

**MEETING OF THE AUDIT COMMITTEE  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 19-053**

**ACCEPTING THE INDEPENDENT AUDIT REPORTS FROM RSM US LLP  
FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

WHEREAS, by Resolution No. 09-50 enacted July 31, 2009, the Board of Directors established the Audit Committee as a standing committee of the Board of Directors, consisting of all of the members of the Board of Directors; and

WHEREAS, under Resolution No. 09-50 and Section 101.036 of the Mobility Authority Policy Code, the Audit Committee is authorized to exercise all powers and authority of the Board of Directors with respect to Mobility Authority finances, and accordingly acts as, and on behalf of, the Board of Directors with respect to the matters addressed by this resolution; and

WHEREAS, the firm of RSM US LLP, has been engaged to provide an independent audit of the finances of the Central Texas Regional Mobility Authority for the fiscal year ending on June 30, 2019, and has presented that audit to the Audit Committee; and


WHEREAS, the Audit Committee has reviewed the "Report to the Board of Directors", the "Basic Financial Statements", the "Federal Awards Compliance Report" and the "State Awards Compliance Report" prepared by RSM US LLP, attached respectively as Exhibits A, B, C and D to this resolution, and has heard and considered the presentation on the audit by RSM US LLP.

NOW THEREFORE, BE IT RESOLVED, that the Audit Committee accepts the independent audit reports of the Central Texas Regional Mobility Authority prepared by RSM US LLP for the fiscal year ending on June 30, 2019; and

BE IT FURTHER RESOLVED that this resolution constitutes approval by the Audit Committee of the investment reports required by 43 *Texas Administrative Code* Rule §26.61(b).

Adopted by the Audit Committee of the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2019.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
David Singleton  
Chairman, Audit Committee

**Exhibit A**

**Report to the Board of Directors**

# Central Texas Regional Mobility Authority

Report to the Board of Directors  
October 8, 2019





**RSM US LLP**

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Austin, TX 78704

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October 8, 2019

To the Board of Directors  
Central Texas Regional Mobility Authority  
Austin, Texas

Dear Members of the Board of Directors:

We are pleased to present this report related to our audit of the financial statements of Central Texas Regional Mobility Authority (the Authority) as of and for the year ended June 30, 2019. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Authority's financial reporting process.

This report is intended solely for the information and use of the Board of Directors and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to Central Texas Regional Mobility Authority.

*RSM US LLP*

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## Required Communications

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit, as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area	Comments
<b>Our Responsibilities With Regard to the Financial Statement Audit</b>	Our responsibilities under auditing standards generally accepted in the United States of America and <i>Government Auditing Standards</i> issued by the Comptroller General of the United States have been described to you in our arrangement letter dated March 13, 2019. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.
<b>Overview of the Planned Scope and Timing of the Financial Statement Audit</b>	We have issued a separate communication to the Board of Directors and met with the Audit Committee during the March 27, 2019, Audit Committee meeting regarding the planned scope and timing of our audit and have discussed with you our identification of, and planned audit response to, significant risks of material misstatement.
<b>Accounting Policies and Practices</b>	<p><b>Preferability of Accounting Policies and Practices</b> Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.</p> <p><b>Adoption of, or Change in, Accounting Policies</b> Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Authority. The Authority did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.</p> <p><b>Significant or Unusual Transactions</b> We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p> <p><b>Management's Judgments and Accounting Estimates</b> Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached Summary of Significant Accounting Estimates.</p>
<b>Audit Adjustments</b>	There were no audit adjustments made to the final trial balance presented to us for our audit.
<b>Uncorrected Misstatements</b>	We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

<b>Area</b>	<b>Comments</b>
<b>Disagreements With Management</b>	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.
<b>Consultations With Other Accountants</b>	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
<b>Significant Issues Discussed With Management</b>	No significant issues arising from the audit were discussed or the subject of correspondence with management.
<b>Significant Difficulties Encountered in Performing the Audit</b>	We did not encounter any significant difficulties in dealing with management during the audit.
<b>Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards</b>	We have separately issued a report on internal control over financial reporting and on compliance and other matters based on our audit of the financial statements and major program, as required by <i>Government Auditing Standards</i> and Title 2 U.S. Code of Federal Regulations Part 200, <i>Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards</i> (Uniform Guidance) and this communication is included within the compliance report of the Authority for the year ended June 30, 2019.
<b>Significant Written Communication Between Management and Our Firm</b>	A copy of a significant written communication between our firm and management of the Authority, the representation letter provided to us by management, is attached as Exhibit A.

## Summary of Significant Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses its knowledge and experience about past and current events, and certain assumptions about future events. Management may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following describes the significant accounting estimates reflected in the Authority's June 30, 2019, financial statements.

<b>Estimate</b>	<b>Accounting Policy</b>	<b>Management's Estimation Process</b>	<b>Basis for Our Conclusions on Reasonableness of Estimate</b>
<b>Unrealized Gains or Losses on Investments</b>	The money market mutual fund and local government investment pool are reported at net asset values (NAV) based on amortized cost. Investments in debt securities are reported at fair value based on pricing service models.	Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Investments in debt securities are reported at fair value based upon pricing service models. The money market mutual fund and local government investment pool are reported at the NAV of the underlying securities based on amortized cost.	We tested the fair value of investments at year-end by using a valuation specialist to price debt securities. For investments measured using NAV, we confirmed the year-end NAV with the individual money managers. We concluded management's estimates are reasonable.
<b>Depreciable Life of Property and Equipment</b>	The depreciable life of property and equipment is set at the estimated useful life of the related asset.	The determination is made at the time the asset is placed into service and involves various judgments and assumptions, including the estimated useful life and prior experience.	We concluded the estimates used by management are reasonable.
<b>Pension Expense and Net Pension Asset/Liability</b>	The Authority participates in the Texas County and District Retirement System (TCDRS), a statewide agent multiple-employer retirement system. The Authority records the pension expense and net pension asset/liability in its financial statements and discloses the pension expense and net pension asset/liability in Note 7 to the financial statements.	The pension expense and net pension asset/liability were measured as of December 31, 2018. This calculation is prepared by an independent actuarial company engaged by TCDRS, and the Authority's management reviews and considers the appropriateness of the assumptions.	We obtained the TCDRS actuarial valuation report and we confirmed the Authority's reported balances agreed with the actuarial report. We reviewed the significant assumptions and conclusions for reasonableness and tested the underlying data. We concluded the estimates used by management's are reasonable.



**Exhibit A—Significant Written Communication Between Management and Our Firm**



CENTRAL TEXAS REGIONAL  
**MOBILITY AUTHORITY**

October 8, 2019

RSM US LLP  
811 Barton Springs Rd, 5th floor  
Austin, Texas 78704

This representation letter is provided in connection with your audits of the basic financial statements of Central Texas Regional Mobility Authority (the "Authority") as of and for the years ended June 30, 2019 and 2018, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, that as of October 8, 2019:

#### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated March 13, 2019, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.
5. Related-party transactions, including those with other organizations for which the nature and significance of their relationship with the Authority are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete; including accounts and advances receivable and payable, sale and purchase transactions, long-term loans, leasing arrangements and guarantees, have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
6. All events subsequent to the date of the financial statements, and for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed.
7. There are no actual or possible litigation, unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with *GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in pre-November 30, 1989 FASB and AICPA Pronouncements*.

8. We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, or to special assessment bond holders that is not disclosed in the financial statements.
9. We have no knowledge of any uncorrected misstatements in the financial statements.

**Information Provided**

10. We have provided you with:
  - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
  - b. Additional information that you have requested from us for the purpose of the audits;
  - c. Unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence; and
  - d. Minutes of the meetings of the Board of Directors and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
11. All transactions have been recorded in the accounting records and are reflected in the financial statements.
12. We have no knowledge of allegations of fraud or suspected fraud affecting the Authority's financial statements involving:
  - a. Management.
  - b. Employees who have significant roles in internal control.
  - c. Others where the fraud could have a material effect on the financial statements.
13. We have no knowledge of any allegations of fraud or suspected fraud affecting the Authority's financial statements received in communications from employees, former employees, analysts, regulators or others.
14. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.
15. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements, and we have not consulted legal counsel concerning litigation or claims.
16. We have disclosed to you the identity of the Authority's related parties and all the related-party relationships and transactions of which we are aware.
17. We are aware of no significant deficiencies or material weaknesses in the design or operation of internal controls that could adversely affect the Authority's ability to record, process, summarize and report financial data.

18. We are aware of no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

### **Supplementary Information**

19. With respect to supplementary information presented in relation to the financial statements as a whole:
  - a. We acknowledge our responsibility for the presentation of such information.
  - b. We believe such information, including its form and content, is fairly presented in accordance with guidelines prescribed by accounting principles generally accepted in the United States of America.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
  - d. When supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.
20. With respect to Management's Discussion and Analysis and Required Supplementary Information – Pension presented as required by Governmental Accounting Standards Board to supplement the basic financial statements:
  - a. We acknowledge our responsibility for the presentation of such required supplementary information.
  - b. We believe such required supplementary information including its form and content, is fairly presented in accordance with guidelines prescribed by accounting principles generally accepted in the United States of America.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
21. During the course of your audits, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

### **Compliance Considerations**

In connection with your audit conducted in accordance with *Government Auditing Standards*, we confirm that management:

22. Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.
23. Is responsible for compliance with the laws, regulations and provisions of contracts and grant agreements applicable to the auditee.

24. If applicable, has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
25. If applicable, has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of financial statement amounts.
26. If applicable, has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements.
27. Is responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
28. Acknowledges its responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud.
29. There have been no previous audits, attestation engagements and other studies related to the audit objectives which require implementation of recommendations.
30. Acknowledges its responsibilities as it relates to non-audit services performed by the auditor, including a statement that it assumes all management responsibilities; that it oversees the services by designating William Chapman, Chief Financial Officer and Mary Temple, Controller, who possesses suitable skill, knowledge or experience; that it evaluates the adequacy and results of the services performed; and that it accepts responsibility for the results of the services.

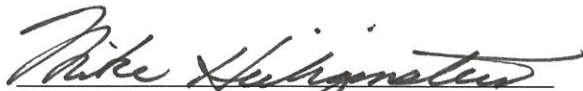
In connection with your audit of federal awards conducted in accordance with Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for State and Federal Awards* (Uniform Guidance) and the State of Texas Uniform Grant Management Standards (TUGMS), we confirm:

1. Management is responsible for complying, and has complied, with the requirements of Uniform Guidance and TUGMS.
2. Management is responsible for understanding and complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of its state and federal programs.
3. Management is responsible for establishing and maintaining, and has established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that the auditee is managing federal and state awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on its federal and state programs in existence prior to December 26, 2014, as well as for funding increments and new awards obtained after that date.
4. Management has prepared the schedule of expenditures of federal and state awards in accordance with the Uniform Guidance and TUGMS and has included expenditures made during the period being audited for all awards provided by federal and state agencies in the form of grants, federal or state cost reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations and other assistance.
5. Management has identified and disclosed all of its government programs and related activities subject to the Uniform Guidance and TUGMS compliance audit.
6. Management has identified and disclosed to the auditor the requirements of federal statutes, regulations, and the terms and conditions of federal and state awards that are considered to have a direct and material effect on each major program. Management has further identified each award resulting from programs in existence prior to December 26, 2014 and funding increments or new awards obtained after that date.
7. Management has made available all federal and state awards (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal and state agencies or pass-through entities.
8. Management has identified and disclosed to the auditor all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards or stated that there was not such noncompliance.
9. Management believes that the auditee has complied with the direct and material compliance requirements.
10. Management has made available all documentation related to compliance with the direct and material compliance requirements, including information related to federal and state programs financial reports and claims for advances and reimbursements.
11. Management has provided to the auditor its interpretations of any compliance requirements that are subject to varying interpretations.

12. There were no communications from federal and state awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
13. There were no findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
14. Management has disclosed all known noncompliance with direct and material compliance requirements occurring subsequent to the period covered by the auditor's report or stated that there were no such known instances.
15. Management has disclosed whether any changes in internal control over compliance or other factors that might significantly affect internal control, and management is not aware of any instances which may indicate the existence of significant deficiencies and material weaknesses in internal control over compliance subsequent to the period covered by the auditor's report.
16. Federal and state program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.
17. The copies of federal and state program financial reports provided to the auditor are true copies of the reports submitted, or electronically transmitted, to the federal agency or pass-through entity, as applicable.
18. Management has charged costs to federal and state awards in accordance with applicable cost principles.
19. Management is responsible for, and has accurately prepared, the summary schedule of prior audit findings to include all findings required to be included by Uniform Guidance and TUGMS.
20. The reporting package does not contain protected personally identifiable information.
21. Management has accurately completed the appropriate sections of the data collection form. We further acknowledge our responsibility for the complete, accurate, and timely filing of the data collection form with the Federal Audit Clearinghouse.

Very truly yours,

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

A handwritten signature in blue ink, reading "Mike Heiligenstein", written over a horizontal line.

Mike Heiligenstein – Executive Director

A handwritten signature in blue ink, reading "Bill Chapman", written over a horizontal line.

Bill Chapman - Chief Financial Officer

A handwritten signature in blue ink, reading "Mary Temple", written over a horizontal line.

Mary Temple - Controller





**Exhibit B**

**Basic Financial Statements**

# Central Texas Regional Mobility Authority

Basic Financial Statements  
June 30, 2019

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### Basic Financial Statements

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RSM US LLP

## Independent Auditor's Report

To the Board of Directors  
Central Texas Regional Mobility Authority

### Report on the Financial Statements

We have audited the accompanying financial statements of the Central Texas Regional Mobility Authority (the Authority), which comprise the Statements of Net Position as of June 30, 2019 and 2018; the related Statements of Revenues, Expenses and Changes in Net Position and Cash Flows for the years then ended; and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed on the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2019 and 2018, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information—Pension Plan, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Indenture Cash Flow and Debt Service Coverage on page 50 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*RSM US LLP*

Austin, Texas  
October 8, 2019

## Central Texas Regional Mobility Authority

### Management's Discussion and Analysis June 30, 2019 and 2018

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#### MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

The Central Texas Regional Mobility Authority (the Authority) presents the following discussion and analysis of the Authority's financial activities during the fiscal years that ended June 30, 2019 and 2018. This section is intended to be read in conjunction with the Authority's financial statements, which immediately follow this section.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this annual report consists of four parts: management's discussion and analysis, the basic financial statements, the notes to the financial statements and the required supplementary information.

The financial statements provide both long-term and short-term information about the Authority's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

**Basic financial statements:** The financial statements are designed to provide readers with an overview of the Authority's finances in a manner similar to private-sector business.

The *Statements of Net Position* present information on all of the Authority's assets and deferred outflows, as well as the Authority's liabilities and deferred inflows with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. The Statements of Net Position can be found on pages 9-10 of this report.

The *Statements of Revenues, Expenses and Changes in Net Position* present information showing how the Authority's net position changed during the fiscal years ended June 30, 2019 and 2018. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The increase or decrease in net position may serve as an indicator of the effect of the Authority's current year operations on its financial position. The Statements of Revenues, Expenses and Changes in Net Position can be found on page 11 of this report.

The *Statements of Cash Flows* summarize all of the Authority's cash flows into three categories as applicable: 1) cash flows from operating activities, 2) cash flows from capital and related financing activities and 3) cash flows from investing activities. The Statement of Cash Flows can be found on page 12 of this report. The Statements of Cash Flows, along with the related notes and information in other financial statements, can be useful in assessing the following:

- The Authority's ability to generate future cash flows
- The Authority's ability to pay its debt as the debt matures
- Reasons for the difference between the Authority's operating cash flows and operating income
- The impact of the Authority's financial position of cash and noncash transactions from investing, capital, and financing activities

## Central Texas Regional Mobility Authority

### Management's Discussion and Analysis (Continued) June 30, 2019 and 2018

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The *Notes to Financial Statements* provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The Notes to Financial Statements can be found starting on page 13 of this report.

#### FINANCIAL HIGHLIGHTS

- Total toll revenue increased to \$108.3 million in 2019 from \$91.5 million in 2018 or an 18% increase. Total toll revenue increased to \$91.5 million in 2018 from \$75.6 million in 2017 or a 21% increase.
- Total operating expenses were approximately \$64.5 million, \$58.6 million and \$45.0 million in 2019, 2018 and 2017, respectively.
- Total construction in progress was approximately \$763.4 million, \$642.5 million and \$594.3 million as of June 30, 2019, 2018 and 2017, respectively. Construction in progress increased by approximately \$120.9 million from 2018 to 2019 in part due to progress made on the SH 45 Southwest Project of approximately \$22.6 million, progress made the 290E Phase III Project of approximately \$16.7 million, and the 183 South Project (collectively, the Projects) of approximately \$110.5 million and various other projects which totaled approximately \$12.3 million. The Authority also placed into service the remaining work on the MoPac Improvement Project of approximately \$41.2 million.
- Construction in progress increased by approximately \$51.4 million from 2017 to 2018 in part due to progress made on the MoPac Improvement Project of approximately \$21.6 million, offset by the placing in service of \$179.0 million of the MoPac Improvement Project, progress made on the SH 45 Southwest Project of approximately \$42.6 million, starting the 290E Phase III Project of approximately \$4.2 million, continuing the 183 South Project of approximately \$154.7 million and various other projects which total approximately \$7.3 million.
- Total restricted cash and cash equivalents increased by \$77.8 million from 2018 to 2019. The overall increase in restricted cash and investments was largely due to bond proceeds received for the 290E Phase III Project.
- Total restricted cash and cash equivalents decreased by \$80.9 million from 2017 to 2018. The overall decrease in restricted cash and investments was largely due to construction of certain Projects.

#### FINANCIAL ANALYSIS OF THE AUTHORITY

**Net position:** As noted above, net position may serve over time as a useful indicator of the Authority's financial position. The net position reflects an un-expendable and expendable portion of net position. The Authority's assets and deferred outflows exceeded liabilities and deferred inflows by approximately \$663.8 million, \$636.1 million, and \$635.1 million as of June 30, 2019, 2018 and 2017, respectively (see Table A-1). As of June 30, 2019, 2018 and 2017, the largest portion of the Authority's net position is reflected its investment in capital assets (the Tolling System infrastructure and related assets) net of any outstanding debt used to acquire those assets. The second largest portion of net position, as of June 30, 2019, 2018 and 2017, is expendable and reflects proceeds restricted for debt service or construction expenditures. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.



**Central Texas Regional Mobility Authority**

**Management's Discussion and Analysis (Continued)**  
**June 30, 2019 and 2018**

**Table A-1**  
**Condensed Schedules of Net Position**  
(In Thousands of Dollars)

	2019	2018	2017
Current assets	\$ 215,320	\$ 182,094	\$ 204,850
Restricted assets	342,618	204,384	309,229
Pension asset	177	826	355
Capital assets	1,810,305	1,673,628	1,491,482
Total assets	2,368,420	2,060,932	2,005,916
Deferred outflows of resources	107,392	108,057	109,742
Total assets and deferred outflows of resources	<u>\$ 2,475,812</u>	<u>\$ 2,168,989</u>	<u>\$ 2,115,658</u>
Total liabilities	\$ 1,811,756	\$ 1,532,560	\$ 1,480,216
Deferred inflows of resources	236	278	286
Total liabilities and deferred inflows of resources	<u>\$ 1,811,992</u>	<u>\$ 1,532,838</u>	<u>\$ 1,480,502</u>
Net position:			
Invested in capital assets	\$ 439,875	\$ 447,015	\$ 436,282
Restricted for other purposes	118,363	106,764	141,068
Unrestricted	105,582	82,372	57,806
Total net position	663,820	636,151	635,156
Total liabilities, deferred inflows of resources and net position	<u>\$ 2,475,812</u>	<u>\$ 2,168,989</u>	<u>\$ 2,115,658</u>

For fiscal year 2019, current and restricted assets increased as a result of the Authority's ongoing construction of the Projects and the start of the 290E Phase III Project. The Authority received grant funds, TIFIA loans and bond proceeds to fund the Projects.

For fiscal year 2018, current and restricted assets decreased as a result of the Authority's ongoing construction on the Projects.

For fiscal year 2019 and 2018, excluding accumulated depreciation, depreciable capital assets increased as a result of the ongoing construction and current period Project additions of approximately \$160 million and \$202.4 million, respectively.

For fiscal year 2018 and 2017, excluding accumulated depreciation, depreciable capital assets increased as a result of the ongoing construction and current period Project additions of approximately \$202.4 million and \$429.0 million, respectively.

**Changes in net position:** The operating revenues continue to increase as the level of toll transactions increases within the completed projects of the Authority's Tolling System (which as of June 30, 2019, includes the 183A Turnpike Project (Phases I and II), the 290E Project (Phases I and II) and the SH 71 Express Project). The average daily Tolling System transactions increased in 2019 from approximately 252.1 thousand per day in 2018 to approximately 267.5 thousand per day or from an annual total of approximately 92.0 million to 97.6 million from 2018 to 2019.

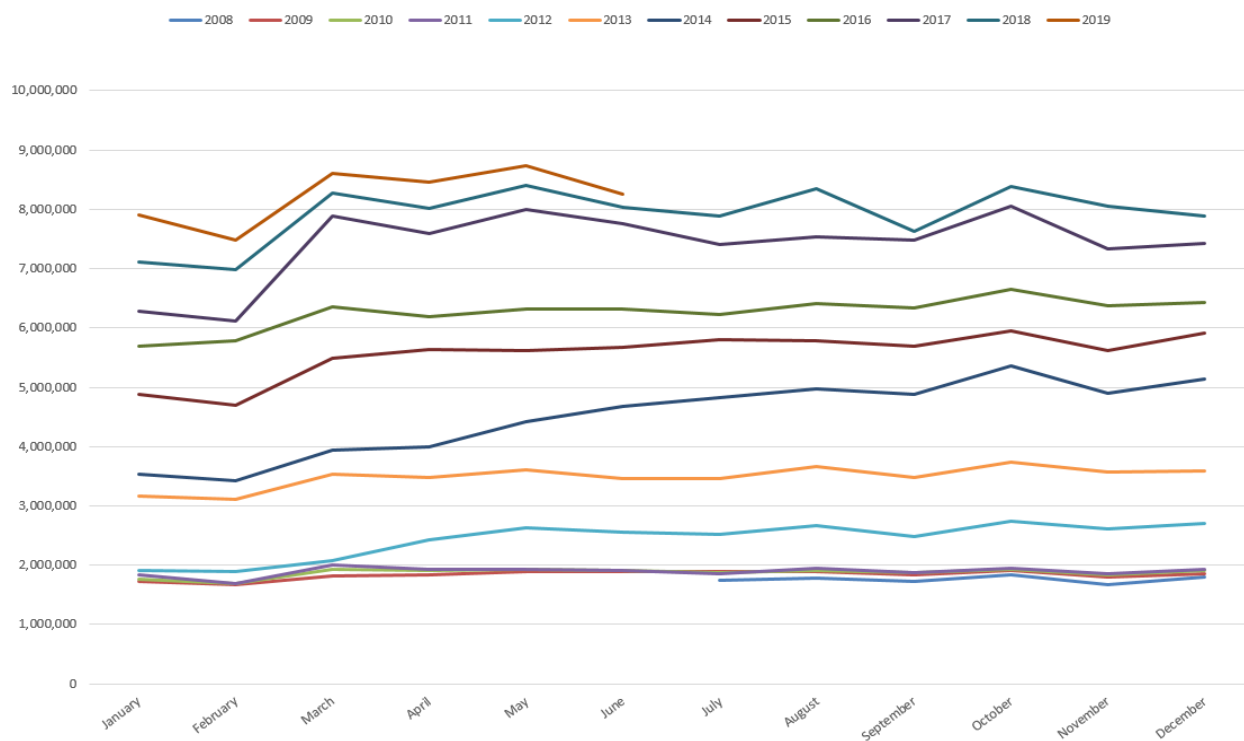
**Central Texas Regional Mobility Authority**

**Management’s Discussion and Analysis (Continued)  
June 30, 2019 and 2018**

Activity in the MoPac Improvement Project and SH 45 Southwest Project are not reflected in the total Tolling System transactions above. The MoPac Improvement Project and SH 45 Southwest Project are not included in the Authority’s Tolling System established by the bond indenture securing the Authority’s toll revenue obligations. For fiscal year 2019 and 2018, activity of the MoPac Improvement Project consisted of approximately 12.6 million and 7.4 million transactions, respectively, and approximately \$17.5 million and \$8.5 million in revenue, respectively. There was approximately \$19,000 in activity for the SH 45 Southwest Project for the periods presented because such project was not fully opened to tolled traffic until after June 30, 2019.

The chart below includes transactions for the completed projects of the Authority’s Tolling System (which as of June 30, 2019, includes the 183A Turnpike Project (Phases I and II), the 290E Project (Phases I and II) and the SH 71 Express Project).

**Total Monthly Tolling System Transactions**



As noted at Table A-2 on the following page, operating expenses increased by \$5.9 million from 2018 to 2019 and by \$13.7 million from 2017 to 2018. The increases are related to the increase in the number of tolling transactions which result in additional expenses for road maintenance, image tag and collection fees.

The nonoperating expenses (net) increased from \$32.5 million in fiscal year 2018 to \$32.8 million in fiscal year 2019. The amounts were consistent with prior year.

The nonoperating expenses (net) increased from \$32.4 million in fiscal year 2017 to \$32.5 million in fiscal year 2018.

**Central Texas Regional Mobility Authority**

**Management's Discussion and Analysis (Continued)**  
**June 30, 2019 and 2018**

The change in net position before capital grants and contributions is a gain of approximately \$10.9 million and \$0.978 million in fiscal years 2019 and 2018, respectively, compared to a loss of \$0.2 million in fiscal years 2017. See Table A-2.

**Table A-2**  
**Condensed Schedules of Revenue, Expenses and Changes in Net Position**  
(In Thousands of Dollars)

	2019	2018	2017
Revenues:			
Toll revenue	\$ 108,314	\$ 91,492	\$ 75,651
Grant proceeds and other operating	42	682	1,569
Total revenues	<u>108,356</u>	<u>92,174</u>	<u>77,220</u>
Expenses:			
Administrative Expenses	9,582	7,672	6,927
Operations and Maintenance	18,943	19,196	12,739
Special Projects and Contingencies	6,100	3,689	3,206
Depreciation and amortization	29,934	28,045	22,099
Total expenses	<u>64,559</u>	<u>58,602</u>	<u>44,971</u>
Operating income	<u>43,797</u>	<u>33,572</u>	<u>32,249</u>
Total net nonoperating revenue (expenses)	<u>(32,803)</u>	<u>(32,594)</u>	<u>(32,461)</u>
Change in net position—before capital grants and contributions	10,994	978	(212)
Capital grants and contributions, net	<u>16,676</u>	<u>17</u>	<u>168,608</u>
Change in net position	<u>27,670</u>	<u>995</u>	<u>168,396</u>
Total net position at beginning of year	<u>636,151</u>	<u>635,156</u>	<u>466,760</u>
Total net position at end of year	<u>\$ 663,821</u>	<u>\$ 636,151</u>	<u>\$ 635,156</u>

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets:** As of June 30, 2019, 2018 and 2017, the Authority had invested approximately \$763.4 million, \$642.5 million and \$594.3 million, respectively, in construction in progress. Of the \$763.4 million, and \$642.5 million of the construction in progress, the non-Tolling System projects (projects other than the 183A Turnpike Project, the 290E Project, the 183 South Project and the SH 71 Express Project) made up \$129.1 million and \$123.1 million of the total in 2019 and 2018, respectively. See Table A-3 and Note 3.

**Table A-3**  
**Capital Assets**  
(Net of Depreciation, in Thousands of Dollars)

	2019	2018	2017
Property and equipment	\$ 5,002	\$ 4,862	\$ 12,474
Toll road	1,210,661	1,171,794	1,009,918
Accumulated depreciation	(168,808)	(145,518)	(125,242)
Construction in progress	763,449	642,491	594,333
Net capital assets	<u>\$ 1,810,304</u>	<u>\$ 1,673,629</u>	<u>\$ 1,491,483</u>

## Central Texas Regional Mobility Authority

### Management's Discussion and Analysis (Continued) June 30, 2019 and 2018

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**Long-term debt:** As of June 30, 2019, 2018 and 2017, the Authority had total debt outstanding of approximately \$1,747.9 million, \$1,441.4 million and \$1,364.5 million, respectively. See Table A-4.

**Table A-4**  
**Total Debt**  
(In Thousands of Dollars)

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total debt:			
Total bonds and other obligations	\$ 1,747,903	\$ 1,441,425	\$ 1,360,946
Total notes	-	-	3,570
Total debt outstanding	<u>\$ 1,747,903</u>	<u>\$ 1,441,425</u>	<u>\$ 1,364,516</u>
Total debt service payments:			
Principal payments	\$ 7,425	\$ 8,755	\$ 6,425
Interest payments	57,575	54,324	45,132

Excluding the TxDot Reimbursement Amount obligation related to the SH 71 Express Project, the total debt obligations include the current portion of the obligations of \$14.6 million, \$7.4 million and \$6.9 million for 2019, 2018 and 2017, respectively.

Additional information on the Authority's long-term debt can be found in Note 4 of this report.

#### **CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide interested parties with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Central Texas Regional Mobility Authority, 3300 North IH 35, Suite 300, Austin, 78705.

**Central Texas Regional Mobility Authority**

**Statements of Net Position  
June 30, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
Current assets:		
Unrestricted:		
Cash and cash equivalents (Note 2)	\$ 44,232,326	\$ 49,687,164
Investments (Note 2)	88,707,812	35,008,355
Due from other governments (Note 8)	12,345,989	4,336,907
Accrued interest receivable	782,617	192,484
Prepaid expenses and other assets	200,167	46,518
<b>Total unrestricted</b>	<u>146,268,911</u>	<u>89,271,428</u>
Restricted:		
Cash and cash equivalents (Note 2)	69,051,895	92,822,518
<b>Total restricted</b>	<u>69,051,895</u>	<u>92,822,518</u>
<b>Total current assets</b>	<u>215,320,806</u>	<u>182,093,946</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents (Note 2)	128,276,321	26,661,063
Investments (Note 2)	214,341,876	177,722,684
<b>Total restricted assets</b>	<u>342,618,197</u>	<u>204,383,747</u>
Pension asset (Note 7)	177,226	826,397
Total capital assets, net (Note 3)	<u>1,810,304,756</u>	<u>1,673,629,024</u>
<b>Total assets</b>	<u>2,368,420,985</u>	<u>2,060,933,114</u>
Total deferred outflows of resources (Notes 5 and 7)	<u>107,391,830</u>	<u>108,056,556</u>
<b>Total assets and deferred outflows of resources</b>	<u><u>\$ 2,475,812,815</u></u>	<u><u>\$ 2,168,989,670</u></u>

See notes to financial statements.

Central Texas Regional Mobility Authority

Statements of Net Position (continued)  
June 30, 2019 and 2018

	2019	2018
Current liabilities:		
Payable from current assets:		
Accounts payable	\$ 4,368,846	\$ 1,079,771
Due to other governments	3,843,193	4,073,939
Accrued expenses	1,048,980	584,371
<b>Total payable from current assets</b>	<u>9,261,019</u>	<u>5,738,081</u>
Payable from restricted current assets:		
Construction accounts payable	22,328,944	45,136,616
CAMPO RIF payable	4,000,000	2,000,000
Accrued interest payable	27,687,951	25,942,463
Bonds, notes payable and other obligations, current portion (Note 4)	14,460,000	7,425,000
Unearned revenue	575,000	12,318,439
<b>Total payable from restricted current assets</b>	<u>69,051,895</u>	<u>92,822,518</u>
<b>Total current liabilities</b>	<u>78,312,914</u>	<u>98,560,599</u>
Noncurrent liabilities:		
Bonds, notes payable and other obligations, net of current portion (Note 4)	1,733,443,031	1,433,999,854
<b>Total noncurrent liabilities</b>	<u>1,733,443,031</u>	<u>1,433,999,854</u>
<b>Total liabilities</b>	1,811,755,945	1,532,560,453
Total deferred inflows of resources (Notes 5 and 7)	235,911	278,184
<b>Total liabilities and deferred inflows of resources</b>	<u>1,811,991,856</u>	<u>1,532,838,637</u>
Net position:		
Net Investment in capital assets	439,875,334	447,015,053
Restricted for debt service	118,363,136	106,764,024
Unrestricted	105,582,489	82,371,956
<b>Total net position</b>	<u>663,820,959</u>	<u>636,151,033</u>
<b>Total liabilities and net position</b>	<u>\$ 2,475,812,815</u>	<u>\$ 2,168,989,670</u>

See notes to financial statements.

**Central Texas Regional Mobility Authority**

**Statements of Revenues, Expenses and Changes in Net Position  
Years Ended June 30, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
Operating revenues:		
Tolls	\$ 108,314,272	\$ 91,491,730
Grant proceeds and other operating	40,514	681,812
<b>Total operating revenues</b>	<b>108,354,786</b>	<b>92,173,542</b>
Operating expenses:		
Administrative expenses	9,581,813	7,671,173
Operations and maintenance	18,942,686	19,196,015
Other operating expenses	6,099,937	3,689,114
Depreciation and amortization	29,933,665	28,045,493
<b>Total operating expenses</b>	<b>64,558,101</b>	<b>58,601,795</b>
<b>Operating income</b>	<b>43,796,685</b>	<b>33,571,747</b>
Nonoperating revenues (expenses):		
Interest income	5,273,584	2,541,537
Gain on sale of assets	4,348	-
Financing expense	(2,529,291)	(226,753)
Interest expense, net of interest capitalized	(35,551,238)	(34,908,809)
<b>Total nonoperating revenues (expenses), net</b>	<b>(32,802,597)</b>	<b>(32,594,025)</b>
<b>Change in net position before capital grants and contributions</b>	<b>10,994,088</b>	<b>977,722</b>
TxDOT capital grants and contributions, net	16,675,838	17,326
<b>Change in net position</b>	<b>27,669,926</b>	<b>995,048</b>
Total net position at beginning of year	636,151,033	635,155,985
Total net position at end of year	<b>\$ 663,820,959</b>	<b>\$ 636,151,033</b>

See notes to financial statements.

## Central Texas Regional Mobility Authority

### Statements of Cash Flows Years Ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Receipts from toll fees	\$ 101,641,302	\$ 91,130,996
Receipts from grants and other income	40,514	681,812
Payments to vendors	(26,158,836)	(22,051,246)
Payments to employees	(5,160,799)	(4,789,619)
<b>Net cash flows provided by operating activities</b>	<b>70,362,181</b>	<b>64,971,943</b>
Cash flows from capital and related financing activities:		
Proceeds from notes payable and other obligations	312,568,386	90,521,885
Payments on revenue bonds issuance	(2,254,919)	-
Payments on interest	(52,427,010)	(54,324,611)
Payments on bonds	(9,028,847)	(9,403,471)
Purchase of capital assets	(1,022,477)	(302,647)
Payments for construction in progress	(174,467,655)	(240,014,400)
Proceeds from capital grants	9,114,794	28,679,062
<b>Net cash flows provided by (used) in capital and related financing activities</b>	<b>82,482,272</b>	<b>(184,844,182)</b>
Cash flows from investing activities:		
Interest income, gross of capitalized interest	9,913,994	5,083,086
Purchase of investments	(379,881,060)	(178,465,748)
Proceeds from sale or maturity of investments	289,512,410	261,164,872
<b>Net cash flows provided by (used in) investing activities</b>	<b>(80,454,656)</b>	<b>87,782,210</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>72,389,797</b>	<b>(32,090,029)</b>
Cash and cash equivalents at beginning of year	169,170,745	201,260,774
Cash and cash equivalents at end of year	<b>\$ 241,560,542</b>	<b>\$ 169,170,745</b>
Reconciliation of change in net position to net cash provided by operating activities:		
Operating income	\$ 43,796,685	\$ 33,571,747
Adjustments to reconcile change in net position to net cash provided by operating activities:		
Depreciation and amortization	29,933,665	28,045,493
Changes in assets and liabilities:		
Increase in due from other governments	(8,009,082)	(391,555)
(Increase) decrease in prepaid expenses and other assets	(153,649)	(8,519)
Increase (decrease) in accounts payable	3,289,075	(727,881)
Increase in accrued expenses	233,863	4,541,014
Increase in pension asset	649,171	(471,258)
Increase in deferred outflow of resources	664,726	421,167
Increase (decrease) in deferred inflow of resources	(42,273)	(8,265)
<b>Total adjustments</b>	<b>26,565,496</b>	<b>31,400,196</b>
<b>Net cash flows provided by operating activities</b>	<b>\$ 70,362,181</b>	<b>\$ 64,971,943</b>
Reconciliation of cash and cash equivalents:		
Unrestricted cash and cash equivalents	\$ 44,232,326	\$ 49,687,164
Restricted cash and cash equivalents:		
Current	69,051,895	92,822,518
Noncurrent	128,276,321	26,661,063
<b>Total</b>	<b>\$ 241,560,542</b>	<b>\$ 169,170,745</b>

See notes to financial statements.



## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 1. Organization and Summary of Significant Accounting Policies

The financial statements of the Central Texas Regional Mobility Authority (the Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below:

**A. Reporting entity:** The Authority was authorized by the State of Texas in 2002. The Authority is authorized to construct, maintain, repair and operate turnpike projects at locations authorized by the Legislature of the State of Texas and approved by the Texas Department of Transportation (TxDOT). The Authority receives its revenues from tolls, fees and reimbursement grants from the operation of turnpike projects and reimbursement grants for the construction of toll projects. The Authority may issue revenue bonds for the purpose of paying the costs of turnpike projects.

The Authority was formed through the joint efforts of Travis and Williamson Counties (the Counties). Their efforts began in September 2002, following the enactment of provisions by the 77<sup>th</sup> Texas Legislature authorizing the formation of regional mobility authorities (RMAs). The petition to form the Authority was filed by the Counties, and the Texas Transportation Commission granted approval for its formation in October 2002. The initial meeting of the Board of Directors (the Board) of the Authority was held in January 2003. Each County appoints three directors, and the Governor appoints the presiding officer. The members are appointed in belief that the composition of the Board and the common interest in the region shared by all Board members will result in adequate representation of all political subdivisions within the geographic area of the RMA and serve without pay for terms of two years. The Authority has full control over all operations, but must comply with certain bond indentures and trust agreements. The Authority employs an Executive Director who manages the day-to-day operations.

In evaluating how to define the Authority for financial reporting purposes, management has determined there are no entities over which the Authority exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the Authority. Since the Authority does not exercise significant influence or accountability over other entities, it has no component units.

**B. Basis of accounting:** The operations of the Authority are accounted for within a single proprietary (enterprise) fund through which all financial activities are recorded. The measurement focus for an enterprise fund is the flow of economic resources. An enterprise fund follows the accrual basis of accounting. With this measurement focus, all assets, liabilities and deferred inflows and outflows of resources associated with the operations are included on the Statements of Net Position. Net position (i.e., total assets and deferred outflows net of total liabilities and deferred inflows) is segregated into amounts of net investment in capital assets, amounts restricted for capital activity and debt service pursuant to the bond indenture, and amounts which are unrestricted. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which the liability is incurred regardless of the timing of related cash flows, and depreciation of capital assets is recognized. Revenue from grants and contracts specifying allowable costs to be incurred are recognized as revenue when all eligibility requirements imposed by the provider are met and qualifying expenditures have been incurred.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 1. Organization and Summary of Significant Accounting Policies (Continued)

**C. Pledged revenue:** In accordance with the bond indenture, as amended, between the Authority and the trustee named therein, the Authority has designated the following projects as part of the "CTRMA Turnpike System" (the Tolling System) as of June 30, 2019: the 183A Turnpike Project, the 290E Project, the 183 South Project and the SH 71 Express Project. The trust estate established by the bond indenture is pledged to secure certain outstanding obligations of the Authority, and such trust estate includes the revenues from the Tolling System. The Tolling System may also include any future Project and other roads, bridges or other toll facilities for which the Authority has operational responsibility that the Authority designates as part of the Tolling System by official action of its Board of Directors.

