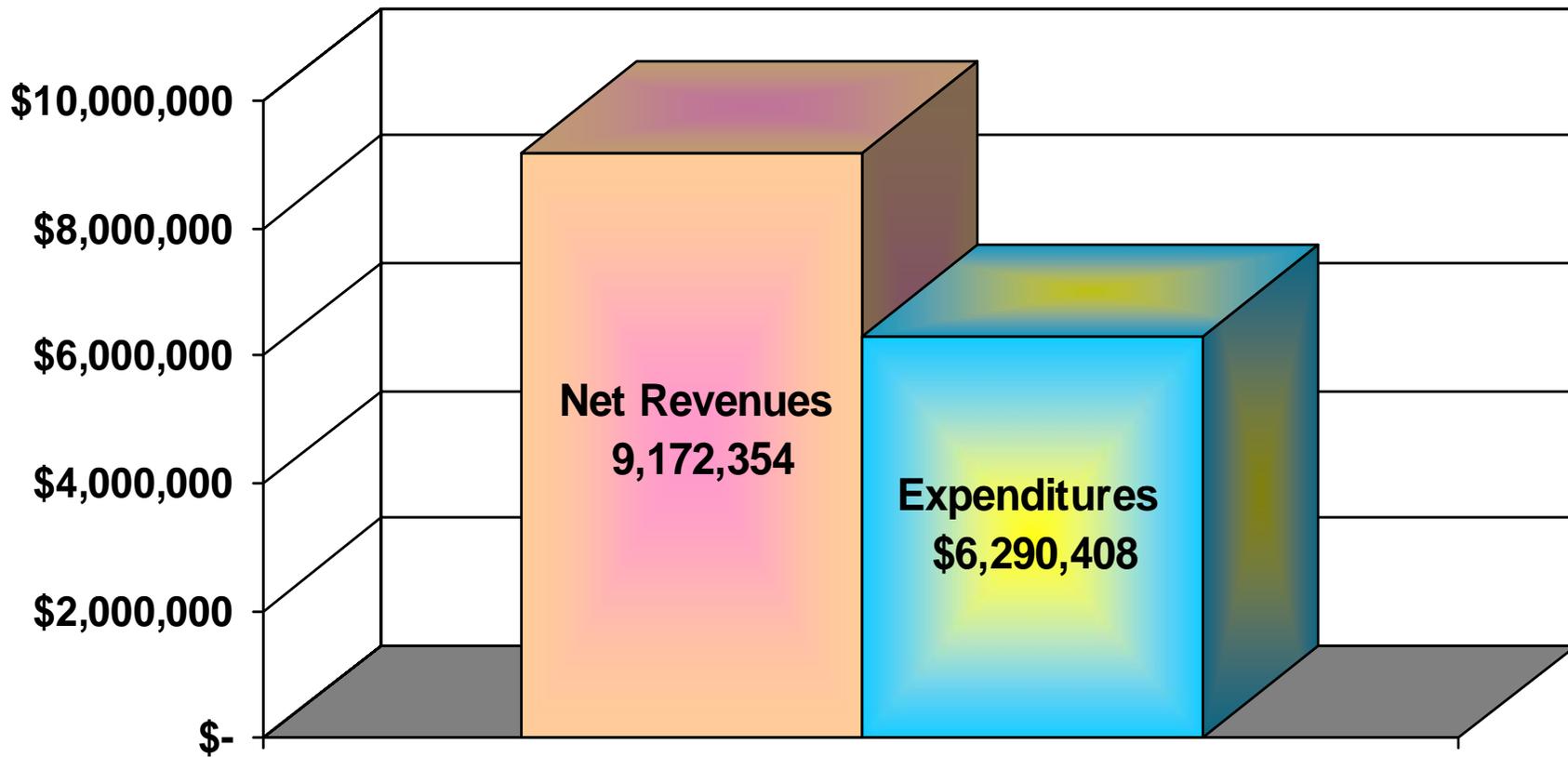
Building Permits

- The total dollar value of building permits issued for March 2008 was \$2,262,414 compared to \$8,173,161 in March 2007.
- 111 building permits were issued in March 2008 which is a decrease of 12 compared to that issued in March 2007.

Hotel Occupancy Tax Revenue

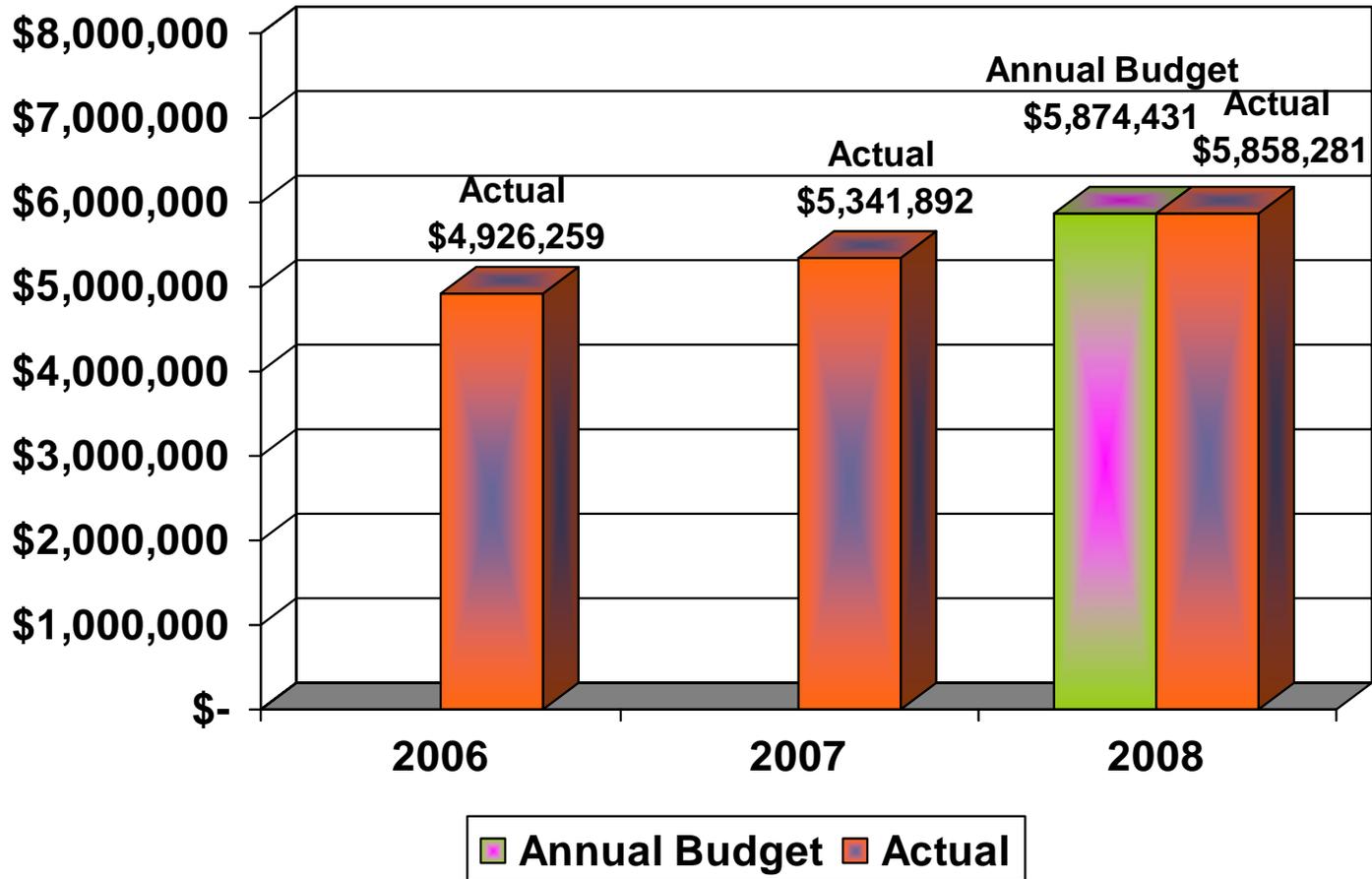
- Hotel occupancy tax collections for March 2008 were \$8,129 compared to \$5,279 collected in March 2007. Year to date, hotel occupancy tax collections are at \$49,985 or 6.6% below prior year-to-date collections of \$53,497.
- The hotel occupancy tax revenue is being researched in Finance and will be monitored closely throughout the year. Hotels that report quarterly will report revenue in October, January, April, and July.

**City of Copperas Cove
General Fund
Revenues vs. Expenditures
FYTD (October through March)**



Net Revenues Expenditures

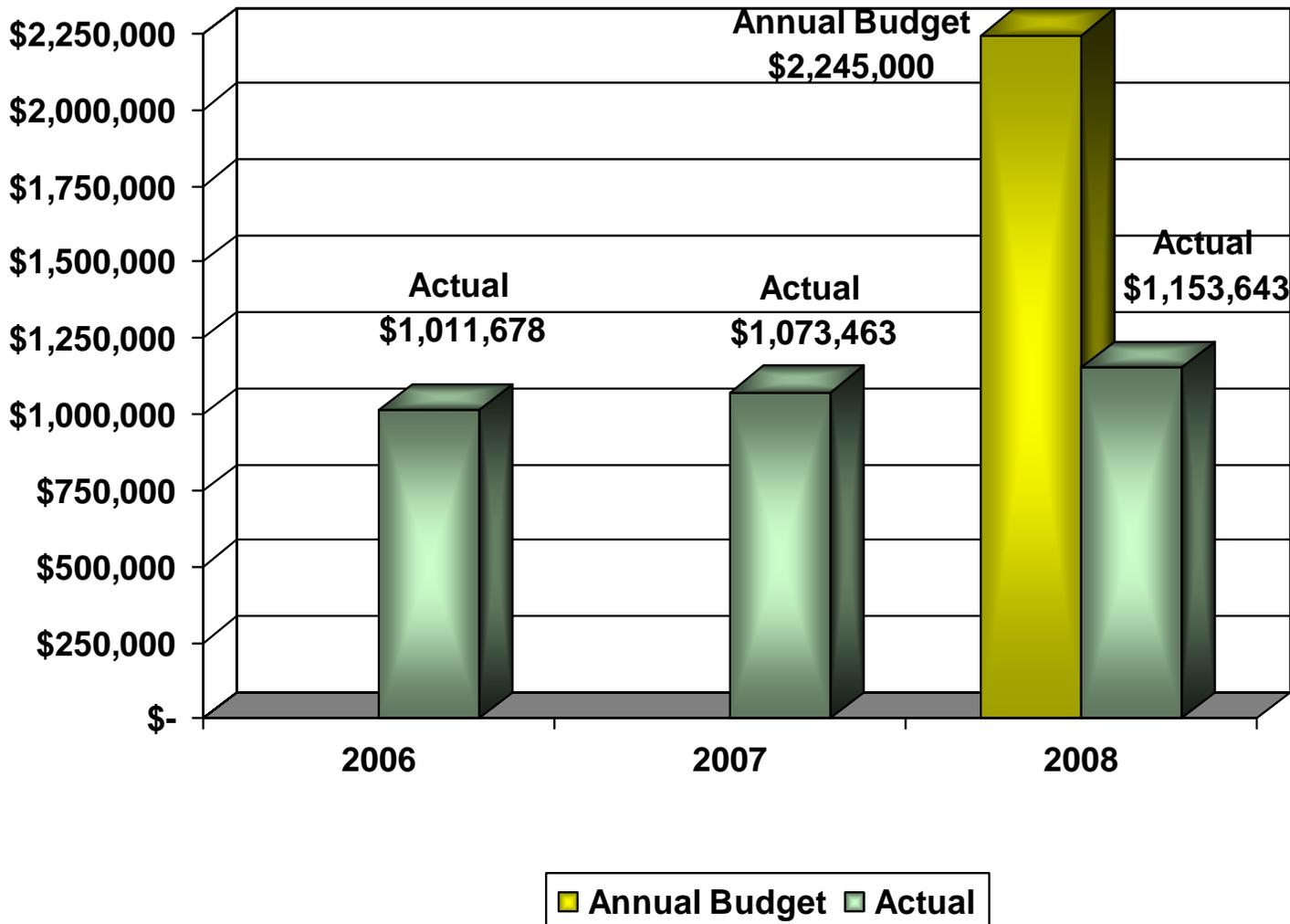
City of Copperas Cove General Fund Property Tax Revenue Trends FYTD (October through March)



➤ Property Tax revenue through 03/31/08 was **\$5,858,281**

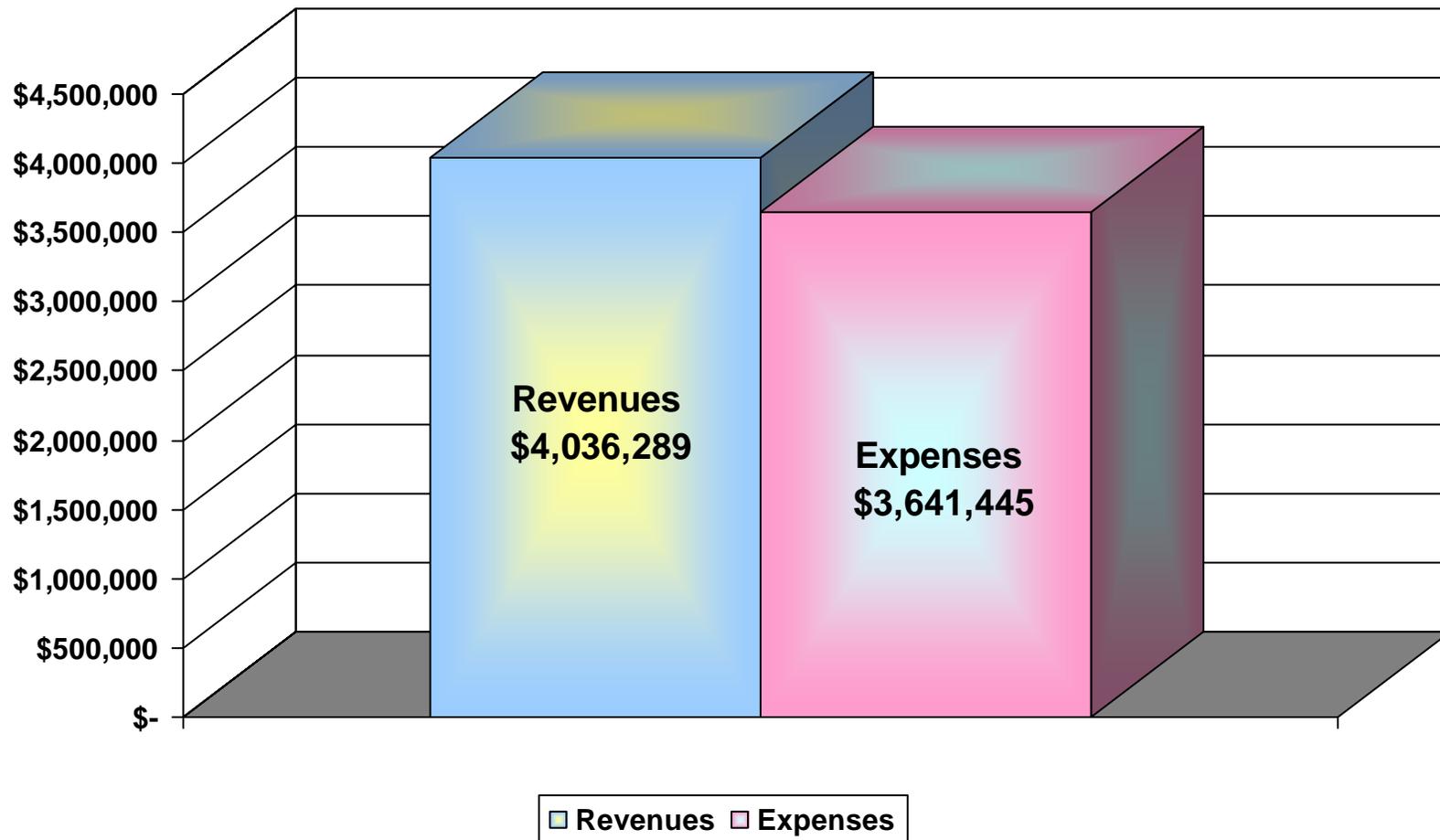
➤ **\$516,389** or 9.7% above prior year-to-date revenue

City of Copperas Cove Sales Tax Revenue Trends FYTD (October through March)

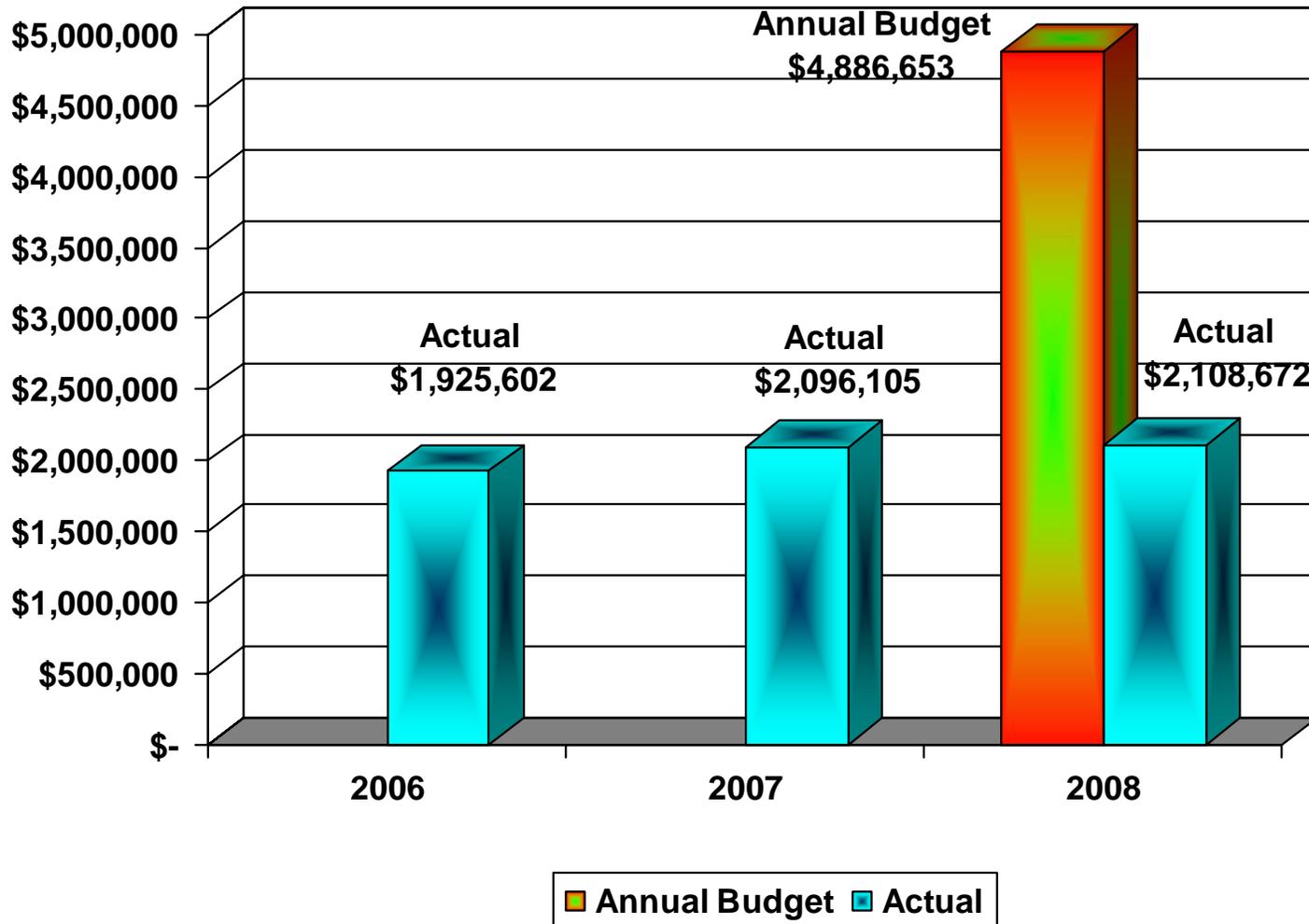


- Sales Tax Revenue through 03/31/08 was **\$1,153,643**
- **\$80,180** or 7.5% above prior year-to-date Sales Tax Revenue

City of Copperas Cove Water & Sewer Fund Revenues vs. Expenses FYTD (October through March)



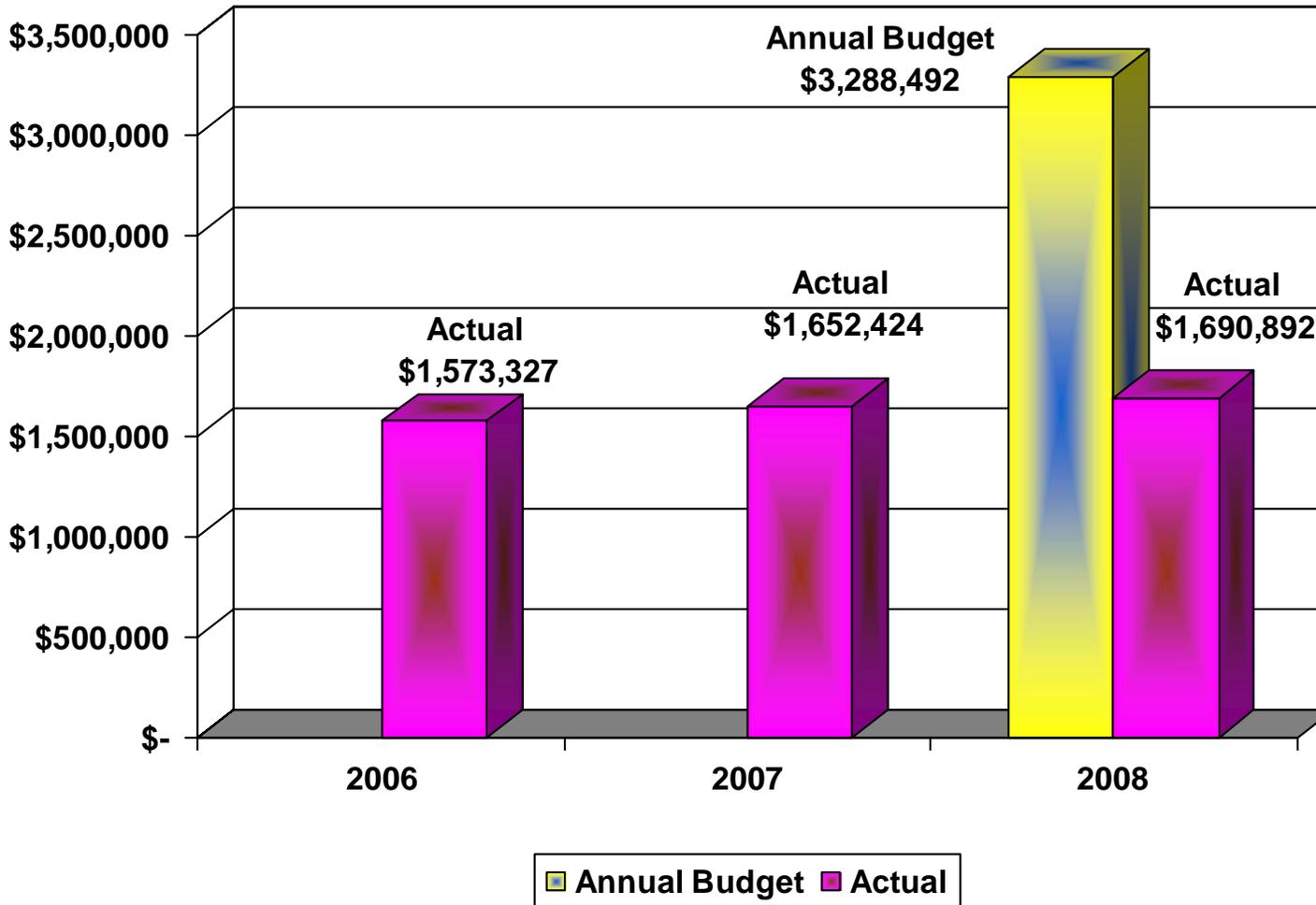
City of Copperas Cove Water Revenue Trends FYTD (October through March)



➤ Water Revenue through 03/31/08 was **\$2,108,672**

➤ **\$12,567** or 0.6% above prior year-to-date revenue

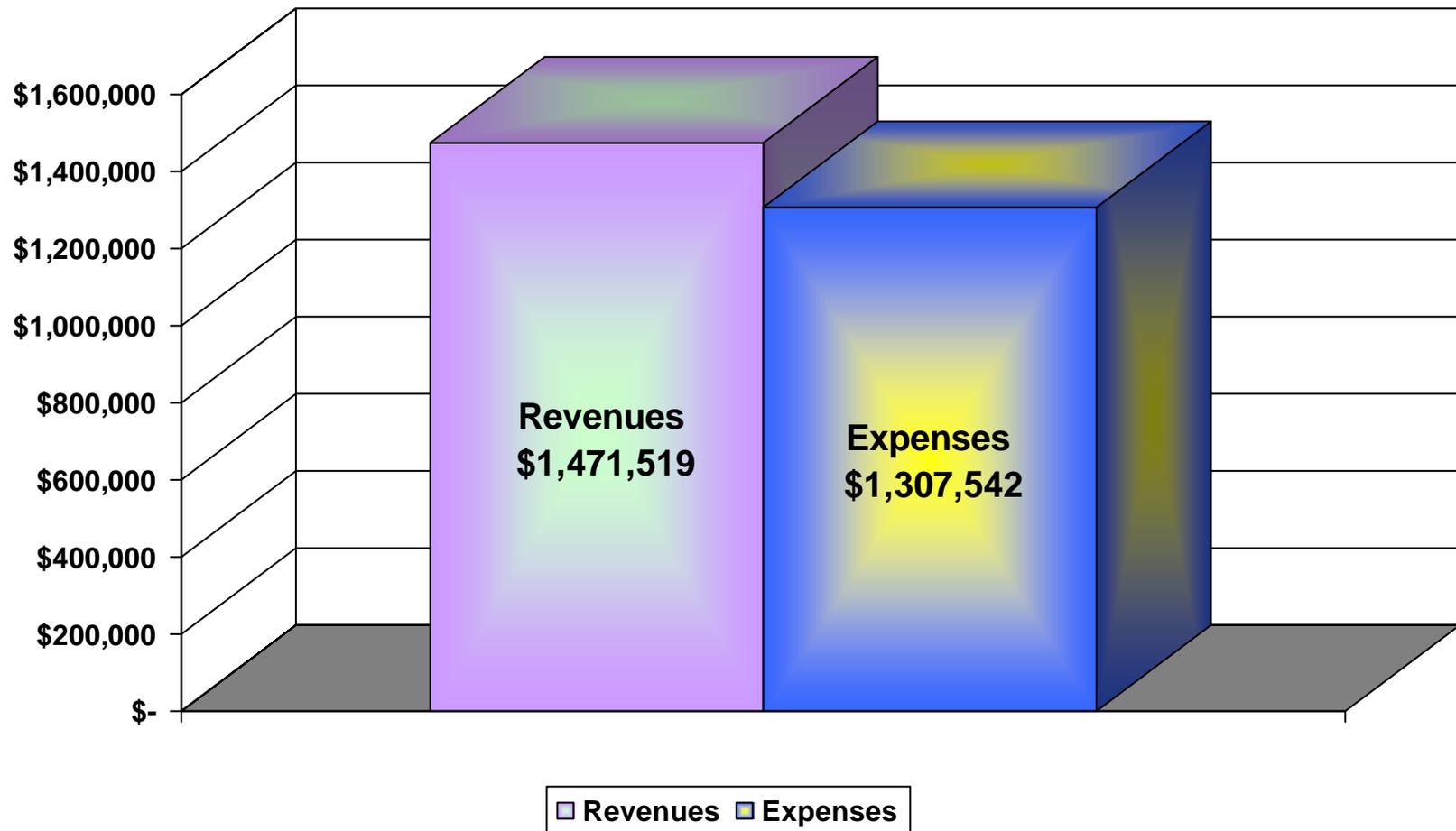
City of Copperas Cove Sewer Revenues FYTD (October through March)