**D. Cash, cash equivalents and investments:** Cash and cash equivalents include cash on hand, demand deposits, investments in the money market mutual fund and short-term investments with original maturities of three months or less from the date of acquisition. Bank deposits are fully collateralized or covered by federal depository insurance. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants. Investments in debt securities are reported at fair value based on pricing service modeling for fixed income securities. Investment in local government investment pools are reported at amortized cost. The net change in fair value of investments is recorded on the Statements of Revenues, Expenses and Changes in Net Position and includes the unrealized and realized gains and losses on investments. The Authority's investment practices are governed by State statutes, the Authority's own investment policy and bond indentures and the Texas Public Funds Investment Act.

**E. Compensated absences:** Full-time regular employees are eligible for vacation, which accrue monthly. The maximum paid accrual is from 180 hours for one to two years of service up to 336 hours for 10 plus years of service. Vested vacation leave is recorded as an expense and a liability as the benefits accrue to employees. There are no accumulating sick leave benefits that vest for which any liability must be recognized. Accrued vacation leave on the Statements of Net Position is \$541,425 and \$282,775 as of June 30, 2019 and 2018, respectively.

**F. Capital assets:** Capital assets, which include property and equipment, right of way and toll roads, are reported at cost. Capital assets acquired through contributions, such as those from developers or other governments, are recorded at estimated acquisition value at the date of donation. Capital assets are defined as assets with initial, individual costs exceeding \$500 to \$20,000, depending on the asset category. Depreciation is computed on the straight-line method over the following estimated useful lives:

	<u>Estimated Useful Live</u>
Roads and bridges	40 years
Improvements	5-20 years
Buildings	20-30 years
Equipment	3-10 years

A full month's depreciation is taken in the month an asset is placed in service. When property and equipment are disposed, the cost and accumulated depreciation are removed from the respective accounts, and the resulting gain or loss, if any, is recorded in operations.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 1. Organization and Summary of Significant Accounting Policies (Continued)

**F. Capital assets (continued):** The Authority capitalizes interest cost of restricted tax-exempt borrowings less any interest earned on temporary investment of the proceeds of those borrowings from the date of borrowing until the specified qualifying assets acquired with those borrowings are ready for their intended use.

The Authority tests for impairment of capital assets when significant unexpected decline in service utility occurs. There were no asset impairments in fiscal year 2019 or 2018.

**G. Grants and contributions:** Revenues from grants and contributions are cash and noncash which include the following: (1) Capital grants and contributions which are restricted revenues whose resources may only be spent to purchase, build or use capital assets for specified programs or (2) Operating grants and contributions which are restricted in the way they may be spent for operations of a particular program.

The Authority has entered into several construction contracts with TxDOT for the construction of roadways using Highway Planning and Construction federal funding and certain state funding for transportation improvements. During the years ended June 30, 2019 and 2018, the Authority recognized capital grants and contributions of approximately \$16.7 million and \$17,000 (\$15.54 million grant revenue net of \$15.52 million of contributed capital to TxDOT), respectively, from TxDOT. Revenues from federal and state cost reimbursement grants and contracts are recognized as earned when all eligibility requirements, including incurring allowable expenditures, have been met. As of June 30, 2019 and 2018, there was approximately \$575,000 and \$12.3 million, respectively, of unearned revenue from a TxDOT construction contract which is recorded as unearned revenue in the Statements of Net Position until qualifying allowable expenditures are incurred.

**H. Restricted assets:** Certain assets of the Authority are classified as restricted assets in the Statement of Net Position because their use is limited by applicable bond covenants or TxDOT construction contracts. When the proceeds are restricted for the acquisition or construction of noncurrent assets or are restricted for liquidation of long-term debt, they are further classified as noncurrent restricted assets. The Authority's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. In the financial statements, restricted net position is reported for amounts that are externally restricted by creditors (e.g., bond covenants), grantors, contributors or laws and regulations of other governments or law through constitutional provision or enabling legislation.

**I. Income taxes:** The Authority is an instrumentality of the state of Texas. As such, income earned in the exercise of its essential government functions is exempt from federal income taxes.

**J. Pensions:** The net pension liability, deferred outflows and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Authority's participation in the Texas County and District Retirement System (TCDRS), an Agent Plan, and additions to/deductions from TCERS's fiduciary net position have been determined on the same basis as they are reported by TCERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized in the TCERS net pension liability calculations when due and payable in accordance with the benefit terms. The investments are stated at fair value.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 1. Organization and Summary of Significant Accounting Policies (Continued)

**K. Deferred outflows and inflows of resources:** The Authority has classified as deferred inflows of resources items that represent acquisition of net position that applies to future periods and will not be recognized as a revenue until then. The Authority has classified as deferred outflows of resources certain items that represent a consumption of resources that applies to a future period and, therefore, will not be recognized as an expense until then. Bond issuance cost, other than prepaid insurance, is expensed as incurred, in accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Deferred gains/losses on refunding (the difference between the reacquisition price and the carrying value of the existing debt) are recorded as deferred outflows of resources and amortized over the shorter of the life of the original bonds or the life of the refunding bonds.

**L. Long-term obligations:** Long term obligations are reported as liabilities in the statement of net position and consist of notes and bonds payable and related premiums and discounts. The Authority amortizes premiums and discounts over the estimated life of the bonds as an adjustment to interest expense using the effective interest method.

**M. Classification of operating and nonoperating revenue and expenses:** The Authority defines operating revenues and expenses as those revenues and expenses generated by the Authority's Tolling System (the 183A Turnpike Project, the 290E Project, the 183 South Project and the operations of the SH 71 Express Project) and non-Tolling System (the MoPac Improvement Project and the SH 45 Southwest Project). It also includes all revenues and expenses not related to capital and related financing, noncapital financing or investing activities. This definition is consistent with the Codification of Governmental Accounting and Financial Reporting Standards, which defines operating receipts as cash receipts from customers and other cash receipts that do not result from transactions defined as capital and related financing, noncapital financing or investing activities. All revenues and expense not meeting this definition are reported as nonoperating revenue and expenses.

**N. Estimates:** The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts in the financial statements and the accompanying notes. Actual results could differ from those estimates.

#### **O. Noncash disclosures for statements of cash flows:**

**Capital Appreciation Bonds:** The Authority's outstanding capital appreciation bonds Series 2010 and 2011 included accreted interest of \$6 million and \$5.5 million for the periods ended June 30, 2019 and 2018, respectively.

**P. Reclassification:** Certain reclassifications have been made to the prior year's expenses presented within the statement of revenues, expenses and changes in net position to enhance comparability with the current year's financial statements and to enhance the comparability with the periodic reporting completed by the Authority.

#### Note 2. Cash and Investments

The Authority's Board has adopted an Investment Policy to set forth the factors involved in the management of investment assets for the Authority. The Authority seeks to mitigate risk by investing in compliance with the investment policy, state statutes and bond indenture provisions by qualifying the broker or financial institution with whom the Authority will transact business, maintaining sufficient collateralization, portfolio diversification and limiting maturities.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 2. Cash and Investments (Continued)

TexSTAR Investment Pool and Goldman Sachs Fund balances are carried at amortized cost, which does not require categorization under GASB No. 72, *Fair Value Measurements and Application*.

The Authority had the following investments as of June 30:

<b>Summary of Investments by Type</b>	<b>2019</b>	<b>2018</b>
Cash and cash equivalents		
Cash	\$ 729,063	\$ 427,208
Goldman Sachs Financial Square Treasury Obligations Fund	240,831,479	168,743,537
TexSTAR Investment Pool	143,782,654	127,974,817
US government sponsored enterprises and treasury notes	159,267,034	84,756,222
Total cash and investments	<u>\$ 544,610,230</u>	<u>\$ 381,901,784</u>
Unrestricted cash and cash equivalents	\$ 44,232,326	\$ 49,687,164
Unrestricted investments	88,707,812	35,008,355
Restricted cash and cash equivalents:		
Current	69,051,895	92,822,518
Noncurrent	128,276,321	26,661,063
Restricted investments	214,341,876	177,722,684
Total cash and cash equivalent and investment, as reported on the Statement of Net Position	<u>\$ 544,610,230</u>	<u>\$ 381,901,784</u>

The Authority utilizes various methods to measure the fair value of investments on a recurring basis. GASB Statement No. 72, *Fair Value Measurement and Application*, establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

**Level 1:** Inputs are unadjusted quoted prices in active markets for identical assets and liabilities that the Authority has the ability to access.

**Level 2:** Inputs are observable other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument in an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

**Level 3:** Inputs are unobservable for the asset or liability, to the extent relevant observable inputs are not available, representing the Authority's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

**Hierarchy:** The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

#### Note 2. Cash and Investments (Continued)

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Investments measured at net asset value do not have significant terms or conditions for redemption or commitment for additional funding. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following tables summarize the inputs used as of June 30, 2019 and 2018, for the Authority's investments measured at fair value:

Investment Type	Fair Value Hierarchy at June 30, 2019			
	Level 1	Level 2	Level 3	Balance
Federal HOME Loan Bank	\$ -	\$ 24,952,549	\$ -	\$ 24,952,549
Fannie Mae	-	24,913,659	-	24,913,659
US Treasury Notes	-	89,323,258	-	89,323,258
Farmer MAC	-	20,077,568	-	20,077,568
Total U.S. government sponsored enterprise securities and treasury notes	\$ -	\$ 159,267,034	\$ -	159,267,034
Investments at NAV based on amortized cost:				
Goldman Sachs Financial Square Treasury Obligations Fund				240,831,479
TexSTAR Investment Pool				143,782,654
Total				\$ 543,881,167

Investment Type	Fair Value Hierarchy at June 30, 2018			
	Level 1	Level 2	Level 3	Balance
Federal HOME Loan Bank	\$ -	\$ 9,973,520	\$ -	\$ 9,973,520
Fannie Mae	-	19,909,580	-	19,909,580
US Treasury Notes	-	44,874,022	-	44,874,022
Farmer MAC	-	9,999,100	-	9,999,100
Total U.S. government sponsored enterprise securities and treasury notes	\$ -	\$ 84,756,222	\$ -	84,756,222
Investments at NAV based on amortized cost:				
Goldman Sachs Financial Square Treasury Obligations Fund				168,743,537
TexSTAR Investment Pool				127,974,817
Total				\$ 381,474,576

**Custodial credit risk—deposits:** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover its deposits or will not be able to recover its collateral securities that are in the possession of an outside party. The Authority has a formal policy specific to custodial credit risk, which requires bank deposit accounts to be collateralized with pledged securities equal to 105% of the carrying value.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 2. Cash and Investments (Continued)

The Authority was fully collateralized with pledged securities held in the name of the pledging financial institution for amounts in excess of the Federal Deposit Insurance Corporation limit as of June 30, 2019 and 2018. Cash balance as of June 30, 2019 and 2018, is \$729,063 and \$427,208, respectively.

**Custodial credit risk—investments:** Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the Authority and are held by the counterparty, its trust or agent, but not in the Authority's name. The Authority's investment securities are not exposed to custodial credit risk because all securities are held by the Authority's custodial bank in the Authority's name.

**Concentration of credit risk:** Concentration of credit risk is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer. The Authority is authorized to invest funds in accordance with its investment policy, bond indentures and the Texas Public Funds Investment Act. Authorized investments include, but are not limited to: United States Treasury and federal agency issues, certificates of deposit issued by a state or national bank domiciled in the state of Texas, repurchase agreements collateralized by United States Treasury or federal agency securities, guaranteed investment contracts (GICs), obligations of states and municipalities, Securities and Exchange Commission (SEC) registered no-load money market mutual funds and local government investment pools. The Authority does not have a specific investment policy related to concentration of credit risk. The Authority does have a policy related to portfolio diversification.

With regards to investment composition, the Authority's investment policy currently states that local government investment pools may not exceed 80% of the total investment portfolio less bond funds. Bond funds may be invested at 100% of total investment portfolio. No other parameters for investment composition are stated in the approved investment policy.

The Authority's portfolio consisted of the following as of June 30:

	2019		2018	
TexSTAR Investment Pool	\$143,782,654	26.4%	\$ 127,974,817	33.5%
Goldman Sachs Financial Square				
Treasury Obligations Fund	240,831,479	44.3%	168,743,537	44.2%
Federal HOME Loan Bank	24,952,549	4.6%	9,973,520	2.6%
Farmer MAC	20,077,568	3.7%	9,999,100	2.6%
Fannie Mae	24,913,659	4.6%	19,909,580	5.2%
U.S. Treasury notes	89,323,258	16.4%	44,874,022	11.8%
Total	<u>\$543,881,167</u>		<u>\$ 381,474,576</u>	

**Interest rate risk:** Interest rate risk is the risk that the changes in interest rates will adversely affect the fair value of an investment. Interest rate risk may be mitigated by investing operating funds primarily in shorter term securities, money market funds or similar investment pools and limiting the average maturity of the portfolio.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

#### Note 2. Cash and Investments (Continued)

The Authority's investment policy notes that with regard to maximum maturities, the Authority will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Authority will not directly invest operating or general funds in securities maturing more than 16 months from the date of purchase, unless approved by the Authority's Board. Investment of bond proceeds shall not exceed the projected expenditure schedule of the related project. Reserve funds may be invested in securities exceeding 12 months if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

As of June 30, 2019 and 2018, the Authority's investments in debt securities mature as follows:

Investment Type	Investment Maturities (in Days)—2019				Fair Value
	90 Days or Less	91 to 180 Days	191 to 365 Days	Greater Than 365 Days	
Federal HOME Loan Bank	\$ 24,952,549	\$ -	\$ -	\$ -	\$ 24,952,549
Fannie Mae	4,990,510	-	19,923,149	-	24,913,659
U.S. Treasury Notes	-	39,956,250	49,367,008	-	89,323,258
Farmer MAC	-	-	-	20,077,568	20,077,568
Total U.S. government sponsored enterprise securities and treasury notes	\$ 29,943,059	\$ 39,956,250	\$ 69,290,157	\$ 20,077,568	\$ 159,267,034

Investment Type	Investment Maturities (in Days)—2018				Fair Value
	90 Days or Less	91 to 180 Days	191 to 365 Days	Greater Than 365 Days	
Federal HOME Loan Bank	\$ -	\$ -	\$ 9,973,520	\$ -	\$ 9,973,520
Fannie Mae	-	19,909,580	-	-	19,909,580
U.S. Treasury Notes	-	24,913,086	19,960,936	-	44,874,022
Farmer MAC	-	-	9,999,100	-	9,999,100
Total U.S. government sponsored enterprise securities and treasury notes	\$ -	\$ 44,822,666	\$ 39,933,556	\$ -	\$ 84,756,222

**Local Government Investment Pool:** The Texas Short-Term Asset Reserve Fund (TexSTAR) is a public funds investment pool created pursuant to the Interlocal Cooperation Act, Chapter 791, of the Texas Government Code, and the Public Funds Investment Act, Texas Government Code, Chapter 2256. TexSTAR is managed by a 5-member board of trustees who has contracted with JPMorgan Investment Management, Inc. and First Southwest Asset Management, Inc. to administer the operations of the fund. TexSTAR is rated AAA by Standard & Poor's and maintains a weighted average maturity of 60 days or less, with a maximum maturity of 13 months for any individual security. The amounts can be withdrawn with limited notice.

The Chief Financial Officer of the Authority is the President of TexSTAR. The Authority has investments of \$143.8 million and \$127.9 million, respectively, in TexSTAR as of June 30, 2019 and 2018.

**Money market mutual fund:** The Goldman Sachs Financial Square Treasury Obligations Fund is a government money market fund under Rule 2a-7 of the Investment Company Act of 1940, as amended. As such, the fund values its securities using amortized cost. The fund is rated Aaa by Moody's as of June 30, 2019. The redemption frequency is one day and there are no unfunded commitments.



## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

#### Note 2. Cash and Investments (Continued)

**Credit risk:** Credit risk is the risk than an issuer or other counterparty to an investment will not fulfill its obligations to the Authority. To help mitigate credit risk, credit quality guidelines are incorporated into the investment policy, as follows:

- Limiting investments to the safest types of securities, as listed above under the concentration of credit risk section
- Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the Authority will do business

The Authority's investments had the following credit risk structure as of June 30, 2019 and 2018, based on Standard & Poor's ratings:

U.S. Government Sponsored Enterprise Securities and Treasury Notes	Standard & Poor's		2019	2018
	Investment Grade Rating			
Federal HOME Loan Bank	AA+	\$	24,952,549	\$ 9,973,520
Fannie Mae	AA+		24,913,659	19,909,580
US Treasury Notes	Aaa		89,323,258	44,874,022
Farmer MAC	NR		20,077,568	9,999,100
Total			<u>\$ 159,267,034</u>	<u>\$ 84,756,222</u>

#### Note 3. Capital Assets

The following schedule summarizes the capital assets of the Authority as of June 30, 2019 and 2018:

	2018		Disposals/ Adjustments		2019	
		Additions		Transfers		
Nondepreciable assets:						
Construction in progress	\$ 642,490,583	\$ 165,586,920	\$ -	\$ (44,628,238)	\$ 763,449,265	
Right of way	88,149,608	-	-	-	88,149,608	
Total nondepreciable assets	<u>730,640,191</u>	<u>165,586,920</u>	<u>-</u>	<u>(44,628,238)</u>	<u>851,598,873</u>	
Depreciable assets:						
Property and equipment	4,862,250	141,203	(2,055,711)	2,053,990	5,001,732	
Toll road:						
Building and toll facilities	7,062,332	-	-	-	7,062,332	
Highways and bridges	1,015,014,149	-	-	40,748,295	1,055,762,444	
Toll equipment	34,290,129	705,751	(4,587,114)	1,814,491	32,223,257	
Signs	13,033,602	175,523	-	11,462	13,220,587	
Land improvements	14,243,759	-	-	-	14,243,759	
Total depreciable assets	<u>1,088,506,221</u>	<u>1,022,477</u>	<u>(6,642,825)</u>	<u>44,628,238</u>	<u>1,127,514,111</u>	
Property and equipment	(3,623,535)	(459,281)	2,029,362	-	(2,053,454)	
Building and toll facilities	(1,948,634)	(166,437)	-	-	(2,115,071)	
Highways and bridges	(117,227,785)	(25,197,996)	-	-	(142,425,781)	
Toll equipment	(15,815,548)	(2,941,866)	4,587,114	-	(14,170,300)	
Signs	(2,397,132)	(330,546)	-	-	(2,727,678)	
Land improvements	(4,504,754)	(811,190)	-	-	(5,315,944)	
Accumulated depreciation	<u>(145,517,388)</u>	<u>(29,907,316)</u>	<u>6,616,476</u>	<u>-</u>	<u>(168,808,228)</u>	
Net property and equipment	<u>\$ 1,673,629,024</u>	<u>\$ 136,702,081</u>	<u>\$ (26,349)</u>	<u>\$ -</u>	<u>\$ 1,810,304,756</u>	

**Central Texas Regional Mobility Authority**

**Notes to Financial Statements  
June 30, 2019 and 2018**

**Note 3. Capital Assets (Continued)**

	2017	Additions	Disposals/ Adjustments	Transfers	2018
Nondepreciable assets:					
Construction in progress	\$ 594,333,090	\$ 227,501,014	\$ (61,180)	\$ (179,282,341)	\$ 642,490,583
Right of way	88,148,108	1,500	-	-	88,149,608
Total nondepreciable assets	682,481,198	227,502,514	(61,180)	(179,282,341)	730,640,191
Depreciable assets:					
Property and equipment	12,473,998	166,093	(7,777,841)	-	4,862,250
Toll road:					
Building and toll facilities	7,062,332	-	-	-	7,062,332
Highways and bridges	858,354,482	-	(19,449,859)	176,109,526	1,015,014,149
Toll equipment	29,106,931	2,010,383	-	3,172,815	34,290,129
Signs	13,001,702	31,900	-	-	13,033,602
Land improvements	14,243,759	-	-	-	14,243,759
Total depreciable assets	934,243,204	2,208,376	(27,227,700)	179,282,341	1,088,506,221
Property and equipment	(10,828,047)	(566,257)	7,770,769	-	(3,623,535)
Building and toll facilities	(1,771,794)	(176,840)	-	-	(1,948,634)
Highways and bridges	(93,834,827)	(23,392,958)	-	-	(117,227,785)
Toll equipment	(13,116,937)	(2,698,611)	-	-	(15,815,548)
Signs	(2,071,239)	(325,893)	-	-	(2,397,132)
Land improvements	(3,619,820)	(884,934)	-	-	(4,504,754)
Accumulated depreciation	(125,242,664)	(28,045,493)	7,770,769	-	(145,517,388)
Net property and equipment	\$ 1,491,481,738	\$ 201,665,397	\$ (19,518,111)	\$ -	\$ 1,673,629,024

Construction in progress as of June 30, 2019 and 2018, consists of the following:

	2018	Additions	Disposals	Transfers	2019
Construction in progress:					
Preliminary and construction costs	\$ 597,365,817	\$ 143,742,350	\$ -	\$ (44,628,238)	\$ 696,479,929
Collection system	5,610,379	2,137,671	-	-	7,748,050
Capitalized interest	39,514,387	19,706,899	-	-	59,221,286
Net construction in progress	\$ 642,490,583	\$ 165,586,920	\$ -	\$ (44,628,238)	\$ 763,449,265

	2017	Additions	Disposals	Transfers	2018
Construction in progress:					
Preliminary and construction costs	\$ 563,265,424	\$ 210,271,099	\$ (61,180)	\$ (176,109,526)	\$ 597,365,817
Collection system	7,374,859	1,408,335	-	(3,172,815)	5,610,379
Capitalized interest	23,692,807	15,821,580	-	-	39,514,387
Net construction in progress	\$ 594,333,090	\$ 227,501,014	\$ (61,180)	\$ (179,282,341)	\$ 642,490,583

Depreciation expense for the years ended June 30, 2019 and 2018, totaled \$29,907,316 and \$28,045,493, respectively.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

#### Note 3. Capital Assets (Continued)

As of June 30, 2019 and 2018, the Authority has other non-Tolling System projects (projects other than the 183A Turnpike Project, the 290E Project, the 183 South Project and the SH 71 Express Project) construction in progress and capital assets for the following projects:

	2019	2018
Construction in progress non-Tolling System projects:		
MoPac Improvement Project	\$ -	\$ 18,395,548
MoPac South	12,771,933	12,286,563
183 North Mobility	14,802,876	10,975,004
SH 45 Southwest	97,048,703	77,108,308
US 290 West (Oak Hill)	4,464,530	4,387,198
Capital assets in non-Tolling System projects:		
Building and toll facilities, net of depreciation	213,952,059	173,908,157
Toll equipment, net of depreciation	4,753,332	2,946,185
Total non-Tolling System projects	<u>\$ 347,793,433</u>	<u>\$ 300,006,963</u>

#### Note 4. Notes and Bonds Payable

The following schedule summarizes total notes and bonds payable for the years ended June 30, 2019 and 2018:

	2018	Additions/ Accretion	Amortization/ Deductions	2019	Due Within One Year
Series 2010 Obligations (CIB and CAB bonds)	43,549,710	-	(1,310,000)	42,239,710	7,240,000
Series 2010 CAB accretion	30,008,312	5,032,677	-	35,040,989	-
Total 2010 Bonds	<u>73,558,022</u>	<u>5,032,677</u>	<u>(1,310,000)</u>	<u>77,280,699</u>	<u>7,240,000</u>
Series 2011 Obligations	9,999,944	-	-	9,999,944	-
Series 2011 CAB accretion	5,423,344	981,700	-	6,405,044	-
Total 2011 Bonds	<u>15,423,288</u>	<u>981,700</u>	<u>-</u>	<u>16,404,988</u>	<u>-</u>
Series 2013 Obligations	<u>240,415,000</u>	<u>-</u>	<u>(5,715,000)</u>	<u>234,700,000</u>	<u>5,560,000</u>
TIFIA Bond 2015—Series C	51,912,351	178,389,826	-	230,302,177	-
SIB Bond 2015—Series E	31,752,055	1,282,773	-	33,034,828	-
SHF Bond 2015—Series D	31,752,085	1,282,773	-	33,034,858	-
Series 2015 Bonds—Series A and B	<u>367,575,000</u>	<u>-</u>	<u>-</u>	<u>367,575,000</u>	<u>-</u>
Total 2015 Bonds	<u>482,991,491</u>	<u>180,955,372</u>	<u>-</u>	<u>663,946,863</u>	<u>-</u>
Sub Lien Refunding Bonds, Series 2016	74,305,000	-	(400,000)	73,905,000	415,000
Sr. Lien Refunding Bonds, Series 2016	<u>358,030,000</u>	<u>-</u>	<u>-</u>	<u>358,030,000</u>	<u>1,245,000</u>
Total 2016 Bonds	<u>432,335,000</u>	<u>-</u>	<u>(400,000)</u>	<u>431,935,000</u>	<u>1,660,000</u>
Sr. Lien Revenue Bonds, Series 2018	-	44,345,000	-	44,345,000	-
Sub Lien Revenue BAN, Series 2018	-	46,020,000	-	46,020,000	-
Total 2018 Bonds	<u>-</u>	<u>90,365,000</u>	<u>-</u>	<u>90,365,000</u>	<u>-</u>
71E Toll Project Obligation	62,332,058	-	(1,603,847)	60,728,211	-
SH 45 Southwest Obligation	22,080,000	35,340,370	-	57,420,370	-
Regions 2017 MoPac Obligation	17,000,000	7,990,900	-	24,990,900	-
TIFIA Obligation - 290E Phase III	-	50,414	-	50,414	-
Total other obligations	<u>101,412,058</u>	<u>43,381,684</u>	<u>(1,603,847)</u>	<u>143,189,895</u>	<u>-</u>
Total notes, bonds and other obligations payable	<u>1,346,134,859</u>	<u>320,716,433</u>	<u>(9,028,847)</u>	<u>1,657,822,445</u>	<u>14,460,000</u>
Net premium (discount) on revenue bonds payable	<u>95,289,995</u>	<u>5,802,814</u>	<u>(11,012,223)</u>	<u>90,080,586</u>	<u>-</u>
Total notes, bonds and other obligations payable, net	<u>1,441,424,854</u>	<u>\$ 326,519,247</u>	<u>\$ (20,041,070)</u>	<u>1,747,903,031</u>	<u>\$ 14,460,000</u>
Less current maturities of notes and bonds payable	<u>(7,425,000)</u>			<u>(14,460,000)</u>	
Total	<u>\$ 1,433,999,854</u>			<u>\$ 1,733,443,031</u>	

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

#### Note 4. Notes and Bonds Payable (Continued)

	2017	Additions/ Accretion	Amortization/ Deductions	2018	Due Within One Year
American Bank Note	\$ 3,570,000	\$ -	\$ (3,570,000)	\$ -	\$ -
Total note	3,570,000	-	(3,570,000)	-	-
Series 2010 Obligations (CIB and CAB bonds)	43,549,710	-	-	43,549,710	1,310,000
Series 2010 CAB accretion	25,337,137	4,671,175	-	30,008,312	-
Total 2010 Bonds	68,886,847	4,671,175	-	73,558,022	1,310,000
Series 2011 Obligations	9,999,944	-	-	9,999,944	-
Series 2011 CAB accretion	4,498,178	925,166	-	5,423,344	-
Total 2011 Bonds	14,498,122	925,166	-	15,423,288	-
Series 2013 Obligations	245,215,000	-	(4,800,000)	240,415,000	5,715,000
TIFIA Bond 2015—Series C	52,531	51,859,820	-	51,912,351	-
SIB Bond 2015—Series E	30,518,853	1,233,202	-	31,752,055	-
SHF Bond 2015—Series D	30,518,853	1,233,232	-	31,752,085	-
Series 2015 Bonds—Series A and B	367,575,000	-	-	367,575,000	-
Total 2015 Bonds	428,665,237	54,326,254	-	482,991,491	-
Sub Lien Refunding Bonds, Series 2016	74,690,000	-	(385,000)	74,305,000	400,000
Sr. Lien Refunding Bonds, Series 2016	358,030,000	-	-	358,030,000	-
Total 2016 Bonds	432,720,000	-	(385,000)	432,335,000	400,000
71E Toll Project Obligation	65,000,000	-	(2,667,942)	62,332,058	-
SH 45 Southwest Obligation	-	22,080,000	-	22,080,000	-
Regions 2017 MoPac Obligation	-	17,000,000	-	17,000,000	-
Total other obligations	65,000,000	39,080,000	(2,667,942)	101,412,058	-
Total notes, bonds and other obligations payable	1,258,555,206	99,002,595	(11,422,942)	1,346,134,859	7,425,000
Net premium (discount) on revenue bonds payable	105,960,917	-	(10,670,922)	95,289,995	-
Total notes, bonds and other obligations payable, net	1,364,516,123	\$ 99,002,595	\$ (22,093,864)	1,441,424,854	\$ 7,425,000
Less current maturities of notes and bonds payable	(6,950,000)	-	-	(7,425,000)	-
Total	\$ 1,357,566,123			\$ 1,433,999,854	

The Series 2010 Obligations, the Series 2011 Obligations, the Series 2013 Obligations, the Series 2015 Obligations, the Series 2016 Obligations, the Series 2018 Obligations and the 2019 TIFIA Bond, each as further described below, were issued by the Authority pursuant to a bond indenture between the Authority and the trustee named therein, and are secured by and payable from the trust estate established thereby, in the manner described in and subject to the terms and conditions of the bond indenture. The trust estate established by the bond indenture includes the revenues from the Tolling System. The Authority is required to establish and maintain toll rates in connection with the Tolling System as shall be sufficient to satisfy its rate covenant under the bond indenture.

**Series 2010 Obligations:** The Authority issued its Series 2010 Senior Lien Revenue Bonds and Taxable Series 2010 Subordinate Lien Revenue Build America Bonds (Series 2010 Subordinate Lien BABs) on March 1, 2010, collectively called the Series 2010 Obligations. The Series 2010 Senior Lien Revenue Bonds were issued in part as current interest bonds (Series 2010 CIBs) and in part as capital appreciation bonds (Series 2010 CABs). The Series 2010 Subordinate Lien BABs were refunded and redeemed in whole by the Authority on June 5, 2013.

The proceeds from the Series 2010 Obligations were used to (i) finance a portion of the costs of the 183A Phase II Project; (ii) currently refund and redeem, in whole, the Authority's outstanding Revenue Notes, Taxable Series 2009; (iii) pay capitalized interest with respect to the Series 2010 Obligations; (iv) make a deposit to the Senior Lien Debt Service Reserve Fund and the Subordinate Lien Debt Service Reserve Fund and (v) pay certain issuance costs of the Series 2010 Obligations.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### **Note 4. Notes and Bonds Payable (Continued)**

The Series 2010 CIBs are scheduled to mature in 2019 through 2020. Interest on the Series 2010 CIBs is calculated on the basis of a 360-day year of 12, 30-day months at the rate of 5.75%. Interest on the Series 2010 CIBs is payable on each July 1 and January 1, commencing July 1, 2010. As of June 30, 2019 and 2018, the outstanding principal amount was \$7.2 million and \$8.5 million, respectively.

The Series 2010 CABs are scheduled to mature in 2025 through 2040 at an aggregated maturity amount of \$176.1 million. The principal amount of \$34.9 million of the Series 2010 CABs represents the total amount of outstanding principal before the accreted and compounded interest as of June 30, 2019 and 2018.

Interest on the Series 2010 CABs will accrete from the date of initial delivery to stated maturity at rates ranging from 7.20% to 7.85% and will compound on each July 1 and January 1, commencing July 1, 2010. Such accreted and compounded interest will be paid as part of the maturity amount at stated maturity.

The amount of accumulated accreted interest on the Series 2010 CABs as of June 30, 2019 and 2018 was \$35.0 million and \$30.0 million, respectively. The accumulated accreted interest is added to the outstanding principal on July 1 and January 1 of each year beginning July 1, 2010.

**Series 2011 Obligations:** The Authority issued its Series 2011 Senior Lien Revenue Bonds and Series 2011 Subordinate Lien Revenue Bonds on June 29, 2011, collectively called the Series 2011 Obligations. The Series 2011 Senior Lien Revenue Bonds were issued in part as current interest bonds (Series 2011 CIBs) and in part as capital appreciation bonds (Series 2011 CABs). The Series 2011 CIBs were refunded in full during fiscal year 2016, and the Series 2011 Subordinate Lien Revenue Bonds were refunded in full during fiscal year 2017.

A portion of the proceeds from the Series 2011 Obligations was used to (i) prepay a State Infrastructure Bank loan in full, (ii) redeem the Authority's Series 2010 Notes in whole, (iii) pay capitalized interest with respect to the Series 2011 Obligations, (iv) make a deposit to the Senior Lien Debt Service Reserve Fund and the Subordinate Lien Debt Service Reserve Fund and (v) pay certain issuance costs of the Series 2011 Obligations. The remaining proceeds of the Series 2011 Obligations were used to finance a portion of the costs of the 290E Phase II Project and as otherwise authorized in the Indenture.

The Series 2011 CABs are scheduled to mature starting in 2022 through 2026 at an aggregated maturity amount of \$22.1 million. The principal amount of \$9.9 million for the Series 2011 CABs represents the total amount of outstanding principal before the accreted and compounded interest as of June 30, 2019 and 2018.

Interest on the Series 2011 CABs will accrete from the date of initial delivery to stated maturity at rates ranging from 5.9% to 6.5% and will compound on each July 1 and January 1, commencing July 1, 2011. Such accreted and compounded interest will be paid as part of the maturity amount at stated maturity.

The amount of accumulated accreted interest on the Series 2011 CABs as of June 30, 2019 and 2018 was \$6.4 million and \$5.4 million, respectively. The accumulated accreted interest is added to the outstanding principal on July 1 and January 1 of each year beginning July 1, 2011.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 4. Notes and Bonds Payable (Continued)

**Series 2013 Obligations:** The Authority issued its Series 2013A Senior Lien Revenue Refunding Bonds (Series 2013A Senior Lien Bonds), Series 2013B Senior Lien Revenue Refunding Put Bonds (Series 2013B Senior Lien Put Bonds) and Series 2013 Subordinate Lien Revenue Refunding Bonds (Series 2013 Subordinate Lien Bonds), collectively called the Series 2013 Obligations, on May 16, 2013. The Series 2013B Senior Lien Put Bonds were refunded in full during fiscal year 2016.

The proceeds from the Series 2013 Obligations were used to (i) refund in full the Authority's Series 2005 Senior Lien Revenue Bonds, the Authority's 2005 TIFIA Bond, and the Authority's Series 2010 Subordinate Lien BABs, (ii) make a deposit to the Subordinate Lien Debt Service Reserve Fund and (iii) pay certain issuance costs of the Series 2013 Obligations.

The Series 2013A Senior Lien Bonds were issued as current interest bonds and are scheduled to mature on dates ranging from 2017 through 2043. Interest on the Series 2013A Senior Lien Bonds is calculated on the basis of a 360-day year of 12, 30-day months at a rate of 5%. Interest on the Series 2013A Senior Lien Bonds is payable on each July 1 and January 1, commencing July 1, 2013. As of June 30, 2019 and 2018, the outstanding principal amount was \$136.4 million and \$139.9 million, respectively.

The Series 2013 Subordinate Lien Bonds were issued as current interest bonds and are scheduled to mature in 2017 through 2042. Interest on the Series 2013 Subordinate Lien Bonds is calculated on the basis of a 360-day year of 12, 30-day months at the rate of 5%. Interest on the Series 2013 Subordinate Lien Bonds is payable on each July 1 and January 1, commencing July 1, 2013. As of June 30, 2019 and 2018, the outstanding principal amount was \$98.3 million and \$100.5 million, respectively.

**Series 2015 Obligations:** The Authority issued its Senior Lien Revenue Bonds, Series 2015A (the Series 2015A Bonds) and its Senior Lien Revenue and Refunding Put Bonds, Series 2015B (the Series 2015B Bonds) on November 19, 2015. The Authority issued its Subordinate Lien Revenue Bond, Taxable Series 2015C (the 2015C TIFIA Bond), its Subordinate Lien Revenue Bond, Taxable Series 2015D (the 2015D SHF Bond), and its Subordinate Lien Revenue Bond, Taxable Series 2015E (the 2015E SIB Bond) on November 18, 2015. The Series 2015A Bonds, the Series 2015B Bonds, the 2015C TIFIA Bond, the 2015D SHF Bond and the 2015E SIB Bond are collectively referred to as the Series 2015 Obligations.

A portion of the proceeds of the Series 2015 Obligations was used to finance and refinance the costs of designing, engineering, developing and constructing the 183 South Project. The remaining proceeds of the Series 2015 Obligations were used to (i) refund and redeem in whole the Authority's outstanding Senior Lien Revenue Refunding Put Bonds, Series 2013B, (ii) prepay in whole the Authority's outstanding 2015 Draw Down Note, (iii) pay capitalized interest with respect to the Series 2015A Bonds, (iv) make deposits to the Senior Lien Debt Service Reserve Fund and (v) pay certain issuance costs of the Series 2015 Obligations.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 4. Notes and Bonds Payable (Continued)

**Series 2015A Bonds:** The Series 2015A Bonds were issued as current interest bonds and are scheduled to mature in 2025 through 2045. Interest on the Series 2015A Bonds is calculated on the basis of a 360-day year of 12, 30-day months at a rate of 5%. Interest on the Series 2015A Bonds is payable on each July 1 and January 1, commencing January 1, 2016. As of June 30, 2019 and 2018, the outstanding principal amount was \$298.8 million for both years.

**Series 2015B Bonds:** The Series 2015B Bonds were issued as current interest bonds and as variable rate obligations and are scheduled to mature in 2021 through 2045. Through the period that commenced on the issuance date thereof and ends on January 6, 2021 (initial multiannual rate period), the Series 2015B Bonds will bear interest at a rate of 5%. On January 7, 2021, the Series 2015B Bonds are subject to mandatory tender at a purchase price equal to the principal amount thereof plus accrued interest to such purchase date. If, on such date, all Series 2015B Bonds are not successfully remarketed, the Authority has no obligation to purchase such Bonds on such date, and all Series 2015B Bonds will continue to be outstanding and will bear interest at a rate of 9% per annum until subsequently remarketed.

Interest on the Series 2015B Bonds during the initial multiannual rate period is calculated on the basis of a 360-day year of 12, 30-day months and is payable on each January 1 and July 1, commencing January 1, 2016. Pursuant to the terms of the bond indenture, the Series 2015B Bonds are subject to mandatory tender for purchase and conversion to another interest rate mode at the times stated therein. As of June 30, 2019 and 2018, the outstanding principal amount was \$68.8 million for both years.

**2015C TIFIA Bond:** In November 2015, the Authority entered into a secured loan agreement (the TIFIA Loan Agreement) with the United States Department of Transportation, pursuant to which the Authority is authorized to borrow an amount not to exceed \$282,200,885 to pay eligible project costs of the 183 South Project. The Authority's obligation to repay amounts borrowed under the TIFIA Loan Agreement is evidenced by the 2015C TIFIA Bond. The 2015C TIFIA Bond bears interest at 3.08% per annum and the final maturity date thereof will be the earlier of (i) the date this is 35 years from the date of substantial completion of the 183 South Project and (ii) July 1, 2049. Payments of principal and interest due on the 2015C TIFIA Bond are payable in the amounts set forth in the TIFIA Loan Agreement on each January 1 and July 1, commencing on the earlier of (i) July 1, 2024 and (ii) the semiannual payment date on (or immediately preceding) the fifth anniversary of the date of substantial completion of the 183 South Project.

The Authority has received loan proceeds of approximately \$172.9 million and \$51.9 million through fiscal year 2019 and 2018, respectively, under the TIFIA Loan Agreement. As of June 30, 2019 and 2018, the 2015C TIFIA Bond had an outstanding balance of \$230.3 million and \$51.9 million, respectively. As of June 30, 2019 and 2018, the 2015C TIFIA Bond balance included accrued interest of approximately \$5.5 million and \$400,000, respectively, as part of the loan balance.

**2015D SHF Bond:** In November 2015, the Authority entered into a secured loan agreement (the SHF Loan Agreement) with TxDOT, pursuant to which the Authority is authorized to borrow an amount not to exceed \$30 million to pay eligible projects costs of the 183 South Project. The Authority's obligation to repay amounts borrowed under the SHF Loan Agreement is evidenced by the 2015D SHF Bond. Interest on the 2015D SHF Bond is payable on each January 1 and July 1, commencing July 1, 2020, and installments of principal thereof are payable on each July 1, commencing July 1, 2025 in the amounts set forth in the SHF Loan Agreement. The 2015D SHF Bond bears interest at 4% per annum and the final maturity date thereof is July 1, 2049.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 4. Notes and Bonds Payable (Continued)

As of June 30, 2019 and 2018, the 2015D SHF Bond had an outstanding balance of \$33.0 million and \$31.8 million, respectively. As of June 30, 2019 and 2018, the 2015D SHF Bond balance included accrued interest of approximately \$3 million and \$1.7 million, respectively.