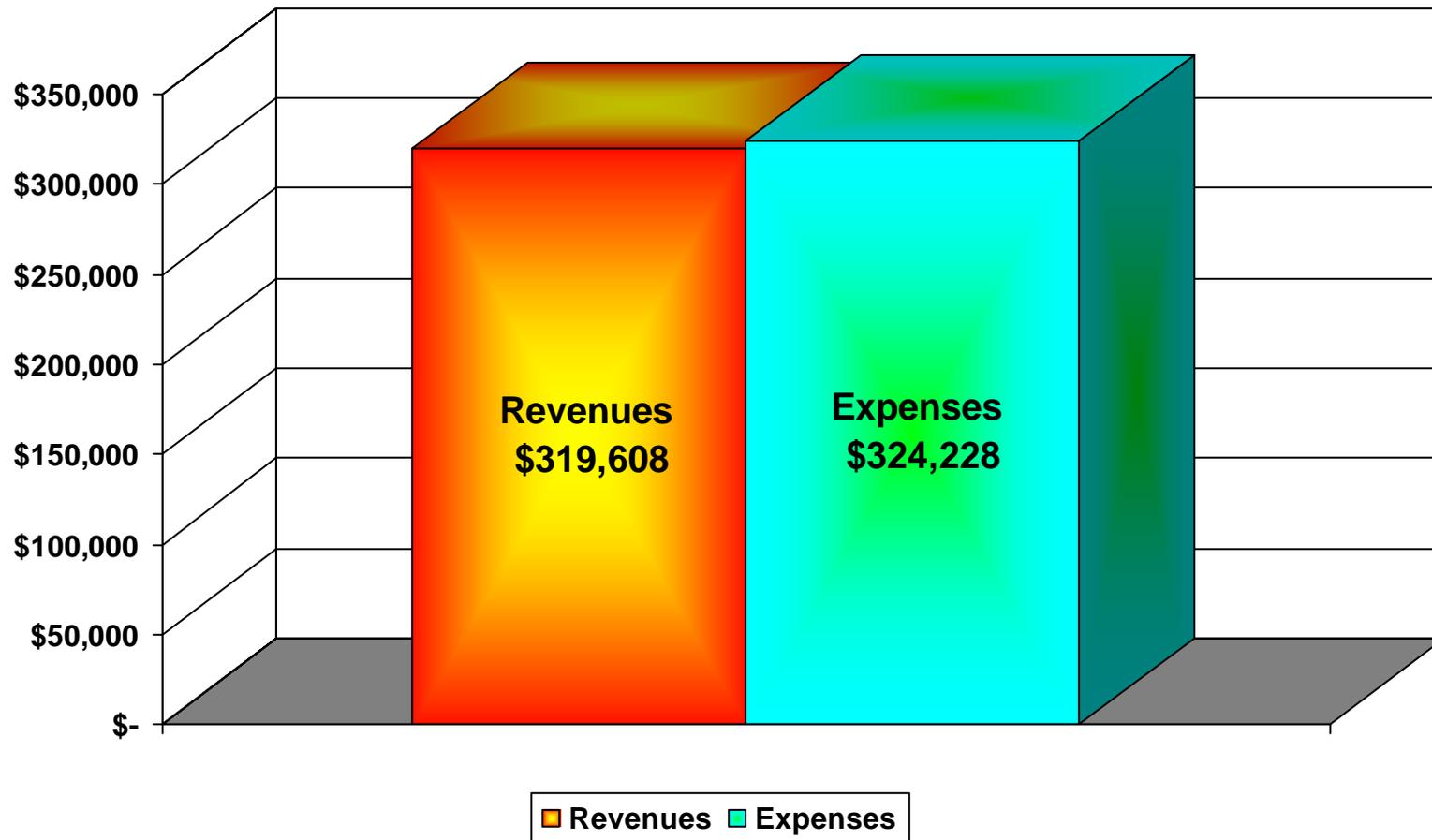
➤ Sewer Revenue through 03/31/08 was **\$1,690,892**

➤ **\$38,468** or 2.3% above prior year-to-date revenue

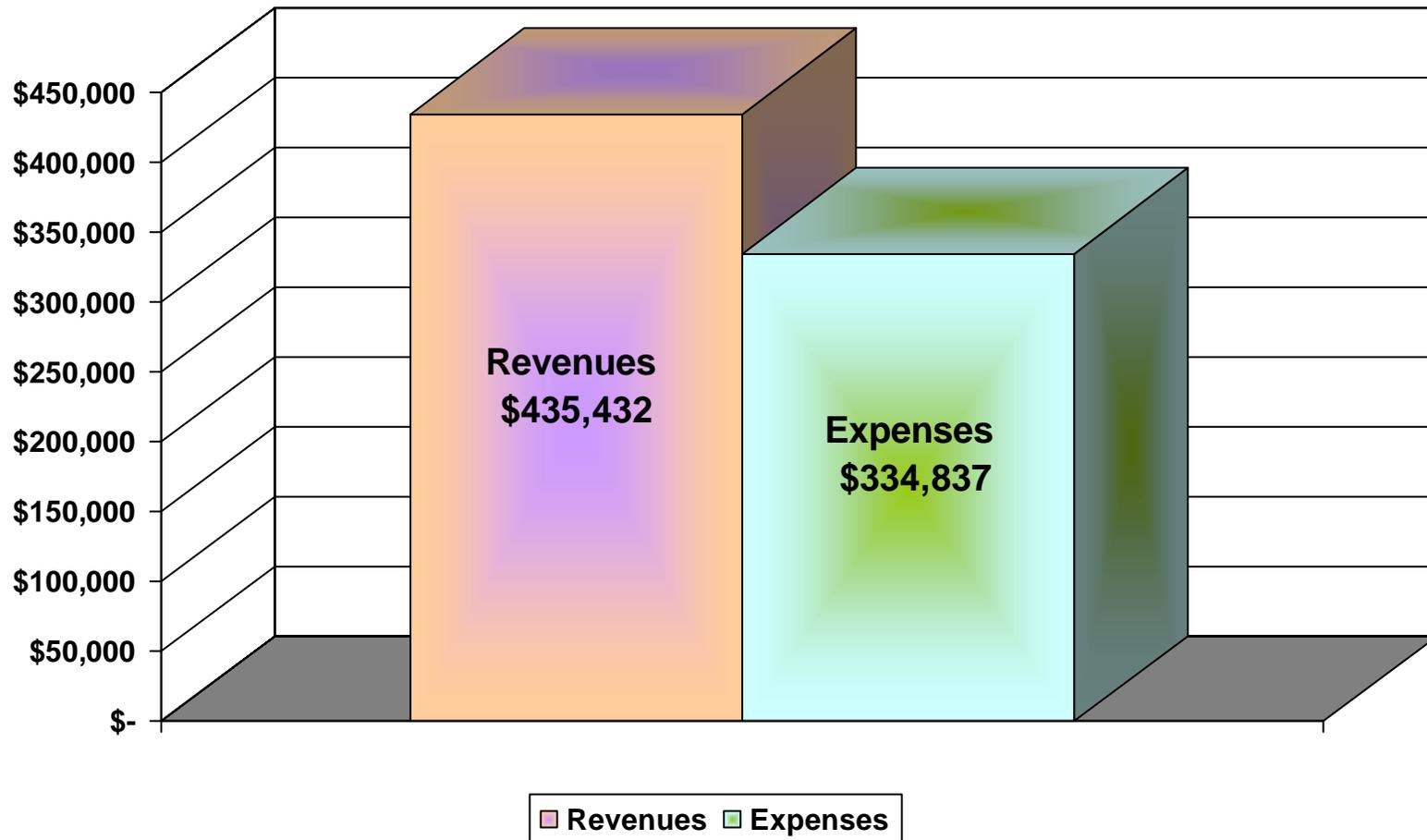
City of Copperas Cove Solid Waste Fund Revenues vs. Expenses FYTD (October through March)



City of Copperas Cove Golf Course Fund Revenues vs. Expenses FYTD (October through March)



City of Copperas Cove Drainage Fund Revenues vs. Expenses FYTD (October through March)



**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
GENERAL FUND
As of March 31, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Mar. 2008	Total Year to Date	Percent Year to Date
BEGINNING FUND BALANCE				
Unreserved, Designated	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
Unreserved, Undesignated	2,384,115	5,365,982	2,279,959	
TOTAL BEG. FUND BALANCE	\$ 3,384,115	\$ 6,365,982	\$ 3,279,959	
GENERAL FUND REVENUE				
Taxes				
Current Ad Valorem Taxes	\$ 5,874,431	\$ 84,751	\$ 5,858,281	99.7%
Delinquent Ad Valorem Taxes	47,000	6,278	47,957	102.0%
Penalty & Interest	38,000	6,840	74,203	195.3%
Sales Tax	2,245,000	179,173	1,153,643	51.4%
Franchise Tax	1,346,208	107,321	289,438	21.5%
TXU Settlement	35,633	35,633	35,633	100.0%
Mixed Drink Tax	17,000	-	5,894	34.7%
Bingo Tax	110,000	-	44,302	40.3%
Used Oil Revenue-Safety Clean/H&H	700	147	242	34.5%
Subtotal Taxes	\$ 9,713,972	\$ 420,142	\$ 7,509,592	77.3%
Licenses & Permits				
License-Bicycle	\$ 100	\$ -	\$ 6	6.0%
License-Contractors	45,000	1,760	23,885	53.1%
License-Animal	4,000	123	1,972	49.3%
Permits-Building	90,000	4,358	33,109	36.8%
Permits-House Moving	200	-	-	0.0%
Permits - Street Cuts	9,000	2,060	6,405	71.2%
Permits-Electrical	23,000	960	8,650	37.6%
Permits-Solicitors	2,500	25	1,395	55.8%
Permits-Natural Gas Lines	2,000	200	945	47.3%
Permits-Garage Sales	7,000	400	2,700	38.6%
Permits-Plumbing	30,000	2,100	12,843	42.8%
Permits-Mechanical	18,000	1,635	6,710	37.3%
License-Taxicabs	1,000	-	300	30.0%
Permits-Car Wash	500	60	105	21.0%
Permits-Signs	1,500	50	360	24.0%
Permits-Swimming Pools	900	-	115	12.8%
Wrecker License	600	-	510	85.0%
Permit-Certificate of Occupancy	2,000	80	1,040	52.0%
Permits-Alarms	6,200	1,180	2,400	38.7%
False Alarm Penalties	400	(50)	751	187.6%
Permits-Alcohol License	600	30	510	85.0%
Permits-Well/Gas Drilling	0	-	2,000	N/A
License - Massage	0	-	1,000	N/A
Subtotal Licenses & Permits	\$ 244,500	\$ 14,971	\$ 107,710	44.1%

CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
GENERAL FUND
As of March 31, 2008 (FY 2007-08)

Description	Adopted Budget	Current Month Mar. 2008	Total Year to Date	Percent Year to Date
Services & Charges				
Swimming Pool Receipts	\$ 52,400	\$ 50	\$ 50	0.1%
Community Building Rental	21,000	2,500	12,413	59.1%
Misc. Library Receipts	14,500	1,104	6,433	44.4%
Animal Shelter Fees	40,000	2,754	14,470	36.2%
Ambulance Fee Revenue ⁽¹⁾	776,818	45,794	303,065	39.0%
Copy Machines	5,200	459	2,413	46.4%
Mowing Revenue	20,000	2,940	8,519	42.6%
Sale of City Maps	600	90	389	64.8%
Service Charge-NSF Checks	12,000	525	4,975	41.5%
Plat Filing Fee Revenue	6,500	-	1,750	26.9%
RV Park Fees	12,000	800	5,115	42.6%
Police Overtime Reimbursement	20,000	-	13,687	68.4%
Police Restitution Revenue	3,000	267	2,167	72.2%
Festival Reimbursements	13,094	0	203	1.5%
Special Events-Seniors	1,500	0	1,016	67.7%
Library Meeting Room Rental	1,500	(135)	2,243	149.5%
Open Records Revenue	1,000	223	954	95.4%
Senior Games	1,500	-	-	0.0%
Fax Machine Fees	700	66	581	83.1%
Pool Rental Revenue	4,000	250	250	6.3%
Re-Inspection Fees	700	100	150	21.4%
Micro Chip of Animals Revenue	7,175	92	850	11.9%
Subtotal Services & Charges	\$ 1,015,187	\$ 57,879	\$ 381,694	37.6%
⁽¹⁾ Recorded net of billing fees.				
Fines & Forfeitures				
Municipal Court Fines	\$ 161,500	\$ 9,907	\$ 53,156	32.9%
Traffic Violation Fines	404,600	27,338	161,936	40.0%
Library Fines	16,500	1,501	8,639	52.4%
Arrest Warrant Income	138,500	11,436	50,896	36.7%
Child Safety Fund	12,800	811	5,428	42.4%
City's % of State Court Fines	57,500	-	25,512	44.4%
HB 70 Fees	14,000	951	5,613	40.1%
Arresting Officer Fees	33,000	2,082	12,301	37.3%
CCISD Liaison Funding	101,508	25,377	50,754	50.0%
Admin Fee-Teen Court	1,500	130	590	39.3%
Admin Fee-Defensive Driving	8,600	690	4,470	52.0%
Rezone Request Fees	3,000	200	800	26.7%
Variance Request Fees	300	0	110	36.7%
Subtotal Fines & Forfeitures	\$ 953,308	\$ 80,423	\$ 380,206	39.9%
Administration Reimb.				
Admin. Reimb.-W & S Fd	\$ 792,500	\$ 66,042	\$ 396,250	50.0%
Admin. Reimb.-Solid Waste Fd	428,000	35,667	214,000	50.0%
Admin. Reimb.-Drainage Utility Fd	80,000	6,667	40,000	50.0%
Subtotal Admin. Reimb.	\$ 1,300,500	\$ 108,375	\$ 650,250	50.0%

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
GENERAL FUND
As of March 31, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Mar. 2008	Total Year to Date	Percent Year to Date
Miscellaneous Revenue				
Interest Earned Revenue	\$ 235,000	\$ 18,114	\$ 97,112	41.3%
Rental Income	20,000	1,440	8,640	43.2%
Miscellaneous Police Revenue	3,000	347	2,101	70.0%
Miscellaneous Grant Revenue	1,500	-	-	0.0%
Miscellaneous Revenues	75,300	484	13,782	18.3%
Insurance Proceeds	3,000	-	30	1.0%
Food Workers' Permit	12,000	1,052	6,867	57.2%
Food Establishment Licenses	11,000	1,125	4,935	44.9%
Maintenance & Landscape Revenue	2,100	1,050	2,100	100.0%
Street Sign Revenue	2,400	-	220	9.2%
Auction Proceeds	5,000	-	7,115	142.3%
Subtotal Miscellaneous Rev.	\$ 370,300	\$ 23,611	\$ 142,902	38.6%
TOTAL G. F. REVENUE	\$ 13,597,767	\$ 705,401	\$ 9,172,354	67.5%

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
GENERAL FUND
As of March 31, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Mar. 2008	Total Year to Date	Percent Year to Date
GENERAL FUND EXPENDITURES				
City Council	\$ 42,700	\$ 789	\$ 17,578	41.2%
City Manager	270,334	14,730	102,667	38.0%
City Secretary/Elections	147,339	8,412	53,822	36.5%
City Attorney	105,080	11,098	59,196	56.3%
Finance	506,924	64,980	279,526	55.1%
Grants Administration	62,546	-	-	0.0%
Human Resources	176,796	14,945	91,971	52.0%
Information Systems	197,219	9,333	90,815	46.0%
Municipal Court	361,583	22,635	174,461	48.2%
Police	4,378,484	279,986	1,956,363	44.7%
Public Information Office	0	5,214	24,729	N/A
Animal Control	213,593	13,111	92,234	43.2%
Fire/EMS	3,000,931	224,095	1,547,449	51.6%
Emergency Management	65,496	100	5,427	8.3%
Engineering	166,629	8,636	53,256	32.0%
Building & Development Services	281,485	21,334	141,829	50.4%
Streets	985,565	44,218	320,003	32.5%
Parks and Recreation	929,962	61,019	393,352	42.3%
Fleet Services	235,422	17,504	136,542	58.0%
Public Works	39,418	2,910	19,502	49.5%
Facility Maintenance	172,390	12,640	85,357	49.5%
Planning	188,868	6,744	68,563	36.3%
Library	519,730	41,612	259,429	49.9%
Code & Health	155,289	11,013	76,606	49.3%
Non-Departmental	371,815	12,422	239,730	64.5%
TOTAL GENERAL FUND EXPENDITURES				
	\$ 13,575,598	\$ 909,479	\$ 6,290,408	46.3%
ENDING FUND BALANCE				
Unreserved, Designated	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
Unreserved, Undesignated	\$ 2,406,284	\$ 5,161,904	\$ 5,161,904	
TOTAL ENDING FUND BALANCE				
	\$ 3,406,284	\$ 6,161,904	\$ 6,161,904	
IDEAL RESERVE FUND BALANCE				
	\$ 3,393,900	\$ 3,393,900	\$ 3,393,900	
OVER (UNDER) IDEAL RESERVE FUND BALANCE				
	\$ 12,384	\$ 2,768,004	\$ 2,768,004	

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
WATER & SEWER FUND
As of March 31, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Mar. 2008	Total Year to Date	Percent Year to Date
BEGINNING FUND BALANCE				
Unreserved, Undesignated	\$ 2,029,827	\$ 1,917,419	\$ 1,730,982	
TOTAL BEGINNING FUND BALANCE	\$ 2,029,827	\$ 1,917,419	\$ 1,730,982	
W & S FUND REVENUES				
Operating Revenues				
Water Revenue	\$ 4,886,653	\$ 323,855	\$ 2,108,672	43.2%
Sewer Revenue	3,288,492	285,038	1,690,892	51.4%
Senior Discount	(140,300)	(9,738)	(61,960)	44.2%
Water Tap Fees	122,000	4,908	37,265	30.5%
Sewer Tap Fees	30,000	1,280	10,670	35.6%
Connect Fee	55,000	4,575	31,680	57.6%
Meter Box Reset Fee	0	0	300	N/A
Composting Sales Revenue	15,000	\$ 1,110	\$ 5,280	35.2%
Subtotal Operating Revenues	\$ 8,256,845	\$ 611,027	\$ 3,822,799	46.3%
Other Revenues				
Admin Reimb--Drainage	20,000	1,667	10,000	50.0%
Interest Revenue	140,000	6,347	51,980	37.1%
Late Charge For Billing	250,000	19,182	127,051	50.8%
Riser Forfeiture Revenue	3,000	-	230	7.7%
Auction Proceeds	1,000	-	-	0.0%
Insurance Proceeds	500	-	-	0.0%
Miscellaneous Revenues	50,000	3,766	24,229	48.5%
Subtotal Other Revenues	\$ 464,500	30,962	213,490	46.0%
TOTAL W & S FD REVENUES	\$ 8,721,345	\$ 641,988	\$ 4,036,289	46.3%
W & S FUND EXPENDITURES				
Water & Sewer Administration	\$ 152,025	\$ 12,517	\$ 78,633	51.7%
Utility Administration	517,891	39,884	280,851	54.2%
Water Distribution	1,126,698	68,954	503,248	44.7%
Sewer Collection	497,329	28,798	206,887	41.6%
Wastewater Treatment	1,013,042	91,756	609,539	60.2%
Composting	161,262	10,539	75,751	47.0%
Non-Departmental*	5,085,017	181,135	1,886,537	37.1%
TOTAL W & S FUND EXPENDITURES	\$ 8,553,264	\$ 433,582	\$ 3,641,445	42.6%
ENDING FUND BALANCE				
Unreserved, Undesignated	\$ 2,197,908	\$ 2,125,826	\$ 2,125,826	
TOTAL ENDING FUND BALANCE	\$ 2,197,908	\$ 2,125,826	\$ 2,125,826	
IDEAL RESERVE FUND BALANCE	\$ 2,138,316	\$ 2,138,316	\$ 2,138,316	
OVER (UNDER) IDEAL RESERVE FUND BALANCE	\$ 59,591	\$ (12,490)	\$ (12,490)	

*Adopted Budget amount has been updated. -- The Annual Adopted Budget Book and the Accounting System reported an incorrect amount in the monthly financials -- The financial system has been corrected for the March financials. See letter from Incode, our accounting system provider, explaining the system error.

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
SOLID WASTE FUND
As of March 31, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Mar. 2008	Total Year to Date	Percent Year to Date
BEGINNING FUND BALANCE				
Unreserved, Undesignated	\$ 653,725	\$ 817,136	\$ 769,842	
Unreserved, Designated	0	-	-	
TOTAL BEGINNING FUND BALANCE	\$ 653,725	\$ 817,136	\$ 769,842	
SOLID WASTE FUND REVENUE				
Operating Revenue				
Refuse Collection Fees	\$ 2,211,872	\$ 197,012	\$ 1,162,698	52.6%
Sanitary Landfill Fees	425,000	31,026	178,575	42.0%
Senior Discount	(38,325)	(3,170)	(18,960)	49.5%
Recycling Proceeds	35,000	3,738	23,269	66.5%
Sale of Scrap Metal	18,000	1,040	8,206	45.6%
Sale of Kraft Bags	9,500	960	5,104	53.7%
Container Reload Fees	13,500	1,125	2,296	17.0%
Return Service/Overload Container	1,000	-	29	2.9%
Roll-Off Rental Income	40,000	4,661	27,562	68.9%
Rear Load Dumpster Rental	800	1,213	1,885	235.6%
Auto Lid Locks	750	98	653	87.1%
Subtotal Operating Revenue	\$ 2,717,097	\$ 237,702	\$ 1,391,316	51.2%
Other Revenue				
Interest Revenue	\$ 33,000	\$ 1,875	\$ 16,040	48.6%
Late Charge For Billing	116,000	9,591	63,525	54.8%
Auction Proceeds	1,000	-	-	0.0%
Miscellaneous Revenues	2,000	229	638	31.9%
Subtotal Other Revenue	\$ 152,000	\$ 11,696	\$ 80,203	52.8%
TOTAL SOLID WASTE REVENUE	\$ 2,869,097	\$ 249,398	\$ 1,471,519	51.3%
SOLID WASTE FUND EXPENDITURES				
Solid Waste Administration	\$ 205,723	\$ 15,641	\$ 105,353	51.2%
Solid Waste Collection - Residential	330,012	16,983	168,180	51.0%
Solid Waste Collection - Recycling	159,375	6,974	46,440	29.1%
Solid Waste Collection - Brush	117,174	20,335	77,750	66.4%
Solid Waste Collection - Commercial	379,273	24,061	163,581	43.1%
Solid Waste Disposal - Transfer Station	1,100,536	12,470	490,465	44.6%
Solid Waste Recycling - KCCB	22,200	305	7,496	33.8%
Non-Departmental	503,095	35,947	248,277	49.3%
TOTAL SOLID WASTE FUND EXPENDITURES	\$ 2,817,388	\$ 132,715	\$ 1,307,542	46.4%
ENDING FUND BALANCE				
Unreserved, Undesignated	\$ 705,434	\$ 933,819	\$ 933,819	
Unreserved, Designated	-	-	-	
TOTAL ENDING FUND BALANCE	\$ 705,434	\$ 933,819	\$ 933,819	
IDEAL RESERVE FUND BALANCE	\$ 704,347	\$ 704,347	\$ 704,347	
OVER (UNDER) IDEAL RESERVE FUND BALANCE	\$ 1,087	\$ 229,472	\$ 229,472	

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
DRAINAGE UTILITY FUND
As of March 31, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Mar. 2008	Total Year to Date	Percent Year to Date
BEGINNING FUND BALANCE				
Unreserved, Undesignated	\$ 385,402	\$ 386,533	\$ 324,584	
TOTAL BEGINNING FUND BALANCE	\$ 385,402	\$ 386,533	\$ 324,584	
DRAINAGE UTILITY FUND REVENUE				
Drainage Utility Fee	\$ 841,839	\$ 70,173	\$ 416,194	49.4%
Maintenance Revenue	500	418	661	132.2%
Subtotal Drainage Utility Revenue	\$ 842,339	\$ 70,590	\$ 416,855	49.5%
Other Revenue				
Miscellaneous Revenue	\$ 1,900	\$ -	\$ 929	48.9%
Interest Revenue	37,000	2,227	17,618	47.6%
Insurance Proceeds	0	-	30	
Subtotal Other Revenue	\$ 38,900	\$ 2,227	\$ 18,577	47.8%
TOTAL DRAINAGE UTILITY REVENUE	\$ 881,239	\$ 72,817	\$ 435,432	49.4%
DRAINAGE UTILITY FUND EXPENDITURES				
Drainage	\$ 1,051,485	\$ 33,606	\$ 332,672	31.6%
Administration	1,668	565	2,165	129.8%
TOTAL DRAINAGE UTILITY FUND EXPENDITURES	\$ 1,053,153	\$ 34,170	\$ 334,837	31.8%
Unreserved, Undesignated	\$ 213,488	\$ 425,180	\$ 425,180	
TOTAL ENDING FUND BALANCE	\$ 213,488	\$ 425,180	\$ 425,180	
IDEAL RESERVE FUND BALANCE	\$ 263,288	\$ 263,288	\$ 263,288	
OVER (UNDER) IDEAL RESERVE FUND BALANCE	\$ (49,800)	\$ 161,892	\$ 161,892	

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
GOLF COURSE FUND
As of March 31, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Mar. 2008	Total Year to Date	Percent Year to Date
BEGINNING FUND BALANCE				
Unreserved, Undesignated	\$ 3,113	\$ (29,731)	\$ (22,335)	
TOTAL BEGINNING FUND BALANCE	\$ 3,113	\$ (29,731)	\$ (22,335)	
GOLF COURSE FUND REVENUE				
Green Fees	\$ 198,735	\$ 15,032	\$ 76,271	38.4%
Cart Rental Fees	172,000	13,397	70,153	40.8%
Membership Dues	107,425	2,883	14,631	13.6%
Cart Storage Fees	22,100	168	1,242	5.6%
Trail Fees	15,300	460	1,994	13.0%
Pro Shop Sales	101,000	5,411	30,349	30.0%
Handicap Fees	300	-	-	0.0%
Driving Range Fees	36,500	3,782	15,406	42.2%
Snack Bar Revenue F&B	62,000	6,164	27,799	44.8%
Snack Bar Revenue-Beer & Wine	25,000	1,812	9,091	36.4%
Transfer From General Fund	59,072	-	59,072	100.0%
Facility Rental Income	500	-	700	140.0%
Swimming Pool Receipts	500	-	-	0.0%
Interest Revenue	100	0	5	5.3%
Winter Special Green Fees	0	956	2,856	N/A
Winter Special Lunch	0	430	1,456	N/A
Revenue Food & Beverages	0	86	642	N/A
Tournament Green Fees	18,000	1,602	4,814	26.7%
Tournament Cart Fees	14,500	1,098	3,116	21.5%
Auction Proceeds	5,000	-	-	0.0%
Miscellaneous Receipts	260	(20)	4	1.7%
Golf Lesson Revenue	0		5	N/A
TOTAL G. C. FD REVENUE	\$ 838,292	\$ 53,260	\$ 319,608	38.1%
GOLF COURSE FUND EXPENDITURES				
Golf Course Administration	\$ 286,492	\$ 25,620	\$ 151,585	52.9%
Golf Course Concessions	89,953	9,473	48,888	54.3%
Golf Course Maintenance	387,734	15,391	123,755	31.9%
TOTAL GOLF COURSE FUND EXPENDITURES	\$ 764,179	\$ 50,484	\$ 324,228	42.4%
ENDING FUND BALANCE				
Unreserved, Undesignated	\$ 77,226	\$ (26,955)	\$ (26,955)	
TOTAL ENDING FUND BALANCE	\$ 77,226	\$ (26,955)	\$ (26,955)	
IDEAL RESERVE FUND BALANCE	\$ 191,045	\$ 191,045	\$ 191,045	
OVER (UNDER) IDEAL RESERVE FUND BALANCE	\$ (113,819)	\$ (218,000)	\$ (218,000)	

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
OTHER FUNDS
As of March 31, 2008 (FY 2007-08)**