**2015E SIB Bond:** In November 2015, the Authority entered into a secured loan agreement (the SIB Loan Agreement) with TxDOT, pursuant to which the Authority is authorized to borrow an amount not to exceed \$30 million to pay eligible projects costs of the 183 South Project. The Authority's obligation to repay amounts borrowed under the SIB Loan Agreement is evidenced by the 2015E SIB Bond. Interest on the 2015E SIB Bond is payable on each January 1 and July 1, commencing July 1, 2020, and installments of principal thereof are payable on each July 1, commencing July 1, 2025, in the amounts set forth in the SIB Loan Agreement. The 2015E SIB Bond bears interest at 4% per annum and the final maturity date thereof is July 1, 2049.

As of June 30, 2019 and 2018, the 2015E SIB Bond had an outstanding balance of \$33.0 million and \$31.8 million, respectively. As of June 30, 2019 and 2018, the 2015E SIB Bond balance included accrued interest of approximately \$3 million and \$1.7 million, respectively.

**Series 2016 Obligations:** On August 9, 2016, the Authority issued its Series 2016 Subordinate Lien Revenue Refunding Bonds (2016 Subordinate Lien Bonds) and on June 1, 2016 the Authority issued its Series 2016 Senior Lien Revenue Refunding Bonds (2016 Senior Lien Bonds), collectively called the Series 2016 Obligations. The proceeds of the Series 2016 Senior Lien Bonds were used to (i) refund a portion of the Series 2010 CIBs and all outstanding Series 2011 CIBs and (ii) pay issuance costs of the Series 2016 Senior Lien Bonds.

The 2016 Subordinate Lien Bonds were issued as current interest bonds and are scheduled to mature in 2018 through 2041. Interest on the 2016 Subordinate Lien Bonds is calculated on the basis of a 360-day year of 12, 30-day months at rates ranging from 3.125% to 5.000%. Interest on the 2016 Subordinate Lien Bonds is payable on each July 1 and January 1, commencing January 1, 2017. As of June 30, 2019 and 2018, the outstanding principal amount was \$73.9 million and \$74.3 million, respectively.

The 2016 Senior Lien Bonds were issued as current interest bonds and are scheduled to mature in 2020 through 2046. Interest on the 2016 Senior Lien Bonds is calculated on the basis of a 360-day year of 12, 30-day months at rates ranging from 3.375% to 5.000%. Interest on the 2016 Senior Lien Bonds is payable on each July 1 and January 1, commencing July 1, 2016. As of June 30, 2019 and 2018, the outstanding principal amount was \$358.0 million for both years.

**Series 2018 Obligations:** On November 20, 2018, the Authority issued its Series 2018 Senior Lien Revenue Bonds (2018 Senior Lien Bonds) and its Series 2018 Subordinate Lien Revenue Bond Anticipation Notes (2018 Sub Lien BANs), collectively called the Series 2018 Obligations. The proceeds of the Series 2018 Obligations were used to (i) finance the costs of designing, engineering, developing and constructing the 290 E Phase III Project (ii) pay capitalized interest with respect to the 2018 Senior Lien Bonds and (iii) pay issuance costs of the Series 2018 Obligations.

The 2018 Senior Lien Bonds were issued as current interest bonds and are scheduled to mature in 2025 through 2048. Interest on the 2018 Senior Lien Bonds is calculated on the basis of a 360-day year of 12, 30-day months at rate of 5.000%. Interest on the 2018 Senior Lien Bonds is payable on each July 1 and January 1, commencing January 1, 2019. As of June 30, 2019, the outstanding principal amount was \$44.3 million.



## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### **Note 4. Notes and Bonds Payable (Continued)**

The 2018 Sub Lien BANs were issued as current interest bonds and are scheduled to mature in 2022. Interest on the 2018 Sub Lien BANs is calculated on the basis of a 360-day year of 12, 30-day months at rate of 4.000%. Interest on the 2018 Sub Lien BANs is payable on each July 1 and January 1, commencing January 1, 2019. As of June 30, 2019, the outstanding principal amount was \$46.02 million.

**American Bank Note:** In June 2013, the Authority entered into a secured loan agreement with a bank for an aggregate principal amount not to exceed \$5,300,000 (the Loan). The Loan bears interest at 2.25% per annum and matures on January 1, 2019. The Loan requires semiannual interest payments on the outstanding balance starting January 1, 2013.

Proceeds from the Loan are to be used to pay (i) expenses of studying the cost, design, engineering and feasibility of transportation projects; (ii) expenses associated with securing the Loan and (iii) the reimbursement to the Authority of costs attributable to certain preliminary cost and feasibility and other expenses relating to the preparation of financing of the transportation projects incurred prior to the execution of the Loan. During fiscal year 2018, the Loan was repaid in full in the amount of \$3.6 million.

**71E Toll Project Obligation to TxDOT:** The Authority, the Capitol Area Metropolitan Planning Organization (CAMPO) and TxDOT approved the execution of a Project Agreement (the SH 71 Agreement) for the development of toll lanes on SH 71 extending from Presidential Boulevard to just east of SH 130, including the realignment of FM 973 where that road intersects with SH 71, which is referred to as the SH 71 Express Project.

Pursuant to a resolution adopted by the Authority's Board, the Authority waived and declined to exercise its option to develop, finance, and construct the SH 71 Express Project, and retained (and did not waive) its option to operate any potential toll lanes on the SH 71 Express Project and to retain the revenues generated therefrom. Upon completion of the SH 71 Express Project, the SH 71 Agreement obligates the Authority to operate and maintain the toll lanes and related infrastructure of the SH 71 Express Project developed, financed and constructed by TxDOT. The Authority will retain the revenues generated from the SH 71 Express Project, which will be used to pay operation and maintenance costs of the toll lanes, toll facilities and related equipment. After payment of such operation and maintenance costs, one-half of the remaining revenues from the SH 71 Express Project must be used to reimburse TxDOT for up to \$65.0 million of the costs of the SH 71 Express Project (the TxDOT Reimbursement Amount), plus interest thereon at 3.62% per annum.

The SH 71 Agreement obligates the Authority to repay the TxDOT Reimbursement Amount solely from one-half of the net revenues of the SH 71 Express Project over a 35-year term. The first payment is due on the first anniversary of substantial completion of the SH 71 Express Project and continuing every year thereafter for a total of 35 years or until the TxDOT Reimbursement Amount and all accrued interest is paid. The SH 71 Express Project was substantially completed on March 8, 2017, and, accordingly, the first payment payable by the Authority to TxDOT under the SH 71 Agreement was due on March 8, 2018. In the event any annual payment is not sufficient to pay for all accrued interest due, the unpaid amount of accrued interest is added to the TxDOT Reimbursement Amount.

Under the SH 71 Agreement, TxDOT is obligated to operate and maintain all other aspects of the SH 71 Express Project, including but not limited to, the general purpose lanes and the FM 973 realigned intersection with SH 71.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### **Note 4. Notes and Bonds Payable (Continued)**

As of June 30, 2017, the toll lanes of the SH 71 Express Project were operational and the Authority recorded a capital contribution of \$96.0 million and a note payable to TxDOT of \$65.0 million; however, payments made by the Authority in respect of the TxDOT Reimbursement Amount are paid as, and constitute, Operating Expenses under the terms of the Authority's bond indenture securing its outstanding toll revenue obligations. During fiscal year 2019 and 2018, the Authority made debt service payments on the TxDOT Reimbursement Amount of approximately \$4.0 million and \$3.5 million, respectively in principal and interest.

As of June 30, 2019 and 2018, the outstanding principal amount was approximately \$60.7 million and \$62.3 million, respectively.

**2016 SHF SH 45SW Loan:** In October 2016, the Authority entered into a secured loan agreement (the SHF SH 45SW Loan Agreement) with TxDOT, pursuant to which the Authority is authorized to borrow an amount not to exceed \$60 million to pay eligible project costs of the SH 45 Southwest Project. Interest on amounts borrowed under the SHF SH 45SW Loan Agreement (i) will accrete at 4% per annum, compounding semiannually on each January 1 and July 1, until the January 1 or July 1 which is six months prior to the initial interest payment date, and (ii) is payable on each January 1 and July 1, commencing on July 1, 2022. Principal installment payments are due on amounts borrowed under the SHF SH 45SW Loan Agreement on each January 1, commencing on the January 1, 2027, in the amounts set forth therein. Amounts borrowed under the SHF SH 45SW Loan Agreement will bear interest at 4% per annum and the final maturity date thereof is January 1, 2049. The Authority may defer up to 25% of the principal and interest due on any principal or interest payment date, not to exceed two years and not past the final maturity date. The net revenues from the SH 45 Southwest Project have been pledged as collateral for amounts borrowed under the SHF SH 45SW Loan Agreement.

As of June 30, 2019 and 2018, the outstanding principal was approximately \$57.4 million and \$22.1 million, respectively, under the SHF SH 45SW Loan Agreement.

**Regions 2017 MoPac Note:** In December 2017, the Authority entered into a secured loan agreement with a bank for an aggregate principal amount not to exceed \$24,990,900 (the MoPac Note). The MoPac Note bears interest at LIBOR plus 1.44% per annum and matures on December 1, 2021. The MoPac Note requires monthly interest payments on the outstanding balance starting January 1, 2018. The net revenues from the MoPac Improvement Project have been pledged as collateral for the MoPac Note.

Proceeds from the MoPac Note are to be used to pay (i) expenses of studying the cost, design, engineering and feasibility of the MoPac Improvement Project; (ii) the costs of construction of the MoPac Improvement Project (iii) the acquisition of the right-of-way other interest in the real property; (iv) expenses associated with securing the MoPac Note and (v) the reimbursement to the Authority of costs attributable to certain preliminary cost and feasibility and other expenses relating to the preparation of financing of the MoPac Improvement Project incurred prior to the execution of the MoPac Note.

During fiscal year 2019 and 2018, the Authority borrowed approximately \$7.9 million and \$17.0 million, respectively to be used for the MoPac Improvement Project. As of June 30, 2019 and 2018, the outstanding principal amounts of the MoPac Note was \$24,990,900 and \$17,000,000, respectively.

**Central Texas Regional Mobility Authority**

**Notes to Financial Statements  
June 30, 2019 and 2018**

**Note 4. Notes and Bonds Payable (Continued)**

**2019 TIFIA Bond:** In March 2019, the Authority entered into a secured loan agreement (the 2019 TIFIA Loan Agreement) with the United States Department of Transportation, pursuant to which the Authority is authorized to borrow an amount not to exceed \$46,940,400 to pay eligible project costs of the 290E Phase III Project. The Authority's obligation to repay amounts borrowed under the 2019 TIFIA Loan Agreement is evidenced by the 2019 TIFIA Bond. The 2019 TIFIA Bond bears interest at 2.96% per annum and the final maturity date thereof will be the earlier of (i) the date this is 35 years from the date of substantial completion of the 290E Phase III Project and (ii) January 1, 2054. Payments of principal and interest due on the 2019 TIFIA Bond are payable in the amounts set forth in the 2019 TIFIA Loan Agreement on each January 1 and July 1, commencing on the earlier of (i) January 1, 2025 and (ii) the semiannual payment date on (or immediately preceding) the fifth anniversary of the date of substantial completion of the 290E Phase III Project.

The Authority has received loan proceeds of approximately \$50,000 during fiscal year 2019 under the 2019 TIFIA Loan Agreement. As of June 30, 2019, the 2019 TIFIA Bond had an outstanding balance of \$50,000 with accreted interest of \$414.

**Future payments on debt obligations:** Future payments of principal and interest on the Authority's bonds and notes described in this Note 4 (based on the scheduled payments) as of June 30, 2019, are as follows:

	Current Interest Bonds		Capital Appreciation Bonds		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 14,460,000	\$ 51,317,850	\$ -	\$ -	\$ -	\$ -
2021	15,965,000	50,544,700	-	404,551	24,990,900	2,749,534
2022	64,125,000	49,750,800	480,449	404,551	-	2,749,534
2023	19,710,000	48,850,050	1,868,357	1,861,643	-	2,749,534
2024	21,840,000	47,864,550	3,346,476	3,878,525	-	2,749,534
2025-2029	117,920,000	224,164,750	20,347,281	44,497,719	10,689,081	13,522,340
2030-2034	200,750,000	187,363,250	10,901,927	45,788,073	68,338,644	11,606,688
2035-2039	259,095,000	133,944,613	6,944,287	46,905,713	85,711,290	9,398,282
2040-2044	294,425,000	67,602,375	1,110,879	9,914,121	107,670,044	6,470,222
2045-2049	123,525,000	7,129,000	-	-	69,511,196	2,905,516
	<u>\$ 1,131,815,000</u>	<u>\$ 868,531,938</u>	<u>\$ 44,999,656</u>	<u>\$ 153,654,896</u>	<u>\$ 366,911,155</u>	<u>\$ 54,901,184</u>

**Central Texas Regional Mobility Authority**

**Notes to Financial Statements  
June 30, 2019 and 2018**

**Note 4. Notes and Bonds Payable (Continued)**

	<b>Total Debt Service</b>	
	<b>Principal</b>	<b>Interest</b>
2020	\$ 14,460,000	\$ 51,317,850
2021	40,955,900	53,698,785
2022	64,605,449	52,904,885
2023	21,578,357	53,461,227
2024	25,186,476	54,492,609
2025-2029	148,956,362	282,184,809
2030-2034	279,990,571	244,758,011
2035-2039	351,750,577	190,248,608
2040-2044	403,205,923	83,986,718
2045-2049	193,036,196	10,034,516
Total	<u>1,543,725,811</u>	<u>\$ 1,077,088,018</u>
SH 71E Obligation	60,728,211	
2015 Series C, D & E -Accretion	11,919,921	
Accreted interest - CABs	<u>41,448,502</u>	
	<u>114,096,634</u>	
	<u>\$ 1,657,822,445</u>	

As described above, the Series 2010 CABs and the Series 2011 CABs were issued as capital appreciation bonds. The accreted interest on the Series 2010 CABs and 2011 CABs are reflected on the Statement of Net Position as additional principal and is reflected in the interest column in this table in the amount of \$41,448,502. Additionally, the 2015C TIFIA Bond, 2015D SHF Bond and the 2015E SIB Bond also included accreted interest reflected on the Statement of Net Position as additional principal and is reflected in the interest column in this table.

**Note 5. Deferred Outflow and Inflow of Resources**

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*, the Authority has classified the difference between the reacquisition price and the net carrying amount of the defeased debt as a deferred outflow of resources. The deferred outflow of resources is amortized over the term of the defeased bonds and recognized as a component of interest expense annually. The Authority has also deferred outflows and inflows of resources for certain pension related items in accordance with applicable pension standards as noted under Note 7.

The Authority's deferred outflow of resources balance is composed of the following:

	<b>June 30</b>	
	<b>2019</b>	<b>2018</b>
Deferred outflows from bond refundings	\$ 106,495,597	\$ 107,766,160
Pension-related amounts:		
Employer pension contribution	274,688	245,788
Difference in pension investment assumption	533,183	(25,643)
Experience changes	52,701	28,161
Assumption changes	35,661	42,090
	<u>\$ 107,391,830</u>	<u>\$ 108,056,556</u>

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 5. Deferred Outflow and Inflow of Resources (Continued)

The Authority's deferred inflow of resources balance is composed of the following:

	June 30	
	2019	2018
Pension-related amounts:		
Experience changes	\$ 235,911	\$ 278,184

#### Note 6. Risk Management

In conjunction with its normal operations, the Authority is exposed to various risks related to the damage or destruction of its assets from both natural and man-made occurrences; tort/liability claims; errors and omissions claims; and professional liability claims. As a result of these exposures, the Authority carries insurance with a governmental risk pool under an "all risks" policy. All categories of insurance coverage in place were either maintained at current levels or increased as to overall limits of coverage and reduction of self-retained risk so as to reduce the overall exposure of risk to the Authority. There were no settlements in excess of insurance coverage during fiscal years 2019 and 2018.

#### Note 7. Employee Retirement Plan

**Plan description:** The Authority participates in Texas County and District Retirement System (TCDRS). TCDRS is a statewide, agent multiple-employer, public employee retirement system. TCDRS is a nonprofit public trust providing pension, disability and death benefits for the eligible employees of participating counties and districts. TCDRS was established by legislative act in 1967 under authority of Article XVI of the Texas Constitution. The TCDRS Act (Subtitle F, Title 8, Texas Government Code) is the basis for TCDRS administration. TCDRS issues a publicly available annual financial report that includes financial statements and required supplementary information for the plan. That annual report may be downloaded at <http://www.tcdrs.com>.

**Benefits provided:** Effective the date of participation, the Authority provides retirement, disability and death benefits. A percentage of each employee's paycheck is deposited into his or her TCDRS account. That percentage has been set by the Authority at 7% and has elected a matching rate of \$2 to \$1. The employee's savings grow at a rate of 7%, compounded annually. At retirement, the employee's account balance is combined with the Authority's matching and converted into a lifetime monthly benefit. Employees receive a month of service time for each month that they make a deposit into their account. The amount of service an employee needs to earn a future benefit is called the vesting requirement. When an employee is vested, he or she has the right to a monthly benefit, which includes the employer matching contribution, at age 60 or older.

The Authority adopted a 10 year/Age 60 Retirement Eligibility described in Section 844.207 of the TCDRS Act, under which: (a) any TCDRS member who has 10 or more years of service credit with the District and other subdivisions that have adopted the provisions of Section 844.207 or 844.210, is a vested member and shall have the right to retire and receive a service retirement annuity after attaining age 60, unless the optional 8 year/age 60 Retirement Eligibility and/or Optional Rule 75 Retirement Eligibility is adopted, as allowed by the plan. The Authority has adopted both the Optional 8 year/Age 60 Retirement Eligibility, which allows an 8-year service eligibility requirement for vesting, service, and disability retirement; and Optional Rule 75, which allows the member to have the right to retire and receive service retirement annuity when years of such credited service added to his or her years of attained age equal or exceed 75.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 7. Employee Retirement Plan (Continued)

Any TCDRS member who is a vested member may terminate employment with all participating subdivisions prior to attaining age 60, and remain eligible to retire and receive a service retirement annuity after attaining age 60 provided his or her membership is not terminated other than by retirement.

Any TCDRS member who is a vested member under Section 844.207(d) may retire and receive a disability retirement annuity if he or she is certified as disabled, as defined by the plan.

Any TCDRS member who has four or more years of service credit with the District and other subdivisions is eligible for purposes of the Survivor Annuity Death Benefit.

Retirees elect to receive their lifetime benefit by choosing one of seven actuarially equivalent payment options. Prior service gives employees monetary credit for time worked for an eligible organization before it joined the system. Buybacks allow current employees to re-establish a closed TCDRS account from previous service with an employer. Partial lump sum payments at retirement allow employees to withdraw part of their TCDRS account balance as a lump sum at retirement with a reduced monthly benefit. In addition, the Authority may choose to adopt a cost-of-living adjustment (COLA) for its retirees. This adjusts retiree benefits to restore purchasing power lost due to the effects of inflation.

**Employees covered by benefit terms:** The following employees were covered by the benefit terms as of the valuation date December 31:

	<u>2018</u>	<u>2017</u>
Inactive employees or beneficiaries currently receiving benefits	3	2
Inactive employees entitled to, but not yet receiving benefits	12	14
Active employees	28	25
Total	<u>43</u>	<u>41</u>

**Contributions:** Plan members and the Authority are required to contribute at a rate set by statute. The contribution requirements of plan members and the Authority are established and may be amended. For 2019 and 2018, the contribution rate for the plan members was 7% of gross pay. The Authority pays a matching portion to the pension plan totaling 14% of gross pay for 2019 and 2018, which totaled \$513,016 and \$475,880, respectively.

**Net pension asset:** The Authority's net pension asset was measured as of December 31, 2018 and 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

**Actuarial assumptions:** The actuarial assumptions that determined the total pension liability as of December 31, 2018 were based on the results of an actuarial experience study for the period January 1, 2013, through December 31, 2016, except where required to be different by GASB Statement No. 68.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 7. Employee Retirement Plan (Continued)

The total pension liability in the December 31, 2018 and 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>2018</u>	<u>2017</u>
Inflation	2.75%	2.75%
Salary increases (including inflation plus average merit of 1.6% and productivity of 0.5% for 2018 and 2017)	4.85%	4.85%
Investment rate of return	8.0%	8.1%

Mortality rates were based on the following.

**Depositing members:** For the December 31, 2018 and 2017 valuation, 90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.

**Service retirees, beneficiaries and nondepositing members:** For the December 31, 2018 valuation, 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

For the December 31, 2017 valuation, 110% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

**Disabled retirees:** For the December 31, 2018 and 2017 valuation, 130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

**Long-term rate of return on assets:** The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2017.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

#### Note 7. Employee Retirement Plan (Continued)

The capital market assumptions and information shown below are provided by TCDRS' investment consultant based on December 31, 2018, information for a seven- to 10-year time horizon.

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected Minus Inflation) (2)
United States Equities	Dow Jones U.S. Total Stock Market Index	10.5%	5.40%
Private Equity	Cambridge Associates Global Private Equity and Venture Capital Index (3)	18.0%	8.40%
Global Equities	MSCI World (net) Index	2.5%	5.70%
International Equities—Developed	MSCI World Ex USA (net)	10.0%	5.40%
International Equities—Emerging	MSCI EM Standard (net) index	7.0%	5.90%
Investment—Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.0%	1.60%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	12.0%	4.39%
Direct Lending	S&P/LSTA Leveraged Loan Index	11.0%	7.95%
Distressed Debt	Cambridge Associates Distressed Index (4)	2.0%	7.20%
REIT Equities	67% FTSE NAREIT Equity REITs Index plus 33% FRSE EPRA/NAREIT Global Real Estate Index	2.0%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.0%	5.35%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (5)	6.0%	6.30%
Hedge Funds	Hedge Fund Research, Inc. Fund of Funds Composite Index	13.0%	3.90%

The capital market assumptions and information shown below are provided by TCDRS' investment consultant based on December 31, 2017, information for a seven- to 10-year time horizon.

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected Minus Inflation) (2)
United States Equities	Dow Jones U.S. Total Stock Market Index	11.5%	4.55%
Private Equity	Cambridge Associates Global Private Equity and Venture Capital Index (3)	16.0%	7.55%
Global Equities	MSCI World (net) Index	1.5%	4.85%
International Equities—Developed	MSCI World Ex USA (net)	11.0%	4.55%
International Equities—Emerging	MSCI EM Standard (net) index	8.0%	5.55%
Investment—Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.0%	0.75%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	8.0%	4.12%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.0%	8.06%
Distressed Debt	Cambridge Associates Distressed Index (4)	2.0%	6.30%
REIT Equities	67% FTSE NAREIT Equity REITs Index plus 33% FRSE EPRA/NAREIT Global Real Estate Index	2.0%	4.05%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.0%	6.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (5)	6.0%	6.25%
Hedge Funds	Hedge Fund Research, Inc. Fund of Funds Composite Index	18.0%	4.10%

- (1) Target asset allocation adopted at the April 2019 and 2018 TCDRS Board meetings.
- (2) Geometric real rates of return in addition to assumed inflation of 1.7% and 1.95%, respectively, per investment consultant's 2019 and 2018 capital market assumptions.
- (3) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.
- (4) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.
- (5) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.



**Central Texas Regional Mobility Authority**

**Notes to Financial Statements  
June 30, 2019 and 2018**

**Note 7. Employee Retirement Plan (Continued)**

**Discount rate:** The discount rate used to measure the total pension liability was 8.1% for both December 31, 2018 and 2017. In order to determine the discount rate to be used by the employer, the TCDRS used an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act.

- (1) TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability shall be amortized as a level percent of pay over 20-year closed layered periods.
- (2) Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.
- (3) The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.
- (4) Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

**Changes in net pension liability (asset):** Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the Authority is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB Statement No. 68 purposes. Therefore, the system has used a discount rate of 8.1%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.0%, net of all expenses, increased by 0.1% to be gross of administrative expenses.

**Changes in Net Pension Liability (Asset) 2019**

Changes in Net Pension Liability (Asset)	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances as of June 30, 2018	\$ 6,803,849	\$ 7,630,246	\$ (826,397)
Changes for the year:			
Service cost	623,080	-	623,080
Interest on total pension liability (1)	599,756	-	599,756
Effect of plan changes (2)	-	-	-
Effect of economic/demographic (gains) or losses	32,484	-	32,484
Refund of contributions	(286)	(286)	-
Benefit payments	(44,123)	(44,123)	-
Administrative expenses	-	(6,579)	6,579
Member contributions	-	242,056	(242,056)
Net investment income	-	(134,521)	134,521
Employer contributions	-	484,115	(484,115)
Other (3)	-	21,078	(21,078)
Balances as of June 30, 2019	<u>\$ 8,014,760</u>	<u>\$ 8,191,986</u>	<u>\$ (177,226)</u>

Central Texas Regional Mobility Authority

Notes to Financial Statements  
June 30, 2019 and 2018

Note 7. Employee Retirement Plan (Continued)

Changes in Net Pension Liability (Asset)	Changes in Net Pension Liability (Asset) 2018		
	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances as of June 30, 2017	\$ 5,719,320	\$ 6,074,459	\$ (355,139)
Changes for the year:			
Service cost	621,685	-	621,685
Interest on total pension liability (1)	512,318	-	512,318
Effect of plan changes (2)	-	-	-
Effect of economic/demographic gains or losses	(34,008)	-	(34,008)
Effect of assumptions changes or inputs	15,820	-	15,820
Refund of contributions	(16,897)	(16,897)	-
Benefit payments	(14,389)	(14,389)	-
Administrative expenses	-	(5,074)	5,074
Member contributions	-	228,848	(228,848)
Net investment income	-	897,084	(897,084)
Employer contributions	-	457,484	(457,484)
Other (3)	-	8,731	(8,731)
Balances as of June 30, 2018	\$ 6,803,849	\$ 7,630,246	\$ (826,397)

- (1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.
- (2) Reflects new annuity purchase rates applicable to all TCDRS employees effective January 1, 2019.
- (3) Relates to allocation of system-wide items.

**Sensitivity analysis:** The following presents the net pension asset/liability of the Authority, calculated using the discount rate of 8.1%, as well as what the net pension asset/liability would be if it were calculated using a discount rate that is 1%age point lower (7.1%) or 1%age point higher (9.1%) than the current rate.

	June 30, 2019		
	Current		
	1.0% Decrease 7.1%	Discount Rate 8.1%	1.0% Increase 9.1%
Total pension liability	\$ 9,016,714	\$ 8,014,760	\$ 7,162,077
Fiduciary net position	8,191,226	8,191,986	8,191,226
Net pension liability (asset)	825,488	(177,226)	(1,029,149)
	June 30, 2018		
	Current		
	1.0% Decrease 7.1%	Discount Rate 8.1%	1.0% Increase 9.1%
Total pension liability	\$ 7,670,245	\$ 6,803,849	\$ 6,068,401
Fiduciary net position	7,630,246	7,630,246	7,630,246
Net pension liability (asset)	39,999	(826,397)	(1,561,845)

**Central Texas Regional Mobility Authority**

**Notes to Financial Statements  
June 30, 2019 and 2018**

**Note 7. Employee Retirement Plan (Continued)**

**Pension plan fiduciary net position:** Detailed information about the pension plan's fiduciary net position is available in the separate issued TCDRS report.

**Pension expense:** the Authority recognized the following pension related expense (income):

<b>Pension Expense (Income)</b>	<b>June 30</b>	
	<b>2019</b>	<b>2018</b>
Service cost	\$ 623,080	\$ 621,685
Interest on total pension liability (1)	599,756	512,318
Effect of plan changes	-	-
Administrative expenses	6,579	5,074
Member contributions	(242,056)	(228,848)
Expected investment return net of investment expenses	(645,638)	(518,128)
Recognition of deferred inflows/outflows of resources:		
Recognition of economic/demographic gains or losses	(34,329)	(37,577)
Recognition of assumption changes or inputs	6,429	6,429
Recognition of investment gains or losses	221,333	65,301
Other (2)	(21,078)	(8,731)
<b>Pension expense</b>	<b>\$ 514,076</b>	<b>\$ 417,523</b>

(1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(2) Relates to allocation of system-wide items.

**Deferred inflows and outflows of resources:** the deferred inflows and outflows of resources are as follows:

<b>Deferred Inflows/ Outflows of Resources</b>	<b>June 30, 2019</b>		<b>June 30, 2018</b>	
	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Differences between expected and actual experience	\$ 235,911	\$ 52,701	\$ 278,184	\$ 28,161
Changes of assumptions	-	35,661	-	42,090
Net difference between projected and actual earnings	-	533,183	-	(25,643)
Contributions made subsequent to measurement date	-	274,688	-	245,788
	<b>\$ 235,911</b>	<b>\$ 896,233</b>	<b>\$ 278,184</b>	<b>\$ 290,396</b>

**Central Texas Regional Mobility Authority**

**Notes to Financial Statements  
June 30, 2019 and 2018**

**Note 7. Employee Retirement Plan (Continued)**

Contributions made subsequent to the measurement date are eligible employer contributions made from January 1, 2019, through June 30, 2019. Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Years ending June 30:

2020	177,284
2021	63,829
2022	52,341
2023	128,131
2024	(27,900)
Thereafter	(8,051)
	\$ 385,634

The remaining balance to be recognized in future years (and included in the thereafter category), if any, will be impacted by additional future deferred inflows and outflows of resources.

**Schedule of Deferred Inflows and Outflows of Resources**

	Original Amount	Date Established	Original Recognition Period	Amount Recognized in 6/30/19 Expenses (1)	Balance of Deferred Inflows 6/30/2019	Balance of Deferred Outflows 6/30/2019
Investment (gains) losses	\$ 780,159	12/31/2018	5 years	\$ 156,032	\$ -	\$ 624,127
Investment (gains) losses	(378,957)	12/31/2017	5 years	(75,791)	(227,374)	-
Investment (gains) losses	57,439	12/31/2016	5 years	11,488	-	22,976
Investment (gains) losses	567,272	12/31/2015	5 years	113,454	-	113,454
Investment (gains) losses	80,751	12/31/2014	5 years	16,150	-	-
Economic/demographic (gains) or losses	32,484	12/31/2018	10 years	3,248	-	29,236
Economic/demographic (gains) or losses	(34,008)	12/31/2017	9 years	(3,779)	(26,450)	-
Economic/demographic (gains) or losses	(152,926)	12/31/2016	9 years	(16,992)	(101,950)	-
Economic/demographic (gains) or losses	(193,519)	12/31/2015	9 years	(21,502)	(107,511)	-
Economic/demographic (gains) or losses	46,958	12/31/2014	10 years	4,696	-	23,465
Assumption changes or inputs	15,820	12/31/2017	9 years	1,758	-	12,305
Assumption changes or inputs	42,041	12/31/2015	9 years	4,671	-	23,356

(1) Investment (gains)/losses are recognized in pension expense over a period of five years; economic/demographic (gain)/losses and assumption changes or inputs are recognized over the average remaining service life for all active, inactive and retired members.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 8. Disaggregation of Receivable and Payable Balances

Due from other governments are comprised of current intergovernmental receivables and amounts due from other Texas tolling authorities related to toll tag transactions on the Authority's toll roads. The Authority does not issue toll tags; however, the Authority has contracted with TxDOT and other tolling entities located both within and outside the State of Texas to handle customer service and operations related to the toll tag transactions at June 30, 2019 and 2018. Accounts payable balances are comprised of 100% current payables to contractors and vendors at June 30, 2019 and 2018.

As of June 30, 2019 and 2018, the receivable from TxDOT comprises approximately 51% and 19%, respectively, and the total balances are as follows:

	June 30	
	2019	2018
TxDOT	\$ 6,242,909	\$ 845,325
Other governments	6,103,080	3,491,582
Total	<u>\$ 12,345,989</u>	<u>\$ 4,336,907</u>

#### Note 9. Commitments and Contingent Liabilities

**Commitments:** In May 2014, the Authority entered into a 10-year lease agreement for office space which was amended in April 2019. The aggregate future minimum lease payments under the new lease are as follows:

Years ending December 31:	
2020	487,878
2021	503,162
2022	518,552
2023	453,784
	<u>\$ 1,963,376</u>

The Authority's rental expense for fiscal year 2019 and 2018 totaled \$591,991 and \$527,968, respectively, which includes common area maintenance and property taxes.

The Authority has a capital improvement program for roadway construction projects extending into future years. As of June 30, 2019 and 2018, the Authority has a capital budget of approximately \$2.035 billion and \$1.198 billion, respectively, for future toll projects, which may or may not materialize. Including the 183 South Project and the 290 E Phase III Project which are the most significant ongoing projects, the Authority's contractual commitments related to its capital improvement plan are approximately \$242.0 million and \$464.0 million, respectively, for the years ended June 30, 2019 and 2018. All contracts contain a termination for convenience clause in which such contracts may be terminated, in whole or in part, for the convenience of the Authority.

## Central Texas Regional Mobility Authority

### Notes to Financial Statements June 30, 2019 and 2018

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#### Note 9. Commitments and Contingent Liabilities (Continued)

**CAMPO Interlocal Agreement:** Capital Area Metropolitan Planning Organization (CAMPO) is the designated metropolitan planning organization for Central Texas. As part of the designated planning organization, CAMPO received approximately \$136 million in grant funds of which \$130 million was allocated to the MoPac Improvement Project. The funding received was made available for transportation projects in the Austin area. As part of the construction of the MoPac Improvement Project, the Authority executed an agreement with CAMPO. The executed agreement calls for the sharing of surplus revenue generated from the MoPac Improvement Project by setting up a Regional Infrastructure Fund (RIF) account. The RIF account was created upon execution of the agreement with CAMPO. On September 1, 2017, the Authority made the initial deposit and made a second deposit on September 1, 2018, each in the amount of \$2 million into the RIF account from the surplus revenue from the MoPac Improvement Project. The amounts placed in the RIF account in accordance with the agreement are to be used to fund other CAMPO identified transportation projects in the region. As of June 30, 2019 and 2018, the Authority has a payable RIF balance of \$4,000,000 and \$2,000,000, respectively, which will be deposited into the RIF account. The remaining commitment to the RIF account is dependent upon there being surplus revenue of the MoPac Improvement Project in the future such that the remaining amount payable to the RIF account pursuant to the CAMPO agreement of \$228 million, may be paid through fiscal year 2041.

**Litigation:** As of June 30, 2019 and 2018, the Authority is involved in various contract disputes on its construction projects. Based on the status of the claims and the information available, the Authority believes that a liability has not been incurred as of the date of the financial statements. The Authority believes it has substantial defenses against these claims and the resolution of these matters will not have a material adverse effect on its financial statements.

#### Note 10. Authority's Tolling System Disclosure

During fiscal year 2018 and 2019, the Authority had non-Tolling System assets generating revenue (the MoPac Improvement Project) and non-Tolling System assets under construction (the SH 45 Southwest Project). For fiscal year 2019 and 2018, activity of the MoPac Improvement Project consisted of approximately 12.6 million and 7.4 million transactions, respectively, and approximately \$17.5 million and \$8.5 million in revenue, respectively. There was approximately \$19,000 in activity for the SH 45 Southwest Project for the periods presented because such project was not fully opened to tolled traffic until after June 30, 2019.

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for defined activities in the notes to the financial statements. For purposes of this disclosure, a segment is an identifiable activity reported as or within an enterprise fund or an other stand-alone entity for which one or more revenue bonds or other revenue-backed debt instruments outstanding with a revenue pledge to support that debt. In addition, the activities, revenue, expenses, gains and losses, assets and liabilities are required to be accounted for separately. The requirement for separate accounting for the Authority's Tolling System is also imposed by the bond indenture. A segment has a specific identifiable revenue stream pledged in support of revenue bonds or other revenue backed debt and has related expenses, gains and losses, assets, and liabilities that can be identified.

**Central Texas Regional Mobility Authority**

**Notes to Financial Statements  
June 30, 2019 and 2018**

**Note 10. Authority's Tolling System Disclosure (Continued)**

The following condensed financial information for the Authority's Tolling System activities are presented below:

**Statement of Net Position**

<b>Assets and Deferred Outflows</b>	<b>June 30</b>	
	<b>2019</b>	<b>2018</b>
Current assets	\$ 195,283,863	\$ 75,898,630
Restricted assets	342,618,197	300,624,180
Pension asset	177,226	826,397
Capital assets	1,466,379,876	1,378,573,371
Total assets	<u>2,004,459,162</u>	<u>1,755,922,578</u>
Deferred outflows of resources	107,391,830	108,056,556
Total assets and deferred outflows of resources	<u>\$ 2,111,850,992</u>	<u>\$ 1,863,979,134</u>
<b>Liabilities and Deferred Inflows</b>		
Current liabilities	\$ 61,319,458	\$ 81,222,707
Noncurrent liabilities	1,652,181,761	1,394,919,854
Total liabilities	<u>1,713,501,219</u>	<u>1,476,142,561</u>
Deferred inflows of resources	235,911	278,184
Total liabilities and deferred inflows of resources	<u>1,713,737,130</u>	<u>1,476,420,745</u>
Net position:		
Total net position	<u>398,113,862</u>	<u>387,558,389</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 2,111,850,992</u>	<u>\$ 1,863,979,134</u>

**Statements of Revenues, Expenses and Changes in Net Position**

	<b>June 30</b>	
	<b>2019</b>	<b>2018</b>
Operating revenues	\$ 90,792,518	\$ 84,756,778
Operating expenses, including depreciation and amortization	52,366,847	49,738,897
Operating income	<u>38,425,671</u>	<u>35,017,881</u>
Total net nonoperating revenues (expenses)	<u>(32,802,597)</u>	<u>(31,363,082)</u>
Change in net position—before capital grants and contributions	5,623,074	3,654,799
Capital grants and contributions, net of TxDOT adjustment	4,932,399	(14,289,985)
Change in net position	<u>10,555,473</u>	<u>(10,635,186)</u>
Total net position at beginning of year	387,558,389	398,193,575
Total net position at end of year	<u>\$ 398,113,862</u>	<u>\$ 387,558,389</u>

**Central Texas Regional Mobility Authority**

**Notes to Financial Statements  
June 30, 2019 and 2018**

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**Note 10. Authority's Tolling System Disclosure (Continued)**

**Statement of Cash Flows**

	<b>June 30</b>	
	<b>2019</b>	<b>2018</b>
Net cash flows provided by operating activities	\$ 65,414,912	\$ 57,417,921
Net cash flows provided by capital and related financing activities	70,159,337	(186,251,682)
Net cash flows used in investing activities	<u>(81,822,444)</u>	<u>87,012,957</u>
Net decrease in cash and cash equivalents	53,751,805	(41,820,804)
Cash and cash equivalents at beginning of year	<u>159,439,970</u>	<u>201,260,774</u>
Cash and cash equivalents at end of year	<u><u>\$ 213,191,775</u></u>	<u><u>\$ 159,439,970</u></u>

**Note 11. Subsequent Events**

Subsequent events have been evaluated through October 8, 2019, the date the financial statements were available to be issued.