Fund Description	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
Special Revenue Funds:				
Recreation Activities Fund	\$ 88,185	\$ 74,647	\$ 77,710	\$ 85,122
Cemetery Fund	12,865	8,849	17,371	4,343
Library Gifts and Memorials	8,894	338	224	9,009
Small Business Revolving Loan Fund *	197,521	983	-	198,504
Hotel Occupancy Tax Fund	56,405	69,816	72,945	53,276
Animal Shelter Fund	21,560	460	3,031	18,989
City-Wide Donation Fund	40,795	29,828	21,873	48,750
Municipal Court Fund	175,638	27,950	51,406	152,182
Sub-Total Special Revenue Funds	\$ 601,863	\$ 212,872	\$ 244,561	\$ 521,726
** Beginning fund balance includes \$145,824 in notes receivables.				
Debt Service Fund:				
Tax Interest & Sinking Fund	\$ 143,493	\$ 1,431,325	\$ 341,579	\$ 1,233,238
Sub-Total Debt Service Fund:	\$ 143,493	\$ 1,431,325	\$ 341,579	\$ 1,233,238
Capital Projects Funds:				
2001 C.O. (Capital Equip./Improvement)	\$ 285,983	\$ 5,893	\$ 23,700	\$ 268,176
2001 C.O. (Water/Wastewater Phase I)	466,010	9,554	13,374	\$ 462,190
2003 C.O. (CIP)	819,104	12,061	352,137	\$ 479,028
2003 C.O. (W/WW Phase III)	1,532,155	33,326	359,007	\$ 1,206,474
2005 C.O. (Water Infrastructure Project)	2,407,973	49,946	48,678	\$ 2,409,242
2006 Tax Notes (CIP)	1,021,461	17,227	328,477	\$ 710,211
2007 C.O. (Police Facility)	5,338,633	(388,897)	254	\$ 4,949,483
Sub-Total C.I.P. Funds:	\$ 11,871,319	\$ (260,890)	\$ 1,125,627	\$ 10,484,803
Total Other Funds	\$ 12,616,675	\$ 1,383,307	\$ 1,711,766	\$ 12,239,768

**City of Copperas Cove, Texas
2001 Certificates of Obligation
(Capital Equipment/Improvements)
As of March 31, 2008**

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
90-300-0001	Fund Balance	\$ -	\$ -	\$ 285,983
Revenues				
90-390-1001	Bond Proceeds	\$ 1,915,000	\$ 1,914,227	\$ -
90-370-6001	Interest Income	-	82,505	5,893
90-370-6005	Miscellaneous Revenue	-	1,500	-
Total Revenues		<u>\$ 1,915,000</u>	<u>\$ 1,998,233</u>	<u>\$ 5,893</u>
Expenditures*				
90-4606-9000-8600	Bond Issuance Costs	\$ 43,832	\$ 56,766	\$ -
90-4606-9000-6050	Inspection Services	-	3,263	-
90-4606-3500-xxxx	City-Wide Network	148,700	148,623	-
90-4606-4100-8500	Municipal Court	182,594	196,778	-
90-4606-4300-xxxx	Animal Control Facility	60,147	60,119	-
90-4606-4400-8500	Fire Station No. 3	179,509	215,496	-
90-4606-4400-8300	Fire Equipment	250,000	248,856	-
90-4606-5300-8400	Street Equipment	126,170	126,170	-
90-4606-5300-8500	Reliever Route ROW Acquisition	400,000	148,455	23,700
90-4606-5400-8505	Ogletree Improvements	364,548	394,604	-
90-4606-5600-8500	Public Works Facility (1/2)	159,500	113,119	-
Total Expenditures		<u>\$ 1,915,000</u>	<u>\$ 1,712,250</u>	<u>\$ 23,700</u>
Ending Fund Balance				
90-300-0001	Fund Balance	<u>\$ -</u>	<u>\$ 285,983</u>	<u>\$ 268,176</u>

* Prior year expenditures have been reconciled to the fund cash balance.

City of Copperas Cove, Texas
2001 Certificates of Obligation
(Phase II of Water/Wastewater CIP)
As of March 31, 2008

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
91-300-0001	Fund Balance	\$ -	\$ -	\$ 466,010
Revenues				
91-390-1001	Bond Proceeds	\$ 6,485,000	\$ 6,482,383	\$ -
91-370-6001	Interest Income	-	324,782	9,554
91-370-6005	Miscellaneous Revenue	-	-	-
Total Revenues		<u>\$ 6,485,000</u>	<u>\$ 6,807,165</u>	<u>\$ 9,554</u>
Expenditures*				
91-4607-9100-8600	Bond Issuance Costs	\$ 162,800	\$ 165,380	\$ -
91-4607-9100-6100	Advertising	-	191	-
91-4607-5600-6800	Professional Services	-	28,743	-
91-4607-9100-9032	Public Works Facility (1/2)	159,500	130,184	-
91-4607-9100-9034	Turkey Run Pumps & Tank	439,000	443,736	-
91-4607-9100-9036	Hogg Mt. Pumps & Tank	819,000	135,545	-
91-4607-9100-9038	Killeen/CC Water Line	3,073,700	3,206,692	-
91-4607-9100-9040	Turkey Run Tank Rehab.	180,000	275,763	-
91-4607-9100-xxxx	W. Hwy 190 Sewer Ext.	-	-	-
91-4607-9100-9042	Joint Pump Station	700,000	753,501	-
91-4607-9100-9044	Grimes Crossing Water Line	701,000	503,848	-
91-4607-9100-9046	Joes Road Water Line	50,000	68,981	-
91-4607-9100-9047	Wolfe Road	75,000	75,855	-
91-4607-9100-9048	Taylor Mountain Pump Stn	-	220,606	-
91-4607-9100-0952	Mickan Mountain Rehab	-	200,704	13,374
91-4607-9100-9054	Hughes Mountain Rehab	-	-	-
91-4607-9100-9050	South Wastewater Plant	-	93,380	-
91-4607-5100-xxxx	Salaries/Related Expense	125,000	38,048	-
Total Expenditures		<u>\$ 6,485,000</u>	<u>\$ 6,341,155</u>	<u>\$ 13,374</u>
Ending Fund Balance				
91-300-0001	Fund Balance	<u>\$ -</u>	<u>\$ 466,010</u>	<u>\$ 462,190</u>

* Prior year expenditures have been reconciled to the fund cash balance.

**City of Copperas Cove, Texas
2003 Certificates of Obligation
Tax Supported Capital Projects
As of March 31, 2008**

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
70-300-0001	Fund Balance	\$ -	\$ -	\$ 819,258
Revenues				
70-390-1003	Bond Proceeds	\$ 4,190,000	\$ 4,190,000	\$ -
70-370-6001	Interest Income	-	214,451	12,061
70-370-6005	Miscellaneous Revenue	-	1,953	-
Total Revenues		<u>\$ 4,190,000</u>	<u>\$ 4,406,404</u>	<u>\$ 12,061</u>
Expenditures				
70-231-0920	Bond Issuance Costs	\$ 82,539	\$ 82,543	\$ -
70-231-0922	Unamortized Bond Discount	20,061	20,061	-
70-4615-4400-9021	Communications System	1,645,140	1,611,351	-
70-4615-4400-9023	Fire Department Pumper Truck	250,000	247,064	-
70-4615-5100-xxxx	Salary/Benefits	-	5,344	-
70-4615-4200-9039	Police Department Bldg. Repairs	20,000	22,537	-
70-4615-5300-9029	Improvements to FM 1113	320,000	365,670	11,331
70-4615-5400-9025	Renovation of Civic Center	130,000	132,691	-
70-4615-5400-9027	Construction of Skate Park	25,000	24,750	-
70-4615-5400-9033	Feeder Road	600,000	95,021	-
70-4615-5400-9035	City Hall Roof Repairs	20,000	11,441	-
70-4615-5400-9037	Human Resources Bldg. Repairs	95,000	94,311	-
70-4615-8500-9019	Construction of Big Divide	579,000	624,305	340,807
70-4615-8500-9043	Street Reconstruction	400,000	250,058	-
Total Expenditures		<u>\$ 4,186,740</u>	<u>\$ 3,587,147</u>	<u>\$ 352,137</u>
Ending Fund Balance				
70-300-0001	Fund Balance	<u>\$ 3,260</u>	<u>\$ 819,258</u>	<u>\$ 479,181</u>

* Prior year expenditures have been reconciled to the fund cash balance.

**City of Copperas Cove, Texas
2003 Certificates of Obligation
(Phase III of Water/Wastewater CIP)
As of March 31, 2008**

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
71-300-0001	Fund Balance	\$ -	\$ -	\$ 1,532,155
Revenues				
71-390-1003	Bond Proceeds	\$ 9,820,000	\$ 9,820,000	\$ -
71-370-6001	Interest Income	-	491,531	33,326
71-390-1001	Developer Contributions	-	21,086	-
71-370-6005	Miscellaneous Revenue	-	167,965	-
Total Revenues		\$ 9,820,000	\$ 10,500,581	\$ 33,326
Expenditures				
71-4615-xxxx-xxxx	Bond Issuance Costs	192,591	192,601	-
71-4615-xxxx-xxxx	Bond Discount	46,809	46,809	-
71-4615-4400-9021	Communications System	195,680	181,613	-
71-4615-5100-xxxx	Salaries/Benefits	60,000	86,829	-
71-4615-8500-9001	Transfer To General Funds	-	65	-
71-4615-8500-9003	Meadow Brook Sewer Project	235,714	158,996	-
71-4615-8500-9005	Hwy 190 Sewer Project	162,430	177,948	-
71-4615-8500-9007	Mountain Top Water Project	460,000	533,933	333,710
71-4615-8500-9009	Big Divide (Sewer)	484,000	625,951	-
71-4615-8500-9011	Big Divide (Water)	1,710,000	824,215	-
71-4615-8500-9013	NE WW Plant Expansion	4,138,389	4,359,165	-
	Add'l Engineering-NE WW Plant	55,869	60,889	-
71-4615-8100-9041	Utility Admin. Bldg. Repairs	20,000	19,081	-
71-4615-8500-9014	South Plant-Fine Screens	101,500	101,500	-
71-4615-8500-xxxx	NE and NW Change Orders	48,231	-	-
71-4615-8500-9015	NW WW Plant Expansion	1,104,456	1,134,003	-
71-4615-8500-9017	4th Year Sewer Improvement	594,000	268,769	25,297
71-4615-8500-9021	Water Model Study	60,000	84,126	-
71-4615-8500-9029	FM 1113 Improvement (Sidewalk)	-	(10,066)	-
71-4615-8500-9031	Expansion of Constitution	122,000	122,000	-
Total Expenditures		\$ 9,791,669	\$ 8,968,427	\$ 359,007
Ending Fund Balance				
71-300-0001		\$ 28,331	\$ 1,532,155	\$ 1,206,474

"Sewer (Skyline Valley Lift Station)" is now "Big Divide (Sewer)"
"Water (Ogletree Pass to Colorado)" is now "Big Divide (Water)"

**City of Copperas Cove, Texas
2005 Certificates of Obligation
Water Projects
As of March 31, 2008**

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
93-300-0001	Fund Balance	\$ -	\$ -	\$ 2,407,973
Revenues				
93-390-1003	Bond Proceeds	\$ 3,080,000	\$ 3,050,000	\$ -
93-340-2001	Miscellaneous Revenue	-	-	-
93-370-6001	Interest Revenue	-	250,372	49,946
Total Revenues		<u>\$ 3,080,000</u>	<u>\$ 3,300,372</u>	<u>\$ 49,946</u>
Expenditures*				
93-4616-5100-xxxx	Salary/Benefits	\$ -	\$ 458	\$ -
93-4615-8500-6100	Contractual Services	-	-	244
93-4616-8500-8600	Issuance Costs	89,000	62,050	-
93-4616-8500-9032	East Pump Station	1,380,000	101,500	10,480
93-4616-8500-9034	Turkey Run Pump Station	868,000	4,445	37,954
93-4616-8500-9036	Hogg Mountain Water Tank	743,000	723,946	-
Total Expenditures		<u>\$ 3,080,000</u>	<u>\$ 892,399</u>	<u>\$ 48,678</u>
Ending Fund Balance				
93-253-0001		<u>\$ -</u>	<u>\$ 2,407,973</u>	<u>\$ 2,409,242</u>

* Prior year expenditures have been reconciled to the fund cash balance.

City of Copperas Cove, Texas
2006 Limited Tax Notes
Capital Equipment/Land & Professional Services
As of March 31, 2008

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
73-300-0001	Fund Balance	\$ -	\$ -	\$ 1,021,461
Revenues				
73-390-1003	Bond Proceeds	\$ 1,260,000	\$ 1,260,000	\$ -
73-340-2001	Miscellaneous Revenue	-	-	-
73-370-6001	Interest Revenue	-	59,154	17,227
Total Revenues		<u>\$ 1,260,000</u>	<u>\$ 1,319,154</u>	<u>\$ 17,227</u>
Expenditures*				
73-4617-9900-9500	Bond Issuance Costs	\$ -	\$ 25,796	\$ -
73-4617-4200-2200	Postage	-	-	20
73-4617-4200-6800	Professional Services	600,000	8,928	131,323
73-4617-4200-8600	Land	400,000	-	197,134
73-4617-4400-8300	Ambulance	100,000	97,525	-
73-4617-5300-8300	Street Sweeper	160,000	165,445	-
Total Expenditures		<u>\$ 1,260,000</u>	<u>\$ 297,694</u>	<u>\$ 328,477</u>
Ending Fund Balance				
73-253-0001		<u>\$ -</u>	<u>\$ 1,021,461</u>	<u>\$ 710,211</u>

* Prior year expenditures have been reconciled to the fund cash balance.