**Central Texas Regional Mobility Authority**

**Required Supplementary Information—Pension Plan  
Schedule of Changes in Net Pension Assets and Related Ratios  
As of Years Ended June 30**

	2019	2018	2017	2016	2015
Total pension liability:					
Service cost	\$ 623,080	\$ 621,685	\$ 636,083	\$ 474,778	\$ 461,237
Interest on total pension liability	599,756	512,318	417,633	361,003	295,209
Effect of plan changes	-	-		(33,691)	-
Effect of assumption changes or inputs	32,484	(34,008)		42,041	-
Effect of economic/demographic (gains) or losses	-	15,820	(152,926)	(193,519)	46,943
Benefit payments/refunds of contributions	(44,409)	(31,286)	(51,685)	(2,211)	-
<b>Net change in total pension liability</b>	<b>1,210,911</b>	<b>1,084,529</b>	<b>849,105</b>	<b>648,401</b>	<b>803,389</b>
<b>Total pension liability at beginning of year</b>	<b>6,803,849</b>	<b>5,719,320</b>	<b>4,870,215</b>	<b>4,221,814</b>	<b>3,418,425</b>
<b>Total pension liability at end of year (a)</b>	<b>8,014,760</b>	<b>6,803,849</b>	<b>5,719,320</b>	<b>4,870,215</b>	<b>4,221,814</b>
Fiduciary net position:					
Employer contributions	484,115	457,484	422,157	361,493	327,807
Member contributions	242,056	228,848	211,078	180,742	163,979
Investment income net of investment expense	(134,521)	897,084	378,134	(162,009)	261,626
Benefit payments/refunds of contributions	(44,409)	(31,286)	(51,685)	(2,211)	-
Administrative expenses	(6,579)	(5,074)	(4,111)	(3,541)	(3,345)
Other	21,078	8,731	46,648	1,713	(242)
<b>Net change in fiduciary net position</b>	<b>561,740</b>	<b>1,555,787</b>	<b>1,002,221</b>	<b>376,187</b>	<b>749,825</b>
Fiduciary net position at beginning of year	7,630,246	6,074,459	5,072,238	4,696,051	3,946,226
Fiduciary net position at end of year (b)	8,191,986	7,630,246	6,074,459	5,072,238	4,696,051
<b>Net pension asset at end of year = (a) - (b)</b>	<b>\$ (177,226)</b>	<b>\$ (826,397)</b>	<b>\$ (355,139)</b>	<b>\$ (202,023)</b>	<b>\$ (474,237)</b>
Fiduciary net position as a percentage of total pension liability	102.21%	112.15%	106.21%	104.15%	111.23%
Pensionable covered payroll	\$ 3,457,946	\$ 3,269,251	\$ 3,015,395	\$ 2,582,032	\$ 2,342,556
Net pension liability (asset) as a percentage of covered payroll	(5.13%)	(25.28%)	(11.78%)	(7.82%)	(20.24%)

The Schedule of Changes in Net Pension Assets and related Ratio disclosure is required for 10 years. The schedule noted above is only for the years which the new GASB Statements have been implemented.

**Central Texas Regional Mobility Authority**

**Required Supplementary Information—Pension Plan (Continued)  
 Schedule of Employer Contributions  
 As of June 30,**

<b>Year Ending</b>	<b>Actuarially Determined Contribution (1)</b>	<b>Actual Employer Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll (2)</b>	<b>Actual Contribution as a Percentage of Covered Payroll</b>
2010	\$ 208,394	\$ 224,770	\$ (16,376)	\$ 1,605,503	14.0%
2011	212,249	235,472	(23,223)	1,623,942	14.5%
2012	248,565	270,179	(21,614)	1,863,303	14.5%
2013	251,978	286,786	(34,808)	2,048,602	14.0%
2014	261,182	304,447	(43,265)	2,174,701	14.0%
2015	284,621	327,807	(43,186)	2,341,479	14.0%
2016	302,614	339,408	(36,794)	2,424,343	14.0%
2017	341,041	446,675	(105,634)	3,190,536	14.0%
2018	383,156	475,880	(92,724)	3,399,143	14.0%
2019	402,505	513,015	(110,510)	3,664,393	14.0%

(1) TCDRS calculates actuarially determined contributions on a calendar year basis. GASB No. 68 indicates the Authority should report contribution amounts on a fiscal year basis.

(2) Payroll is calculated based on contributions as reported for the fiscal year to TCDRS.

**Central Texas Regional Mobility Authority**

**Required Supplementary Information—Pension Plan (Continued)  
Notes to Schedule of Employer Contributions and Net Pension Liability  
June 30, 2019 and 2018**

**Actuarial methods and assumptions used:** Following are the key assumptions and methods used in determining the actuarially determined contribution:

<p><b>Valuation Timing</b></p>	<p>Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.</p>
<p><b>Actuarial Cost Method</b></p>	<p>Individual entry age normal cost method, as required by GASB Statement No. 68, used for GASB calculations. A slightly different version of the entry age normal cost method is used for the funding actuarial valuation.</p>
<p><b>Asset Valuation Method</b> Smoothing period Recognition method Corridor</p>	<p>5 years Non-asymptotic None</p>
<p><b>Economic Assumptions</b> Inflation Salary increases  Investment rate of return  COLAs</p>	<p>2.75% 4.85% (made up of 2.75% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.6% per year for a career employee.  8.1%  COLAs for the Authority are not considered to be substantively automatic under GASB Statement No. 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.</p>

Central Texas Regional Mobility Authority

Required Supplementary Information—Pension Plan (Continued)  
 Notes to Schedule of Employer Contributions and Net Pension Liability  
 June 30, 2019 and 2018

Demographic assumptions—related to December 31, 2018 valuation:

Annual Rates of Service Retirement*					
Retirement Age	Male	Female	Age	Male	Female
40-44	4.5%	4.5%	62	20%	20%
45-49	9	9	63	15	15
50	10	10	64	15	15
51	9	9	65	25	25
52	9	9	66	25	25
53	9	9	67	22	22
54	10	10	68	20	20
55	10	10	69	20	20
56	10	10	70	22	22
57	10	10	71	22	22
58	12	12	72	22	22
59	12	12	73	22	22
60	12	12	74 **	22	22
61	12	12			

\* Deferred members are assumed to retire (100% probability) at the later of: a) age 60 b) earliest retirement eligibility.

\*\* For all eligible members ages 75 and later, retirement is assumed to occur immediately.

**Other terminations of employment:** The rate of assumed future termination from active participation in the plan for reasons other than death, disability or retirement are all set at 0% and the rates do not vary by length of service, entry-age group (age at hire), and sex. No termination after eligibility for retirement is assumed.

**Central Texas Regional Mobility Authority**

**Required Supplementary Information—Pension Plan (Continued)  
Notes to Schedule of Employer Contributions and Net Pension Liability  
June 30, 2019 and 2018**

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**Withdrawals:** Members who terminate may either elect to leave their account with TCDRS or withdraw their funds. The probability that a member elects a withdrawal varies by length of service and vesting schedule. Rates applied to your plan are shown in table below. For nondepositing members who are not vested, 100% are assumed to elect a withdrawal.

<b>Probability of Withdrawal</b>			
<b>Years of Service</b>	<b>Probability</b>	<b>Years of Service</b>	<b>Probability</b>
0	100%	15	40%
1	100	16	38
2	100	17	36
3	100	18	33
4	100	19	30
5	50	20	28
6	49	21	26
7	48	22	24
8	47	23	22
9	46	24	20
10	45	25	18
11	44	26	16
12	43	27	14
13	42	28	12
14	41	29*	10

\*Members with more than 29 years of service are not assumed to refund.

**Central Texas Regional Mobility Authority**

**Supplementary Information—Indenture Cash Flow and Debt Service Coverage  
June 30, 2019**

Toll revenues *		\$ 90,747,656
Miscellaneous revenue *		44,862
Interest income available to pay debt service		5,273,584
<b>Total revenues</b>		<u>96,066,102</u>
Less system operating expenses		<u>(21,146,807)</u>
Revenues available for rate covenant and additional bonds tests		74,919,295
Net senior lien debt service	\$ 29,085,011	
Net subordinate lien debt service	<u>11,019,963</u>	
<b>Total net debt service</b>		<u>40,104,974</u>
Debt service coverage ratios for rate covenant and additional bonds test:		
Senior lien obligations	2.58	
Senior and subordinate lien obligations	1.87	
Less system maintenance expenses		<u>(3,082,592)</u>
<b>Revenues available for debt service</b>		<u>71,836,703</u>
Debt service coverage ratios for revenues available for debt service:		
Senior lien obligations	2.47	
Senior and subordinate lien obligations	1.79	
Less total net debt service		(40,104,974)
Less deposits to renewal and replacement fund		-
Less debt service payments on other obligations		<u>-</u>
<b>Annual excess</b>		<u><u>\$ 31,731,729</u></u>

\*Total operating revenue for segment reporting of \$90,792,518 consist of toll and miscellaneous revenue.



**Exhibit C**

**Federal Awards Compliance Report**



# Central Texas Regional Mobility Authority

Federal Awards Compliance Report  
Year Ended June 30, 2019

## Contents

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RSM US LLP

**Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in  
Accordance With *Government Auditing Standards***

**Independent Auditor's Report**

To the Board of Directors  
Central Texas Regional Mobility Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Central Texas Regional Mobility Authority (the Authority) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 8, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and the Public Funds Investment Act, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Public Funds Investment Act.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RSM US LLP*

Austin, Texas  
October 8, 2019



RSM US LLP

**Report on Compliance For the Major Federal Program, Report on Internal Control Over Compliance and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

**Independent Auditor's Report**

To the Board of Directors  
Central Texas Regional Mobility Authority

**Report on Compliance for the Major Federal Program**

We have audited Central Texas Regional Mobility Authority's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended June 30, 2019. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with the federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

**Opinion on the Major Federal Program**

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

### **Report on Internal Control Over Compliance**

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the Authority as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We have issued our report thereon dated October 8, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*RSM US LLP*

Austin, Texas  
October 8, 2019

**Central Texas Regional Mobility Authority**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2019**

Federal Grantor/Program Title	Federal CFDA Number	Pass Through Entity Grant Award Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Department of Transportation</b>				
<b>Highway Planning and Construction Cluster:</b>				
<i>Passed through Texas Department of Transportation:</i>				
Highway Planning and Construction—MoPac	20.205	CSJ 3136-01-107	\$ -	\$ 12,758,450
Highway Planning and Construction—US290W Project	20.205	0113-08-060	-	159,889
Highway Planning and Construction—Multi Projects Grant	20.205	CSJ #3136-01-107; 0151-09-036 0151-09-127; 0265-01-080; 0113-08-060	-	1,760,000
<b>Total Highway Planning and Construction Cluster</b>			-	14,678,339
<b>U.S. Department of Transportation</b>				
Transportation Infrastructure Finance and Innovation Act—TIFIA				
183 South	20.223		-	261,787,188
290E Phase III Project	20.223		-	50,000
<b>Total Federal Expenditures</b>			<b>\$ -</b>	<b>\$ 276,515,527</b>

See notes to Schedule of Expenditures of Federal Awards.

## Central Texas Regional Mobility Authority

### Note to Schedule of Expenditures of Federal Awards Year Ended June 30, 2019

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#### Note 1. Summary of Significant Accounting Policies

**Reporting entity:** The Schedule of Expenditures of Federal Awards (the Schedule) includes the activity of all federal programs administered by Central Texas Regional Mobility Authority (the Authority). Because this schedule presents only a selected portion of the operations of the Authority, it is not intended to, and does not, present the financial position, changes in net position or cash flows of the Authority.

**Basis of presentation:** The Schedule presents total federal awards expended for each individual program and CFDA number in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance).

**Basis of accounting:** The expenditures for each of the federal financial assistance programs are presented on the accrual basis of accounting for the Authority's fiscal year. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State and Local and Governments*, or the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. In accordance with the Uniform Guidance, the Authority did not apply or use the 10 percent de minimis cost rate as defined by the Uniform Guidance for the period ending June 30, 2019.

**Loan and loan guarantees—Transportation Infrastructure Finance and Innovation Act (TIFIA):** The United States Department of Transportation provided a secured loan to the Authority of \$282,220,885 to pay or reimburse a portion of the 183 South Toll Project and \$46,940,400 for the Manor Expressway 290E Phase III. The secured loan agreements were entered into pursuant to the provisions of TIFIA, and the loans will be repaid with toll revenues from the Toll System.

As of June 30, 2019, the Authority submitted \$282,270,885 in draw requests as eligible project cost which included the initial draw on the 290E Phase III Project of \$50,000. Of the total draws, the final loan draw for the 183 South Toll Project was submitted prior to June 30, 2019 but was not reimbursed until July 15, 2019, in the amount of \$57,770,819. The Authority's Schedule for the period ending June 30, 2018 reflected \$20,433,697. The Schedule as of June 30, 2019 reflects the eligible construction cost for the remaining balance of \$261,787,188 for the 183 South Toll Project and \$50,000 for the 290E Phase III Project. The TIFIA loan proceeds expended on eligible project expenditures are subject to the *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and are included in the Schedule of Expenditures of Federal Awards.

The TIFIA loan balance as of June 30, 2019 is \$224,500,066, excluding capitalized interest of \$5,852,525.



**Central Texas Regional Mobility Authority**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2019**

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**Section I**

Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ Yes  X  No

Significant deficiency(ies) identified? \_\_\_\_\_ Yes  X  None Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes  X  No

2. Federal Awards

Internal control over major federal program:

Material weakness(es) identified? \_\_\_\_\_ Yes  X  No

Significant deficiency(ies) identified? \_\_\_\_\_ Yes  X  None Reported

Type of auditor's report issued on compliance for the major federal program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516 (a) \_\_\_\_\_ Yes  X  No

Identification of major federal program:

CFDA Number(s)  
20.223

Name of Federal Program or Cluster  
Transportation Infrastructure Finance and Innovation Act (TIFIA) Program

Dollar threshold used to distinguish between type A and type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee?  X  Yes \_\_\_\_\_ No

**Section II**

Financial Statement Findings

None reported

**Section III**

Federal Award Finding and Questioned Costs

None reported

**Central Texas Regional Mobility Authority**

**Schedule of Prior Audit Findings  
Year Ended June 30, 2019**

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Prior-Year Federal Award Finding and Questioned Costs

None reported



**Exhibit D**

**State Awards Compliance Report**

# Central Texas Regional Mobility Authority

State Awards Compliance Report  
Year Ended June 30, 2019

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RSM US LLP

**Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an  
Audit of Financial Statements Performed in Accordance  
With Government Auditing Standards**

**Independent Auditor's Report**

To the Board of Directors  
Central Texas Regional Mobility Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Central Texas Regional Mobility Authority (the Authority) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 8, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and the Public Funds Investment Act, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Public Funds Investment Act.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RSM US LLP*

Austin, Texas  
October 8, 2019





RSM US LLP

**Report on Compliance for Each Major State Program,  
Report on Internal Control Over Compliance and Report on  
Schedule of Expenditures of State Awards Required by the  
State of Texas *Uniform Grant Management Standards***

**Independent Auditor's Report**

To the Board of Directors  
Central Texas Regional Mobility Authority

**Report on Compliance for each of the Major State Programs**

We have audited Central Texas Regional Mobility Authority's (the Authority) compliance with the types of compliance requirements described in the state of Texas *Uniform Grant Management Standards* (UGMS) that could have a direct and material effect on each of the Authority's major State programs for the year ended June 30, 2019. The Authority's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with state statutes, regulations, contracts and terms and conditions of its state awards applicable to its state programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for the Authority's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the UGMS. Those standards and the UGMS require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major state programs. However, our audit does not provide a legal determination of the Authority's compliance.

**Opinion on each of the Major State Programs**

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of the major state programs for the year ended June 30, 2019.

### **Report on Internal Control Over Compliance**

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on each of the major state programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each of the major state programs and to test and report on internal control over compliance in accordance with the UGMS, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the UGMS. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of State Awards Required by the State of Texas *Uniform Grant Management Standards***

We have audited the financial statements of the Authority as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We have issued our report thereon dated October 8, 2019, which contained an unmodified opinion on those basic financial statements. Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The accompanying Schedule of Expenditures of State Awards is presented for purposes of additional analysis as required by the UGMS and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of State Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*RSM US LLP*

Austin, Texas  
October 8, 2019

**Central Texas Regional Mobility Authority**

**Schedule of Expenditures of State Awards  
Year Ended June 30, 2019**

State Grantor/Program Title	State Grant Award Number	Passed Through to Subrecipients	State Expenditures
<b>Texas Department of Transportation:</b>			
US290W Scenic Brook to Joe Tanner Grant	CSJ 0113-08-060	\$ -	\$ 39,972
MoPac Improvement Project	CSJ 3136-01-107	-	3,189,613
MoPac South Project Environmental Assessment	CSJ 3136-01-176	-	1,001,314
Highway Planning and Construction—Multi Projects Grant	CSJ #3136-01-107; 0151-09-036 0151-09-127; 0265-01-080; 0113-08-060	-	440,000
<b>Total state expenditures</b>		<b>\$ -</b>	<b>\$ 4,670,899</b>

See notes to Schedule of Expenditures of State Awards.

## Central Texas Regional Mobility Authority

### Note to Schedule of Expenditures of State Awards Year Ended June 30, 2019

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#### Note 1. Summary of Significant Accounting Policies

**Reporting entity:** The Schedule of Expenditures of State Awards (the Schedule) includes the activity of all state programs administered by Central Texas Regional Mobility Authority (the Authority). Because this Schedule presents only a selected portion of the operations of the Authority, it is not intended to, and does not, present the financial position, changes in net position or cash flows of the Authority.

**Basis of presentation:** The Schedule presents total state awards expended for each individual program in accordance with the Texas *Uniform Grant Management Standards*.

**Basis of accounting:** The expenditures for each of the state financial assistance programs are presented on the accrual basis of accounting for the Authority's fiscal year. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State and Local and Governments*, or the cost principles contained in the Texas *Uniform Grant Management Standards*, Cost Principles and Audit Requirements for State Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. In accordance with the UGMS, the Authority did not apply or use an indirect cost rate as defined by UGMS for the period ending June 30, 2019.

**Loan and loan guarantees:** The Authority has no loan or loan guarantees.

**Central Texas Regional Mobility Authority**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2019**

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**Section I**

Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued on whether the financial statements were presented in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ Yes       X  No

Significant deficiency(ies) identified?

\_\_\_\_\_ Yes       X  None Reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes       X  No

2. State Awards

Internal control over major state programs:

Material weakness(es) identified?

\_\_\_\_\_ Yes       X  No

Significant deficiency(ies) identified?

\_\_\_\_\_ Yes       X  None Reported

Type of auditor's report issued on compliance for the major state programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the *State of Texas Single Audit Circular*

\_\_\_\_\_ Yes       X  No

Identification of major state programs:

State Award Number(s)  
CSJ 3136-01-107

Name of State Program or Cluster  
MoPac Improvement Project

CSJ 3136-01-176

MoPac South Project Environmental Assessment

Dollar threshold used to distinguish between type A and type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

X  Yes      \_\_\_\_\_ No

**Section II**

Financial Statement Findings

None reported

**Section III**

State Award Finding and Questioned Costs

None reported

**Central Texas Regional Mobility Authority**

**Schedule of Prior Audit Findings  
Year Ended June 30, 2019**

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Prior Year State Award Finding and Questioned Costs

None reported



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

**RESOLUTION NO. 19-054**

**APPROVE AND INTERLOCAL AGREEMENT WITH THE  
NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY FOR  
PAY BY MAIL RECEIVABLES MANAGEMENT SERVICES**

WHEREAS, by Resolution No. 07-71 dated December 7, 2007, the Board approved an agreement with Municipal Services Bureau (MSB) to provide Pay By Mail processing, violation processing, collections, and customer support for the Central Texas Regional Mobility Authority (Mobility Authority); and

WHEREAS, in August 2018, MSB officially concluded its services to the Mobility Authority as the Mobility Authority completed its transition to a new service provider going forward; and

WHEREAS, at the conclusion of the MSB agreement, certain accounts receivable related to the Mobility Authority's operation of a toll road system remained outstanding, including unpaid tolls, processing fees, and administrative fees occurring prior to November 18, 2018; and

WHEREAS, effective as of September 12, 2019, the North East Texas Regional Mobility Authority (NET RMA) entered into a contract with Southwest Credit Systems, L.P. (SWC) for Pay By Mail receivables management services; and

WHEREAS, NET RMA staff and the Mobility Authority staff have developed a proposed interlocal agreement under which the NET RMA, through SWC, will provide the Mobility Authority payment processing and receivables management services for the collection of the Mobility Authority's unpaid tolls and administrative fees occurring prior to November 18, 2018; and

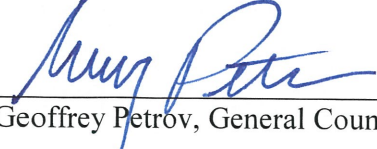
WHEREAS, the Executive Director recommends that the Board approve the proposed interlocal agreement with NET RMA in the form or substantially the same form attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors hereby approves the entry into an interlocal agreement with NET RMA for Pay By Mail receivables management services in the form or substantially same the form attached hereto as Exhibit A; and

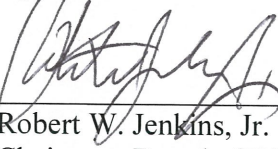
BE IT FURTHER RESOLVED that the Executive Director is authorized to finalize and execute the interlocal agreement with NET RMA on behalf of the Mobility Authority.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2019.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Robert W. Jenkins, Jr.  
Chairman, Board of Directors



**Exhibit A**

## **INTERLOCAL AGREEMENT**

**THIS INTERLOCAL AGREEMENT** (the “Agreement”) is made and entered into effective as of the \_\_\_\_ day of November 2019, by and between the CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY (“CTRMA”) and the NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY (“NET RMA”), political subdivisions of the State of Texas (collectively, the “Parties”).

### **WITNESSETH:**

**WHEREAS**, the CTRMA is a regional mobility authority created pursuant to the request of Travis and Williamson Counties and operating pursuant to Chapter 370 of the Texas Transportation Code (the “RMA Act”) and 43 TEX. ADMIN. CODE §§ 26.1 *et seq.* (the “RMA Rules”); and

**WHEREAS**, the NET RMA is a regional mobility authority created pursuant to the request of Gregg and Smith Counties and operating pursuant to the RMA Act and the RMA Rules; and

**WHEREAS**, subsequent to the initial formation of the NET RMA the Counties of Cherokee, Rusk, Harrison, Upshur, Bowie, Panola, Titus, Van Zandt, Wood, Kaufman, Camp, and Cass joined the NET RMA and are represented on the Board of Directors; and

**WHEREAS**, Chapter 791 of the Texas Government Code provides that any one or more public agencies may contract with each other for the performance of governmental functions or services in which the contracting parties are mutually interested; and

**WHEREAS**, Section 370.033 of the RMA Act provides that a regional mobility authority may enter into contracts or agreements with another governmental entity; and

**WHEREAS**, the CTRMA currently operates the 183A Toll, 290 Toll, 71 Toll, 45 SW Toll, 183S Toll and MoPac Express Lane toll projects; and

**WHEREAS**, the CTRMA is in need of pay by mail receivables management services related to the previous Pay By Mail program administered by Gila Corp. dba Municipal Services Bureau (MSB); and

**WHEREAS**, the NET RMA recently completed a procurement for pay by mail receivables management services (the “Services”); and

**WHEREAS**, following the evaluation process and selection of a vendor, the NET RMA entered into a contract with Southwest Credit Systems, L.P. (“SWC”) for the provision of the Services (the contract, along with any amendments thereto being collectively referred to as the “SWC Contract”); and

**WHEREAS**, the SWC Contract specifically provides that the Services will be provided to the NET RMA and may also be provided for the benefit of other entities, including the CTRMA; and

**WHEREAS**, the SWC Contract further provides that the terms related to the performance of the Services for the NET RMA shall apply equally to the Services provided for the CTRMA; and

**WHEREAS**, the Parties have agreed that it would be to their mutual benefit for the CTRMA to seek performance under the SWC Contract.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the undersigned Parties agree as follows:

## **I. FINDINGS**

**Recitals.** The recitals set forth above are incorporated herein for all purposes and are found by the Parties to be true and correct. It is further found and determined that the Parties have authorized and approved the Agreement by resolution or order adopted by their respective governing bodies, and that this Agreement will be in full force and effect when approved by each party.

## **II. ACTIONS**

**1. Provision of Services.** Subject to the terms of this Agreement, the NET RMA and/or its consultants shall facilitate the CTRMA's utilization of the resources and Services provided under (i) the SWC Contract; and (ii) any amendments or successor agreements, in connection with the provision of the Services for CTRMA's toll projects and any other CTRMA transportation projects. Article 1 and Appendix "A" of the SWC Contract set forth the general scope of the Services, including but not limited to payment processing and collection of outstanding tolls, administrative fees and processing fees as a result of unpaid toll bills. All terms related to the performance of the Services under the SWC Contract to the NET RMA apply equally to the Services provided to the CTRMA.

**2. Enforcement of SWC Contract; Key Performance Indicators.** The NET RMA has the right to seek performance under the SWC Contract and enforce the terms of the SWC Contract on behalf of the CTRMA. The pay by mail receivables management services being provided to the CTRMA pursuant to this Agreement are an extension of the Services being provided to the NET RMA under the SWC Contract. As such, unless different Key Performance Indicators ("KPIs") are identified by CTRMA and agreed to by SWC, the NET RMA shall require that the same KPIs set forth in Appendix "B" of the SWC Contract are established and maintained for the Services for CTRMA transportation projects. As further provided below, the NET RMA shall enforce such KPIs and other standards in the SWC Contract on the CTRMA's behalf, and the NET RMA shall not agree to modify the KPIs as they apply to CTRMA's transportation projects without the prior written consent of the CTRMA, provided that nothing herein shall preclude the NET RMA from establishing different KPIs that are unique to NET RMA transportation projects or operations without the consent of the CTRMA. If at any time during the term of this Agreement the CTRMA

finds that SWC is not meeting the KPIs for pay by mail receivables management services for CTRMA transportation projects or is otherwise not complying with the terms of the SWC Contract, the CTRMA may provide written notification to the NET RMA of the nature of the non-compliance and the necessary corrective action. Upon receipt of such notification, the NET RMA shall, on CTRMA's behalf and in a timely manner, use the remedies available in the SWC Contract to enforce the SWC Contract and to demand that SWC take corrective action. In the event the CTRMA believes it has been damaged and is owed compensation or other relief by SWC, the NET RMA shall cooperate with the CTRMA to assert such claims on the CTRMA's behalf. To the extent there are any third-party expenses associated with the pursuit of claims or remedial action for the benefit of the CTRMA, the CTRMA shall pay such expenses provided that such expenses and/or the retention of third parties in connection with such efforts is approved by the CTRMA, in writing. It is the CTRMA's obligation to monitor SWC's performance under the SWC Contract as it relates to the CTRMA (including, without limitation, proper implementation of CTRMA's settlement policies), and the NET RMA shall have no liability for lost revenue or other losses due to SWC's failure to perform.

**3. Cost of Services and Payment.** The CTRMA shall provide SWC with all necessary information regarding toll transactions and administrative fee provisions incurred by users of CTRMA transportation projects. The SWC Contract provides that SWC shall be entitled to retain a portion of the toll transaction and/or administrative fee amounts as full compensation for the Services provided under the SWC Contract, in amounts as provided for in Appendix "C" of the SWC Contract. As directed by the CTRMA, SWC will remit the amounts collected for toll transactions and administrative fees for the use of CTRMA transportation projects, net of the compensation owed to SWC for the provision of the Services, to the CTRMA on a weekly basis. The CTRMA shall be responsible for verifying that SWC is charging the correct tolls and fees and is retaining amounts authorized under the SWC Contract, and SWC shall provide the CTRMA with a weekly summary, in such detail as is required by the CTRMA, of tolls and fees charged and tolls and fees collected in providing the Services for the preceding week.

In the event there is a discrepancy that cannot be resolved through direct discussion between the CTRMA and SWC, or an event of nonpayment of amounts the CTRMA claims it is owed, the NET RMA will, at the CTRMA's request and in a timely manner, take actions necessary to secure necessary information (including, without limitation, asserting the right to review, copy and audit SWC's records related to CTRMA transportation projects as provided for in the SWC Contract) and/or assert such rights and claims as are provided for in the SWC Contract and that are directed by CTRMA. To the extent there are any third-party expenses associated with the pursuit of claims or remedial action for the benefit of the CTRMA, the CTRMA shall pay such expenses provided that such expenses and/or the retention of third parties in connection with such efforts is approved by the CTRMA, in writing.

Payments due to the CTRMA under this Agreement shall be made to the CTRMA via wiring instructions provided by the CTRMA.

**4. Amendments to the SWC Contract.** The SWC Contract was procured by the NET RMA, and the provision of Services to the CTRMA is contingent upon the terms of the SWC Contract. As such, the NET RMA shall not agree to amend any material terms of the SWC Contract that

relate to the Services to be provided to the CTRMA without the prior written consent of the CTRMA.

### **III. GENERAL AND MISCELLANEOUS**

**1. Term and Termination.** Subject to further extension by written agreement of the Parties, this Agreement shall be effective as of the date first written above and shall continue in force and effect for the remaining term of the SWC Contract including any renewal terms. Notwithstanding the foregoing:

- a. if the SWC Contract is terminated, this Agreement shall terminate on the same day that the SWC Contract terminates, provided that the NET RMA shall give the CTRMA written notice of the termination within five (5) business days of providing notice to or receiving notice from SWC in accordance with the SWC Contract;
- b. either party may terminate this Agreement in the event of a material breach of its terms, which may include, but is not limited to, failure to make timely payments of amounts owed and failure of the Services to be provided in accordance with this Agreement, provided that the party seeking to terminate the Agreement has provided written notice to the other of the alleged default and the default has not been cured within thirty (30) days of receipt of such notice; or
- c. either party may terminate this Agreement upon ninety (90) days written notice to the other.

**2. Prior Written Agreements.** This Agreement is without regard to any and all prior written contracts or agreements between the Parties regarding any other subject matter and does not modify, amend, ratify, confirm, or renew any such other prior contract or agreement between the Parties.

**3. Other Services.** Nothing in this Agreement shall be deemed to create, by implication or otherwise, any duty or responsibility of either of the Parties to undertake or not to undertake any other service, or to provide or not to provide any service, except as specifically set forth in this Agreement or in a separate written instrument executed by both Parties.

**4. Governmental Immunity.** Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or in equity to either of the Parties nor to create any legal rights or claims on behalf of any third party. Neither of the Parties waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.

**5. Amendments and Modifications.** This Agreement may not be amended or modified except in writing and executed by both Parties to this Agreement and authorized by their respective governing bodies.

**6. Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision(s), and the rights and obligations of the Parties shall be construed and enforced in accordance therewith. The Parties acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, give effect to the intent of this Agreement and be deemed to be validated and enforceable.

**7. Execution in Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed as of the date first written above, when both Parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

**IN WITNESS WHEREOF**, the Parties have executed and attested this Agreement by their officers thereunto duly authorized.

**CENTRAL TEXAS REGIONAL  
MOBILITY AUTHORITY**

By: \_\_\_\_\_  
Mike Heiligenstein  
Executive Director

**NORTH EAST TEXAS  
REGIONAL MOBILITY AUTHORITY**

By: \_\_\_\_\_  
Chris Miller  
Executive Director

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

**RESOLUTION NO. 19-055**

**AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE INTERLOCAL  
AGREEMENTS WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR  
MATERIAL INSPECTION AND TESTING SERVICES**

WHEREAS, in connection with oversight of the construction of Mobility Authority facilities, it is important to provide for the independent testing and inspection of materials used on each project; and

WHEREAS, the Texas Department of Transportation (TxDOT) has the resources and expertise to provide such material testing and inspection services at a reasonable cost; and

WHEREAS, by Resolution No. 19-019, dated April 24, 2019 the Board approved an interlocal agreement with TxDOT for material inspection and testing services in an amount not to exceed \$1,500,000.00 and with an expiration date of December 31, 2024; and

WHEREAS, following the Board approval but prior to the execution of the interlocal agreement, TxDOT changed its policy for providing materials testing and inspections services to local entities by removing the independence assurance program from the scope of services and requiring local entities to execute individual agreements for each new transportation project requiring TxDOT services; and

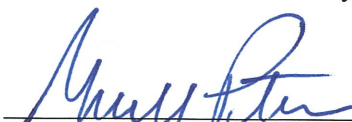
WHEREAS, TxDOT has provided a new template for the interlocal agreement for material testing and inspection services which is attached hereto as Exhibit A; and

WHEREAS, since TxDOT now requires project-specific interlocal agreements for materials inspection and testing services, the Executive Director and Mobility Authority staff request and recommend that the Board authorize the Executive Director to execute interlocal agreements with TxDOT for materials testing and inspection services for Mobility Authority projects in a cumulative amount not to exceed \$1,500,000.00 without additional Board review or approval.


NOW THEREFORE, BE IT RESOLVED that the Board hereby authorizes the Executive Director to execute interlocal agreements with TxDOT on behalf of the Mobility Authority for material inspection and testing services for Mobility Authority projects in a cumulative amount not to exceed \$1,500,000.00 and using the template attached hereto as Exhibit A, without additional Board review or approval.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2019.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Robert W. Jenkins, Jr.  
Chairman, Board of Directors

**Exhibit A**



**Interlocal Agreement  
Contract Services Transmittal Form**

From:  (District/Division)	Contact Person:  Phone No.:
Subject:	
Other Entity	Contract Maximum Amount Payable
Are any federal funds used in this contract?  If yes, what kind of federal funds.	
Was the standard interlocal or amendment format modified? Yes _____ No _____ If modified, date of Contract Services approval: _____ Modifications made are as follows:	

THE STATE OF TEXAS §

THE COUNTY OF TRAVIS §

**INTERLOCAL AGREEMENT**

**THIS CONTRACT** is entered into by the Contracting Parties under Government Code, Chapter 791.

**I. CONTRACTING PARTIES:**

The Texas Department of Transportation	TxDOT
Central Texas Regional Mobility Authority	Local Government

**II. PURPOSE:** Perform material inspection and testing services.

**III. STATEMENT OF SERVICES TO BE PERFORMED:** TxDOT will undertake and carry out services described in **Attachment A**, Scope of Services.

**IV. CONTRACT PAYMENT:** The total amount of this contract shall not exceed \$XXX and shall conform to the provisions of **Attachment B**, Budget. Payments shall be billed monthly.

**V. TERM OF CONTRACT:** This contract begins when fully executed by both parties and terminates on XX/XX/XXXX or when otherwise terminated as provided in this Agreement.

**VI. LEGAL AUTHORITY:**

**THE PARTIES** certify that the services provided under this contract are services that are properly within the legal authority of the Contracting Parties.

The governing body, by resolution or ordinance, dated \_\_\_\_\_, has authorized the Local Government to obtain the services described in **Attachment A**.

This contract incorporates the provisions of **Attachment A**, Scope of Services, **Attachment B**, Budget, **Attachment C**, General Terms and Conditions, **Attachment D**, Resolution or Ordinance and **Attachment E**, Location Map Showing Project.

**CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

By \_\_\_\_\_ Date \_\_\_\_\_  
Mike Heiligenstein  
Executive Director

**FOR THE STATE OF TEXAS**

Executed for the Executive Director and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By \_\_\_\_\_ Date \_\_\_\_\_  
James M. Bass  
Executive Director

## **ATTACHMENT A**

### **Scope of Services**

---

The Texas Department of Transportation (TxDOT) agrees to perform material inspection and testing services as requested by the Local Government, and subject to the terms set forth below. Material inspection and testing services to be performed by TxDOT consists of the following:

- Various inspected materials fabricated off-site (structural steel bridge components, pre-cast concrete stressed/non-stressed products, and miscellaneous fabricated products).
- Other materials inspection and testing as agreed upon in writing by TxDOT and the Local Government.

Inspections will be performed in compliance with the specifications and instructions supplied by the Local Government and are subject to the terms and conditions described below. Written inspection or test reports will be provided to the Local Government in accordance with TxDOT's existing policies as inspection and testing services are performed by TxDOT.

Prior to the commencement of material inspection and testing services, the Local Government shall provide TxDOT with a single point of contact for this scope of services. TxDOT will direct all invoices, test reports, questions and other issues to this point of contact. The Local Government shall provide an email address to which invoices will be sent. The Local Government shall provide written notification of a change to the point of contact.

#### **INSPECTED MATERIALS**

The Local Government will provide TxDOT a list of the materials requiring inspection. Estimated quantities of each material will also be provided. The types of products and the extent of the inspections will be as agreed upon prior to commencement of any inspections. The level of inspection and documentation furnished for Local Government inspections will be as provided for typical TxDOT projects.

TxDOT will only perform inspection services for the Local Government at structural steel fabrication plants, commercial precast prestressed and non-stressed concrete products plants, and other miscellaneous fabrication plants where TxDOT routinely provides such inspection and testing services for its own highway materials or for others. Out-of-state inspections for Local Government will be performed only when TxDOT has employees scheduled to conduct inspections for TxDOT projects at the requested locations, unless agreed upon otherwise. All out-of-state inspections will require reimbursement of the additional costs for travel (airfare, lodging, per diem, vehicle rentals, and other miscellaneous costs). Reimbursement will be requested through invoices from TxDOT.

TxDOT reserves the right to prioritize or reschedule any inspection and testing services according to the following:

- Inspection and testing services may be cancelled or deferred due to unavailability of TxDOT personnel to perform the necessary inspection
- Inspections for the Local Government will be given lower priority than inspections performed by TxDOT for TxDOT projects
- Inspections for the Local Government may be rescheduled to coincide with the inspection of products for TxDOT projects.

The Local Government and its fabricators will abide by the Nonconformance Report (NCR) process utilized by TxDOT for disposition of products that do not meet the requirements of the Local Government's specifications provided.

## WORK REQUESTS

A minimum of two (2) weeks prior to TxDOT performing any inspections, the Local Government will submit Work Requests to TxDOT. Submit one Work Request per Fabricator and include the following:

- Project information (i.e. contract number, CSJ, etc.)
- Work description
- Type and estimated quantity of material(s) to be inspected
- Fabricator information (Name, contact person, phone number, physical location)
- Desired date of inspection
- Name, title, signature, and telephone number of the Local Government's authorized representative.
- Specification Item or Special Specification to be used for inspection
- List of the Local Government's amendments to Specification Item
- Local Governments Special Specifications
- Complete set of necessary design drawings, material specifications, and shop drawing files in Adobe .pdf format to perform inspection of the material.

Incomplete Work Requests will not be accepted. E-mail completed Work Requests, with attachments, as an Adobe .pdf format to [MTD\\_Structuralcorrespondence@txdot.gov](mailto:MTD_Structuralcorrespondence@txdot.gov) and include "Work Request" in the subject line.

## TEST REPORTS

TxDOT will send test reports and pertinent information to the Local Government's designated point of contact for services performed as attachments to invoices for services.

## **ATTACHMENT B**

### **Budget**

#### **Texas Department of Transportation Inspection & Testing Rates**

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TxDOT will only perform inspection and testing services outlined in Attachment A.

Charges will be based on rates in effect at the time inspection and testing services are performed.

Current Inspection and Testing Rates are published at

[http://ftp.dot.state.tx.us/pub/txdot-info/cst/inspection\\_testing.pdf](http://ftp.dot.state.tx.us/pub/txdot-info/cst/inspection_testing.pdf)

Invoices will be sent to the Local Government on a monthly basis. Payments are due within 30 days of date of invoice and will be mailed to the following address:

Texas Department of Transportation  
P. O. Box 149001  
Austin, Texas 78714-9001

## ATTACHMENT C

### General Terms and Conditions

#### **Article 1. Amendments**

This contract may only be amended by written agreement executed by both parties before the contract is terminated.

#### **Article 2. Conflicts Between Agreements**

If the terms of this contract conflict with the terms of any other contract between the parties, the most recent contract shall prevail.

#### **Article 3. Disputes**

TxDOT shall be responsible for the settlement of all contractual and administrative issues arising out of procurements entered in support of contract services.

#### **Article 4. Ownership of Equipment**

Except to the extent that a specific provision of this contract states to the contrary, all equipment purchased by TxDOT under this contract shall be owned by TxDOT.

#### **Article 5. Termination**

This contract terminates at the end of the contract term, when all services and obligations contained in this contract have been satisfactorily completed, by mutual written agreement, or 30 days after either party gives notice to the other party, whichever occurs first.

#### **Article 6. Gratuities**

Any person who is doing business with or who reasonably speaking may do business with TxDOT under this contract may not make any offer of benefits, gifts, or favors to employees of TxDOT.

#### **Article 7. Responsibilities of the Parties**

Each party acknowledges that it is not an agent, servant, or employee of the other party. Each party is responsible for its own acts and deeds and for those of its agents, servants, or employees.

#### **Article 8. Compliance with Laws**

The parties shall comply with all federal, state, and local laws, statutes, ordinances, rules, and regulations and with the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this agreement.

#### **Article 9. State Auditor's Provision**

The state auditor may conduct an audit or investigation of any entity receiving funds from TxDOT directly under the contract or indirectly through a subcontract under the contract. Acceptance of funds directly under the contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

#### **Article 10. Signatory Warranty**

Each signatory warrants that the signatory has necessary authority to execute this agreement on behalf of the entity represented.