**City of Copperas Cove, Texas
2007 Certificates of Obligation
Police Facility
As of March 31, 2008**

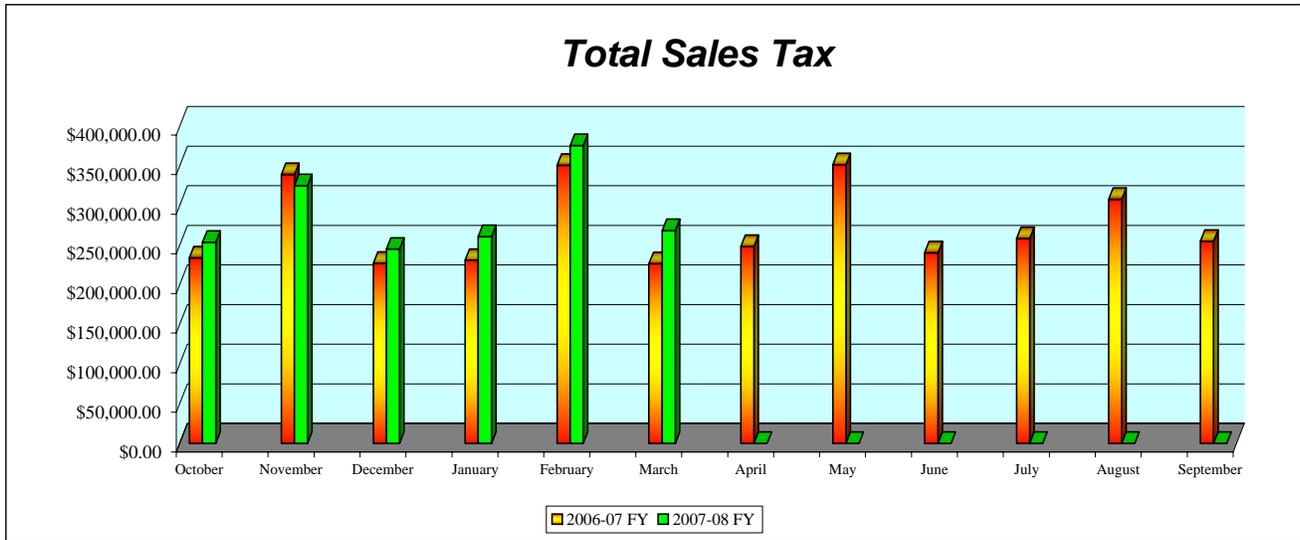
Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
74-300-0001	Fund Balance	\$ -	\$ -	\$ 5,338,633
Revenues				
74-390-1001	Bond Proceeds	\$ 5,300,000	\$ 5,300,000	\$ -
74-370-6001	Interest Revenue	50,000	92,974	113,061
74-390-1002	Discount Note Proceeds	-	-	(501,958)
Total Revenues		<u>\$ 5,350,000</u>	<u>\$ 5,392,974</u>	<u>\$ (388,897)</u>
Expenditures*				
74-4618-4200-8600	Bond Issuance Costs	\$ 50,000	\$ 54,030	\$ -
74-4618-4200-2200	Postage	-	23	-
74-4618-4200-6100	Advertising	-	287	254
74-4617-4200-8500	Police Facility	5,300,000	-	-
Total Expenditures		<u>\$ 5,300,000</u>	<u>\$ 54,340</u>	<u>\$ 254</u>
Ending Fund Balance				
74-253-0001		<u>\$ 50,000</u>	<u>\$ 5,338,633</u>	<u>\$ 4,949,483</u>

* Prior year expenditures have been reconciled to the fund cash balance.

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
SCHEDULE OF SALES TAX COLLECTIONS
(WITH COMPARATIVE COLLECTIONS IN FY 2006-07)
As of March 31, 2008 (FY 2007-08)**

Fiscal Year 2006-07	City's Revenue	EDC's Revenue	Total Sales Tax	Fiscal Year 2007-08	City's Revenue	EDC's Revenue	Total Sales Tax
October	\$156,182.25	\$78,091.13	\$234,273.38	October	\$169,247.52	\$84,623.76	\$253,871.28
November	\$226,324.55	\$113,162.28	\$339,486.83	November	\$216,891.12	\$108,445.56	\$325,336.68
December	\$151,566.28	\$75,783.14	\$227,349.42	December	\$163,496.24	\$81,748.12	\$245,244.36
January	\$154,062.22	\$77,031.11	\$231,093.33	January	\$174,106.89	\$87,053.45	\$261,160.34
February	\$234,096.96	\$117,048.48	\$351,145.44	February	\$250,728.06	\$125,364.03	\$376,092.09
March	\$151,231.18	\$75,615.59	\$226,846.77	March	\$179,172.98	\$89,586.49	\$268,759.47
April	\$165,791.41	\$82,895.71	\$248,687.12	April			\$0.00
May	\$234,485.52	\$117,242.76	\$351,728.28	May			\$0.00
June	\$160,309.35	\$80,154.68	\$240,464.03	June			\$0.00
July	\$172,527.88	\$86,263.94	\$258,791.82	July			\$0.00
August	\$205,359.88	\$102,679.94	\$308,039.82	August			\$0.00
September	\$170,015.51	\$85,007.76	\$255,023.27	September			\$0.00
Total	\$2,181,952.99	\$1,090,976.50	\$3,272,929.49	Total	\$1,153,642.81	\$576,821.41	\$1,730,464.22

NOTE 1 - Total revenues collected for sales tax by the month ending March 31, 2008, in FY 2007-08 was \$1,730,464.22 (\$1,153,642.81 City's revenues and \$576,821.41 EDC's revenues); total revenues collected for sales tax by the month ending March 31, 2007 in FY 2006-07 was \$1,610,195.17 (\$1,073,463.44 City's revenues and \$536,731.73 EDC's revenues).





TEXPOOL

THE TEXAS INVESTMENT SERVICE FOR PUBLIC FUNDS

April 2008

PERFORMANCE

As of March 31, 2008

	TexPool	TexPool Prime
Current Invested Balance	\$21,152,202,411.01	\$1,858,612,542.09
Weighted Average Maturity (1)*	35 Days	26 Days
Weighted Average Maturity (2)*	84 Days	26 Days
Net Asset Value	1.00029	1.00008
Total Number of Participants	2,086	88
Management Fee on Invested Balance	0.0485%	0.065%
Interest Distributed	\$55,076,909.86	\$4,905,977.27
Management Fee Collected	\$897,634.33	\$101,002.14
Standard & Poor's Current Rating	AAAm	AAAm

March Averages

Average Invested Balance	\$21,796,143,560.18	\$1,848,815,296.68
Average Monthly Yield, on a simple basis (3)*	2.9723%	3.1231%
Average Weighted Average Maturity (1)*	34 Days	30 Days
Average Weighted Average Maturity (2)*	83 Days	31 Days

*Definitions for Average Weighted Maturity can be found on Page 2.

Economic and Market Commentary – March 31, 2008

In one of the most meaningful series of policy initiatives in its nearly 100-year history, the Federal Reserve over the weekend of March 15 responded to the imminent collapse of the nation's fifth-largest investment bank by aggressively assuming its time-honored role as lender of last resort. The central bank orchestrated the takeover of Bear Stearns by JPMorgan Chase, unveiled unique measures designed to provide liquidity to the banking system, and cut the discount rate by 25 basis points. Those moves were quickly followed by a 75 basis point reduction in the federal funds rate on March 18. At 2.25%, Fed funds are now 300 basis lower than when the monetary easing cycle began in August.

We believe that the turmoil surrounding the Bear Stearns rescue effort ultimately will be viewed as the bottom of the current economic cycle. This is not to suggest that economic recovery is imminent or that there aren't more credit-related shoes to drop. However, the Fed's aggressive actions — accomplished through both traditional and unconventional means — demonstrated clearly that it will do whatever it takes to prevent a lockup of liquidity. In effect, the central bank put a backstop behind the economy and restored an important degree of confidence to the markets.

Not surprisingly given the Fed's earnest moves to lower the cost of credit, interest rates fell across the yield curve. However, spreads finished the month nearly unchanged from late February, an indication that calm was returning to the cash market, even amid the normally volatile quarter-end period. Looking ahead, we expect that the Fed may be closer to the end of its easing cycle than many investors believe. While at least one more rate cut is likely, we do not expect the funds rate to drop much below 1.75%.

Finally, we are proud to report that despite the virtually unprecedented problems in the cash market over recent months, TexPool and TexPool Prime have met the liquidity needs of our clients. Of course, this has not been the case with similar investment vehicles offered by other managers nationwide. We believe that Federated's ability to manage large cash pools without compromising liquidity in this difficult environment is a reflection of the high priority we place on credit quality and due diligence.

ANNOUNCEMENTS

New Participants

We would like to recognize and welcome the following entities who joined the TexPool/TexPool Prime program in March, 2008:

1. Kaufman County MUD No. 11
2. Education Service Center Region 17
3. City of Sonora
4. Greenhawe WCID #2
5. Lakeside MUD #3
6. North Lamar ISD
7. Kerr County
8. Snook ISD

New Participants, Continued

9. Harris County ESD No. 6
10. Fairfield ISD
11. La Academia de Estrellas

Market Updates

For the latest in Market Updates check the TexPool website, www.texpool.com.

Upcoming Events

4/13/08 – 4/15/08 GFOAT Spring Conference in Austin



TexPool

PORTFOLIO ASSET SUMMARY AS OF March 31, 2008

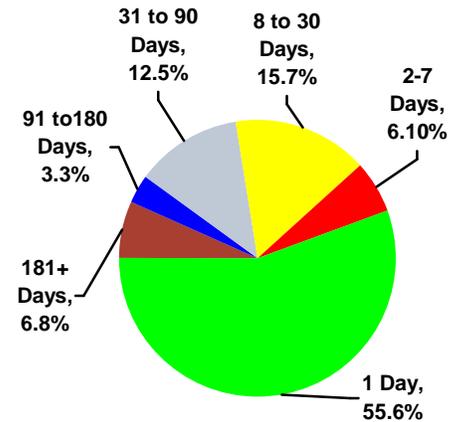
	Book Value	Market Value
Uninvested Balance	\$(6,871.18)	\$(6,871.18)
Accrual of Interest Income	31,189,108.60	31,189,108.60
Interest and Management Fees Payable	(55,077,202.68)	(55,077,202.68)
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	14,342,096,000.00	14,343,558,091.15
Mutual Fund Investments	0.00	0.00
Government Securities	6,834,001,376.27	6,839,005,843.40
Total	\$21,152,202,411.01	\$21,158,668,969.29

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investors and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

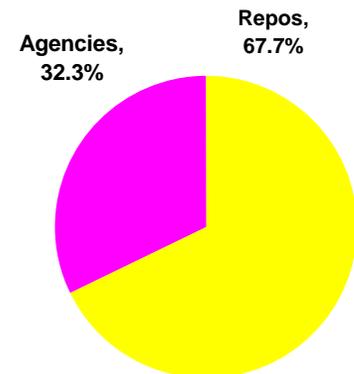
DAILY SUMMARY

Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
03/01	3.3644%	0.000092174	\$22,015,161,994.29	1.00040	35	84
03/02	3.3644%	0.000092174	\$22,015,161,994.29	1.00040	35	84
03/03	3.3669%	0.000092243	\$21,951,555,198.86	1.00036	33	82
03/04	3.3146%	0.000090810	\$22,008,204,683.52	1.00037	32	81
03/05	3.2230%	0.000088302	\$22,043,076,006.56	1.00034	35	82
03/06	3.1916%	0.000087442	\$22,088,330,588.40	1.00037	34	81
03/07	3.1886%	0.000087360	\$22,075,460,083.81	1.00034	37	84
03/08	3.1886%	0.000087360	\$22,075,460,083.81	1.00034	37	84
03/09	3.1886%	0.000087360	\$22,075,460,083.81	1.00034	37	84
03/10	3.2055%	0.000087821	\$22,030,248,109.78	1.00037	35	82
03/11	3.1885%	0.000087355	\$22,038,840,291.81	1.00033	35	82
03/12	3.1533%	0.000086392	\$22,030,908,538.72	1.00035	34	82
03/13	3.0756%	0.000084263	\$21,916,947,502.42	1.00036	34	82
03/14	3.2469%	0.000088957	\$21,827,201,120.30	1.00038	35	83
03/15	3.2469%	0.000088957	\$21,827,201,120.30	1.00038	35	83
03/16	3.2469%	0.000088957	\$21,827,201,120.30	1.00038	35	83
03/17	3.3951%	0.000093016	\$21,790,995,828.57	1.00041	32	82
03/18	3.1470%	0.000086218	\$21,862,105,316.04	1.00044	32	82
03/19	2.6372%	0.000072251	\$21,860,323,984.91	1.00043	32	82
03/20	2.6364%	0.000072230	\$21,798,123,043.84	1.00039	34	84
03/21	2.6364%	0.000072230	\$21,798,123,043.84	1.00039	34	84
03/22	2.6364%	0.000072230	\$21,798,123,043.84	1.00039	34	84
03/23	2.6364%	0.000072230	\$21,798,123,043.84	1.00039	34	84
03/24	2.5777%	0.000070623	\$21,576,801,195.34	1.00028	34	84
03/25	2.5872%	0.000070881	\$21,651,954,094.25	1.00027	32	80
03/26	2.5003%	0.000068501	\$21,597,221,065.16	1.00040	35	84
03/27	2.3298%	0.000063830	\$21,450,937,489.17	1.00040	35	85
03/28	2.6513%	0.000072637	\$21,232,999,428.29	1.00035	36	87
03/29	2.6513%	0.000072637	\$21,232,999,428.29	1.00035	36	87
03/30	2.6513%	0.000072637	\$21,232,999,428.29	1.00035	36	87
03/31	2.7120%	0.000074300	\$21,152,202,411.01	1.00029	35	84
Averages	2.9723%	0.000081432	\$21,796,143,560.18		34	83

Portfolio By Maturity
As of March 31, 2008



Portfolio By Type of Investment
As of March 31, 2008



	Number of Participants	Balance
School District	535	\$8,013,421,725.49
Higher Education	53	\$2,185,369,492.73
Health Care	78	\$889,151,573.10
Utility District	627	\$2,085,019,447.71
City	417	\$5,531,001,804.61
County	162	\$2,039,588,485.02
Other	214	\$407,642,032.69

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.