**Article 11. Notices**

All notices to either party shall be delivered personally or sent by certified U.S. mail, postage prepaid, addressed to that party at the following address:

<b>Local Government:</b>	Central Texas Regional Mobility Authority Attention: Director of Engineering 3300 North IH-35, Suite 300 Austin, TX 78705-1849
<b>TxDOT:</b>	Texas Department of Transportation Attention: Director, Contract Services 125 East 11 <sup>th</sup> Street Austin, TX 78701-2483

All notices shall be deemed given on the date delivered in person or deposited in the mail. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail, and that request shall be carried out by the other party.

**ATTACHMENT D**  
**Resolution or Ordinance**



**ATTACHMENT E**  
**Location Maps Showing Project**

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

**RESOLUTION NO. 19-056**

**APPROVING AMENDMENT NO. 1 TO THE INTERLOCAL AGREEMENT  
WITH THE UNIVERSITY OF TEXAS CENTER FOR TRANSPORTATION  
RESEARCH FOR ON-CALL RESEARCH AND ADVISORY SERVICES**

WHEREAS, by Resolution No. 15-029, dated May 27, 2015, the Board of Directors approved an interlocal agreement with the University of Texas Center for Transportation Research for dynamic traffic modeling services in an amount not to exceed \$500,000 (the "Interlocal Agreement"); and

WHEREAS, the Mobility Authority has a need for additional technical and research services, including on-call research and advisory services to support planning and coordinating regional mobility innovation initiatives; and

WHEREAS, the University of Texas Center for Transportation Research has the resources and expertise to provide these services to the Mobility Authority; and

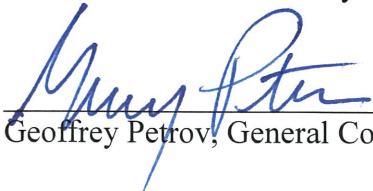
WHEREAS, the Executive Director and the University of Texas Center for Transportation Research have negotiated proposed Amendment No. 1 to the Interlocal Agreement, which is attached hereto as Exhibit A, to add tasks to the scope of services for on-call research and advisory services to support planning and coordinating regional mobility innovation initiatives; and

WHEREAS, the Executive Director recommends that the Board approve proposed Amendment No. 1 to the Interlocal Agreement in the form or substantially in the same form as Exhibit A attached hereto.

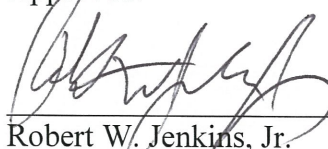
NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby approves Amendment No. 1 to the Interlocal Agreement with the University of Texas Center for Transportation Research, and authorizes the Executive Director to finalize and execute Amendment No. 1 to the Interlocal Agreement in the form or substantially the same form as Exhibit A.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2019.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Robert W. Jenkins, Jr.  
Chairman, Board of Directors

**Exhibit A**

**AMENDMENT NO. 1**

**ATTACHMENT F**

**Interlocal Cooperation Contract  
Additional Scope of Services**

Pursuant to the terms and conditions of Article 2 of the Interlocal Cooperation Contract (the Contract) entered into by and between the Central Texas Regional Mobility Authority (the Mobility Authority) and The University of Texas at Austin (Center for Transportation Research) (CTR) dated October 8, 2015, and modified on May 16, 2017 for a first time extension and on June 28, 2019 for a second time extension, the parties hereby mutually agree to this Amendment No. 1 to the Contract to add Tasks 2 and Task 3 as provided below.

Task 2: The Performing Agency, at the Receiving Agency's direction, shall support the Innovation Team in conducting regional coordination with other transportation agencies (including strategy and planning framework, summit meeting, and technology transfer) for transportation projects. The Performing Agency shall develop reports and/or presentations, as well as conduct stakeholder workshops at the Receiving Agency's request.

Task 3: The Performing Agency, at the Receiving Agency's direction, shall provide on-call research and technical and/or policy advisory services to support the Receiving Agency's transportation projects.

All other terms and conditions of the Interlocal Cooperation Contract not hereby amended are to remain in full force and effect.

**IN WITNESS WHEREOF**, this Time Extension shall become effective on the date of the final execution of the parties hereto.

**THE PERFORMING AGENCY**  
The University of Texas at Austin  
Center for Transportation Research

**CENTRAL TEXAS REGIONAL  
MOBILITY AUTHORITY**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

Mike Heiligenstein  
\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Title)

Executive Director  
\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

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

**RESOLUTION NO. 19-057**

**ACCEPT THE FINANCIAL STATEMENTS FOR AUGUST 2019  
AND SEPTEMBER 2019**

WHEREAS, the Central Texas Regional Mobility Authority (Mobility Authority) is empowered to procure such goods and services as it deems necessary to assist with its operations and to study and develop potential transportation projects, and is responsible to insure accurate financial records are maintained using sound and acceptable financial practices; and

WHEREAS, close scrutiny of the Mobility Authority's expenditures for goods and services, including those related to project development, as well as close scrutiny of the Mobility Authority's financial condition and records is the responsibility of the Board and its designees through procedures the Board may implement from time to time; and

WHEREAS, the Board has adopted policies and procedures intended to provide strong fiscal oversight and which authorize the Executive Director, working with the Mobility Authority's Chief Financial Officer, to review invoices, approve disbursements, and prepare and maintain accurate financial records and reports;


WHEREAS, the Executive Director, working with the Chief Financial Officer, has reviewed and authorized the disbursements necessary for the month of August 2019, and has caused financial statements to be prepared and attached to this resolution as Exhibit A; and

WHEREAS, the Executive Director, working with the Chief Financial Officer, has reviewed and authorized the disbursements necessary for the month of September 2019, and has caused financial statements to be prepared and attached to this resolution as Exhibit B; and

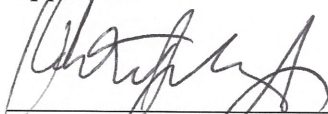
NOW THEREFORE, BE IT RESOLVED, that the Board of Directors accepts the financial statements for August 2019 and September 2019, attached hereto as Exhibit A and Exhibit B respectively.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2019.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Robert W. Jenkins, Jr.  
Chairman, Board of Directors

**Exhibit A**

**Financial Statements for August 2019**

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending August 31, 2019**

	Budget			
	Amount FY	Actual Year	Percent of	Actual Prior
	2020	to Date	Budget	Year to Date
<b>REVENUE</b>				
<b>Operating Revenue</b>				
Toll Revenue - Tags	97,816,954	14,956,667	15.29%	13,387,451
Video Tolls	24,963,459	4,079,708	16.34%	3,346,042
Fee Revenue	7,589,784	1,444,367	19.03%	1,011,703
<b>Total Operating Revenue</b>	<b>130,370,198</b>	<b>20,480,742</b>	<b>15.71%</b>	<b>17,745,196</b>
<b>Other Revenue</b>				
Interest Income	4,000,000	1,081,964	27.05%	700,963
Grant Revenue	5,541,945	630	0.01%	-
Misc Revenue	2,000	-	-	-
Gain/Loss on Sale of Asset	-	11,117	-	-
<b>Total Other Revenue</b>	<b>9,543,945</b>	<b>1,093,711</b>	<b>11.46%</b>	<b>700,963</b>
<b>TOTAL REVENUE</b>	<b>\$139,914,143</b>	<b>\$21,574,453</b>	<b>15.42%</b>	<b>18,446,159</b>
<b>EXPENSES</b>				
<b>Salaries and Benefits</b>				
Salary Expense-Regular	4,469,989	617,451	13.81%	548,114
Salary Reserve	80,000	-	-	-
TCDRS	632,057	87,196	13.80%	77,369
FICA	204,345	24,908	12.19%	22,874
FICA MED	67,769	8,970	13.24%	7,990
Health Insurance Expense	510,761	64,733	12.67%	54,523
Life Insurance Expense	8,034	653	8.13%	637
Auto Allowance Expense	10,200	1,275	12.50%	1,275
Other Benefits	122,131	19,716	16.14%	12,641
Unemployment Taxes	2,823	-	-	28
<b>Total Salaries and Benefits</b>	<b>6,108,109</b>	<b>824,902</b>	<b>13.51%</b>	<b>725,451</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending August 31, 2019**

	Budget			
	Amount FY	Actual Year	Percent of	Actual Prior
	2020	to Date	Budget	Year to Date
<b>Administrative</b>				
<b>Administrative and Office Expenses</b>				
Accounting	10,000	1,185	11.85%	1,258
Auditing	125,000	28,000	22.40%	40,000
Human Resources	40,000	236	0.59%	481
IT Services	307,700	1,090	0.35%	1,090
Internet	450	23	5.21%	1,074
Software Licenses	123,100	10,143	8.24%	11,907
Cell Phones	23,891	800	3.35%	1,610
Local Telephone Service	120,000	522	0.43%	1,184
Overnight Delivery Services	550	41	7.42%	15
Local Delivery Services	725	-	-	-
Copy Machine	14,735	1,272	8.63%	2,455
Repair & Maintenance-General	14,200	3,297	23.22%	108
Community Meeting/ Events	12,000	-	-	-
Meeting Expense	14,750	3,264	22.13%	1,198
Public Notices	100	-	-	-
Toll Tag Expense	4,150	150	3.61%	150
Parking / Local Ride Share	2,800	189	6.76%	36
Mileage Reimbursement	8,300	276	3.32%	562
Insurance Expense	256,200	31,015	12.11%	33,821
Rent Expense	720,000	90,634	12.59%	92,437
Building Parking	27,000	2,501	9.26%	-
Legal Services	500,000	578	0.12%	805
<b>Total Administrative and Office Expenses</b>	<b>2,325,651</b>	<b>175,217</b>	<b>7.53%</b>	<b>190,190</b>
<b>Office Supplies</b>				
Books & Publications	5,000	-	-	781
Office Supplies	17,000	1,299	7.64%	1,056
Misc Office Equipment	10,250	610	5.95%	3,850
Computer Supplies	169,400	560	0.33%	246
Copy Supplies	3,000	565	18.85%	-
Other Reports-Printing	8,000	-	-	-
Office Supplies-Printed	5,250	224	4.27%	1,071
Misc Materials & Supplies	750	-	-	-
Postage Expense	850	112	13.15%	-
<b>Total Office Supplies</b>	<b>219,500</b>	<b>3,371</b>	<b>1.54%</b>	<b>7,004</b>



**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending August 31, 2019**

	Budget Amount FY 2020	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Communications and Public Relations</b>				
Graphic Design Services	60,000	-	-	125
Website Maintenance	105,000	206	0.20%	250
Research Services	770,000	-	-	-
Communications and Marketing	300,500	8,000	2.66%	-
Advertising Expense	755,000	72,983	9.67%	487
Direct Mail	10,000	-	-	-
Video Production	150,000	-	-	8,820
Photography	10,000	-	-	3,095
Radio	50,000	-	-	-
Other Public Relations	140,000	-	-	2,500
Promotional Items	20,000	-	-	-
Annual Report printing	6,500	-	-	2,728
Direct Mail Printing	30,000	-	-	-
Other Communication Expenses	56,204	171	0.30%	250
<b>Total Communications and Public Relations</b>	<b>2,463,204</b>	<b>81,360</b>	<b>3.30%</b>	<b>18,255</b>
<b>Employee Development</b>				
Subscriptions	4,725	279	5.90%	410
Agency Memberships	65,000	499	0.77%	1,732
Continuing Education	11,000	1,130	10.27%	250
Professional Development	31,500	125	0.40%	401
Other Licenses	800	40	5.00%	-
Seminars and Conferences	45,855	5,494	11.98%	4,646
Travel	130,810	37,288	28.51%	14,027
<b>Total Employee Development</b>	<b>289,690</b>	<b>44,855</b>	<b>15.48%</b>	<b>21,467</b>
<b>Financing and Banking Fees</b>				
Trustee Fees	52,000	3,763	7.24%	3,763
Bank Fee Expense	6,500	139	2.14%	906
Continuing Disclosure	15,000	-	-	-
Arbitrage Rebate Calculation	10,000	-	-	-
Rating Agency Expense	30,000	16,500	55.00%	16,000
<b>Total Financing and Banking Fees</b>	<b>113,500</b>	<b>20,402</b>	<b>17.98%</b>	<b>20,669</b>
<b>Total Administrative</b>	<b>5,411,545</b>	<b>325,205</b>	<b>6.01%</b>	<b>257,585</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending August 31, 2019**

	Budget Amount FY 2020	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Operations and Maintenance</b>				
<b>Operations and Maintenance Consulting</b>				
GEC-Trust Indenture Support	294,000	-	-	-
GEC-Financial Planning Support	285,000	-	-	-
GEC-Toll Ops Support	1,498,223	-	-	-
GEC-Roadway Ops Support	1,404,000	-	-	-
GEC-Technology Support	1,028,000	200,937	19.55%	74,780
GEC-Public Information Support	325,000	-	-	-
GEC-General Support	2,221,000	-	-	2,200
General System Consultant	1,318,627	1,571	0.12%	38,470
Traffic Modeling	150,000	-	-	-
Traffic and Revenue Consultant	300,000	-	-	9,472
<b>Total Operations and Maintenance Consulting</b>	<b>8,823,850</b>	<b>202,507</b>	<b>2.30%</b>	<b>124,922</b>
<b>Roadway Operations and Maintenance</b>				
Roadway Maintenance	4,400,000	244,315	5.55%	257,400
Maintenance Supplies-Roadway	237,000	-	-	-
Tools & Equipment Expense	1,500	257	17.15%	131
Gasoline	21,600	2,467	11.42%	2,811
Repair & Maintenance-Vehicles	4,000	493	12.33%	950
Electricity - Roadways	250,000	25,749	10.30%	19,997
<b>Total Roadway Operations and Maintenance</b>	<b>4,914,100</b>	<b>273,281</b>	<b>5.56%</b>	<b>281,290</b>
<b>Toll Processing and Collection Expense</b>				
Image Processing	3,392,460	-	-	209,429
Tag Collection Fees	4,861,824	1,095,990	22.54%	1,567,269
Court Enforcement Costs	2,471,994	-	-	3,350
DMV Lookup Fees	999	89	8.93%	25
<b>Total Processing and Collection Expense</b>	<b>10,727,277</b>	<b>1,096,079</b>	<b>10.22%</b>	<b>1,780,074</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending August 31, 2019**

	Budget Amount FY 2020	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Toll Operations Expense</b>				
Generator Fuel	2,500	-	-	-
Fire and Burglar Alarm	599	-	-	-
Refuse	1,500	221	14.73%	181
Telecommunications	-	10,421	-	10,957
Water - Irrigation	10,000	395	3.95%	333
Electricity	2,500	-	-	154
ETC spare parts expense	25,000	-	-	-
Repair & Maintenance Toll Equip	150,000	-	-	-
Law Enforcement	274,998	-	-	156,843
ETC Maintenance Contract	4,524,237	170,807	3.78%	170,807
ETC Toll Management Center System Operation	402,587	-	-	-
ETC Development	2,361,999	-	-	-
ETC Testing	252,999	-	-	-
<b>Total Toll Operations Expense</b>	<b>8,008,919</b>	<b>181,844</b>	<b>2.27%</b>	<b>339,276</b>
<b>Total Operations and Maintenance</b>	<b>32,474,146</b>	<b>1,753,712</b>	<b>5.40%</b>	<b>2,525,562</b>
<b>Other Expenses</b>				
<b>Special Projects and Contingencies</b>				
HERO	150,000	12,319	8.21%	-
Special Projects	400,001	8,655	2.16%	-
71 Express Net Revenue Payment	4,500,000	-	-	-
Technology Task Force	525,000	-	-	-
Other Contractual Svcs	150,000	15,500	10.33%	15,500
Contingency	400,000	-	-	-
<b>Total Special Projects and Contingencies</b>	<b>6,125,001</b>	<b>36,474</b>	<b>0.60%</b>	<b>15,500</b>
<b>Non Cash Expenses</b>				
Amortization Expense	771,625	132,977	17.23%	73,474
Amort Expense - Refund Savings	1,050,000	174,994	16.67%	173,535
Dep Exp- Furniture & Fixtures	2,620	436	16.63%	436
Dep Expense - Equipment	16,000	41,205	257.53%	2,667
Dep Expense - Autos & Trucks	40,500	4,957	12.24%	4,440
Dep Expense-Buildng & Toll Fac	176,800	29,458	16.66%	29,458
Dep Expense-Highways & Bridges	38,568,000	4,922,000	12.76%	3,622,734
Dep Expense-Toll Equipment	3,670,250	555,066	15.12%	205,039
Dep Expense - Signs	326,200	57,964	17.77%	54,847
Dep Expense-Land Improvemts	884,935	221,233	25.00%	147,489
Depreciation Expense-Computers	9,600	2,262	23.57%	2,447
<b>Total Non Cash Expenses</b>	<b>45,516,530</b>	<b>6,142,552</b>	<b>13.50%</b>	<b>4,316,564</b>
<b>Total Other Expenses</b>	<b>51,641,531</b>	<b>6,179,027</b>	<b>11.97%</b>	<b>4,332,064</b>

**Central Texas Regional Mobility Authority  
Income Statement  
For the Period Ending August 31, 2019**

	Budget Amount FY 2020	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Non Operating Expenses</b>				
Bond issuance expense	250,000	37,792	15.12%	37,792
Loan Fee Expense	75,000	-	-	-
Interest Expense	43,741,254	6,417,792	14.67%	5,373,370
CAMPO RIF Payment	-	-	-	2,000,000
Community Initiatives	325,000	2,500	0.77%	1,250
<b>Total Non Operating Expenses</b>	<b>44,391,254</b>	<b>6,458,084</b>	<b>14.55%</b>	<b>7,412,413</b>
<b>TOTAL EXPENSES</b>	<b>\$140,026,585</b>	<b>\$15,540,930</b>	<b>11.10%</b>	<b>\$15,253,074</b>
<b>Net Income</b>	<b>(\$112,442)</b>	<b>\$6,033,522</b>		<b>3,193,085</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of August 31, 2019**

	as of 08/31/2019	as of 08/31/2018
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Cash</b>		
Regions Operating Account	\$ 271,572	\$ 334,279
Cash in TexStar	336,118	127,415
Regions Payroll Account	75,926	53,492
<b>Restricted Cash</b>		
Goldman Sachs FSGF 465	191,655,114	106,506,503
Restricted Cash - TexSTAR	274,383,773	167,219,849
Overpayments account	434,028	250,965
<b>Total Cash and Cash Equivalents</b>	467,156,530	274,492,503
<b>Accounts Receivable</b>		
Accounts Receivable	2,776,451	1,141,083
Due From Other Agencies	55,028	5,178
Due From TTA	928,024	399,235
Due From NTTA	852,581	699,652
Due From HCTRA	1,116,378	1,167,292
Due From TxDOT	515,550	837,975
Interest Receivable	700,013	473,057
<b>Total Receivables</b>	6,944,025	4,723,473
<b>Short Term Investments</b>		
Treasuries	89,642,629	24,891,016
Agencies	40,036,386	154,323,998
<b>Total Short Term Investments</b>	129,679,015	179,215,014
<b>Total Current Assets</b>	603,779,570	458,430,990
<b>Total Construction in Progress</b>	658,376,547	633,762,715
<b>Fixed Assets (Net of Depreciation and Amortization)</b>		
Computers	18,637	27,686
Computer Software	3,301,724	936,058
Furniture and Fixtures	9,583	12,197
Equipment	8,318	16,705
Autos and Trucks	62,197	55,078
Buildings and Toll Facilities	4,917,804	5,084,241
Highways and Bridges	1,022,274,474	894,163,632
Toll Equipment	18,756,134	18,269,543
Signs	10,434,945	10,581,622
Land Improvements	8,706,582	9,591,516
Right of way	88,149,606	88,149,606
Leasehold Improvements	175,450	131,223
<b>Total Fixed Assets</b>	1,156,815,453	1,027,019,108
<b>Other Assets</b>		
Intangible Assets-Net	102,243,946	103,302,459
2005 Bond Insurance Costs	4,038,864	4,252,373
Prepaid Insurance	169,640	16,197
Prepaid Expenses	-	275
Deferred Outflows (pension related)	866,997	290,396
Pension Asset	177,226	826,397
<b>Total Other Assets</b>	107,496,674	108,688,098
<b>Total Assets</b>	\$ 2,526,468,244	\$ 2,227,900,910

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of August 31, 2019**

	as of 08/31/2019	as of 08/31/2018
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 35,813	\$ 608,185
Construction Payable	24,609,297	2,155,802
Overpayments	437,128	253,827
Interest Payable	10,334,942	8,615,821
Deferred Compensation Payable	142	142
TCDRS Payable	98,309	89,435
Due to other Agencies	4,113,407	4,024,991
Due to TTA	1,173,703	2,429,300
Due to NTTA	179,712	205,820
Due to HCTRA	165,914	151,181
Due to Other Entities	964,647	1,674,590
71E TxDOT Obligation - ST	1,723,140	1,570,166
<b>Total Current Liabilities</b>	<b>43,836,154</b>	<b>21,779,260</b>
<b>Long Term Liabilities</b>		
Compensated Absences	541,425	282,775
Deferred Inflows (pension related)	206,675	278,184
<b>Long Term Payables</b>	<b>748,100</b>	<b>560,959</b>
<b>Bonds Payable</b>		
<b>Senior Lien Revenue Bonds:</b>		
Senior Lien Revenue Bonds 2010	78,167,583	74,381,097
Senior Lien Revenue Bonds 2011	16,576,795	15,582,331
Senior Refunding Bonds 2013	136,405,000	139,885,000
Senior Lien Revenue Bonds 2015	298,790,000	298,790,000
Senior Lien Put Bnd 2015	68,785,000	68,785,000
Senior Lien Refunding Revenue Bonds 2016	358,030,000	358,030,000
Senior Lien Revenue Bonds 2018	44,345,000	-
Sn Lien Rev Bnd Prem/Disc 2013	5,988,878	7,777,378
Sn Lien Revenue Bnd Prem 2015	19,381,426	20,577,931
Sn Lien Put Bnd Prem 2015	1,552,303	3,415,607
Senior lien premium 2016 revenue bonds	46,657,344	50,977,593
Sn Lien Revenue Bond Premium 2018	3,905,081	-
<b>Total Senior Lien Revenue Bonds</b>	<b>1,078,584,410</b>	<b>1,038,201,936</b>
<b>Sub Lien Revenue Bonds:</b>		
Sub Lien Refunding Bonds 2013	98,295,000	100,530,000
Sub Lien Refunding Bonds 2016	73,905,000	74,305,000
Subordinated Lien BANs 2018	46,020,000	-
Sub Refunding 2013 Prem/Disc	1,315,892	1,756,759
Sub Refunding 2016 Prem/Disc	8,156,399	9,011,453
Sub Lien BANS 2018 Premium	1,234,644	-
<b>Total Sub Lien Revenue Bonds</b>	<b>228,926,935</b>	<b>185,603,212</b>
<b>Other Obligations</b>		
TIFIA Note 2015	289,561,303	146,548,237
TIFIA Note 2019	50,414	-
SIB Loan 2015	33,255,059	31,963,733
State Highway Fund Loan 2015	33,255,089	31,963,763
State 45SW Loan	62,836,506	40,080,000
71E TxDOT Obligation - LT	60,728,211	62,332,058
Regions 2017 MoPAC Note	24,990,900	17,000,000
<b>Total Other Obligations</b>	<b>504,677,480</b>	<b>329,887,791</b>
<b>Total Long Term Liabilities</b>	<b>1,812,936,926</b>	<b>1,554,253,898</b>
<b>Total Liabilities</b>	<b>1,856,773,080</b>	<b>1,576,033,158</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of August 31, 2019**

	as of 08/31/2019	as of 08/31/2018
	<b>NET ASSETS</b>	
Contributed Capital	121,202,391	121,202,391
Net Assets Beginning	542,507,576	527,520,601
Current Year Operations	5,985,197	3,144,759
<b>Total Net Assets</b>	<u><u>669,695,164</u></u>	<u><u>651,867,752</u></u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 2,526,468,244</u></u>	<u><u>\$ 2,227,900,910</u></u>

**Central Texas Regional Mobility Authority**  
**Statement of Cash Flow - Unaudited**  
**as of August 31, 2019**

**Cash flows from operating activities:**

Receipts from toll revenues	\$	20,891,022
Receipts from interest income		850,599
Payments to vendors		(5,303,560)
Payments to employees		(832,539)
Net cash flows provided by (used in) operating activities		15,605,522

**Cash flows from capital and related financing activities:**

Proceeds from notes payable		62,770,819
Receipts from Department of Transportation		208,851
Interest payments		(27,744,811)
Acquisitions of construction in progress		(23,369,048)
Net cash flows provided by (used in) capital and related financing activities		11,865,811

**Cash flows from investing activities:**

Purchase of investments		(151,924,411)
Proceeds from sale or maturity of investments		50,733,710
Net cash flows provided by (used in) investing activities		(101,190,700)
Net increase (decrease) in cash and cash equivalents		(73,719,368)
Cash and cash equivalents at beginning of period		241,560,543
Cash and cash equivalents at end of period	\$	167,841,175

**Reconciliation of change in net assets to net cash provided by operating activities:**

Operating income		\$ 12,388,255
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization		5,967,558
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable		374,619
(Increase) decrease in prepaid expenses and other assets		30,527
(Decrease) increase in accounts payable		(3,625,129)
Increase (decrease) in accrued expenses		469,693
Total adjustments		3,217,267
Net cash flows provided by (used in) operating activities	\$	15,605,522

**Reconciliation of cash and cash equivalents:**

Unrestricted cash and cash equivalents		\$ 781,526
Restricted cash and cash equivalents		167,059,649
Total	\$	167,841,175



**INVESTMENTS by FUND**

		Balance August 31, 2019	
Renewal & Replacement Fund			
<b>TexSTAR</b>	<b>398,957.15</b>		<b>274,719,890.50</b>
<b>Goldman Sachs</b>	<b>14,939.08</b>		<b>159,847,657.23</b>
Agencies/ Treasuries		413,896.23	<b>129,679,014.31</b>
Grant Fund			\$ 564,246,562.04
<b>TexSTAR</b>	<b>4,406,486.88</b>		
<b>Goldman Sachs</b>	<b>5,569,324.46</b>		
Agencies/ Treasuries		MATURED 9,975,811.34	
Senior Debt Service Reserve Fund			
<b>TexSTAR</b>	<b>45,969,020.59</b>		
<b>Goldman Sachs</b>	<b>27,269,391.57</b>		
Agencies/ Treasuries		9,993,540.40	83,231,952.56
2010 Senior Lien DSF			
<b>Goldman Sachs</b>	<b>4,921,541.66</b>		
		4,921,541.66	
2011 Debt Service Acct			
<b>Goldman Sachs</b>	<b>780,146.78</b>		780,146.78
2013 Sr Debt Service Acct			
<b>Goldman Sachs</b>	<b>3,296,212.41</b>		3,296,212.41
2013 Sub Debt Service Account			
<b>Goldman Sachs</b>	<b>2,394,942.64</b>		2,394,942.64
2015 Sr Capitalized Interest			
<b>Goldman Sachs</b>	-		25,036,090.54
<b>TexSTAR</b>	<b>25,036,090.54</b>		
2015B Debt Service Account			
<b>Goldman Sachs</b>	<b>579,839.41</b>		579,839.41
2016 Sr Lien Rev Refunding Debt Service Account			
<b>Goldman Sachs</b>	<b>5,285,782.81</b>		5,285,782.81
2016 Sub Lien Rev Refunding Debt Service Account			
<b>Goldman Sachs</b>	<b>840,959.71</b>		840,959.71
2016 Sub Lien Rev Refunding DSR			
<b>Goldman Sachs</b>	<b>6,919,874.66</b>		
Agencies/ Treasuries		MATURED 6,919,874.66	
Operating Fund			
<b>TexSTAR</b>	<b>336,117.57</b>		
<b>TexSTAR-Trustee</b>	<b>3,372,512.04</b>		
<b>Goldman Sachs</b>	<b>243,792.96</b>		3,952,422.57
Revenue Fund			
<b>Goldman Sachs</b>	<b>2,485,950.60</b>		2,485,950.60
General Fund			
<b>TexSTAR</b>	<b>25,774,654.53</b>		
<b>Goldman Sachs</b>	<b>19,010,819.10</b>		84,683,453.63
Agencies/ Treasuries		39,897,980.00	
2013 Sub Debt Service Reserve Fund			
<b>TexSTAR</b>	<b>5,226,591.17</b>		
<b>Goldman Sachs</b>	<b>3,607,227.21</b>		8,833,818.38
71E Revenue Fund			
<b>Goldman Sachs</b>	<b>10,020,013.42</b>		10,020,013.42
MoPac Revenue Fund			
<b>Goldman Sachs</b>	<b>1,176,607.22</b>		1,176,607.22
MoPac Construction Fund			
<b>Goldman Sachs</b>	-		0.00
MoPac General Fund			
<b>Goldman Sachs</b>	<b>6,169,952.33</b>		6,169,952.33
MoPac Operating Fund			
<b>Goldman Sachs</b>	<b>1,186,446.63</b>		1,186,446.63
MoPac Loan Repayment Fund			
<b>Goldman Sachs</b>	-		0.00
2015B Project Account			
<b>Goldman Sachs</b>	<b>10,457,896.33</b>		
Agencies/ Treasuries		29,980,621.19	
<b>TexSTAR</b>	<b>1,196,851.71</b>		41,635,369.23
2015 TIFIA Project Account			
<b>Goldman Sachs</b>	<b>14,495,240.93</b>		
<b>TexSTAR</b>	<b>109,374,329.31</b>		
Agencies/ Treasuries		49,806,872.72	173,676,442.96
2011 Sr Financial Assistance Fund			
<b>Goldman Sachs</b>	<b>0.01</b>		13,586,838.98
<b>TexSTAR</b>	<b>13,586,838.97</b>		
2018 Sr Lien Project Cap I			
<b>Goldman Sachs</b>	<b>6,774,724.52</b>		6,774,724.52
2018 Sr Lien Project Account			
<b>Goldman Sachs</b>	<b>5,178,120.11</b>		
<b>TexSTAR</b>	<b>40,041,440.04</b>		45,219,560.15
2018 Sub Lien Project Account			
<b>Goldman Sachs</b>	<b>8,613,186.84</b>		8,613,186.84
2018 Sub Debt Service Account			
<b>Goldman Sachs</b>	<b>312,283.21</b>		312,283.21
2019 TIFIA Sub Lien Project Account			
<b>Goldman Sachs</b>	<b>50,383.11</b>		50,383.11
45SW Toll Revenue Fund			
<b>Goldman Sachs</b>	<b>363,286.49</b>		363,286.49
45SW Project Fund			
<b>Goldman Sachs</b>	<b>11,828,771.02</b>		11,828,771.02
		<b>\$ 564,246,562.04</b>	

**CTRMA INVESTMENT REPORT**

	Month Ending 8/31/19					Rate August	
	Balance 8/1/2019	Additions	Discount Amortization	Accrued Interest	Withdrawals		Balance 8/31/2019
<b>Amount in Trustee TexStar</b>							
2011 Sr Lien Financial Assist Fund	13,562,352.73			24,486.24		13,586,838.97	2.1258%
2013 Sub Lien Debt Service Reserve	5,217,171.80			9,419.37		5,226,591.17	2.1258%
General Fund	25,728,203.41			46,451.12		25,774,654.53	2.1258%
Trustee Operating Fund	2,376,499.13	3,000,000.00		4,495.91	2,008,483.00	3,372,512.04	2.1258%
Renewal and Replacement	398,238.14			719.01		398,957.15	2.1258%
Grant Fund	4,398,545.51			7,941.37		4,406,486.88	2.1258%
Senior Lien Debt Service Reserve Fund	5,914,553.90	40,000,000.00		54,466.69		45,969,020.59	2.1258%
2015A Sr Ln Project Cap Interest	24,990,970.47			45,120.07		25,036,090.54	2.1258%
2015B Sr Ln Project	1,194,694.76			2,156.95		1,196,851.71	2.1258%
2015C TIFIA Project	49,219,782.83	60,000,000.00		154,546.48		109,374,329.31	2.1258%
2018 Sr Lien Project Account	0.00	40,000,000.00		41,440.04		40,041,440.04	2.1258%
	133,001,012.68	143,000,000.00		391,243.25	2,008,483.00	274,383,772.93	
<b>Amount in TexStar Operating Fund</b>	335,273.25	2,008,483.00		844.32	2,008,483.00	336,117.57	2.1258%
<b>Goldman Sachs</b>							
Operating Fund	174,669.12	3,074,312.64		333.45	3,005,522.25	243,792.96	2.0564%
45SW Project Fund	11,801,690.91			27,080.11		11,828,771.02	2.0564%
45SW Toll Revenue Fund	71,798.21	294,189.92		73.79	2,775.43	363,286.49	2.0564%
2015B Project Account	10,437,844.11			20,052.22		10,457,896.33	2.0564%
2015C TIFIA Project Account	78,376,550.27			107,949.04	63,989,258.38	14,495,240.93	2.0564%
2011 Sr Financial Assistance Fund	0.01			0.00		0.01	2.0564%
2010 Senior DSF	4,278,188.03	635,693.41		7,660.22		4,921,541.66	2.0564%
2011 Senior Lien Debt Service Acct	778,650.91			1,495.87		780,146.78	2.0564%
2013 Senior Lien Debt Service Acct	2,463,582.32	828,625.46		4,004.63		3,296,212.41	2.0564%
2013 Sub Debt Service Reserve Fund	3,600,310.63			6,916.58		3,607,227.21	2.0564%
2013 Subordinate Debt Service Acct	1,794,391.84	597,628.76		2,922.04		2,394,942.64	2.0564%
2015B Debt Service Acct	294,864.88	284,658.21		316.32		579,839.41	2.0564%
2016 Sr Lien Rev Refunding Debt Service Account	4,108,316.12	1,170,602.87		6,863.82		5,285,782.81	2.0564%
2016 Sub Lien Rev Refunding Debt Service Account	529,445.09	310,770.60		744.02		840,959.71	2.0564%
2016 Sub Lien Rev Refunding DSR	1,891,241.38	5,025,000.00		3,633.28		6,919,874.66	2.0564%
2018 Sr Lien Project Cap I	6,761,735.42			12,989.10		6,774,724.52	2.0564%
2018 Sr Lien Project Account	45,095,695.07			82,425.04	40,000,000.00	5,178,120.11	2.0564%
2018 Sub Lien Project Account	11,922,242.37			27,115.08	3,336,170.61	8,613,186.84	2.0564%
2018 Sub Debt Service Account	158,745.78	153,367.34		170.09		312,283.21	2.0564%
2019 TIFIA Sub Lien Project Account	50,286.51			96.60		50,383.11	2.0564%
Grant Fund	543,280.76	5,025,000.00		1,043.70		5,569,324.46	2.0564%
Renewal and Replacement	14,910.44			28.64		14,939.08	2.0564%
Revenue Fund	2,915,707.29	10,968,740.75		5,239.11	11,403,736.55	2,485,950.60	2.0564%
General Fund	17,500,038.08	1,511,440.38		39,569.92	40,229.28	19,010,819.10	2.0564%
Senior Lien Debt Service Reserve Fund	47,078,947.87	20,100,000.00		90,443.70	40,000,000.00	27,269,391.57	2.0564%
71E Revenue Fund	9,127,272.88	906,235.03		16,225.68	29,720.17	10,020,013.42	2.0564%
MoPac Revenue Fund	1,412,702.11	1,509,403.28		1,916.29	1,747,414.46	1,176,607.22	2.0564%
MoPac General Fund	7,700,051.81	1,549,731.14		13,715.48	3,093,546.10	6,169,952.33	2.0564%
MoPac Operating Fund	1,049,949.01	350,000.00		2,019.74	215,522.12	1,186,446.63	2.0564%
MoPac Loan Repayment Fund	81,172.50	77,216.46		34.76	158,423.72	0.00	2.0564%
MoPac Managed Lane Construction Fund	2,316.68			0.00	2,316.68	0.00	2.0564%
	272,016,598.41	54,372,616.25	0.00	483,078.32	167,024,635.75	159,847,657.23	
<b>Amount in Fed Agencies and Treasuries</b>							
Amortized Principal	159,552,281.95		126,732.36		30,000,000.00	129,679,014.31	
	159,552,281.95	0.00	126,732.36	0.00	30,000,000.00	129,679,014.31	
<b>Certificates of Deposit</b>							
<b>Total in Pools</b>	133,336,285.93	145,008,483.00		392,087.57	4,016,966.00	274,719,890.50	
<b>Total in GS FSGF</b>	272,016,598.41	54,372,616.25		483,078.32	167,024,635.75	159,847,657.23	
<b>Total in Fed Agencies and Treasuries</b>	159,552,281.95		126,732.36		30,000,000.00	129,679,014.31	
<b>Total Invested</b>	564,905,166.29	199,381,099.25	126,732.36	875,165.89	201,041,601.75	564,246,562.04	

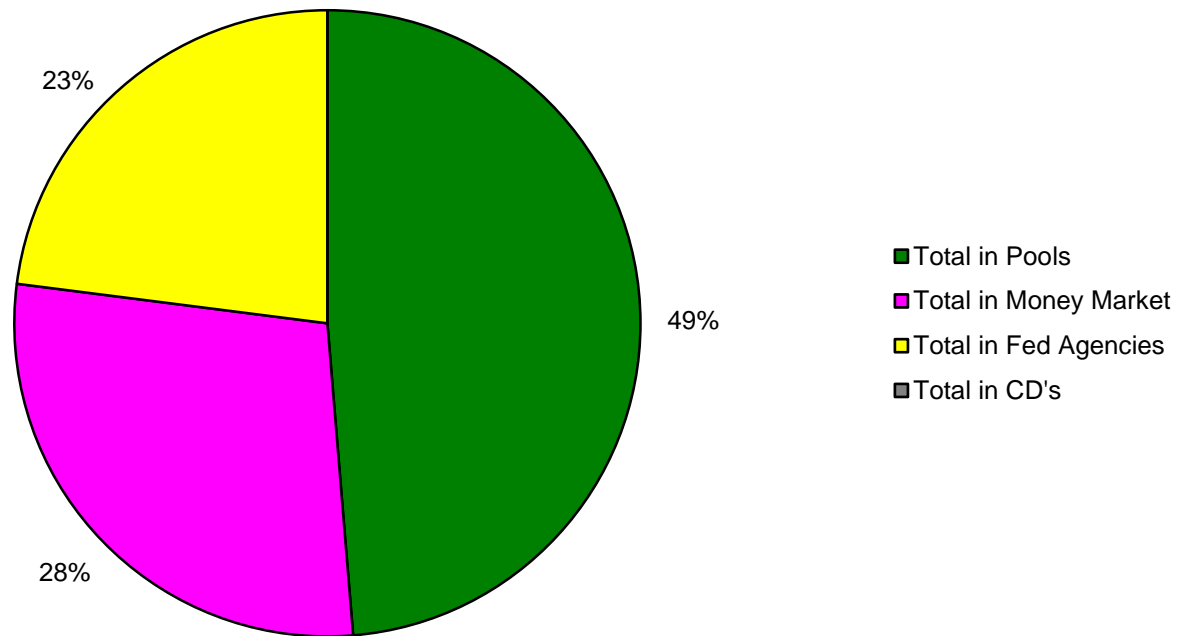
All Investments in the portfolio are in compliance with the CTRMA's Investment policy and the relevant provisions of the Public Funds Investment Act Chapter 2256.023

William Chapman, CFO

Mary Temple, Controller

#REF!

## Allocation of Funds



Amount of Investments As of #REF!