TexPool Prime

PORTFOLIO ASSET SUMMARY AS OF March 31, 2008

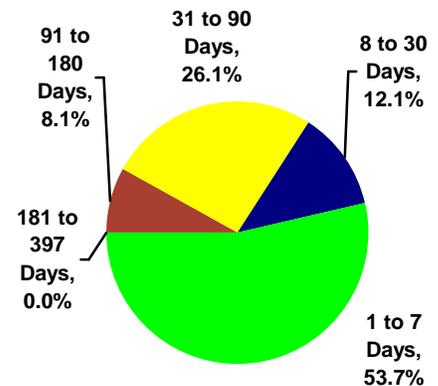
	Book Value	Market Value
Uninvested Balance	\$1,891.82	\$1,891.82
Accrual of Interest Income	289,630.96	289,630.96
Interest and Management Fees Payable	(4,905,945.98)	(4,905,945.98)
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	803,242,000.00	803,242,000.00
Mutual Fund Investments	50,000,000.00	50,000,000.00
Government Securities	0.00	0.00
Commercial Paper	972,184,965.29	972,340,035.20
Bank Instruments	0.00	0.00
Variable Rate Note	37,800,000.00	37,796,938.20
Total	\$1,858,612,542.09	\$1,858,764,550.20

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investors and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

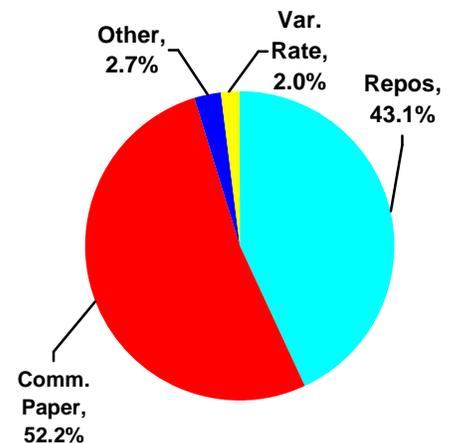
DAILY SUMMARY

Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
03/01	3.4078%	0.000093365	\$1,901,750,068.04	1.00001	32	33
03/02	3.4078%	0.000093365	\$1,901,750,068.04	1.00001	32	33
03/03	3.4170%	0.000093616	\$1,916,329,252.53	1.00000	29	31
03/04	3.3744%	0.000092449	\$1,908,443,347.23	1.00000	31	32
03/05	3.2995%	0.000090397	\$1,855,636,602.25	0.99966	33	34
03/06	3.2966%	0.000090319	\$1,855,412,234.12	0.99999	33	34
03/07	3.2859%	0.000090026	\$1,849,979,186.53	0.99989	33	34
03/08	3.2859%	0.000090026	\$1,849,979,186.53	0.99989	33	34
03/09	3.2859%	0.000090026	\$1,849,979,186.53	0.99989	33	34
03/10	3.2435%	0.000088863	\$1,848,026,464.46	1.00001	31	32
03/11	3.2427%	0.000088842	\$1,843,077,434.61	1.00000	31	32
03/12	3.2102%	0.000087950	\$1,833,746,882.29	1.00001	31	32
03/13	3.1380%	0.000085972	\$1,833,072,045.95	1.00002	32	33
03/14	3.2775%	0.000089794	\$1,812,465,881.14	0.99991	32	33
03/15	3.2775%	0.000089794	\$1,812,465,881.14	0.99991	32	33
03/16	3.2775%	0.000089794	\$1,812,465,881.14	0.99991	32	33
03/17	3.4330%	0.000094055	\$1,812,496,720.23	1.00005	30	31
03/18	3.2102%	0.000087950	\$1,820,871,466.22	1.00014	29	30
03/19	2.8202%	0.000077265	\$1,811,989,463.44	1.00022	29	30
03/20	2.8754%	0.000078779	\$1,815,791,083.79	1.00004	30	31
03/21	2.8754%	0.000078779	\$1,815,791,083.79	1.00004	30	31
03/22	2.8754%	0.000078779	\$1,815,791,083.79	1.00004	30	31
03/23	2.8754%	0.000078779	\$1,815,791,083.79	1.00004	30	31
03/24	2.8539%	0.000078189	\$1,833,582,304.50	1.00019	26	27
03/25	2.8753%	0.000078774	\$1,881,762,991.48	1.00015	27	27
03/26	2.8420%	0.000077864	\$1,879,749,769.58	1.00011	26	27
03/27	2.7286%	0.000074756	\$1,880,937,164.41	1.00010	26	27
03/28	2.9243%	0.000080117	\$1,861,842,612.48	1.00002	27	28
03/29	2.9243%	0.000080117	\$1,861,842,612.48	1.00002	27	28
03/30	2.9243%	0.000080117	\$1,861,842,612.48	1.00002	27	28
03/31	3.0498%	0.000083556	\$1,858,612,542.09	1.00008	26	26
Averages	3.1231%	0.000085564	\$1,848,815,296.68		31	88

Portfolio By Maturity As of March 31, 2008



Portfolio By Type of Investment As of March 31, 2008



	Number of Participants	Balance
School District	49	\$1,552,289,205.27
Higher Education	4	\$24,313,439.47
Health Care	5	\$7,579,242.75
Utility District	2	\$49,235,839.39
City	15	\$52,738,559.78
County	7	\$172,082,970.27
Other	6	\$370,519.35

*(3) This current yield for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.

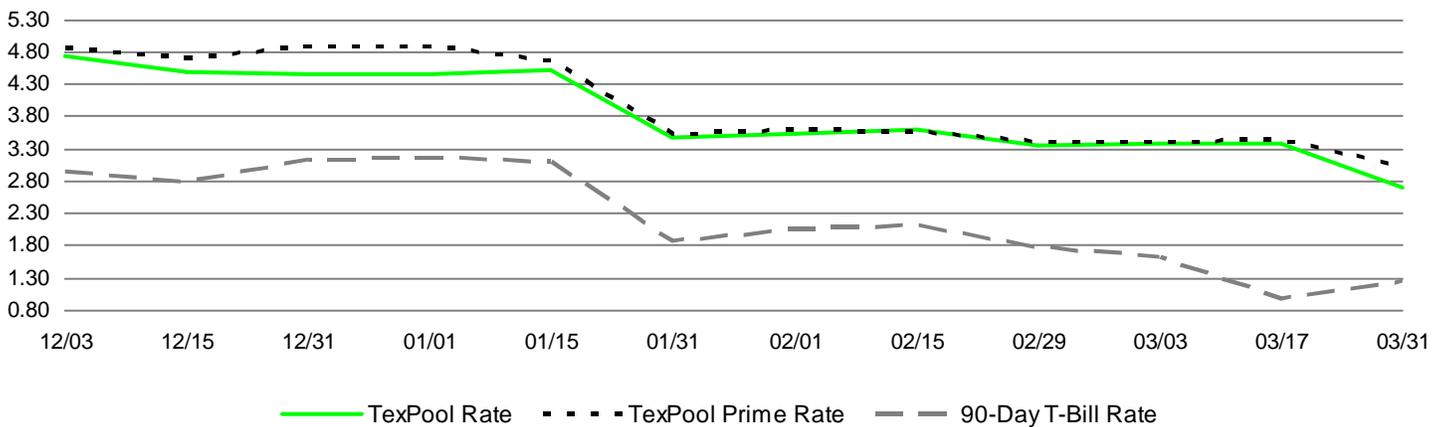


TEXPOOL

THE TEXAS INVESTMENT SERVICE FOR PUBLIC FUNDS

TexPool Participant Services
c/o Lehman Brothers
600 Travis St., Suite 7200
Houston, TX 77002

TEXPOOL & TEXPOOL PRIME VS. 90-DAY TREASURY BILL



TexPool Advisory Board Members

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Pati Buchenau
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Additional information regarding TexPool is available upon request:

www.texpool.com • 1-866-839-7665 (1-888-TEX-POOL) • Fax: 866-839-3291

CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
SCHEDULE OF CASH ACCOUNTS AND INVESTMENTS (By Account)
As of March 31, 2008 (FY 2007-08)

FUNDS IN INVESTMENT POOLS	
TEXSTAR	\$ 5,061,932.34
TEXPOOL	19,096,766.15
DISCOUNT NOTES	501,546.62
Subtotal on Funds in Investment Pools	<u>\$ 24,660,245.11</u>
CHECKING ACCOUNTS	
1988 W&S Bond	\$0.00
1994 Fire G.O. Bond Issue	0.00
1994 Fire Station Retainage	0.00
1994 Landfill C O's	0.00
Caddy Shack - Pool Account	0.00
Drainage Utility Reserve	0.00
G.O. Bonds Interest & Sinking	0.00
Master Account	1,030,024.05
Payroll	4,318.31
Rental Rehab	15,115.31
Golf Course	0.00
State Revolving Fund 1994	0.00
State Revolving Fund 1994 - Cash in Escrow	0.00
W & S Interest & Sinking	0.00
Water & Sewer Revenue	0.00
Law Enforcement Block Grant	12,823.32
Certificate of Obligations Series 1997	0.00
Solid Waste Interest & Sinking	0.00
Library Retainage	0.00
Pending Forfeitures	16,607.68
Small Business Revolving Loan Fund	0.00
1998 G.O. Bond Issue	0.00
1998 G.O. Bond Issue Retainage	0.00
1998 C.O. Bond Issue Retainage	0.00
Community Development	0.00
Subtotal Checking Accounts	<u>\$1,078,888.67</u>
SAVINGS ACCOUNTS (Per Quarterly Stmt)	
Subdivision Escrow	2,532.16
Subtotal Savings Accounts	<u>\$2,532.16</u>
TOTAL INVESTMENTS & CASH ACCOUNTS	<u><u>\$25,741,665.94</u></u>

CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
SCHEDULE OF CASH ACCOUNTS AND INVESTMENTS (By Fund)
As of March 31, 2008 (FY 2007-08)

FUND	TOTAL CASH & INVESTMENTS
General Fund	\$7,328,053.80
Water & Sewer Fund	\$2,722,748.13
Solid Waste Fund	\$837,626.03
Youth Activity Fund	\$110,061.76
Drainage Utility Fund	\$918,285.00
Cemetery Fund	(\$1,684.46)
General Obligation Interest & Sinking Fund	\$1,246,676.00
Curb & Gutter Assessment Fund	\$0.00
Municipal Golf Course Fund	(\$19,142.58)
Small Business Revolving Loan Fund	\$55,211.26
Library Gifts & Memorials Fund	\$8,404.91
Hotel/Motel Tax Fund	\$150,959.78
Animal Shelter Donations Fund	\$21,607.48
Police Court Order Fund	\$0.00
City-Wide Donations Fund	\$53,318.60
Abandoned Vehicle Auction Fund	\$0.00
City Wide Grants	\$162,899.53
FEMA Grant Funds	\$135,401.36
Fire Special Revenue Fund	\$12,276.18
Joint Image Campaign	\$24,237.78
Tx. Parks & Wildlife Grant	\$0.00
Municipal Court Fund	\$186,132.96
Police Restricted Fund	\$16,607.68
Police Federal Seizure Fund	\$2,104.23
Fire/EMS Loan	\$37,853.05
County Mutual Aid Agreement	\$60,480.03
1997 Combination Tax & Revenue C/O's (Golf Course; Library)	\$26,908.29
1997 CO's Golf Course Phase 1	\$1,318.88
Law Enforcement Block Grant Fund	\$12,805.32
Fire Department Grant Fund	\$22,061.86
Library Grant Fund	\$31,671.16
Step Grant	\$3,306.65
Tobacco Grant	\$1,294.99
FM 1113 Grant	\$50,178.66
2006 Limited Tax Notes	\$710,211.50
EDA Industrial Park	\$4,642.44
Reliever Route	\$260,855.64
2005 Certificates of Obligation (Water Projects)	\$2,409,241.91
1998 Park Improvements G.O.	\$459.59
1998 Combination Tax & Revenue C/O's (Street; Compost)	\$3,850.17
1999 Combination Tax & Revenue C/O's (Golf Course)	\$2,218.22
1999 Combination Tax & Revenue C/O's (Animal Control; Municipal Court)	\$244.50
1999 Combination Tax & Revenue C/O's (Water/Wastewater Phase I CIP)	\$0.00
1999 Combination Tax & Revenue C/O's (Solid Waste Vehicles & Equip.)	\$7,950.75
2001 Combination Tax & Revenue C/O's (Capital Equip. & Improvements)	\$268,175.52
2001 Combination Tax & Revenue C/O's (Water/Wastewater Phase II CIP)	\$462,189.87
2003 Combination Tax & Revenue C/O's (Capital Equip. & Improvements)	\$479,180.85
2003 Combination Tax & Revenue C/O's (Water/Wastewater Phase III CIP)	\$1,463,298.08
2007 Combination Tax & Revenue C/O's (Police Facility)	\$5,449,482.58
TOTAL CASH & INVESTMENTS	<u>\$25,741,665.94</u>

RECAP OF CASH & INVESTMENTS:

INVESTMENTS IN TEXPOOL	\$ 19,096,766.15
INVESTMENTS IN TEXSTAR	5,061,932.34
DISCOUNT NOTES	501,546.62
CASH IN BANK	1,081,420.83
TOTAL CASH & INVESTMENTS	<u>\$ 25,741,665.94</u>

CITY OF COPPERAS COVE
INVESTMENT SCHEDULE
As of March 31, 2008 (FY 2007-08)

As of December 31, 2007, the City of Copperas Cove's investment portfolio was made up of investments in TEXPOOL, TEXSTAR, Discount Note and bank deposits with the City's local depository. This portfolio accomplishes the objective of maintaining liquidity while earning a modest yield on invested taxpayers dollars.

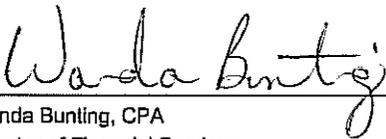
TEXPOOL Investments	Market Value	Investments	Redemptions	Accrued	Book Value	Market Value
	03/01/08			Interest	03/31/08	03/31/08
General Fund	\$ 6,936,276.18	\$ 1,613,383.72	\$ 1,604,293.62	\$ 17,989.07	\$ 6,963,355.35	\$ 6,963,355.35
Water & Sewer Fund	2,426,946.54	416,604.00	150,000.00	6,337.98	2,699,888.52	2,699,888.52
Solid Waste Fund	772,260.74	100,000.00	40,000.00	1,874.16	834,134.90	834,134.90
Drainage Utility Fund	876,625.60	61,594.00	25,000.00	2,226.08	915,445.68	915,445.68
Interest & Sinking Fund	1,184,352.68	57,070.62	-	3,071.56	1,244,494.86	1,244,494.86
Youth Activities Fund	92,048.47	17,000.00	4,500.00	224.33	104,772.80	104,772.80
Cemetery Fund	-	-	-	-	-	-
Golf Course Interest & Sinking	39.54	-	-	0.05	39.59	39.59
Small Business Revolving Loan Fund	48,099.35	4,025.00	-	129.75	52,254.10	52,254.10
Hotel/Motel Fund	160,262.13	-	9,700.22	397.87	150,959.78	150,959.78
Municipal Court Special Revenue Fund	185,998.48	-	500.00	469.49	185,967.97	185,967.97
1997 C/O Fund	1,315.57	-	-	3.31	1,318.88	1,318.88
1998 G.O. Bond Fund	458.46	-	-	1.13	459.59	459.59
1998 C/O Bond Fund	3,840.46	-	-	9.71	3,850.17	3,850.17
1999 C/O Bond Fund (Animal Control, etc.)	243.89	-	-	0.61	244.50	244.50
1999 C/O Bond Fund (Golf Course)	2,212.64	-	-	5.58	2,218.22	2,218.22
1999 C/O Bond Fund (Solid Waste)	7,930.73	-	-	20.02	7,950.75	7,950.75
2001 C/O Bond Fund (Governmental)	267,500.25	-	-	675.27	268,175.52	268,175.52
2001 C/O Bond Fund (W&S Phase II)	461,026.06	-	-	1,163.81	462,189.87	462,189.87
2007 C/O Police Facility	4,925,755.00	-	-	12,434.46	4,938,189.46	4,938,189.46
Rellever Route	270,832.45	-	10,640.11	663.30	260,855.64	260,855.64
Total TEXPOOL Investments	\$ 18,624,025.22	\$ 2,269,677.34	\$ 1,844,633.95	\$ 47,697.54	\$ 19,096,766.15	\$ 19,096,766.15

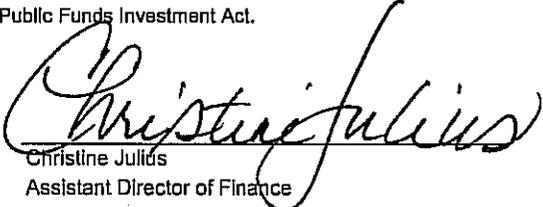
TEXSTAR Investments	Market Value	Investments	Redemptions	Accrued	Book Value	Market Value
	03/01/08			Interest	03/31/08	03/31/08
2003 C/O Project Fund (Governmental)	\$ 477,970.86	\$ -	\$ -	\$ 1,209.99	\$ 479,180.85	\$ 479,180.85
2003 C/O Project Fund (W&S Phase III)	1,567,637.00	-	108,297.60	3,958.68	1,463,298.08	1,463,298.08
EDA Grant	-	-	-	-	-	-
2005 C/O Project Fund (Water Projects)	2,423,044.93	-	19,918.75	6,115.73	2,409,241.91	2,409,241.91
2006 Tax Notes - Police Building Project	791,289.08	-	83,000.83	1,923.25	710,211.50	710,211.50
Total TEXSTAR Investments	\$ 5,259,941.87	\$ -	\$ 211,217.18	\$ 13,207.65	\$ 5,061,932.34	\$ 5,061,932.34

Discount Notes	Market Value	Investments	Redemptions	Accrued	Book Value	Market Value
	03/01/08			Interest	03/31/08	03/31/08
2007 C/O Police Facility	\$ -	\$ 500,000.00	\$ -	\$ 1,546.62	\$ 501,546.62	\$ 500,000.00
Total Discount Notes	\$ -	\$ 500,000.00	\$ -	\$ 1,546.62	\$ 501,546.62	\$ 500,000.00

Total Investments	\$ 23,883,967.09	\$ 2,769,677.34	\$ 2,055,851.13	\$ 62,451.81	\$ 24,660,245.11	\$ 24,658,698.49
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This report is in compliance with the investment strategies as approved and the Public Funds Investment Act.


Wanda Buntling, CPA
Director of Financial Services


Christine Julius
Assistant Director of Finance



Monthly Newsletter - March 2008

Performance

As of March 31, 2008

Current Invested Balance	\$6,635,062,776.30
Weighted Average Maturity (1)	17 Days
Weighted Average Maturity (2)	79 Days
Net Asset Value	1.000252
Total Number of Participants	616
Management Fee on Invested Balance	0.12%*
Interest Distributed	\$16,733,880.35
Management Fee Collected	\$276,067.81
% of Portfolio Invested Beyond 1 Year	5.68%
Standard & Poor's Current Rating	AAAM

March Averages

Average Invested Balance	\$6,518,379,116.51
Average Monthly Yield, on a simple basis	2.9807%
Average Weighted Average Maturity (1)*	17 Days
Average Weighted Average Maturity (2)*	82 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 March 2008:

- ★ London ISD
- ★ Montgomery County MUD 90
- ★ Dallas County Utility & Reclamation District
- ★ City of Bridgeport
- ★ Hardin Jefferson ISD
- ★ Gun Barrel City Economic Development Corp
- ★ City of San Benito

Economic Commentary

Toward the end of the quarter, the Fed took unprecedented action in response to the ever-evolving and deepening financial crisis. The most dramatic of its actions was the Primary Dealer Credit Facility, which was announced after the acquisition of Bear Stearns by JPMorgan. This is a facility that allows primary dealers to borrow at the discount rate against a wide range of collateral including mortgage-backed securities. The Fed cut the fed funds rate and discount rate by 75 basis points (bps) to 2.25% and 2.50%, respectively, at the March 18th FOMC, maintaining the 25 bp spread. These cuts followed 125 bps of additional easing of the fed funds rate and 150 bps of additional easing of the discount rate earlier in the quarter.

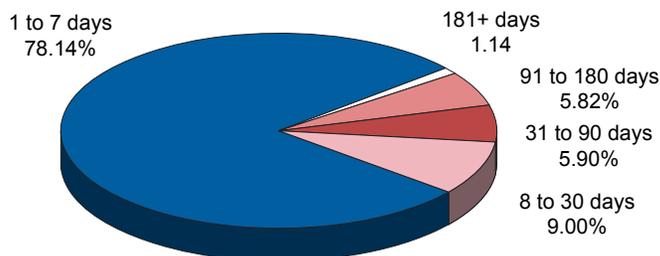
Meanwhile, economic data for the quarter weakened notably especially in the labor and housing market with consumer sentiment and some business confidence measures plummeting, Inflation which continues to be a concern for the Fed, actually moderated through the end of February. During the quarter, Treasury yields plummeted and the curve remained steep as investors continued their flight to quality in the midst of weakened economic and challenging financial conditions. Two-year yields ended the quarter down 146 bps at 1.58% and five-year yields ended down 100 bps at 2.44%.

Some members of the Federal Reserve have expressed discomfort with the current pace of easing, suggesting that the Fed will likely be less aggressive during the coming months. Depending on financial market developments, it is expected that Fed will cut rates by another 25 bps to 2.0% in April and then likely pause. The economy is expected to weaken in the second quarter as the consumer is faced with many headwinds – weaker jobs and income, tighter credit, high gas prices, declining wealth and confidence and concern of recession. The forecast for 1.0% growth in the second quarter hinges on consumers spending their May stimulus package tax rebates relatively quickly. By the start of the second half of 2008, some clarity should emerge on both the path of the economy and the extent of financial institutions' losses. However, available credit will almost certainly remain significantly tighter than it was prior to the crisis.

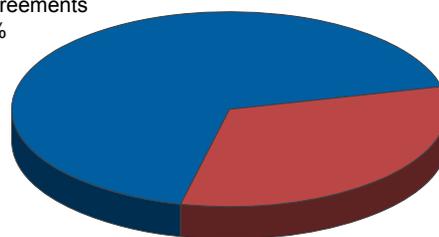
For more information about TexSTAR, please visit our web site at www.texstar.org.

Information at a Glance

Portfolio by Type of Investment As of March 31, 2008

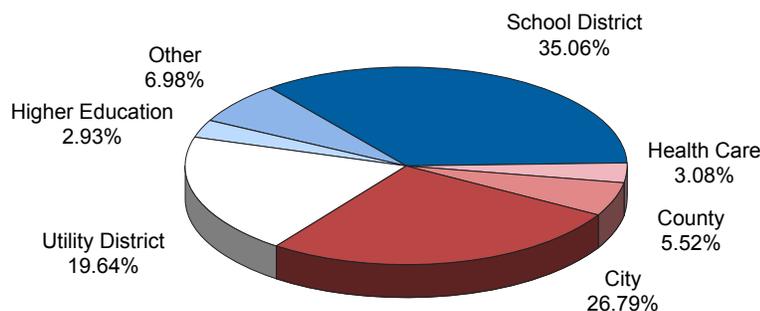


Repurchase Agreements
67.89%



Portfolio by Maturity As of March 31, 2008

Distribution of Participants by Type As of March 31, 2008



Performance

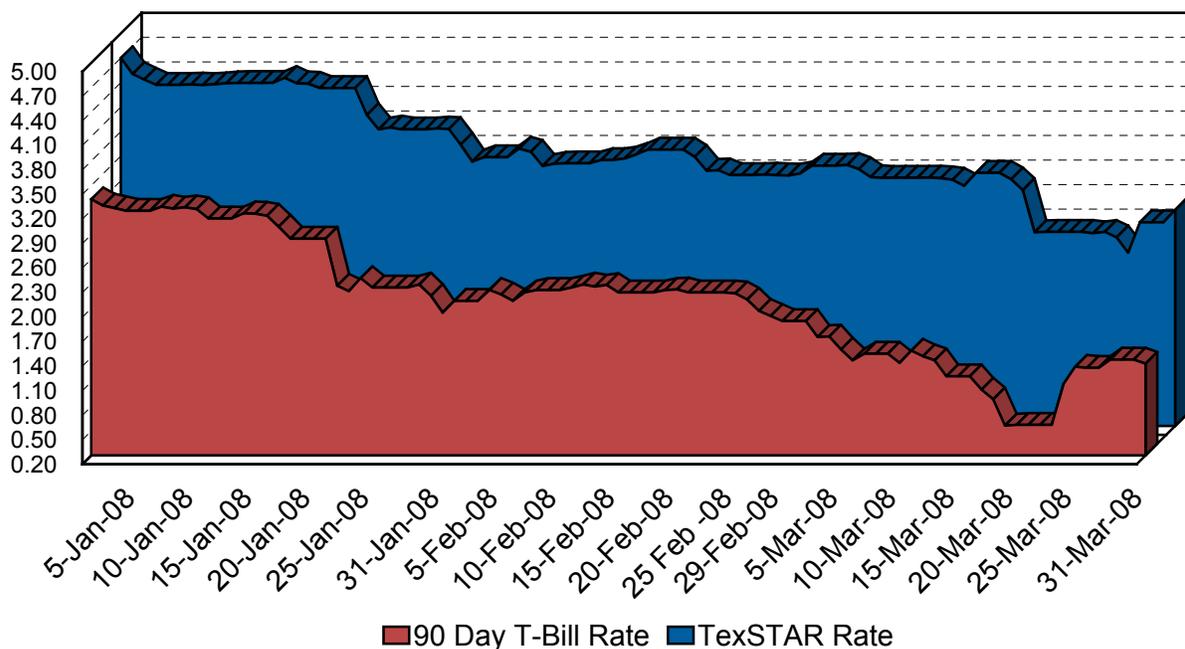
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Mar 08	2.9807%	\$ 6,635,062,776.30	\$ 6,636,736,509.65	1.000252	17	82	616
Feb 08	3.4224%	6,294,186,095.49	6,296,863,425.91	1.000401	17	82	609
Jan 08	4.2033%	5,919,661,192.90	5,923,891,294.00	1.000714	22	80	603
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

Portfolio Asset Summary as of March 31, 2008

	Book Value	Market Value
Uninvested Balance	\$ 42,252,061.09	\$ 42,252,061.09
Accrual of Interest Income	7,911,576.50	7,911,576.50
Interest and Management Fees Payable	(16,796,437.94)	(16,796,437.94)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreements	4,483,717,000.00	4,483,717,000.00
Government Securities	2,117,978,576.65	2,119,652,310.00
Total	\$ 6,635,062,776.30	\$ 6,636,736,509.65

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 March 2008

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
1-Mar-08	3.3826%	0.0000926740	6,294,186,095.49	1.000401	17	85
2-Mar-08	3.3826%	0.0000926740	6,294,186,095.49	1.000401	17	85
3-Mar-08	3.3905%	0.0000928910	6,148,786,935.10	1.000413	18	87
4-Mar-08	3.3408%	0.0000915280	6,191,409,718.53	1.000426	17	86
5-Mar-08	3.2428%	0.0000888430	6,267,529,421.29	1.000387	18	85
6-Mar-08	3.2336%	0.0000885920	6,280,154,084.23	1.000411	18	85
7-Mar-08	3.2346%	0.0000886200	6,269,291,796.89	1.000378	17	84
8-Mar-08	3.2346%	0.0000886200	6,269,291,796.89	1.000378	17	84
9-Mar-08	3.2346%	0.0000886200	6,269,291,796.89	1.000378	17	84
10-Mar-08	3.2378%	0.0000887080	6,266,322,967.52	1.000398	17	87
11-Mar-08	3.2290%	0.0000884660	6,268,165,900.82	1.000358	17	86
12-Mar-08	3.2107%	0.0000879640	6,412,340,303.08	1.000360	16	84
13-Mar-08	3.1363%	0.0000859250	6,642,031,300.79	1.000351	16	81
14-Mar-08	3.2949%	0.0000902700	6,659,562,798.42	1.000382	15	80
15-Mar-08	3.2949%	0.0000902700	6,659,562,798.42	1.000382	15	80
16-Mar-08	3.2949%	0.0000902700	6,659,562,798.42	1.000382	15	80
17-Mar-08	3.2148%	0.0000880770	6,663,988,593.31	1.000415	19	83
18-Mar-08	3.0837%	0.0000844850	6,676,527,385.88	1.000459	19	82
19-Mar-08	2.5691%	0.0000703850	6,727,258,883.59	1.000438	19	81
20-Mar-08	2.5742%	0.0000705270	6,732,100,571.75	1.000423	18	80
21-Mar-08	2.5742%	0.0000705270	6,732,100,571.75	1.000423	18	80
22-Mar-08	2.5742%	0.0000705270	6,732,100,571.75	1.000423	18	80
23-Mar-08	2.5742%	0.0000705270	6,732,100,571.75	1.000423	18	80
24-Mar-08	2.5516%	0.0000699070	6,669,293,502.75	1.000254	18	81
25-Mar-08	2.5747%	0.0000705410	6,691,050,350.13	1.000228	18	80
26-Mar-08	2.5061%	0.0000686600	6,752,077,469.80	1.000223	17	79
27-Mar-08	2.3178%	0.0000635000	6,694,649,105.13	1.000225	17	79
28-Mar-08	2.6904%	0.0000737090	6,593,255,216.59	1.000240	17	80
29-Mar-08	2.6904%	0.0000737090	6,593,255,216.59	1.000240	17	80
30-Mar-08	2.6904%	0.0000737090	6,593,255,216.59	1.000240	17	80
31-Mar-08	2.8396%	0.0000777960	6,635,062,776.30	1.000252	17	79
Average	2.9807%	0.000081662	6,518,379,116.51		17	82

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>
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<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