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
Federal Home loan Bank	3135G0P49sub	<b>MATURED</b>	<b>MATURED</b>	<b>MATURED</b>	2.4520%	7/20/2018	8/28/2019	2016 Sub DSRF
US Treasury Note	912828F39	9,955,859.38	9,993,540.40	9,995,312.50	2.5137%	3/5/2019	9/30/2019	Senior DSRF
Federal Home loan Bank	3135G0P49	<b>MATURED</b>	<b>MATURED</b>	<b>MATURED</b>	2.4520%	7/20/2018	8/28/2019	Senior DSRF
Fannie Mae	3135G0P49gnt	<b>MATURED</b>	<b>MATURED</b>	<b>MATURED</b>	2.4520%	7/20/2018	8/28/2019	Grant Fund
Farmer Mac	31422BDL1	20,000,000.00	20,000,000.00	20,129,616.00	2.5995%	3/11/2019	9/25/2020	General Fund
Fannie Mae	3135G0T29	19,795,960.00	19,897,980.00	19,957,759.40	2.5600%	3/5/2019	2/28/2020	General Fund
US Treasury Note	912828F39A	29,867,578.13	29,980,621.19	29,985,937.50	2.5317%	3/5/2019	9/30/2019	2015B Sr Project
US Treasury Note	912828UF5	49,525,228.76	49,806,872.72	49,859,375.00	2.3352%	3/5/2019	12/31/2019	2015C TIFIA Project
		<u>129,144,626.27</u>	<u>129,679,014.31</u>	<u>129,928,000.40</u>				

Agency	CUSIP #	COST	Cummulative Amortization	#REF! Book Value	Maturity Value	Interest Income #REF!		
						Accrued Interest	Amortization	Interest Earned
Federal Home loan Bank	3135G0P49sub	<b>MATURED</b>	<b>MATURED</b>	<b>MATURED</b>	5,000,000.00	4,166.67	5,934.80	10,101.47
US Treasury Note	912828F39	9,955,859.38	37,681.02	9,993,540.40	10,000,000.00	14,583.34	6,459.60	21,042.94
Federal Home loan Bank	3135G0P49	<b>MATURED</b>	<b>MATURED</b>	<b>MATURED</b>	20,000,000.00	16,666.67	23,739.20	40,405.87
Fannie Mae	3135G0P49gnt	<b>MATURED</b>	<b>MATURED</b>	<b>MATURED</b>	5,000,000.00	4,166.67	5,934.80	10,101.47
Farmer Mac	31422BDL1	20,000,000.00	-	20,000,000.00	20,000,000.00	43,333.33	-	43,333.33
Fannie Mae	3135G0T29	19,795,960.00	102,020.00	19,897,980.00	20,000,000.00	25,000.00	17,003.33	42,003.33
US Treasury Note	912828F39A	29,867,578.13	113,043.06	29,980,621.19	30,000,000.00	43,750.00	19,378.81	63,128.81
US Treasury Note	912828UF5	49,525,228.76	281,643.96	49,806,872.72	50,000,000.00	46,875.00	48,281.82	95,156.82
		<u>129,144,626.27</u>	<u>534,388.04</u>	<u>129,679,014.31</u>	<u>160,000,000.00</u>	<u>198,541.68</u>	<u>126,732.36</u>	<u>325,274.04</u>

# ESCROW FUNDS

**Travis County Escrow Fund - Elroy Road**

	<b>Balance</b>		<b>Accrued</b>		<b>Balance</b>
	<b>8/1/2019</b>	<b>Additions</b>	<b>Interest</b>	<b>Withdrawals</b>	<b>8/31/2019</b>
Goldman Sachs	23,980,667.08		2,467.99		23,983,135.07

**Campo Regional Infrastructure Fund**

	<b>Balance</b>		<b>Accrued</b>		<b>Balance</b>
	<b>8/1/2019</b>	<b>Additions</b>	<b>Interest</b>	<b>Withdrawals</b>	<b>8/31/2019</b>
Goldman Sachs	4,102,396.14	3,000,000.00	7,880.67	-	7,110,276.81

**Travis County Escrow Fund - Ross Road**

	<b>Balance</b>		<b>Accrued</b>		<b>Balance</b>
	<b>8/1/2019</b>	<b>Additions</b>	<b>Interest</b>	<b>Withdrawals</b>	<b>8/31/2019</b>



# 183 South Design-Build Project

## Contingency Status

August 31, 2019



**Original Construction Contract Value: \$581,545,700**

<b>Total Project Contingency</b>	<b>\$47,860,000</b>
----------------------------------	---------------------

<b>Obligations</b>	CO#1 City of Austin ILA Adjustment	(\$2,779,934)
	CO#2 Addition of Coping to Soil Nail Walls	\$742,385
	CO#4 Greenroads Implementation	\$362,280
	CO#6 51st Street Parking Trailhead	\$477,583
	CO#9 Patton Interchange Revisions	\$3,488,230
	CO#17 Boggy Creek Turnaround	\$2,365,876
	Others Less than \$300,000 (6)	\$1,228,917
	CO#10 City of Austin Utility (\$1,010,000 - no cost to RMA)	\$0
	Executed Change Orders	\$5,885,337
	Change Orders Under Negotiation	\$6,620,000
Potential Contractual Obligations	\$18,510,000	

<b>(-) Total Obligations</b>	<b>\$31,015,337</b>
------------------------------	---------------------

<b>Remaining Project Contingency</b>	<b>\$16,844,663</b>
--------------------------------------	---------------------



**290E Ph. III**  
**Contingency Status**  
 August 31, 2019



**Original Construction Contract Value: \$71,236,424**

<b>Total Mobility Authority Contingency</b>	<b>\$10,633,758</b>
<b>Total TxDOT Project Contingency</b>	<b>\$15,292,524</b>

<b>Obligations</b>	Others Less than \$300,000 (1)	\$30,000
	Executed Change Orders	\$30,000
	Change Orders Under Negotiation	\$320,000
	Potential Contractual Obligations	\$1,860,000

<b>(-) Total Obligations</b>	<b>\$2,210,000</b>
------------------------------	--------------------

<b>Remaining Mobility Authority Contingency</b>	<b>\$8,438,398</b>
<b>Remaining TxDOT Contingency</b>	<b>\$15,279,027</b>



**SH 45SW Construction**  
**Contingency Status**  
 August 30, 2019



**Original Construction Contract Value: \$75,103,623**

<b>Total Project Contingency</b>		<b>\$ 7,520,000</b>
<b>Obligations</b>	CO #04 Installation of PEC and TWC Conduits	\$ 458,439
	CO #05 Installation of SSTR Drilled Shafts and Moment Slab	\$ 538,945
	Total of Others Less than \$300,000 (20)	\$ 377,375
	Executed Change Orders	\$ 1,374,759
	Change Orders in Negotiations	\$ 2,119,304
	Potential Contractual Obligations	\$ 2,206,436
	<b>(-) Total Obligations</b>	<b>\$ 5,700,498</b>
<b>Remaining Project Contingency</b>		<b>\$ 1,819,502</b>





**MOPAC Construction**  
**Financial Status**  
**August 30, 2019**



**Original Construction Contract Value:** \$ **136,632,100**

<b>Change Orders</b>	CO#01B	5th & Cesar Chavez SB Reconfig (Construction)	\$593,031.30	<b>Approved = \$12.9M</b>
	CO#05B	FM 2222 Bridge NB Ret Wall Abutment Repair (Construction)	\$850,000.00	
	CO#07	FM 2222 Exit Storage Lane	\$426,000.00	
	CO#08C	Refuge Area: Added Shoulder Adjustment Sound Wall #1	\$2,508,548.12	
	CO#09	Westover SB Frontage Repairs	\$450,000.00	
	CO#12	Barrier Rail Opaque Seal	\$542,418.60	
	CO#17	Bike and Ped Improvements at Far West Blvd Bridge/FM 2222	\$971,888.66	
	CO#20	Northern Terminus Sound Wall #3	(\$1,210,540.13)	
	CO#32	Void of CO#05B, #09, #10, UPRR	(\$1,501,436.68)	
	CO#33	Shared Use Path at US 183	(\$1,000,000.00)	
	CO#34	Undercrossing Fire Protection	\$1,412,574.00	
	CO#35	TxDOT Duct Bank Interference	\$1,357,196.00	
	CO#36	Non-Compliant Existing Illumination	\$2,226,189.00	
	CO#37	NB Pavement Cross Slope and Profile Corrections	\$3,635,477.00	
	CO#38	SB Pavement Cross Slope and Profile Corrections	\$3,100,298.00	
	CO#39	Unidentified Utilities	\$1,215,853.96	
CO#42	NB04, NB08, and Westminster Wall Revisions	(\$402,964.00)		
	Total of Others Less than \$300,000 (21)	\$1,572,258.43		
<b>Executed Change Orders</b>			<b>\$16,746,792.26</b>	
<b>Revised Construction Contract Value</b>			<b>\$ 153,378,892.26</b>	
<b>Change Orders under Negotiation</b>			<b>\$ -</b>	
<b>Potential Construction Contract Value</b>			<b>\$ 153,378,892.26</b>	
<b>Incentive/Milestone</b>			<b>\$ 21,500,000</b>	
<b>Potential Construction Contract Value with Incentive/Milestone</b>			<b>\$ 176,931,304.30</b>	
<b>Amount paid CH2M for Incentives/Milestones</b>			<b>\$ (20,299,209)</b>	
<b>Amount paid CH2M through July 2019 draw (as of 7/31/2019)</b>			<b>\$ (134,431,103.84)</b>	
<b>Assessed Liquidated Damages</b>			<b>\$ (20,000,000)</b>	
<b>Potential Amount Payable to CH2M</b>			<b>\$ 1,000,200.46</b>	



**MOPAC Misc. Construction**  
**Financial Status**  
 August 30, 2019



**Original Construction Contract Value:** **\$ 4,583,280**

<b>Change Orders</b>		
	Total of Others Less than \$300,000 (12 Total, 8 Taken out of Contingency)	\$ 473,070
<b>Executed Change Orders</b>		<b>\$ 473,070</b>
<b>Revised Construction Contract Value</b>		<b>\$ 5,056,349</b>
<b>Change Orders under Negotiation</b>		<b>\$ 504,388</b>
<b>Potential Construction Contract Value</b>		<b>\$ 5,560,737</b>
<b>Amount paid McCarthy through July 2019 draw (as of 7/31/2019)</b>		<b>\$ (4,491,614)</b>
<b>Potential Amount Payable to McCarthy</b>		<b>\$ 1,069,123</b>



## Monthly Newsletter - August 2019

### Performance

#### As of August 31, 2019

Current Invested Balance	\$8,143,712,650.97
Weighted Average Maturity (1)	22 Days
Weighted Average Maturity (2)	107 Days
Net Asset Value	0.999955
Total Number of Participants	909
Management Fee on Invested Balance	0.06%*
Interest Distributed	\$15,116,532.41
Management Fee Collected	\$415,010.09
% of Portfolio Invested Beyond 1 Year	9.44%
Standard & Poor's Current Rating	AAAm

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

#### August Averages

Average Invested Balance	\$8,143,712,650.97
Average Monthly Yield, on a simple basis	2.1258%
Average Weighted Average Maturity (1)*	22 Days
Average Weighted Average Maturity (2)*	104 Days

#### Definition of Weighted Average Maturity (1) & (2)

- (1) This weighted average maturity calculation uses the SEC Rule 2a-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This Rule specifies that a variable rate instrument to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.
- (2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

\* The maximum management fee authorized for the TexSTAR Cash Reserve Fund is 12 basis points. This fee may be waived in full or in part in the discretion of the TexSTAR co-administrators at any time as provided for in the TexSTAR Information Statement.

### New Participants

We would like to welcome the following entity who joined the TexSTAR program in August:

★ City of Van

### Holiday Reminder

In observance of **Columbus Day**, TexSTAR will be closed on **Monday, October 14, 2019**. All ACH transactions initiated on Friday, October 11th, will settle on Tuesday, October 15th. Please plan accordingly for your liquidity needs.

### Economic Commentary

August was a volatile month, as trade tensions between the U.S. and China intensified and talk of trade wars dominated markets. The tone was set on the first day of the month from President Trump announcing that the U.S. would impose a 10% tariff on the remaining approximately \$300 billion of Chinese imports that were not yet subject to tariffs. This announcement triggered retaliatory measures from China, which moved to increase tariffs on roughly \$75 billion of U.S. imports, including agricultural goods, crude oil and cars. It was only at the end of the month that both countries adopted a slightly more conciliatory tone but the damage to business and investor sentiment had already been done. Equity markets declined, and credit spreads widened, while Treasury yields rallied in the flight to quality. Following the first rate cut in more than a decade at the end of July, Fed Chair Jerome Powell's Jackson Hole speech was largely in line with expectations and paves the way for the Fed to make another 25 bp interest rate cut in September, perhaps followed by another cut at either the October or December meetings.

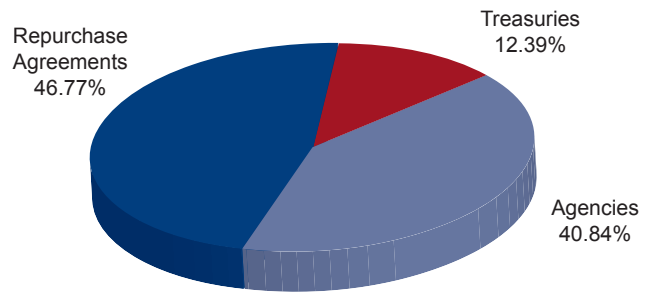
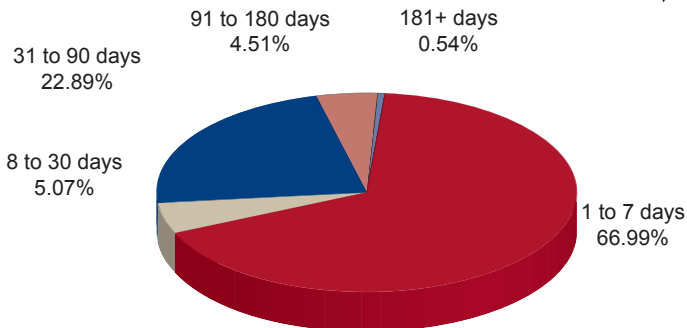
Economic data released in August pointed to a weak U.S. manufacturing sector, slowing global growth and muted inflation pressures beyond the one time tariff impacts. This is in sharp contrast to the U.S. labor market, which continues to exhibit strength, and to the robust consumption spending data. The U.S. economy is in decent shape, but the outlook has dimmed. The protracted trade war between the U.S. and China combined with slowing global growth and increasing business uncertainty is already translating into softening investment. Similar to 2015-2016, the U.S. economy is experiencing a bifurcation between two areas: 1) a healthy labor market and a robust pace of consumption with 2) weaker business investment and manufacturing. Questions have intensified about the timing of the next recession, while we do not believe that this situation will pull the U.S. into a technical recession in the near-term, economic growth should continue to moderate in the second half of 2019, therefore making the economy more susceptible to shocks. We expect very little contribution from business investment in the second half of 2019 given the increasing uncertainty surrounding the resolution of the trade war. This is causing business confidence to weaken and industrial production to stall. The Fed will likely cut policy rates two more times in 2019 beginning with the September meeting. The size of future cuts will be depend on domestic growth developments.

This information is an excerpt from an economic report dated August 2019 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.

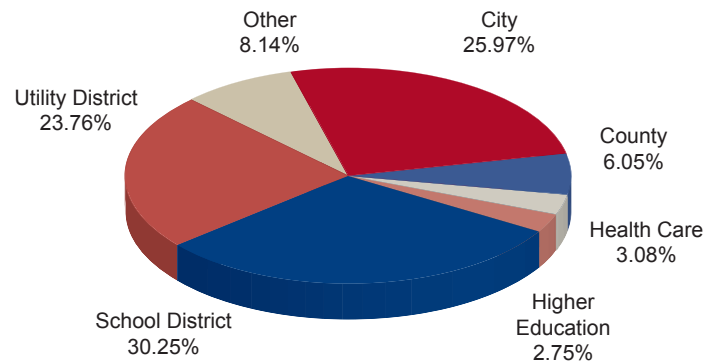
**For more information about TexSTAR, please visit our web site at [www.texstar.org](http://www.texstar.org).**

# Information at a Glance

## Portfolio by Type of Investment As of August 31, 2019



## Portfolio by Maturity As of August 31, 2019



## Distribution of Participants by Type As of August 31, 2019

# Historical Program Information

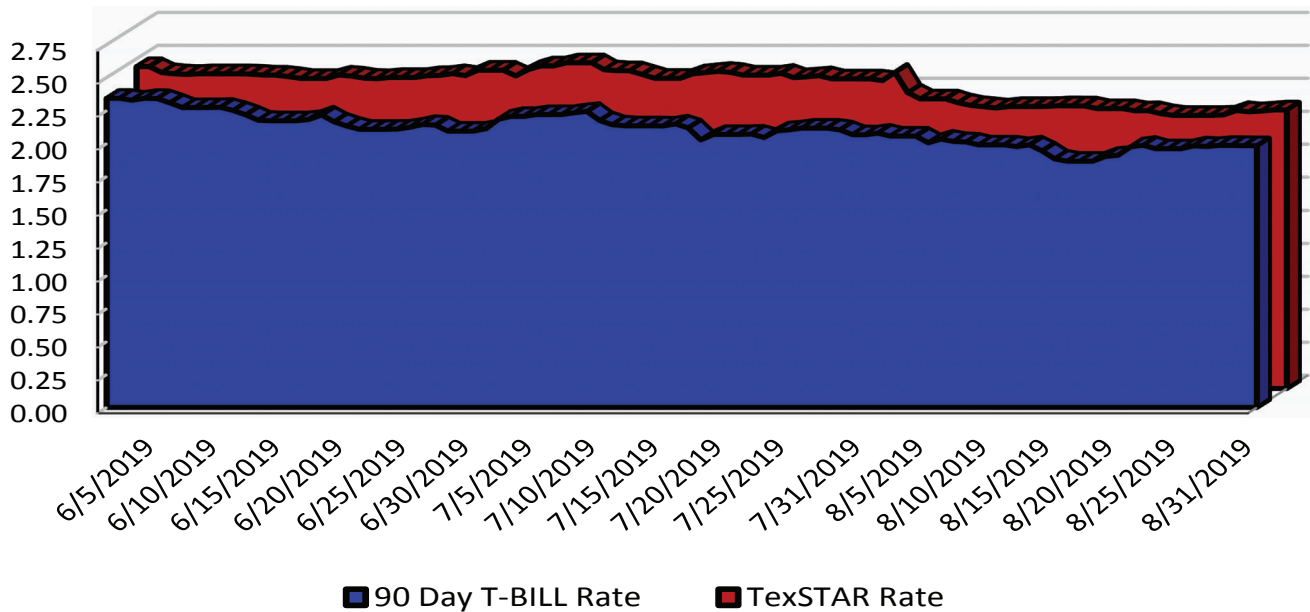
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Aug 19	2.1258%	\$8,162,241,291.21	\$8,162,120,700.72	0.999955	22	104	909
Jul 19	2.3883%	8,182,604,967.44	8,182,476,436.15	0.999984	13	92	908
Jun 19	2.3790%	8,072,061,682.23	8,072,222,027.73	1.000019	19	103	906
May 19	2.4048%	8,251,300,232.20	8,251,929,597.00	1.000042	25	105	902
Apr 19	2.4243%	8,464,290,753.69	8,464,331,283.11	1.000004	26	101	895
Mar 19	2.4112%	8,378,300,782.34	8,378,032,817.90	0.999968	41	106	893
Feb 19	2.4001%	9,198,012,187.60	9,197,689,206.82	0.999964	45	99	891
Jan 19	2.3937%	8,624,044,987.80	8,623,938,284.28	0.999987	37	82	890
Dec 18	2.3069%	7,738,483,374.11	7,738,245,287.60	0.999940	40	95	888
Nov 18	2.2176%	6,683,233,268.87	6,682,898,473.43	0.999949	41	102	886
Oct 18	2.1615%	6,581,942,899.40	6,581,269,831.00	0.999897	41	101	884
Sep 18	1.9995%	6,458,418,968.50	6,458,002,746.78	0.999935	30	96	883

# Portfolio Asset Summary as of August 31, 2019

	Book Value	Market Value
Uninvested Balance	\$ (353.96)	\$ (353.96)
Accrual of Interest Income	4,902,526.79	4,902,526.79
Interest and Management Fees Payable	(15,177,464.74)	(15,177,464.74)
Payable for Investment Purchased	(200,000,000.00)	(200,000,000.00)
Repurchase Agreement	3,916,306,999.78	3,916,306,999.78
Government Securities	4,456,209,583.34	4,456,088,992.85
<b>Total</b>	<b>\$ 8,162,241,291.21</b>	<b>\$ 8,162,120,700.72</b>

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by J.P. Morgan Chase & Co. and the assets are safekept in a separate custodial account at the Federal Reserve Bank in the name of TexSTAR. The only source of payment to the Participants are the assets of TexSTAR. There is no secondary source of payment for the pool such as insurance or guarantee. Should you require a copy of the portfolio, please contact TexSTAR Participant Services.

# TexSTAR versus 90-Day Treasury Bill



This material is for information purposes only. This information does not represent an offer to buy or sell a security. The above rate information is obtained from sources that are believed to be reliable; however, its accuracy or completeness may be subject to change. The TexSTAR management fee may be waived in full or in part at the discretion of the TexSTAR co-administrators and the TexSTAR rate for the period shown reflects waiver of fees. This table represents historical investment performance/return to the customer, net of fees, and is not an indication of future performance. An investment in the security is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the issuer seeks to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in the security. Information about these and other program details are in the fund's Information Statement which should be read carefully before investing. The yield on the 90-Day Treasury Bill ("T-Bill Yield") is shown for comparative purposes only. When comparing the investment returns of the TexSTAR pool to the T-Bill Yield, you should know that the TexSTAR pool consist of allocations of specific diversified securities as detailed in the respective Information Statements. The T-Bill Yield is taken from Bloomberg Finance L.P. and represents the daily closing yield on the then current 90-day T-Bill. The TexSTAR yield is calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940 as promulgated from time to time by the federal Securities and Exchange Commission.

## Daily Summary for August 2019

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
8/1/2019	2.2425%	0.000061439	\$8,201,406,574.28	0.999974	19	95
8/2/2019	2.1941%	0.000060112	\$8,033,619,892.96	0.999986	19	95
8/3/2019	2.1941%	0.000060112	\$8,033,619,892.96	0.999986	19	95
8/4/2019	2.1941%	0.000060112	\$8,033,619,892.96	0.999986	19	95
8/5/2019	2.1652%	0.000059321	\$8,031,737,512.64	1.000013	18	95
8/6/2019	2.1452%	0.000058772	\$8,025,714,622.78	1.000010	18	94
8/7/2019	2.1355%	0.000058507	\$8,006,882,348.51	1.000012	18	100
8/8/2019	2.1255%	0.000058234	\$8,038,226,620.37	1.000009	17	99
8/9/2019	2.1362%	0.000058525	\$8,144,959,977.25	0.999999	18	97
8/10/2019	2.1362%	0.000058525	\$8,144,959,977.25	0.999999	18	97
8/11/2019	2.1362%	0.000058525	\$8,144,959,977.25	0.999999	18	97
8/12/2019	2.1376%	0.000058564	\$8,167,130,110.49	0.999991	17	103
8/13/2019	2.1427%	0.000058705	\$8,326,284,155.65	1.000000	19	99
8/14/2019	2.1424%	0.000058697	\$8,232,394,195.24	0.999991	21	107
8/15/2019	2.1408%	0.000058651	\$8,094,365,575.55	1.000001	21	108
8/16/2019	2.1205%	0.000058097	\$7,994,880,602.07	0.999988	21	108
8/17/2019	2.1205%	0.000058097	\$7,994,880,602.07	0.999988	21	108
8/18/2019	2.1205%	0.000058097	\$7,994,880,602.07	0.999988	21	108
8/19/2019	2.1040%	0.000057643	\$7,891,733,688.67	0.999990	26	111
8/20/2019	2.1051%	0.000057673	\$8,263,170,342.31	0.999977	24	105
8/21/2019	2.0834%	0.000057079	\$8,223,882,811.77	0.999980	26	109
8/22/2019	2.0698%	0.000056708	\$8,159,435,822.84	0.999968	28	112
8/23/2019	2.0690%	0.000056685	\$8,244,912,000.90	0.999968	27	110
8/24/2019	2.0690%	0.000056685	\$8,244,912,000.90	0.999968	27	110
8/25/2019	2.0690%	0.000056685	\$8,244,912,000.90	0.999968	27	110
8/26/2019	2.0732%	0.000056801	\$8,338,768,543.65	0.999955	27	109
8/27/2019	2.1063%	0.000057706	\$8,303,057,333.92	0.999953	27	109
8/28/2019	2.0963%	0.000057433	\$8,293,018,149.62	0.999959	23	107
8/29/2019	2.1025%	0.000057602	\$8,278,283,769.69	0.999954	23	108
8/30/2019	2.1108%	0.000057831	\$8,162,241,291.21	0.999955	22	107
8/31/2019	2.1108%	0.000057831	\$8,162,241,291.21	0.999955	22	107
Average	2.1258%	0.000058240	\$8,143,712,650.97		22	104



**TexSTAR Participant Services**  
**1201 Elm Street, Suite 3500**  
**Dallas, TX 75270**  
**1-800-839-7827**

### ***TexSTAR Board Members***

William Chapman	Central Texas Regional Mobility Authority	Governing Board President
Nell Lange	City of Frisco	Governing Board Vice President
Eric Cannon	City of Allen	Governing Board Treasurer
David Medanich	Hilltop Securities	Governing Board Secretary
Jennifer Novak	J.P. Morgan Asset Management	Governing Board Asst. Sec./Treas.
Monte Mercer	North Central TX Council of Government	Advisory Board
Becky Brooks	City of Grand Prairie	Advisory Board
Nicole Conley	Austin ISD	Advisory Board
David Pate	Richardson ISD	Advisory Board
James Mauldin	University of North Texas System	Advisory Board
Sandra Newby	Tarrant Regional Water District/Non-Participant	Advisory Board
Ron Whitehead	Qualified Non-Participant	Advisory Board



The material provided to TexSTAR from J.P. Morgan Asset Management, Inc., the investment manager of the TexSTAR pool, is for informational and educational purposes only, as of the date of writing and may change at any time based on market or other conditions and may not come to pass. While we believe the information presented is reliable, we cannot guarantee its accuracy. HilltopSecurities is a wholly owned subsidiary of Hilltop Holdings, Inc. (NYSE: HTH) located at 1201 Elm Street, Suite 3500, Dallas, Texas 75270, (214) 859-1800. Member NYSE/FINRA/SIPC. Past performance is no guarantee of future results.

Investment Management Services are offered through J.P. Morgan Asset Management Inc. and/or its affiliates. Marketing and Enrollment duties are offered through HilltopSecurities and/or its affiliates. HilltopSecurities and J.P. Morgan Asset Management Inc. are separate entities.

**Exhibit B**

**Financial Statements for September 2019**

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2019**

	Budget Amount FY 2020	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>REVENUE</b>				
<b>Operating Revenue</b>				
Toll Revenue - Tags	97,816,954	22,875,805	23.39%	19,441,463
Video Tolls	24,963,459	5,705,082	22.85%	4,989,807
Fee Revenue	7,589,784	2,242,164	29.54%	1,473,982
<b>Total Operating Revenue</b>	<b>130,370,198</b>	<b>30,823,051</b>	<b>23.64%</b>	<b>25,905,252</b>
<b>Other Revenue</b>				
Interest Income	4,000,000	1,536,342	38.41%	1,075,586
Grant Revenue	5,541,945	19,218	0.35%	-
Misc Revenue	2,000	-	-	-
Gain/Loss on Sale of Asset	-	11,117	-	-
<b>Total Other Revenue</b>	<b>9,543,945</b>	<b>1,566,677</b>	<b>16.42%</b>	<b>1,075,586</b>
<b>TOTAL REVENUE</b>	<b>\$139,914,143</b>	<b>\$32,389,728</b>	<b>23.15%</b>	<b>26,980,838</b>
<b>EXPENSES</b>				
<b>Salaries and Benefits</b>				
Salary Expense-Regular	4,469,989	947,455	21.20%	817,796
Salary Reserve	80,000	-	-	-
TCDRS	632,057	130,996	20.73%	112,889
FICA	204,345	35,508	17.38%	32,462
FICA MED	67,769	13,727	20.26%	11,921
Health Insurance Expense	510,761	98,312	19.25%	83,830
Life Insurance Expense	8,034	979	12.18%	937
Auto Allowance Expense	10,200	2,125	20.83%	2,125
Other Benefits	122,131	27,196	22.27%	16,993
Unemployment Taxes	2,823	-	-	60
<b>Total Salaries and Benefits</b>	<b>6,108,109</b>	<b>1,256,297</b>	<b>20.57%</b>	<b>1,079,013</b>



**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2019**

	Budget Amount FY 2020	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Administrative</b>				
<b>Administrative and Office Expenses</b>				
Accounting	10,000	1,855	18.55%	1,731
Auditing	125,000	28,000	22.40%	40,000
Human Resources	40,000	336	0.84%	602
IT Services	307,700	13,626	4.43%	10,485
Internet	450	36	8.05%	1,613
Software Licenses	123,100	15,957	12.96%	12,054
Cell Phones	23,891	2,621	10.97%	2,995
Local Telephone Service	120,000	855	0.71%	1,774
Overnight Delivery Services	550	47	8.52%	15
Local Delivery Services	725	-	-	12
Copy Machine	14,735	2,544	17.27%	3,683
Repair & Maintenance-General	14,200	3,910	27.53%	108
Community Meeting/ Events	12,000	-	-	-
Meeting Expense	14,750	4,143	28.09%	1,929
Public Notices	100	(9)	-9.00%	-
Toll Tag Expense	4,150	700	16.87%	450
Parking / Local Ride Share	2,800	429	15.33%	172
Mileage Reimbursement	8,300	709	8.55%	680
Insurance Expense	256,200	46,278	18.06%	49,194
Rent Expense	720,000	139,416	19.36%	143,596
Building Parking	27,000	4,356	16.13%	-
Legal Services	500,000	7,856	1.57%	805
<b>Total Administrative and Office Expenses</b>	<b>2,325,651</b>	<b>273,664</b>	<b>11.77%</b>	<b>271,898</b>
<b>Office Supplies</b>				
Books & Publications	5,000	-	-	1,162
Office Supplies	17,000	2,196	12.92%	1,692
Misc Office Equipment	10,250	2,783	27.15%	4,317
Computer Supplies	169,400	1,223	0.72%	312
Copy Supplies	3,000	565	18.85%	-
Other Reports-Printing	8,000	-	-	-
Office Supplies-Printed	5,250	1,399	26.65%	1,088
Misc Materials & Supplies	750	-	-	-
Postage Expense	850	112	13.15%	51
<b>Total Office Supplies</b>	<b>219,500</b>	<b>8,278</b>	<b>3.77%</b>	<b>8,622</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2019**

	Budget			
	Amount FY	Actual Year	Percent of	Actual Prior
	2020	to Date	Budget	Year to Date
<b>Communications and Public Relations</b>				
Graphic Design Services	60,000	-	-	3,248
Website Maintenance	105,000	2,229	2.12%	1,955
Research Services	770,000	12,660	1.64%	(28,176)
Communications and Marketing	300,500	24,046	8.00%	-
Advertising Expense	755,000	74,929	9.92%	47,672
Direct Mail	10,000	-	-	-
Video Production	150,000	-	-	8,820
Photography	10,000	(269)	-2.69%	4,895
Radio	50,000	3,480	6.96%	-
Other Public Relations	140,000	-	-	13,475
Promotional Items	20,000	3,485	17.42%	-
Annual Report printing	6,500	-	-	2,728
Direct Mail Printing	30,000	-	-	-
Other Communication Expenses	56,204	966	1.72%	651
<b>Total Communications and Public Relations</b>	<b>2,463,204</b>	<b>121,526</b>	<b>4.93%</b>	<b>55,269</b>
<b>Employee Development</b>				
Subscriptions	4,725	414	8.76%	410
Agency Memberships	65,000	1,196	1.84%	1,732
Continuing Education	11,000	1,130	10.27%	250
Professional Development	31,500	155	0.49%	401
Other Licenses	800	80	10.00%	40
Seminars and Conferences	45,855	5,064	11.04%	5,391
Travel	130,810	41,391	31.64%	19,902
<b>Total Employee Development</b>	<b>289,690</b>	<b>49,430</b>	<b>17.06%</b>	<b>28,127</b>
<b>Financing and Banking Fees</b>				
Trustee Fees	52,000	7,263	13.97%	7,263
Bank Fee Expense	6,500	255	3.92%	1,385
Continuing Disclosure	15,000	-	-	-
Arbitrage Rebate Calculation	10,000	9,250	92.50%	1,225
Rating Agency Expense	30,000	16,500	55.00%	16,000
<b>Total Financing and Banking Fees</b>	<b>113,500</b>	<b>33,267</b>	<b>29.31%</b>	<b>25,873</b>
<b>Total Administrative</b>	<b>5,411,545</b>	<b>486,165</b>	<b>8.98%</b>	<b>389,788</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2019**

	Budget Amount FY 2020	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Operations and Maintenance</b>				
<b>Operations and Maintenance Consulting</b>				
GEC-Trust Indenture Support	294,000	16,599	5.65%	-
GEC-Financial Planning Support	285,000	6,457	2.27%	-
GEC-Toll Ops Support	1,498,223	28,535	1.90%	14,408
GEC-Roadway Ops Support	1,404,000	35,987	2.56%	14,917
GEC-Technology Support	1,028,000	235,420	22.90%	92,314
GEC-Public Information Support	325,000	21,719	6.68%	-
GEC-General Support	2,221,000	88,934	4.00%	25,698
General System Consultant	1,318,627	80,013	6.07%	72,201
Traffic Modeling	150,000	-	-	22,549
Traffic and Revenue Consultant	300,000	86,538	28.85%	22,450
<b>Total Operations and Maintenance Consulting</b>	<b>8,823,850</b>	<b>600,202</b>	<b>6.80%</b>	<b>264,536</b>
<b>Roadway Operations and Maintenance</b>				
Roadway Maintenance	4,400,000	624,213	14.19%	604,615
Maintenance Supplies-Roadway	237,000	-	-	10,672
Tools & Equipment Expense	1,500	459	30.61%	131
Gasoline	21,600	3,774	17.47%	4,305
Repair & Maintenance-Vehicles	4,000	1,950	48.74%	1,663
Electricity - Roadways	250,000	41,273	16.51%	33,395
<b>Total Roadway Operations and Maintenance</b>	<b>4,914,100</b>	<b>671,669</b>	<b>13.67%</b>	<b>654,782</b>
<b>Toll Processing and Collection Expense</b>				
Image Processing	3,392,460	146,202	4.31%	209,429
Tag Collection Fees	4,861,824	1,708,394	35.14%	2,591,657
Court Enforcement Costs	2,471,994	-	-	3,600
DMV Lookup Fees	999	89	8.93%	50
<b>Total Processing and Collection Expense</b>	<b>10,727,277</b>	<b>1,854,685</b>	<b>17.29%</b>	<b>2,804,737</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2019**

	Budget Amount FY 2020	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Toll Operations Expense</b>				
Generator Fuel	2,500	108	4.33%	-
Fire and Burglar Alarm	599	123	20.60%	123
Refuse	1,500	512	34.13%	271
Telecommunications	-	16,597	-	10,957
Water - Irrigation	10,000	1,409	14.09%	376
Electricity	2,500	59	2.35%	383
ETC spare parts expense	25,000	-	-	-
Repair & Maintenance Toll Equip	150,000	-	-	-
Law Enforcement	274,998	-	-	181,204
ETC Maintenance Contract	4,524,237	170,807	3.78%	170,807
ETC Toll Management Center System Operation	402,587	-	-	-
ETC Development	2,361,999	183,050	7.75%	-
ETC Testing	252,999	-	-	-
<b>Total Toll Operations Expense</b>	<b>8,008,919</b>	<b>372,666</b>	<b>4.65%</b>	<b>364,122</b>
<b>Total Operations and Maintenance</b>	<b>32,474,146</b>	<b>3,499,222</b>	<b>10.78%</b>	<b>4,088,176</b>
<b>Other Expenses</b>				
<b>Special Projects and Contingencies</b>				
HERO	150,000	24,638	16.43%	-
Special Projects	400,001	8,655	2.16%	-
71 Express Net Revenue Payment	4,500,000	1,145,572	25.46%	750,000
Technology Task Force	525,000	10,904	2.08%	14,047
Other Contractual Svcs	150,000	15,500	10.33%	23,690
Contingency	400,000	-	-	-
<b>Total Special Projects and Contingencies</b>	<b>6,125,001</b>	<b>1,205,269</b>	<b>19.68%</b>	<b>787,737</b>
<b>Non Cash Expenses</b>				
Amortization Expense	771,625	203,125	26.32%	110,211
Amort Expense - Refund Savings	1,050,000	262,492	25.00%	259,190
Dep Exp- Furniture & Fixtures	2,620	653	24.94%	653
Dep Expense - Equipment	16,000	42,218	263.86%	4,000
Dep Expense - Autos & Trucks	40,500	7,436	18.36%	6,659
Dep Expense-Buildng & Toll Fac	176,800	44,187	24.99%	44,187
Dep Expense-Highways & Bridges	38,568,000	7,403,513	19.20%	5,780,260
Dep Expense-Toll Equipment	3,670,250	845,890	23.05%	456,062
Dep Expense - Signs	326,200	85,483	26.21%	82,271
Dep Expense-Land Improvemt	884,935	294,978	33.33%	221,234
Depreciation Expense-Computers	9,600	3,016	31.42%	3,201
<b>Total Non Cash Expenses</b>	<b>45,516,530</b>	<b>9,192,992</b>	<b>20.20%</b>	<b>6,967,928</b>
<b>Total Other Expenses</b>	<b>51,641,531</b>	<b>10,398,261</b>	<b>20.14%</b>	<b>7,755,665</b>

**Central Texas Regional Mobility Authority  
Income Statement  
For the Period Ending September 30, 2019**

	Budget Amount FY 2020	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Non Operating Expenses</b>				
Bond issuance expense	250,000	56,688	22.68%	56,688
Loan Fee Expense	75,000	-	-	-
Interest Expense	43,741,254	9,620,868	21.99%	8,130,801
Community Initiatives	325,000	7,000	2.15%	10,442
<b>Total Non Operating Expenses</b>	<b>44,391,254</b>	<b>9,684,556</b>	<b>21.82%</b>	<b>8,197,932</b>
<b>TOTAL EXPENSES</b>	<b>\$140,026,585</b>	<b>\$25,324,501</b>	<b>18.09%</b>	<b>\$21,510,574</b>
<b>Net Income</b>	<b>(\$112,442)</b>	<b>\$7,065,227</b>		<b>5,470,265</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2019**

	as of 09/30/2019	as of 09/30/2018
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Cash</b>		
Regions Operating Account	\$ 470,119	\$ 397,813
Cash in TexStar	336,876	828,269
Regions Payroll Account	62,756	28,997
<b>Restricted Cash</b>		
Goldman Sachs FSGF 465	231,072,977	105,050,170
Restricted Cash - TexSTAR	274,839,525	158,085,881
Overpayments account	<u>450,387</u>	<u>261,312</u>
<b>Total Cash and Cash Equivalents</b>	507,232,641	264,652,442
<b>Accounts Receivable</b>		
Accounts Receivable	2,776,451	1,141,083
Due From Other Agencies	51,928	4,685
Due From TTA	1,204,072	1,476,645
Due From NTTA	880,517	598,487
Due From HCTRA	1,186,803	2,034,572
Due From TxDOT	407,700	837,975
Interest Receivable	<u>263,555</u>	<u>561,279</u>
<b>Total Receivables</b>	6,771,026	6,654,726
<b>Short Term Investments</b>		
Treasuries	59,710,290	24,891,016
Agencies	<u>30,059,849</u>	<u>154,446,581</u>
<b>Total Short Term Investments</b>	89,770,138	179,337,597
<b>Total Current Assets</b>	<u>603,773,806</u>	<u>450,644,766</u>
<b>Total Construction in Progress</b>	669,127,523	649,228,098
<b>Fixed Assets (Net of Depreciation and Amortization)</b>		
Computers	17,883	26,932
Computer Software	3,235,420	901,437
Furniture and Fixtures	9,366	11,979
Equipment	7,304	15,372
Autos and Trucks	59,718	52,858
Buildings and Toll Facilities	4,903,075	5,069,512
Highways and Bridges	1,019,792,961	892,006,106
Toll Equipment	18,929,921	18,018,520
Signs	10,429,831	10,554,198
Land Improvements	8,632,837	9,517,771
Right of way	88,149,606	88,149,606
Leasehold Improvements	<u>171,604</u>	<u>129,106</u>
<b>Total Fixed Assets</b>	1,154,339,527	1,024,453,400
<b>Other Assets</b>		
Intangible Assets-Net	102,155,345	103,215,701
2005 Bond Insurance Costs	4,021,072	4,234,580
Prepaid Insurance	154,377	1,037
Prepaid Expenses	-	275
Deferred Outflows (pension related)	866,997	290,396
Pension Asset	<u>177,226</u>	<u>826,397</u>
<b>Total Other Assets</b>	107,375,017	108,568,386
<b>Total Assets</b>	<u><u>\$ 2,534,615,872</u></u>	<u><u>\$ 2,232,894,649</u></u>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2019**

	as of 09/30/2019	as of 09/30/2018
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 616,926	\$ 68,717
Construction Payable	24,652,452	2,023,774
Overpayments	453,499	264,193
Interest Payable	14,949,601	12,959,389
Deferred Compensation Payable	142	142
TCDRS Payable	65,765	54,291
Due to other Agencies	4,120,821	4,028,228
Due to TTA	1,188,737	2,854,417
Due to NTTA	181,655	249,280
Due to HCTRA	171,246	145,577
Due to Other Entities	993,647	1,363,416
71E TxDOT Obligation - ST	2,868,712	2,320,166
<b>Total Current Liabilities</b>	50,263,202	26,331,590
<b>Long Term Liabilities</b>		
Compensated Absences	541,425	282,775
Deferred Inflows (pension related)	206,675	278,184
<b>Long Term Payables</b>	748,100	560,959
<b>Bonds Payable</b>		
<b>Senior Lien Revenue Bonds:</b>		
Senior Lien Revenue Bonds 2010	78,611,024	74,792,634
Senior Lien Revenue Bonds 2011	16,662,699	15,663,087
Senior Refunding Bonds 2013	136,405,000	139,885,000
Senior Lien Revenue Bonds 2015	298,790,000	298,790,000
Senior Lien Put Bnd 2015	68,785,000	68,785,000
Senior Lien Refunding Revenue Bonds 2016	358,030,000	358,030,000
Senior Lien Revenue Bonds 2018	44,345,000	-
Sn Lien Rev Bnd Prem/Disc 2013	5,834,426	7,653,948
Sn Lien Revenue Bnd Prem 2015	19,281,718	20,478,222
Sn Lien Put Bnd Prem 2015	1,397,028	3,260,331
Senior lien premium 2016 revenue bonds	46,297,323	50,617,572
Sn Lien Revenue Bond Premium 2018	3,882,867	-
<b>Total Senior Lien Revenue Bonds</b>	1,078,322,085	1,037,955,795
<b>Sub Lien Revenue Bonds:</b>		
Sub Lien Refunding Bonds 2013	98,295,000	100,530,000
Sub Lien Refunding Bonds 2016	73,905,000	74,305,000
Subordinated Lien BANS 2018	46,020,000	-
Sub Refunding 2013 Prem/Disc	1,278,268	1,716,141
Sub Refunding 2016 Prem/Disc	8,085,480	8,939,527
Sub Lien BANS 2018 Premium	1,190,549	-
<b>Total Sub Lien Revenue Bonds</b>	228,774,297	185,490,668
<b>Other Obligations</b>		
TIFIA Note 2015	290,305,456	146,862,179
TIFIA Note 2019	50,414	-
SIB Loan 2015	33,365,174	32,069,573
State Highway Fund Loan 2015	33,365,204	32,069,603
State 45SW Loan	63,044,574	40,080,000
71E TxDOT Obligation - LT	60,728,211	62,332,058
Regions 2017 MoPAC Note	24,990,900	17,000,000
<b>Total Other Obligations</b>	505,849,932	330,413,413
<b>Total Long Term Liabilities</b>	1,813,694,414	1,554,420,835
<b>Total Liabilities</b>	<u>1,863,957,616</u>	<u>1,580,752,425</u>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2019**

	as of 09/30/2019	as of 09/30/2018
	<b>NET ASSETS</b>	
Contributed Capital	121,202,391	121,202,391
Net Assets Beginning	542,438,963	527,517,893
Current Year Operations	<u>7,016,902</u>	<u>3,421,939</u>
<b>Total Net Assets</b>	<b><u>670,658,256</u></b>	<b><u>652,142,224</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 2,534,615,872</u></b>	<b><u>\$ 2,232,894,649</u></b>



**Central Texas Regional Mobility Authority**  
**Statement of Cash Flow - Unaudited**  
**as of September 30, 2019**

**Cash flows from operating activities:**

Receipts from toll revenues	\$	30,878,391
Receipts from interest income		1,262,974
Payments to vendors		(9,830,811)
Payments to employees		(1,296,477)
Net cash flows provided by (used in) operating activities		21,014,077

**Cash flows from capital and related financing activities:**

Proceeds from notes payable		62,770,819
Receipts from Department of Transportation		221,404
Interest payments		(27,753,472)
Acquisitions of construction in progress		(28,614,260)
Net cash flows provided by (used in) capital and related financing activities		6,624,490

**Cash flows from investing activities:**

Purchase of investments		(156,508,426)
Proceeds from sale or maturity of investments		94,770,091
Net cash flows provided by (used in) investing activities		(61,738,335)
Net increase (decrease) in cash and cash equivalents		(34,099,768)
Cash and cash equivalents at beginning of period		241,560,543
Cash and cash equivalents at end of period	\$	207,460,775

**Reconciliation of change in net assets to net cash provided by operating activities:**

Operating income		\$ 13,652,469
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization		8,930,500
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable		3,309
(Increase) decrease in prepaid expenses and other assets		45,791
(Decrease) increase in accounts payable		(3,259,435)
Increase (decrease) in accrued expenses		1,641,443
Total adjustments		7,361,608
Net cash flows provided by (used in) operating activities	\$	21,014,077

**Reconciliation of cash and cash equivalents:**

Unrestricted cash and cash equivalents		\$ 983,262
Restricted cash and cash equivalents		206,477,513
Total	\$	207,460,775

**INVESTMENTS by FUND**

		Balance September 30, 2019		
Renewal & Replacement Fund				
<b>TexSTAR</b>	<b>399,647.80</b>		<b>TexSTAR</b>	<b>275,176,401.56</b>
<b>Goldman Sachs</b>	<b>14,965.18</b>		<b>Goldman Sachs</b>	<b>199,213,848.10</b>
Agencies/ Treasuries		414,612.98	<b>Agencies &amp; Treasury Notes</b>	<b>89,770,137.87</b>
Grant Fund				\$ 564,160,387.53
<b>TexSTAR</b>	<b>4,414,115.16</b>			
<b>Goldman Sachs</b>	<b>5,571,396.00</b>			
Agencies/ Treasuries		-		
Senior Debt Service Reserve Fund				
<b>TexSTAR</b>	<b>46,048,602.99</b>			
<b>Goldman Sachs</b>	<b>37,401,300.46</b>			
Agencies/ Treasuries	MATURED	83,449,903.45		
2010 Senior Lien DSF				
<b>Goldman Sachs</b>	<b>5,565,327.33</b>	5,565,327.33		
2011 Debt Service Acct				
<b>Goldman Sachs</b>	<b>781,509.98</b>	781,509.98		
2013 Sr Debt Service Acct				
<b>Goldman Sachs</b>	<b>4,129,936.06</b>	4,129,936.06		
2013 Sub Debt Service Account				
<b>Goldman Sachs</b>	<b>2,996,279.15</b>	2,996,279.15		
2015 Sr Capitalized Interest				
<b>Goldman Sachs</b>	-	25,079,431.67		
<b>TexSTAR</b>	<b>25,079,431.67</b>			
2015B Debt Service Account				
<b>Goldman Sachs</b>	<b>865,283.57</b>	865,283.57		
2016 Sr Lien Rev Refunding Debt Service Account				
<b>Goldman Sachs</b>	<b>6,464,687.38</b>	6,464,687.38		
2016 Sub Lien Rev Refunding Debt Service Account				
<b>Goldman Sachs</b>	<b>1,152,951.68</b>	1,152,951.68		
2016 Sub Lien Rev Refunding DSR				
<b>Goldman Sachs</b>	<b>6,924,306.10</b>	6,924,306.10		
Agencies/ Treasuries		-		
Operating Fund				
<b>TexSTAR</b>	<b>336,876.13</b>			
<b>TexSTAR-Trustee</b>	<b>3,359,092.55</b>			
<b>Goldman Sachs</b>	<b>259,911.47</b>	3,955,880.15		
Revenue Fund				
<b>Goldman Sachs</b>	<b>3,768,563.76</b>	3,768,563.76		
General Fund				
<b>TexSTAR</b>	<b>25,819,274.23</b>			
<b>Goldman Sachs</b>	<b>17,527,512.75</b>	83,261,770.31		
Agencies/ Treasuries	39,914,983.33			
2013 Sub Debt Service Reserve Fund				
<b>TexSTAR</b>	<b>5,235,639.17</b>			
<b>Goldman Sachs</b>	<b>3,613,530.36</b>	8,849,169.53		
71E Revenue Fund				
<b>Goldman Sachs</b>	<b>10,812,368.26</b>	10,812,368.26		
MoPac Revenue Fund				
<b>Goldman Sachs</b>	<b>1,291,673.26</b>	1,291,673.26		
MoPac General Fund				
<b>Goldman Sachs</b>	<b>7,087,578.26</b>	7,087,578.26		
MoPac Operating Fund				
<b>Goldman Sachs</b>	<b>1,370,173.29</b>	1,370,173.29		
MoPac Loan Repayment Fund				
<b>Goldman Sachs</b>	<b>71,891.13</b>	71,891.13		
2015B Project Account				
<b>Goldman Sachs</b>	<b>40,738,670.10</b>			
Agencies/ Treasuries	MATURED			
<b>TexSTAR</b>	<b>1,198,923.62</b>	41,937,593.72		
2015 TIFIA Project Account				
<b>Goldman Sachs</b>	<b>13,299,745.35</b>			
<b>TexSTAR</b>	<b>109,563,677.23</b>			
Agencies/ Treasuries	49,855,154.54	172,718,577.12		
2011 Sr Financial Assistance Fund				
<b>Goldman Sachs</b>	<b>0.01</b>	13,610,359.81		
<b>TexSTAR</b>	<b>13,610,359.80</b>			
2018 Sr Lien Project Cap I				
<b>Goldman Sachs</b>	<b>6,786,561.69</b>	6,786,561.69		
2018 Sr Lien Project Account				
<b>Goldman Sachs</b>	<b>5,216,834.69</b>			
<b>TexSTAR</b>	<b>40,110,761.21</b>	45,327,595.90		
2018 Sub Lien Project Account				
<b>Goldman Sachs</b>	<b>3,710,484.53</b>	3,710,484.53		
2018 Sub Debt Service Account				
<b>Goldman Sachs</b>	<b>466,073.78</b>	466,073.78		
2019 TIFIA Sub Lien Project Account				
<b>Goldman Sachs</b>	<b>50,471.14</b>	50,471.14		
45SW Toll Revenue Fund				
<b>Goldman Sachs</b>	<b>278,839.97</b>	278,839.97		
45SW General Fund				
<b>Goldman Sachs</b>	<b>294,591.55</b>	294,591.55		
45SW Operating Fund				
<b>Goldman Sachs</b>	<b>98,588.32</b>	98,588.32		
45SW Project Fund				
<b>Goldman Sachs</b>	<b>10,601,841.54</b>	10,601,841.54		
		<b>\$ 554,174,876.37</b>		

**CTRMA INVESTMENT REPORT**

	Month Ending 9/30/19					Rate	
	Balance 9/1/2019	Additions	Discount Amortization	Accrued Interest	Withdrawals	Balance 9/30/2019	September
<b>Amount in Trustee TexStar</b>							
2011 Sr Lien Financial Assist Fund	13,586,838.97			23,520.83		13,610,359.80	2.1065%
2013 Sub Lien Debt Service Reserve	5,226,591.17			9,048.00		5,235,639.17	2.1065%
General Fund	25,774,654.53			44,619.70		25,819,274.23	2.1065%
Trustee Operating Fund	3,372,512.04	2,000,000.00		4,770.97	2,018,190.46	3,359,092.55	2.1065%
Renewal and Replacement	398,957.15			690.65		399,647.80	2.1065%
Grant Fund	4,406,486.88			7,628.28		4,414,115.16	2.1065%
Senior Lien Debt Service Reserve Fund	45,969,020.59			79,582.40		46,048,602.99	2.1065%
2015A Sr Ln Project Cap Interest	25,036,090.54			43,341.13		25,079,431.67	2.1065%
2015B Sr Ln Project	1,196,851.71			2,071.91		1,198,923.62	2.1065%
2015C TIFIA Project	109,374,329.31			189,347.92		109,563,677.23	2.1065%
2018 Sr Lien Project Account	40,041,440.04			69,321.17		40,110,761.21	2.1065%
	274,383,772.93	2,000,000.00		473,942.96	2,018,190.46	274,839,525.43	
<b>Amount in TexStar Operating Fund</b>	336,117.57	2,018,190.46		758.56	2,018,190.46	336,876.13	2.1065%
<b>Goldman Sachs</b>							
Operating Fund	243,792.96	2,018,190.46		376.50	2,002,448.45	259,911.47	1.9435%
45SW Project Fund	11,828,771.02			20,669.19	1,247,598.67	10,601,841.54	1.9435%
45SW Toll Revenue Fund	363,286.49	314,777.89		257.89	399,482.30	278,839.97	1.9435%
45SW General Fund	0.00	294,591.55		0.00		294,591.55	1.9435%
45SW Operating fund	0.00	100,000.00		0.00	1,411.68	98,588.32	1.9435%
2015B Project Account	10,457,896.33	30,262,500.00		18,273.77		40,738,670.10	1.9435%
2015C TIFIA Project Account	14,495,240.93			70,946.26	1,266,441.84	13,299,745.35	1.9435%
2011 Sr Financial Assistance Fund	0.01			0.00		0.01	1.9435%
2010 Senior DSF	4,921,541.66	635,693.41		8,092.26		5,565,327.33	1.9435%
2011 Senior Lien Debt Service Acct	780,146.78			1,363.20		781,509.98	1.9435%
2013 Senior Lien Debt Service Acct	3,296,212.41	828,625.46		5,098.19		4,129,936.06	1.9435%
2013 Sub Debt Service Reserve Fund	3,607,227.21			6,303.15		3,613,530.36	1.9435%
2013 Subordinate Debt Service Acct	2,394,942.64	597,628.76		3,707.75		2,996,279.15	1.9435%
2015B Debt Service Acct	579,839.41	284,658.21		785.95		865,283.57	1.9435%
2016 Sr Lien Rev Refunding Debt Service Account	5,285,782.81	1,170,602.87		8,301.70		6,464,687.38	1.9435%
2016 Sub Lien Rev Refunding Debt Service Account	840,959.71	310,770.60		1,221.37		1,152,951.68	1.9435%
2016 Sub Lien Rev Refunding DSR	6,919,874.66			4,431.44		6,924,306.10	1.9435%
2018 Sr Lien Project Cap I	6,774,724.52			11,837.17		6,786,561.69	1.9435%
2018 Sr Lien Project Account	5,178,120.11			38,714.58		5,216,834.69	1.9435%
2018 Sub Lien Project Account	8,613,186.84	285,374.51		17,632.22	5,205,709.04	3,710,484.53	1.9435%
2018 Sub Debt Service Account	312,283.21	153,367.34		423.23		466,073.78	1.9435%
2019 TIFIA Sub Lien Project Account	50,383.11			88.03		50,471.14	1.9435%
Grant Fund	5,569,324.46			2,071.54		5,571,396.00	1.9435%
Renewal and Replacement	14,939.08			26.10		14,965.18	1.9435%
Revenue Fund	2,485,950.60	10,482,682.82		5,123.99	9,205,193.65	3,768,563.76	1.9435%
General Fund	19,010,819.10	451,703.00		31,927.46	1,966,936.81	17,527,512.75	1.9435%
Senior Lien Debt Service Reserve Fund	27,269,391.57	10,087,500.00		44,408.89		37,401,300.46	1.9435%
71E Revenue Fund	10,020,013.42	801,220.78		16,376.88	25,242.82	10,812,368.26	1.9435%
MoPac Revenue Fund	1,176,607.22	1,525,865.60		2,526.05	1,413,325.61	1,291,673.26	1.9435%
MoPac General Fund	6,169,952.33	1,213,325.61		13,629.03	309,328.71	7,087,578.26	1.9435%
MoPac Operating Fund	1,186,446.63	200,000.00		1,882.67	18,156.01	1,370,173.29	1.9435%
MoPac Loan Repayment Fund	0.00	71,873.91		17.22		71,891.13	1.9435%
	159,847,657.23	62,090,952.78	0.00	336,513.68	23,061,275.59	199,213,848.10	
<b>Amount in Fed Agencies and Treasuries</b>							
Amortized Principal	129,679,014.31		91,123.56		40,000,000.00	89,770,137.87	
	129,679,014.31		91,123.56	0.00	40,000,000.00	89,770,137.87	
<b>Certificates of Deposit</b>							
<b>Total in Pools</b>	274,719,890.50	4,018,190.46		474,701.52	4,036,380.92	275,176,401.56	
<b>Total in GS FSGF</b>	159,847,657.23	62,090,952.78		336,513.68	23,061,275.59	199,213,848.10	
<b>Total in Fed Agencies and Treasuries</b>	129,679,014.31		91,123.56		40,000,000.00	89,770,137.87	
<b>Total Invested</b>	<b>564,246,562.04</b>	<b>66,109,143.24</b>	<b>91,123.56</b>	<b>811,215.20</b>	<b>67,097,656.51</b>	<b>564,160,387.53</b>	

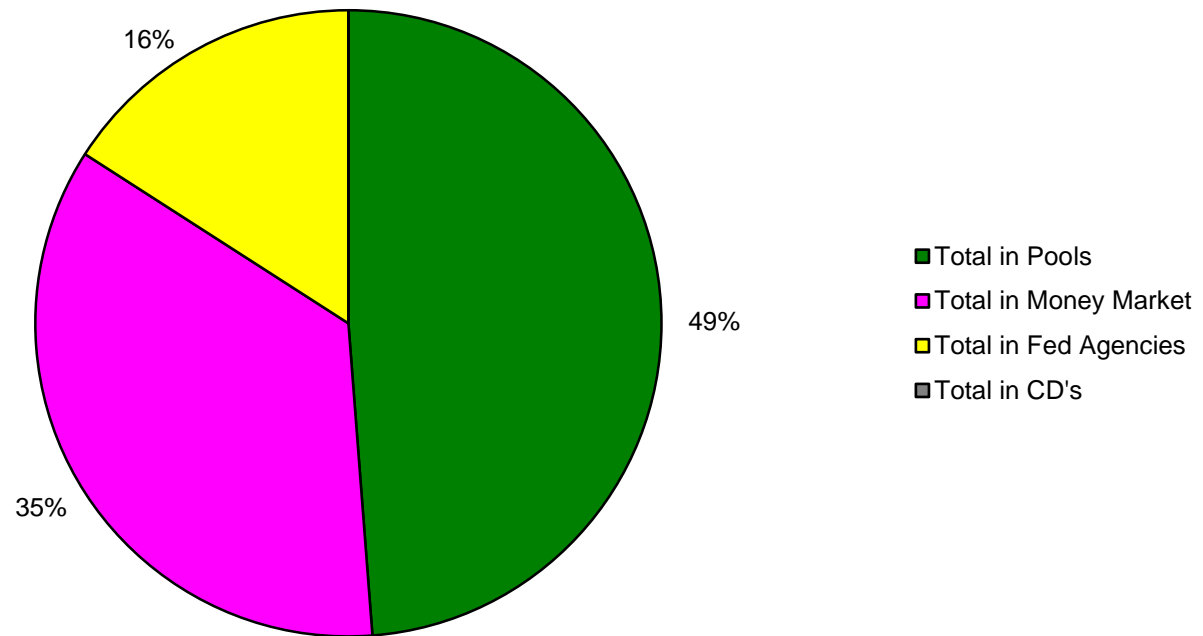
All Investments in the portfolio are in compliance with the CTRMA's Investment policy and the relevent provisions of the Public Funds Investment Act Chapter 2256.023

William Chapman, CFO

Mary Temple, Controller

9/30/2019

## Allocation of Funds



Amount of Investments As of September 30, 2019

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
US Treasury Note	912828F39	<b>MATURED</b>	<b>MATURED</b>	<b>MATURED</b>	2.5137%	3/5/2019	9/30/2019	Senior DSRF
Farmer Mac	31422BDL1	20,000,000.00	20,000,000.00	20,133,638.00	2.5995%	3/11/2019	9/25/2020	General Fund
Fannie Mae	3135G0T29	19,795,960.00	19,914,983.33	19,965,918.80	2.5600%	3/5/2019	2/28/2020	General Fund
US Treasury Note	912828F39A	<b>MATURED</b>	<b>MATURED</b>	<b>MATURED</b>	2.5317%	3/5/2019	9/30/2019	2015B Sr Project
US Treasury Note	912828UF5	49,525,228.76	49,855,154.54	49,902,344.00	2.3352%	3/5/2019	12/31/2019	2015C TIFIA Project
		<u>89,321,188.76</u>	<u>89,770,137.87</u>	<u>90,001,900.80</u>				

Agency	CUSIP #	COST	Cummulative Amortization	9/30/2019		Interest Income		
				Book Value	Maturity Value	Accrued Interest	Amortization	Interest Earned
US Treasury Note	912828F39	<b>MATURED</b>	<b>MATURED</b>	<b>MATURED</b>	10,000,000.00	14,583.34	6,459.60	21,042.94
Farmer Mac	31422BDL1	20,000,000.00	-	20,000,000.00	20,000,000.00	43,333.33	-	43,333.33
Fannie Mae	3135G0T29	19,795,960.00	119,023.33	19,914,983.33	20,000,000.00	25,000.00	17,003.33	42,003.33
US Treasury Note	912828F39A	<b>MATURED</b>	<b>MATURED</b>	<b>MATURED</b>	30,000,000.00	43,750.00	19,378.81	63,128.81
US Treasury Note	912828UF5	49,525,228.76	329,925.78	49,855,154.54	50,000,000.00	46,875.00	48,281.82	95,156.82
		<u>89,321,188.76</u>	<u>448,949.11</u>	<u>89,770,137.87</u>	<u>130,000,000.00</u>	<u>173,541.67</u>	<u>91,123.56</u>	<u>264,665.23</u>

# ESCROW FUNDS

**Travis County Escrow Fund - Elroy Road**

	<b>Balance</b>		<b>Accrued</b>		<b>Balance</b>
	<b>9/1/2019</b>	<b>Additions</b>	<b>Interest</b>	<b>Withdrawals</b>	<b>9/30/2019</b>
Goldman Sachs	23,983,135.07		41,907.31		24,025,042.38

**Campo Regional Infrastructure Fund**

	<b>Balance</b>		<b>Accrued</b>		<b>Balance</b>
	<b>9/1/2019</b>	<b>Additions</b>	<b>Interest</b>	<b>Withdrawals</b>	<b>9/30/2019</b>
Goldman Sachs	7,110,276.81		7,517.94	-	7,117,794.75

**Travis County Escrow Fund - Ross Road**

	<b>Balance</b>		<b>Accrued</b>		<b>Balance</b>
	<b>9/1/2019</b>	<b>Additions</b>	<b>Interest</b>	<b>Withdrawals</b>	<b>9/30/2019</b>



# 183 South Design-Build Project

## Contingency Status

September 30, 2019



**Original Construction Contract Value: \$581,545,700**

<b>Total Project Contingency</b>	<b>\$47,860,000</b>
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<b>Obligations</b>	CO#1 City of Austin ILA Adjustment	(\$2,779,934)
	CO#2 Addition of Coping to Soil Nail Walls	\$742,385
	CO#4 Greenroads Implementation	\$362,280
	CO#6 51st Street Parking Trailhead	\$477,583
	CO#9 Patton Interchange Revisions	\$3,488,230
	CO#17 Boggy Creek Turnaround	\$2,365,876
	Others Less than \$300,000 (6)	\$1,228,917
	CO#10 City of Austin Utility (\$1,010,000 - no cost to RMA)	\$0
	Executed Change Orders	\$5,885,337
	Change Orders Under Negotiation	\$8,370,000
Potential Contractual Obligations	\$16,760,000	

<b>(-) Total Obligations</b>	<b>\$31,015,337</b>
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<b>Remaining Project Contingency</b>	<b>\$16,844,663</b>
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**SH 45SW Construction  
Contingency Status**  
September 30, 2019



**Original Construction Contract Value: \$75,103,623**

<b>Total Project Contingency</b>		<b>\$ 7,520,000</b>
<b>Obligations</b>	CO #04 Installation of PEC and TWC Conduits	\$ 458,439
	CO #05 Installation of SSTR Drilled Shafts and Moment Slab	\$ 538,945
	CO #23 Addressed and Mitigate Excessive and Oversized Boulders Encountered on Project	\$ 1,570,581
	CO #24 Additional Landscape; Monument Lighting Interpretive Signs; Additional Wayfinder	\$ 568,550
	Total of Others Less than \$300,000 (23)	\$ 359,888
	Executed Change Orders	<b>\$ 3,496,403</b>
	Change Orders in Negotiations	\$ -
	Potential Contractual Obligations	<b>\$ 2,206,822</b>
<b>(-) Total Obligations</b>		<b>\$ 5,703,225</b>
<b>Remaining Project Contingency</b>		<b>\$ 1,816,776</b>





**290E Ph. III**  
**Contingency Status**  
 September 30, 2019



**Original Construction Contract Value: \$71,236,424**

<b>Total Mobility Authority Contingency</b>	<b>\$10,633,758</b>
<b>Total TxDOT Project Contingency</b>	<b>\$15,292,524</b>

<b>Obligations</b>	Others Less than \$300,000 (1)	\$126,042
	Executed Change Orders	\$126,042
	Change Orders Under Negotiation	\$265,000
	Potential Contractual Obligations	\$1,860,000

<b>(-) Total Obligations</b>	<b>\$2,251,042</b>
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<b>Remaining Mobility Authority Contingency</b>	<b>\$8,438,398</b>
<b>Remaining TxDOT Contingency</b>	<b>\$15,236,961</b>



**MOPAC Misc. Construction**  
**Financial Status**  
September 30, 2019



**Original Construction Contract Value:** \$ **4,583,280**

<b>Change Orders</b>		
	Total of Others Less than \$300,000 (12 Total, 8 Taken out of Contingency)	\$ 473,070
<b>Executed Change Orders</b>		<b>\$ 473,070</b>
<b>Revised Construction Contract Value</b>		<b>\$ 5,056,349</b>
<b>Change Orders under Negotiation</b>		<b>\$ 117,016</b>
<b>Potential Construction Contract Value</b>		<b>\$ 5,173,365</b>
<b>Amount paid McCarthy through July 2019 draw (as of 7/31/2019)</b>		<b>\$ (4,491,614)</b>
<b>Potential Amount Payable to McCarthy</b>		<b>\$ 681,751</b>



## Monthly Newsletter - September 2019

### Performance

#### As of September 30, 2019

Current Invested Balance	\$7,801,760,097.32
Weighted Average Maturity (1)	18 Days
Weighted Average Maturity (2)	111 Days
Net Asset Value	0.999962
Total Number of Participants	912
Management Fee on Invested Balance	0.06%*
Interest Distributed	\$14,099,788.47
Management Fee Collected	\$390,557.50
% of Portfolio Invested Beyond 1 Year	11.01%
Standard & Poor's Current Rating	AAAm

#### September Averages

Average Invested Balance	\$7,919,791,659.64
Average Monthly Yield, on a simple basis	2.1065%
Average Weighted Average Maturity (1)*	22 Days
Average Weighted Average Maturity (2)*	113 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 September:

★Ector County Utility District

★City of Krum

★City of Richland Hills

### Holiday Reminder

In observance of **Columbus Day**, **TexSTAR will be closed on Monday, October 14, 2019**. All ACH transactions initiated on Friday, October 11th, will settle on Tuesday, October 15th. Please plan accordingly for your liquidity needs.

### Economic Commentary

Economic growth and global trade continued to dominate investor attention. The third quarter was marked by a continued slowdown in the global economy offset by further monetary easing. The Federal Reserve cut interest rates 25 bps at the July and September FOMC meetings bringing the fed funds rate target range to 1.75% to 2.0% in an attempt to prolong the economic expansion in the face of a slowdown in the pace of growth. The Fed stated that it will "continue to monitor the implications" and "will act as appropriate" as "uncertainties about [the] outlook remain." As things currently stand, further tariffs are expected to be imposed by the end of the year unless renewed talks between the U.S. and China make sufficient progress. China's economic growth has continued to slow but is still comfortably above that of the U.S. Now that the trade dispute is dampening the growth outlook and the U.S. presidential election is only a year away, it is far from clear that China will concede to U.S. demands on trade.

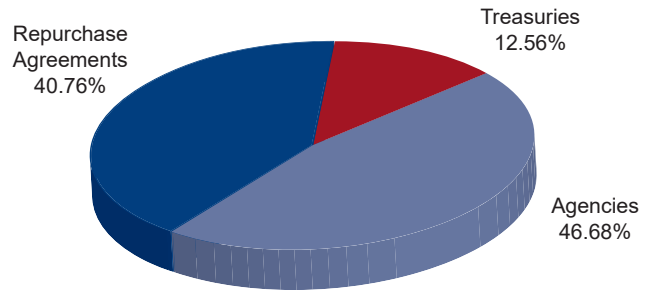
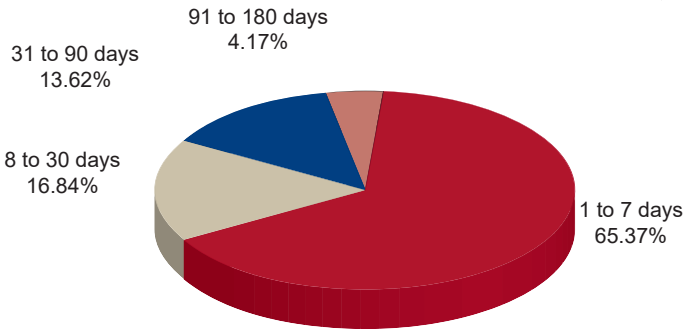
With the U.S. and China embroiled in a trade war, and little hope of rescue by fiscal stimulus, all eyes are on the central banks and their willingness to offset the global downturn by returning to the aggressive policy tools seen early in the post-financial crisis world. Unemployment is very low, wages have been ticking up, and consumer confidence is high. If the Fed cuts rates aggressively and expands the balance sheet once more, we anticipate the consumer balance sheet will further improve. Already, mortgage refinancing in the U.S. and the surge in asset prices have been generating a wealth effect across savers, but we worry that the growing impact of tariffs may cause companies to cut their labor forces to shed expenses. While monetary policy will act to cushion the downside, it may not be able to avert a recession on its own. This late into an expansion, the central bankers need the politicians to help with some form of fiscal stimulus. But where is the ability and courage to embark on a fiscal spend? A split U.S. Congress means that the current Administration will be relatively powerless. So where do we think monetary policy will go? We believe that the Fed will have little choice but to respond. We expect the Fed begin growing its balance sheet again and to ease rates one more time this year in December and then again in the first quarter of 2020, bringing the range on the fed funds rate to 1.25% - 1.50%.

This information is an excerpt from an economic report dated September 2019 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.

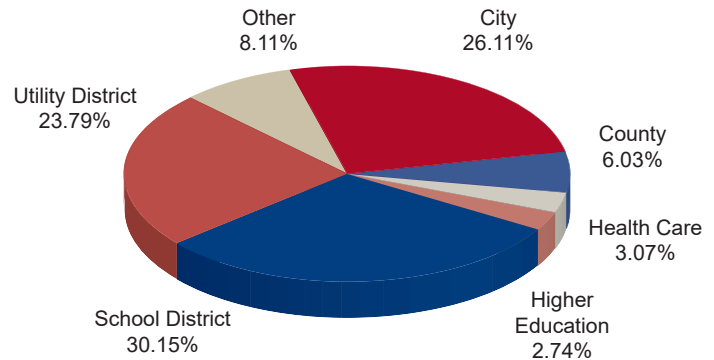
**For more information about TexSTAR, please visit our web site at [www.texstar.org](http://www.texstar.org).**

# Information at a Glance

## Portfolio by Type of Investment As of September 30, 2019



## Portfolio by Maturity As of September 30, 2019



## Distribution of Participants by Type As of September 30, 2019

# Historical Program Information

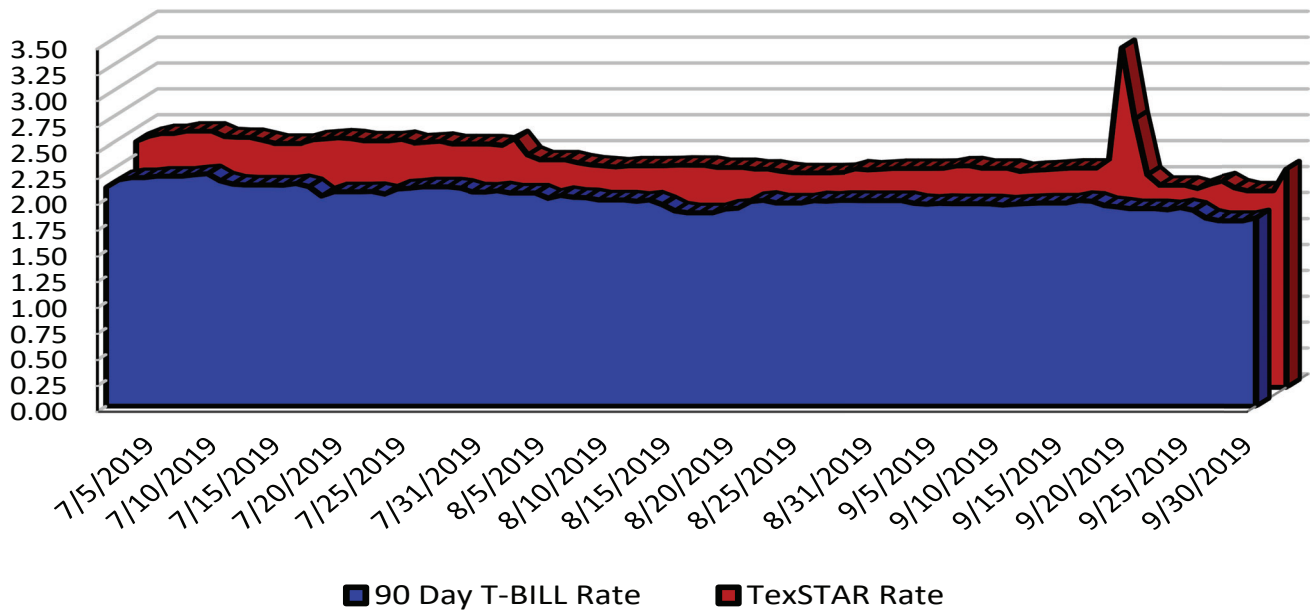
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Sep 19	2.1065%	\$7,801,760,097.32	\$7,801,464,171.79	0.999962	22	113	912
Aug 19	2.1258%	8,162,241,291.21	8,162,120,700.72	0.999955	22	104	909
Jul 19	2.3883%	8,182,604,967.44	8,182,476,436.15	0.999984	13	92	908
Jun 19	2.3790%	8,072,061,682.23	8,072,222,027.73	1.000019	19	103	906
May 19	2.4048%	8,251,300,232.20	8,251,929,597.00	1.000042	25	105	902
Apr 19	2.4243%	8,464,290,753.69	8,464,331,283.11	1.000004	26	101	895
Mar 19	2.4112%	8,378,300,782.34	8,378,032,817.90	0.999968	41	106	893
Feb 19	2.4001%	9,198,012,187.60	9,197,689,206.82	0.999964	45	99	891
Jan 19	2.3937%	8,624,044,987.80	8,623,938,284.28	0.999987	37	82	890
Dec 18	2.3069%	7,738,483,374.11	7,738,245,287.60	0.999940	40	95	888
Nov 18	2.2176%	6,683,233,268.87	6,682,898,473.43	0.999949	41	102	886
Oct 18	2.1615%	6,581,942,899.40	6,581,269,831.00	0.999897	41	101	884

# Portfolio Asset Summary as of September 30, 2019

	Book Value	Market Value
Uninvested Balance	\$ 28,557.77	\$ 28,557.77
Accrual of Interest Income	7,038,962.00	7,038,962.00
Interest and Management Fees Payable	(14,167,725.87)	(14,167,725.87)
Payable for Investment Purchased	(50,000,000.00)	(50,000,000.00)
Repurchase Agreement	3,203,294,999.83	3,203,294,999.83
Government Securities	4,655,565,303.59	4,655,269,378.06
<b>Total</b>	<b>\$ 7,801,760,097.32</b>	<b>\$ 7,801,464,171.79</b>

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by J.P. Morgan Chase & Co. and the assets are safekept in a separate custodial account at the Federal Reserve Bank in the name of TexSTAR. The only source of payment to the Participants are the assets of TexSTAR. There is no secondary source of payment for the pool such as insurance or guarantee. Should you require a copy of the portfolio, please contact TexSTAR Participant Services.

# TexSTAR versus 90-Day Treasury Bill



This material is for information purposes only. This information does not represent an offer to buy or sell a security. The above rate information is obtained from sources that are believed to be reliable; however, its accuracy or completeness may be subject to change. The TexSTAR management fee may be waived in full or in part at the discretion of the TexSTAR co-administrators and the TexSTAR rate for the period shown reflects waiver of fees. This table represents historical investment performance/return to the customer, net of fees, and is not an indication of future performance. An investment in the security is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the issuer seeks to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in the security. Information about these and other program details are in the fund's Information Statement which should be read carefully before investing. The yield on the 90-Day Treasury Bill ("T-Bill Yield") is shown for comparative purposes only. When comparing the investment returns of the TexSTAR pool to the T-Bill Yield, you should know that the TexSTAR pool consist of allocations of specific diversified securities as detailed in the respective Information Statements. The T-Bill Yield is taken from Bloomberg Finance L.P. and represents the daily closing yield on the then current 90-day T-Bill. The TexSTAR yield is calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940 as promulgated from time to time by the federal Securities and Exchange Commission.

## Daily Summary for September 2019

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
9/1/2019	2.1108%	0.000057831	\$8,162,241,291.21	0.999955	22	107
9/2/2019	2.1108%	0.000057831	\$8,162,241,291.21	0.999955	22	107
9/3/2019	2.1126%	0.000057880	\$8,234,328,154.70	0.999941	22	109
9/4/2019	2.1352%	0.000058499	\$8,196,338,151.35	0.999945	22	109
9/5/2019	2.1366%	0.000058536	\$8,153,076,948.63	0.999948	21	111
9/6/2019	2.1124%	0.000057875	\$8,061,398,165.86	0.999957	21	110
9/7/2019	2.1124%	0.000057875	\$8,061,398,165.86	0.999957	21	110
9/8/2019	2.1124%	0.000057875	\$8,061,398,165.86	0.999957	21	110
9/9/2019	2.0814%	0.000057025	\$8,022,200,548.58	0.999958	25	113
9/10/2019	2.0923%	0.000057323	\$7,935,956,626.65	0.999945	25	114
9/11/2019	2.0978%	0.000057474	\$7,923,350,007.66	0.999948	25	115
9/12/2019	2.1063%	0.000057708	\$7,815,086,582.23	0.999941	24	117
9/13/2019	2.1143%	0.000057925	\$7,793,116,508.31	0.999933	23	116
9/14/2019	2.1143%	0.000057925	\$7,793,116,508.31	0.999933	23	116
9/15/2019	2.1143%	0.000057925	\$7,793,116,508.31	0.999933	23	116
9/16/2019	2.2001%	0.000060278	\$7,734,529,803.18	0.999924	23	116
9/17/2019	3.2767%	0.000089773	\$7,789,367,792.33	0.999927	24	114
9/18/2019	2.5872%	0.000070883	\$7,774,145,451.84	0.999917	25	116
9/19/2019	2.0525%	0.000056232	\$7,774,454,542.71	0.999906	25	116
9/20/2019	1.9483%	0.000053377	\$7,862,555,909.10	0.999935	23	113
9/21/2019	1.9483%	0.000053377	\$7,862,555,909.10	0.999935	23	113
9/22/2019	1.9483%	0.000053377	\$7,862,555,909.10	0.999935	23	113
9/23/2019	1.9164%	0.000052503	\$7,812,145,235.19	0.999932	23	113
9/24/2019	1.9592%	0.000053676	\$7,810,022,899.38	0.999929	20	115
9/25/2019	1.9898%	0.000054516	\$7,881,243,884.44	0.999933	19	113
9/26/2019	1.9211%	0.000052633	\$7,937,279,357.52	0.999921	19	112
9/27/2019	1.8924%	0.000051847	\$7,840,923,124.43	0.999932	18	111
9/28/2019	1.8924%	0.000051847	\$7,840,923,124.43	0.999932	18	111
9/29/2019	1.8924%	0.000051847	\$7,840,923,124.43	0.999932	18	111
9/30/2019	2.1054%	0.000057682	\$7,801,760,097.32	0.999962	18	111
Average	2.1065%	0.000057712	\$7,949,791,659.64		22	113



**TexSTAR Participant Services**  
**1201 Elm Street, Suite 3500**  
**Dallas, TX 75270**  
**1-800-839-7827**

### ***TexSTAR Board Members***

William Chapman	Central Texas Regional Mobility Authority	Governing Board President
Nell Lange	City of Frisco	Governing Board Vice President
Eric Cannon	City of Allen	Governing Board Treasurer
David Medanich	Hilltop Securities	Governing Board Secretary
Jennifer Novak	J.P. Morgan Asset Management	Governing Board Asst. Sec./Treas.
Monte Mercer	North Central TX Council of Government	Advisory Board
Becky Brooks	City of Grand Prairie	Advisory Board
Nicole Conley	Austin ISD	Advisory Board
David Pate	Richardson ISD	Advisory Board
James Mauldin	Qualified Non-Participant	Advisory Board
Sandra Newby	Tarrant Regional Water District/Non-Participant	Advisory Board
Ron Whitehead	Qualified Non-Participant	Advisory Board



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

**RESOLUTION NO. 19-058**

**APPROVING AMENDMENT NO. 1 TO THE INTERLOCAL AGREEMENT  
WITH THE CAPITAL AREA METROPOLITAN PLANNING  
ORGANIZATION RELATED TO THE MOPAC IMPROVEMENT PROJECT**

WHEREAS, by Resolution No. 12-039 dated June 27, 2012, the Central Texas Regional Mobility Authority (Mobility Authority) Board of Directors approved an interlocal agreement (Interlocal Agreement) with the Capital Area Metropolitan Planning Organization (CAMPO) to provide funding for the MoPac Improvement Project (Project) and to establish a Regional Infrastructure Fund (RIF) to be used to fund other transportation projects in the Central Texas region; and

WHEREAS, the Mobility Authority has established the RIF and made deposits therein from surplus revenue from the Project as set forth in the Interlocal Agreement; and

WHEREAS, and the Mobility Authority is obligated to continue making deposits to the RIF from surplus revenues from the Project in the amounts and at the times set forth in the Interlocal Agreement; and

WHEREAS, Mobility Authority has established and designated certain transportation projects as parts of its "CTRMA Turnpike System" (System); and

WHEREAS, the Mobility Authority desires to designate and add the Project as part of the System, which will provide the Mobility Authority with increased flexibility to make further improvements to the Project and provide additional capacity to develop other transportation projects as part of the System; and

WHEREAS, certain provisions in the Interlocal Agreement related to the encumbrance of Project revenues limit the Mobility Authority's ability to use Project revenues to secure third party borrowing and prevent the Mobility Authority from adding the Project to the System; and

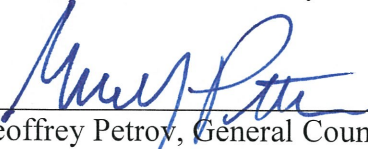
WHEREAS, the Executive Director and CAMPO have negotiated Amendment No. 1 to the Interlocal Agreement to allow the Mobility Authority to (1) add the Project to the System, (2) make payments to the RIF from the Mobility Authority's General Fund rather than surplus Project revenues, and (3) encumber, pledge and grant a security interest in Project revenues to facilitate third party borrowing; and

WHEREAS, the Executive Director recommends approval of proposed Amendment No.1 to the Interlocal Agreement with CAMPO in the form or substantially the same form as is attached hereto as Exhibit A.


NOW THEREFORE BE IT RESOLVED, that the Board of Directors hereby approves Amendment No. 1 to the Interlocal Agreement with CAMPO, and authorizes the Executive Director to finalize and execute Amendment No. 1 to the Interlocal Agreement with CAMPO in the form or substantially the same form as is attached hereto as Exhibit A.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2019.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Robert W. Jenkins, Jr.  
Chairman, Board of Directors



**Exhibit A**

## FIRST AMENDMENT TO INTERLOCAL AGREEMENT

**THIS FIRST AMENDMENT TO INTERLOCAL AGREEMENT** (this “Amendment”) is made and entered effective as of the \_\_\_ day of \_\_\_\_\_, 2019, by and between the CAPITAL AREA METROPOLITAN PLANNING ORGANIZATION (“CAMPO”), the designated metropolitan planning organization for the Austin metropolitan area, and the CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY (the “Mobility Authority”), a political subdivision of the State of Texas (each a “Party”, and collectively, the “Parties”).

### WITNESSETH:

**WHEREAS**, this Amendment amends and modifies that certain Interlocal Agreement entered into by the Parties and effective as of June 27, 2012 (the “Original Agreement”), relating to the MoPac Improvement Project (the “Project”); and

**WHEREAS**, pursuant to its terms, the Original Agreement may not be amended or modified except in writing and executed by both Parties and authorized by their respective governing bodies; and

**WHEREAS**, capitalized terms used in this Amendment and not otherwise defined herein shall have the meaning given to such terms in the Original Agreement; and

**WHEREAS**, the Mobility Authority has established the Regional Infrastructure Fund (the “RIF”) and made deposits therein from Surplus Revenue of the Project in the amounts and at the times required by the Original Agreement, and the Mobility Authority is obligated to continue making deposits to the RIF from Surplus Revenue in the amounts and at the times set forth in the Original Agreement; and

**WHEREAS**, the Mobility Authority has established and designated certain transportation projects as part of its “CTRMA Turnpike System” (the “System”), and the Mobility Authority desires to designate and add the Project as part of the System, which will provide the Mobility Authority with increased flexibility to make further improvements to the Project and will provide additional capacity to develop other transportation projects as part of the System; and

**WHEREAS**, to facilitate the designation and addition of the Project as part of the Mobility Authority’s System, the Parties desire to amend the Original Agreement as set forth herein;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the undersigned Parties agree as follows:

### I. FINDINGS

**Recitals.** The recitals set forth above are incorporated herein for all purposes and are found by the Parties to be true and correct. It is further found and determined that the Parties have authorized and approved this Amendment by resolution of their respective governing body and that this Amendment will be in full force and effect when executed by each Party.

**II.**  
**AMENDMENTS**

- A. Notwithstanding any other provision of the Original Agreement to the contrary, including but not limited to, Section II.D and Section II.E:
- (1) The Mobility Authority may designate and add the Project as part of the Mobility Authority's System; and
  - (2) Following the Mobility Authority's designation and addition of the Project as part of the System:
    - (a) All deposits to be made by the Mobility Authority to the RIF shall be made solely from funds on deposit in the Mobility Authority's General Fund established pursuant to the terms of that certain Master Trust Indenture dated as of February 1, 2005, between the Mobility Authority and the trustee named therein (as currently amended and as it may be further amended in the future, the "CTRMA Trust Indenture"); provided, that the Mobility Authority reserves the right, at its sole discretion, to make such deposits from other funds of the Mobility Authority (being funds that do not constitute Revenues under the CTRMA Trust Indenture), to the extent such funds are determined to be available for such purposes and are appropriated for such purposes;
    - (b) If funds are not on deposit in the General Fund and available for deposit to the RIF at the times or in the amounts projected on the general schedule set forth in Exhibit "A" attached to the Original Agreement, the Parties will confer and will work in good faith to revise the terms of the Original Agreement, as amended by this Amendment, to accommodate the changed circumstances while preserving the benefits for the region of the RIF and recognizing the value of the designated contribution schedule;
    - (c) The Mobility Authority may encumber, pledge and grant a security interest in Project revenues, subject to the terms of the CTRMA Trust Indenture; and
    - (d) For the avoidance of doubt, Project revenues shall constitute Revenues under the CTRMA Trust Indenture and shall be subject in all respects to the terms and provisions of the CTRMA Trust Indenture.
- B. Except as amended by this Amendment, the Original Agreement shall remain in full force and effect.

**III.**  
**GENERAL AND MISCELLANEOUS**

- A. **Prior Written Agreements.** The Original Agreement, as amended by this Amendment (the "Amended Agreement"), is the complete agreement by and between the Parties on the subject matter of the Amended Agreement. The Amended Agreement is without regard to any and all prior written contracts or agreements between the Parties regarding any other subject matter and does not modify, amend, ratify, confirm, or renew any such other prior contract or agreement between the Parties.
- B. **Other Services.** Nothing in the Amended Agreement shall be deemed to create, by implication or otherwise, any duty or responsibility of either of the Parties to undertake or not to undertake any other service, or to provide or not to provide any service, except as specifically set forth in the Amended Agreement or in a separate written instrument executed by other Parties.
- C. **Governmental Immunity.** Nothing in the Amended Agreement shall be deemed to waive, modify, or amend any legal defense available at law or in equity either of the Parties nor to create any legal rights or claims on behalf of any third party. Neither of the Parties waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and the United States.
- D. **Amendments and Modifications.** The Amended Agreement may not be amended or modified except in writing and executed by both Parties to the Amended Agreement and authorized by their respective governing bodies.
- E. **Severability.** If any provision of the Amended Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather the entire Amended Agreement will be construed as if not containing the particular invalid or unenforceable provision(s), and the rights and obligations of the Parties shall be construed and enforced in accordance therewith. The Parties acknowledge that if any provision of the Amended Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, give effect to the intent of the Amended Agreement and be deemed to be validated and enforceable.
- F. **Execution in Counterparts.** This Amendment may be simultaneous executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed as of the date first written above, when both Parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

[EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed and delivered this Amendment by their officers thereunto duly authorized.

**Capital Area Metropolitan Planning  
Organization Transportation Policy Board**

**Central Texas Regional Mobility Authority**

\_\_\_\_\_  
By: Steve Adler, Chair

\_\_\_\_\_  
By: Robert Jenkins, Jr., Chair

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## INTERLOCAL AGREEMENT

**THIS INTERLOCAL AGREEMENT** (the “Agreement”) is made and entered into effective as of the 27<sup>th</sup> day of June, 2012, by and between the CAPITAL AREA METROPOLITAN PLANNING ORGANIZATION (“CAMPO”), the designated metropolitan planning organization for the Austin metropolitan area, and the CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY (the “Mobility Authority”), a political subdivision of the State of Texas (each a “Party”, and collectively, the “Parties”).

### WITNESSETH:

**WHEREAS**, 23 U.S.C. §134 requires the Governor, by agreement with units of general purpose local government in the affected area, to designate a metropolitan planning organization (“MPO”) for each metropolitan planning area in the state; and

**WHEREAS**, 23 U.S.C. §134 requires each MPO so designated, in cooperation with the state, to develop long-range transportation plans and transportation improvement programs for the metropolitan planning area; and

**WHEREAS**, the Governor of Texas has designated CAMPO as the MPO for Bastrop, Caldwell, Hays, Travis, and Williamson Counties in accordance with the requirements of 23 U.S.C. §134; and

**WHEREAS**, the Mobility Authority is a regional mobility authority created pursuant to the request of Travis and Williamson Counties and operating pursuant to Chapter 370 of the Texas Transportation Code (the “RMA Act”) and 43 TEX. ADMIN. CODE §§26.1 *et seq.*; and

**WHEREAS**, Chapter 791 of the Texas Government Code provides that any one or more public agencies may contract with each other for the performance of governmental functions or services in which the contracting parties are mutually interested; and

**WHEREAS**, Section 370.033 of the RMA Act provides that a regional mobility authority may enter into contracts or agreements with another governmental entity; and

**WHEREAS**, the Mobility Authority’s goals include improving mobility within Travis and Williamson counties, and to further that goal, the Mobility Authority has exercised its option, pursuant to state law, to develop, construct, and operate a proposed managed lane project in the City of Austin, Travis County, along an 11-mile portion of Loop 1 (MoPac) south of Parmer Lane to Cesar Chavez Street (the “MoPac Improvement Project” or “Project”); and

**WHEREAS**, the Texas Department of Transportation (“TxDOT”) recently identified approximately \$2 billion in unanticipated funding for highway projects, resulting primarily from additional federal funding and lower than expected borrowing and construction costs for current projects; and

**WHEREAS**, TxDOT has notified CAMPO that \$136,583,000.00 of the unanticipated funding (the “New Funds”) will be made available for transportation projects in the Austin metropolitan area and has asked CAMPO to allocate the New Funds for appropriate projects; and

**WHEREAS**, the New Funds must be primarily allocated to projects which have progressed through the planning and development process to a point where Federal funds may be obligated to the project by September 30, 2012; and

**WHEREAS**, the MoPac Improvement Project is expected to receive environmental clearance on or before August 31, 2012, and has otherwise advanced through the planning and development process such that it is anticipated to be eligible for the obligation of funds prior to September 30, 2012; and

**WHEREAS**, CAMPO has determined that it is in the best interest of the region to allocate \$130 million in New Funds to the development and construction of the MoPac Improvement Project by the Mobility Authority; and

**WHEREAS**, the allocation of \$130 million in New Funds to the MoPac Improvement Project makes it possible for the Mobility Authority to fund construction of the Project without issuing toll revenue bonds, and thus reduces the total cost of constructing and operating the Project by the projected cost of issuing and repaying toll revenue bonds; and

**WHEREAS**, because the Mobility Authority will not have debt service requirements for the MoPac Improvement Project, the Project will generate “Surplus Revenue” (as defined below) sooner than if debt were issued; and

**WHEREAS**, to assure that the region shares in the benefits resulting from the use of New Funds for the MoPac Improvement Project, and in accordance with the requirements of Section 370.174 of the RMA Act, the Mobility Authority has agreed to establish a Regional Infrastructure Fund (“RIF”) created from a portion of the Surplus Revenue from the MoPac Improvement Project to be used to fund other transportation projects in the region; and

**WHEREAS**, in accordance with the terms of this Agreement and provisions of the RMA Act, the RIF will be available for use on transportation projects identified by CAMPO; and

**WHEREAS**, the Mobility Authority has agreed to deposit and hold the RIF in a dedicated interest-bearing account for the benefit of CAMPO;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the undersigned Parties agree as follows:

## **I. FINDINGS**

**Recitals.** The recitals set forth above are incorporated herein for all purposes and are found by the Parties to be true and correct. It is further found and determined that the Parties

have authorized and approved the Agreement by resolution and that this Agreement will be in full force and effect when approved by each party.

## II. ACTION

- A. **Allocation of New Funds to the MoPac Improvement Project.** CAMPO shall amend its Transportation Improvement Program (“TIP”) to allocate to the Mobility Authority \$130 million in New Funds, to be used to pay or provide reimbursement for the costs of (1) constructing the MoPac Improvement Project, including without limitation costs of right-of-way acquisition and utility relocation; and (2) other costs associated with project financing and implementation. This funding allocation is committed by CAMPO and is not subject to future discretionary actions of CAMPO. The Parties recognize and acknowledge that, subject to applicable law, a portion of the New Funds committed by this paragraph may be applied to reimburse costs incurred prior to, and in anticipation of, receipt of New Funds. The Parties further recognize and acknowledge that the New Funds shall be made available to the Mobility Authority by TxDOT pursuant to the terms of a separate financial assistance agreement. A copy of the financial assistance agreement will be provided to CAMPO upon execution by the Mobility Authority and TxDOT.
- B. **Maintenance of Regional Infrastructure Fund.** In order to share the financial benefits derived from using New Funds for the MoPac Improvement Project, the Mobility Authority will establish and maintain a RIF. The RIF will be held in a dedicated interest-bearing account into which the Mobility Authority will deposit a portion of the Surplus Revenue generated by the Project (the “RIF Account”). The amounts of, and projected schedule for, contributions to the RIF Account are set forth on Exhibit “A”, attached hereto and incorporated herein.
- C. **Use of Funds Held in the RIF Account.** The proceeds deposited to the RIF Account (and interest earned thereon) shall be used to assist governmental entities (which may include the Mobility Authority) in funding eligible toll or toll-free transportation projects. CAMPO shall have the sole responsibility for designating the transportation projects to which funds in the RIF Account will be allocated and determining the amount of available RIF proceeds to be allocated to each project. The Mobility Authority shall distribute funds in the RIF Account to governmental entities as designated by CAMPO for transportation projects included in the approved TIP (and any other required planning document). Notwithstanding the foregoing, unless otherwise permitted by federal law, funds in the RIF Account may only be used for a transportation project as defined in Title 23 of the United States Code (23 U.S.C.).

If, in the future, state and federal law permits CAMPO to directly fund projects through loans and grants, and state law permits a regional mobility authority to transfer Surplus Revenue directly to a metropolitan planning organization, the Parties agree that the RIF contributions and account shall, upon receipt of a written request from CAMPO, be transferred from the Mobility Authority to CAMPO.



- D. **Mobility Authority Commitment Contingent on Surplus Revenue.** The Mobility Authority shall deposit Surplus Revenue to the RIF Account only to the extent Surplus Revenue exists and in accordance with the general schedule set forth in Exhibit "A", which was derived based on projected revenues, operations and maintenance expenses, necessary reserves, and other project expenditures developed by the Mobility Authority and its consultants. For purposes of this Agreement, the phrase "Surplus Revenue" shall have the meaning set forth in Section 370.003(12) of the RMA Act, provided that neither (1) feasibility fund expenditures; nor (2) debt service and other expenses associated with any borrowing as described in Section II.E(2) shall be deducted from Project revenues in computing Surplus Revenue. If the Project does not generate Surplus Revenue at the time or in the amounts projected on Exhibit "A", the parties will confer and will work in good faith to revise the terms hereof to accommodate the changed circumstances while preserving the benefits for the region of the RIF and recognizing the value of the designated contribution schedule.
- E. **Encumbrance of Project Revenues.** The Mobility Authority agrees not to encumber Project revenues to secure borrowing from third parties except in either of the following circumstances:
- (1) The Mobility Authority determines that funds are needed to support Project construction or operations or to reimburse previously-incurred Project expenditures. If the funds needed are less than \$25 million, the Mobility Authority may take such actions as are necessary to secure the funding, including entering into a loan agreement with a third party to provide the funding on commercially reasonable terms (which may include a pledge of Project revenues).
  - (2) If the Mobility Authority has made contributions to the RIF in accordance with the schedule reflected on Exhibit "A", it may pledge that portion of Surplus Revenue which exceeds scheduled RIF contributions ("Additional Surplus Revenue") to secure third party borrowing. In accordance with Section II.D, all debt service and other expenses associated with such borrowing shall be excluded from the definition of Surplus Revenue available for contribution to the RIF (i.e., debt service and expenses related to such borrowing will not be deducted from Project revenues for purposes of calculating Surplus Revenue available for contribution to the RIF). In the event the Mobility Authority intends to borrow money and pledge the Additional Surplus Revenue to secure such borrowing, the Mobility Authority shall: (1) provide notice of its intent to engage in such borrowing at least thirty (30) calendar days prior to consummating such loan; (2) assure that any documents evidencing the loan recognize the obligations to make the RIF contributions prior to satisfying any loan obligations; and (3) provide documents evidencing the loan to CAMPO at least ten (10) business days prior to funding.
- F. **Advance Funding of RIF.** At its option and depending on Project performance, the Mobility Authority may fund the entire contribution to the RIF earlier than is otherwise projected on Exhibit "A".

- G. **Audit of Project.** The Mobility Authority will provide a copy of its annual audit to CAMPO until such time that the RIF contributions have been fully funded in accordance with Exhibit "A". In addition, CAMPO may, at its expense, secure an independent audit of the Project to verify the computation and availability of Surplus Revenue for contribution to the RIF in accordance with the projected schedule reflected on Exhibit "A".

### III. GENERAL AND MISCELLANEOUS

- A. **Prior Written Agreements.** This Agreement is the complete agreement by and between the Parties on the subject matter of the Agreement. This Agreement is without regard to any and all prior written contracts or agreements between the Parties regarding any other subject matter and does not modify, amend, ratify, confirm, or renew any such other prior contract or agreement between the Parties.
- B. **Other Services.** Nothing in this Agreement shall be deemed to create, by implication or otherwise, any duty or responsibility of either of the Parties to undertake or not to undertake any other service, or to provide or not to provide any service, except as specifically set forth in this Agreement or in a separate written instrument executed by both Parties.
- C. **Governmental Immunity.** Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or in equity to either of the Parties nor to create any legal rights or claims on behalf of any third party. Neither of the Parties waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.
- D. **Amendments and Modifications.** This Agreement may not be amended or modified except in writing and executed by both Parties to this Agreement and authorized by their respective governing bodies.
- E. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision(s), and the rights and obligations of the Parties shall be construed and enforced in accordance therewith. The Parties acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, give effect to the intent of this Agreement and be deemed to be validated and enforceable.
- F. **Execution in Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed as of the date first written above, when both Parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

IN WITNESS WHEREOF, the Parties have executed and attested this Agreement by their officers thereunto duly authorized.

**Capital Area Metropolitan Planning  
Organization Transportation Policy Board**

  
\_\_\_\_\_

By: Will Conley, Chair

Date: 6-28-12

**Central Texas Regional Mobility  
Authority**

  
\_\_\_\_\_

By: Ray Wilkerson, Chair

Date: 6-27-12

EXHIBIT "A"

PROJECTED  
REGIONAL INFRASTRUCTURE FUND  
CONTRIBUTION SCHEDULE

(Contributions to be made on or before September 1 of the year indicated)

<b>Year</b>	<b>Annual Amount</b>
2017	\$2,000,000
2018	\$2,000,000
2019	\$3,000,000
2020	\$4,000,000
2021	\$5,000,000
2022	\$5,000,000
2023	\$6,000,000
2024	\$10,000,000
2025	\$10,000,000
2026	\$10,000,000
2027	\$10,000,000
2028	\$10,000,000
2029	\$11,000,000
2030	\$11,000,000
2031	\$11,000,000
2032	\$11,000,000
2033	\$11,000,000
2034	\$11,000,000
2035	\$11,000,000
2036	\$12,000,000
2037	\$12,000,000
2038	\$12,000,000
2039	\$12,000,000
2040	\$12,000,000
2041	\$16,000,000
<b>TOTAL</b>	<b>\$230,000,000</b>

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

**AUTHORITY RESOLUTION NO. 19-059**

**EXERCISING THE OPTION OF THE CENTRAL TEXAS REGIONAL  
MOBILITY AUTHORITY TO DEVELOP, FINANCE, CONSTRUCT,  
AND OPERATE THE 183A PHASE III PROJECT**

WHEREAS, under Section 373.052 of the Texas Transportation Code, the Central Texas Regional Mobility Authority (“Mobility Authority”) has the first option to develop, finance, construct, and operate any new toll project located in the territory of the Mobility Authority, including Travis County and Williamson County; and

WHEREAS, the Mobility Authority intends to develop, finance, construct, and operate an approximately 6.6-mile extension of 183A north from Hero Way to north of SH 29 consisting of two initial tolled lanes in each direction that will ultimately be widened to three-tolled lanes in each direction in the future as depicted in Exhibit A (the “183A Phase III Project”); and

WHEREAS, on August 19, 2019 the Texas Department of Transportation issued a Finding of No Significant Impact (FONSI) for the 183A Phase III Project; and

WHEREAS, the Mobility Authority supports the goal of improving mobility in the Central Texas region through development of the 183A Phase III Project; and

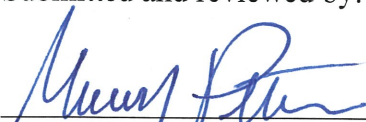
WHEREAS, the Executive Director recommends the Mobility Authority exercise its option under Texas Transportation Code Section 373.052 to develop, finance, construct, and operate the 183A Phase III Project.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors, as provided by the process and procedures of Chapter 373 of the Texas Transportation Code, hereby exercises its option as a local toll project entity to develop, finance, construct, and operate the 183A Phase III Project; and

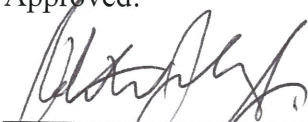
BE IT FURTHER RESOLVED, that the Executive Director is directed to communicate in writing the Mobility Authority’s exercise of this option to the Texas Department of Transportation.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2019.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Robert W. Jenkins, Jr.  
Chairman, Board of Directors

**Exhibit A**

# 183A

PHASE III

# PROJECT LOCATION MAP

## LEGEND

-  TOLL GANTRY
-  GENERAL PURPOSE LANES
-  TOLLED LANES
-  DESIGNATED ACCESS POINTS



CENTRAL TEXAS REGIONAL  
MOBILITY AUTHORITY

Leander

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

**RESOLUTION NO. 19-060**

**APPROVING, RATIFYING AND CONFIRMING THE INCLUSION OF THE  
EXPANDED 183A PHASE III PROJECT IN THE CTRMA TURNPIKE SYSTEM**

WHEREAS, pursuant to Section 370.034 of the Texas Transportation Code, the Central Texas Regional Mobility Authority (the “Authority”) has previously established the CTRMA Turnpike System (the “System”) to include the Authority transportation projects commonly known as the 183A Turnpike Project (comprised of the 183A Phase I Project, the 183A Phase II Project and the 183A Phase III Project, as described in the Central Texas Regional Mobility Authority 183A Phase II Project Engineering Report, dated February 1, 2010, prepared by HNTB), the Manor Expressway (290 East) Project (comprised of the 290E Phase I Project, the 290E Phase II Project and the 290E Phase III Project), the Bergstrom Expressway (183 South Project) and the SH 71 Express Project as one operational and financial enterprise of the Authority; and

WHEREAS, subsequent to the addition of the 183A Turnpike Project to the System, the scope of the 183A Phase III Project has been modified and expanded as described on Exhibit A hereto (together with any modifications thereto determined to be necessary or desirable during the design and construction thereof and any future improvements thereto, the “Expanded 183 Phase III Project”); and

WHEREAS, the Executive Director has determined and recommends that the traffic needs of Williamson County, Travis County, and the surrounding region could be most efficiently and economically met by including the Expanded 183A Phase III Project in the System and by operating the expanded System as one operational and financial enterprise; and

WHEREAS, the Board desires to approve, ratify and confirm the inclusion of the Expanded 183A Phase III Project in the System; and

NOW, THEREFORE, BE IT RESOLVED that the Board hereby determines that the Expanded 183A Phase III Project could be most efficiently and economically constructed if it were a part of the System, and that the inclusion of the Expanded 183A Phase III Project in the System will benefit the System; and

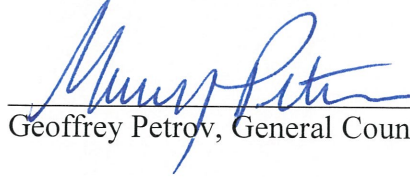
BE IT FURTHER RESOLVED that the Board hereby determines that the traffic needs of Williamson County, Travis County, and the surrounding region could be most efficiently and economically met by including the expanded 183A Phase III Project in the System and operating the expanded System as one operational and financial enterprise; and

BE IT FURTHER RESOLVED that the inclusion of the Expanded 183A Phase III Project in the System is hereby approved, ratified and confirmed.

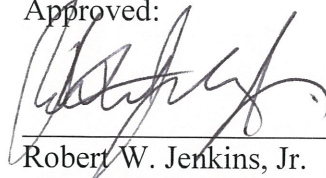


Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2019.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Robert W. Jenkins, Jr.  
Chair, Board of Directors

## **Exhibit A**

### **Description of the 183A Phase III Project**

The 183A Phase III Project includes adding up to three fixed-priced tolled lanes in each direction along approximately 5.25 miles of the existing US 183/183A corridor between State Highway 29 (SH 29) south to Hero Way. The Project will serve as a northern extension of the 183A Phase II Project.

More specifically, at its northern end the 183A Phase III Project will connect to the existing US 183 approximately 1/3 mile north of SH 29. The southern end of the project will connect to the existing 183A tolled lanes approximately 1/2 mile north of Hero Way.

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

**RESOLUTION NO. 19-061**

**AUTHORIZING THE EXECUTIVE DIRECTOR TO ISSUE WORK  
AUTHORIZATIONS FOR GENERAL ENGINEERING CONSULTANT SERVICES  
FOR THE MOPAC SOUTH PROJECT**

WHEREAS, in August 2019, the Central Texas Regional Mobility Authority (Mobility Authority) received approval from the Texas Department of Transportation (TxDOT) to resume development of the MoPac South Project; and

WHEREAS, Mobility Authority staff has developed a summary of the general engineering consultant (GEC) services required to resume development of the MoPac South Project which is attached hereto as Exhibit A; and

WHEREAS, by Resolution No. 19-052 dated September 11, 2019, the Board directed the Executive Director to obtain Board approval prior to the execution and issuance of a work authorization for any contract that does not include a previously approved scope, term, and budget or “not to exceed” amount for the work; and

WHEREAS, the Mobility Authority’s contracts with its general engineering consultants, Atkins North America, Inc. (Atkins) and WSP USA, Inc. (WSP), are in the nature of master agreements and do not include a defined scope, term and budget for a GEC services until a specific task is assigned through the issuance of a work authorization; and

WHEREAS, Mobility Authority staff is now seeking an exception from the Board’s policy, in order to allow the Executive Director to execute and issue work authorizations to Atkins and WSP for GEC services necessary for development of the MoPac South Project without prior approval from the Board; and

WHEREAS, the Executive Director recommends and requests that the Board authorize him to execute and issue work authorizations to Atkins and WSP for the GEC services described in the summary attached hereto as Exhibit A up to a cumulative amount not to exceed \$6,600,405 without prior review or approval from the Board.

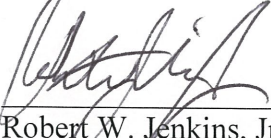
NOW THEREFORE, BE IT RESOLVED, that the Board hereby authorizes the Executive Director to execute and issue work authorizations to Atkins and WSP on behalf of the Mobility Authority for the GEC services described in the summary attached hereto as Exhibit A, and up to a cumulative amount not to exceed \$6,600,405 without prior review or approval from the Board.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2019.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Robert W. Jenkins, Jr.  
Chairman, Board of Directors

**Exhibit A**

## Work Authorization Summary MoPac South GEC Services

The MoPac South Work Authorization Budget provides funding for the general engineering consultant (GEC) services related to project activities required to assist the Mobility Authority in the continued development of the project. In general, these funds are allocated to GEC oversight of the project, schematic design activities, traffic analysis and modeling, environmental services, public involvement activities, project management and administration, and additional activities as requested by the Authority.

Major project milestones include developing the recommended preferred design alternative, initiating public outreach activities, conducting public meeting #5, drafting the environmental document, conducting a public hearing, and seeking an environmental decision for the project.

GEC oversight services include those services required to assist the Mobility Authority in the development and management of all project activities and work products required to advance the project. A few key activities include serving as the primary contact between the Mobility Authority, TxDOT, design consultants, third party consultants, utility companies, public agencies and the general public, developing the Project Management Plan as required by the Federal Highway Administration (FHWA), Implementing and managing a document control plan, managing sub-consultants and invoice activities, project reporting and board meeting support, project scheduling, financial planning support to include operations and maintenance model development, and creating a conceptual operations plan.

Schematic design and design support activities include, but are not limited to, providing review of the current designs to ensure that all elements of the project conform to current standards, developing and incorporating design modifications that result from public and stakeholder input, generating construction cost estimates, utilizing subsurface utility engineering (SUE) services to aid in identifying utility risks early in the design process, supporting the development of the environmental document, ensuring that adequate water quality best management practices are implemented, enhance the Mobility Authority comprehensive traffic model, reviewing the Regional Toll Analysis and building the Travel Demand Models, developing the corridor traffic simulation model, supporting development of board meeting material, collecting reviewing and assessing geotechnical information, performing geotechnical field surveys, providing survey activities for boundary confirmation and right-of-way verification.

The environmental services include those services required to assist the Mobility Authority in the development of the Environmental Assessment (EA). Activities generally include field surveys and technical report development as well as providing support for coordination with key governing agencies. Technical reports and support services required for the creation of the EA document include Archeology Report, Historic Resources Report, Air Analysis, Noise Analysis, Community Impact Assessment, Ecological Resources Report, Geologic Assessment, Golden-cheeked Warbler surveys, Karst and Salamander coordination, Hazardous Material Assessments, Water Resource Assessment, U.S. Army Corps of Engineers Permitting support, and an Indirect and Cumulative Effects assessment. An Administrative Record is established to track and organize all key environmental information and decisions made throughout the development of the project.

Public involvement activities are required to support the environmental process and allow the Mobility Authority the opportunity to engage the public and key stakeholders during the development of the project. A few key public involvement activities include preparing mailing lists for adjacent property owners, supporting the open house and public hearing meetings, developing and managing virtual open houses, managing Mobility Authority project website, addressing public comments, developing graphics, developing public hearing summary and analysis document, conducting context sensitive solutions workshops, performing stakeholder outreach activities, preparing board meeting material, developing social media content and supporting the Mobility Authority with all project branding.

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

**RESOLUTION NO. 19-062**

**RESOLUTION AUTHORIZING ACQUISITION OF PROPERTY RIGHTS BY  
AGREEMENT OR CONDEMNATION OF CERTAIN PROPERTY IN TRAVIS  
COUNTY FOR THE 183 SOUTH / BERGSTROM EXPRESSWAY PROJECT  
(PARCEL 127E)**

WHEREAS, pursuant to and under the authority of Subchapter E, Chapter 370, Texas Transportation Code and other applicable law, the Central Texas Regional Mobility Authority (“Mobility Authority”) hereby finds and determines that to promote the public safety, to facilitate the safety and movement of traffic, and to preserve the financial investment of the public in its roadways and the roadways of the State of Texas, public convenience and necessity requires acquisition of a drainage easement, as that drainage easement is described by metes and bounds in Exhibit 1 to this Resolution (the “Property”), owned by Church of Christ at East Side (the “Owner”), located adjacent to the US Hwy 183S in Travis County, for the construction, reconstruction, maintaining, widening, straightening, lengthening, and operating of the US 183 South / Bergstrom Expressway Project (the “Project”), as a part of the improvements to the Project; and

WHEREAS, an independent, professional appraisal report of the Property has been submitted to the Mobility Authority, and an amount has been established to be just compensation for the property rights to be acquired; and

WHEREAS, the Court appointed Special Commissioners who convened a hearing and entered an Award; and

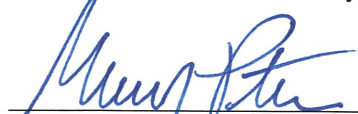
WHERE as the landowner filed objections to the Award; and

WHEREAS, the landowner has made an offer of settlement for consideration that is reasonable, feasible, and practical in all respects, and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors that the Executive Director is specifically authorized to negotiate and execute, if possible, an agreement to acquire the Property for \$700,000.00.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2019.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:


  
\_\_\_\_\_  
Robert W. Jenkins, Jr.  
Chairman, Board of Directors

EXHIBIT \_\_\_\_\_

**County:** Travis  
**Highway:** U.S. 183  
**Limits:** From: East of US 290 To: SH 71  
**RCSJ:** 0151-09-039  
**Station:** 350+70.30 to 354+51.50

**PARCEL 127(E)  
DRAINAGE EASEMENT DESCRIPTION**

DESCRIPTION OF A 3.052 ACRE (132,928 SQ. FT.) PARCEL OF LAND LOCATED IN THE JESSE C. TANNEHILL LEAGUE, ABSTRACT NO. 22, IN THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS, AND BEING PART OF A CALLED 26.828 ACRE TRACT OF LAND, DESCRIBED IN A DEED TO THE CHURCH OF CHRIST AT EASTSIDE, RECORDED IN DOCUMENT NO. 2011065761 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS (O.P.R.T.C.TX.), SAID 3.052 ACRE (132,928 SQ. FT.) TRACT TO BE USED AS A DRAINAGE EASEMENT, AS SHOWN ON THE ACCOMPANYING SKETCH PREPARED BY SAM, INC., FOR THIS PARCEL, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

**COMMENCING** at a Texas Department of Transportation (TxDOT) Type I concrete monument found 249.08 feet right of Engineer's Centerline Station (E.C.S.) 345+62.56, being on the existing west right-of-way line of U.S. Highway 183 (variable width right-of-way) as conveyed to the State of Texas and recorded in Volume 2845, Page 245 of the D.R.T.C.TX., and being in the east line of said 26.828 acre tract;

**THENCE**, S 11°32'08" W, with the existing west right-of-way line of said U.S. Highway 183 and the east line of said 26.828 acre tract, a distance of 507.77 feet to a ½-inch iron rod with a TxDOT aluminum cap set 243.06 feet right of E.C.S. 350+70.30 for the **POINT OF BEGINNING**, said point being the northeast corner of the parcel described herein;

1) **THENCE** S 11°32'08" W, continuing with the existing west right-of-way line of said U.S. Highway 183 and the east line of said 26.828 acre tract, a distance of 381.23 feet to a ½-inch iron rod with a TxDOT aluminum cap set 238.54 feet right of E.C.S. 354+51.50, said point being the southeast corner of the parcel described herein, from which a TxDOT Type I concrete monument found 237.22 feet right of E.C.S. 355+62.92 bears, S 11°32'08" W, a distance of 111.43 feet;

**THENCE**, departing the existing west right-of-way line of said U.S. Highway 183 and through the interior of said 26.828 acre tract, the following ten (10) courses and distances numbered 2-11:

- 2) N 76°51'36" W, a distance of 81.14 feet to a ½-inch iron rod with a TxDOT aluminum cap set 319.67 feet right of E.C.S. 354+50.19,
- 3) N 24°25'06" W, a distance of 187.05 feet to a ½-inch iron rod with a TxDOT aluminum cap set 431.28 feet right of E.C.S. 353+00.09,
- 4) N 54°25'28" W, a distance of 301.12 feet to a ½-inch iron rod with a TxDOT aluminum cap set 707.72 feet right of E.C.S. 351+80.69,
- 5) N 17°23'35" E, a distance of 95.07 feet to a ½-inch iron rod with a TxDOT aluminum cap set 699.14 feet right of E.C.S. 350+86.01,
- 6) N 46°43'09" W, a distance of 155.01 feet to a ½-inch iron rod with a TxDOT aluminum cap set 831.92 feet right of E.C.S. 350+06.02,



EXHIBIT \_\_\_\_\_

**County:** Travis  
**Highway:** U.S. 183  
**Limits:** From: East of US 290 To: SH 71  
**RCSJ:** 0151-09-039  
**Station:** 350+70.30 to 354+51.50

**PARCEL 127(E)  
DRAINAGE EASEMENT DESCRIPTION**

- 7) N 33°03'37" E, a distance of 7.67 feet to a ½-inch iron rod with a TxDOT aluminum cap set 829.19 feet right of E.C.S. 349+98.85,
- 8) S 60°05'14" E, a distance of 210.26 feet to a ½-inch iron rod with a TxDOT aluminum cap set 628.88 feet right of E.C.S. 350+62.77,
- 9) N 56°44'46" E, a distance of 103.42 feet to a ½-inch iron rod with a TxDOT aluminum cap set 556.35 feet right of E.C.S. 349+89.04,
- 10) S 65°52'40" E, a distance of 214.49 feet to a ½-inch iron rod with a TxDOT aluminum cap set 346.48 feet right of E.C.S. 350+33.30, and
- 11) S 58°06'00" E, a distance of 109.84 feet to the **POINT OF BEGINNING**, and containing 3.052 acre (132,928 sq. ft.) of land more or less.

This property description is accompanied by a plat of even date.

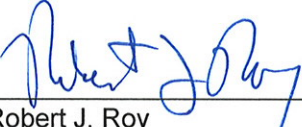
All bearings are based on the Texas Coordinate System, Central Zone, NAD 83(93).

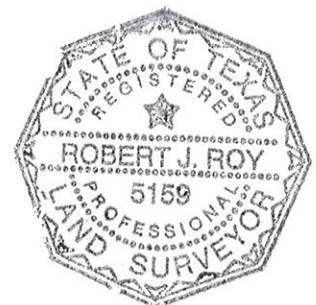
THE STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TRAVIS	§	

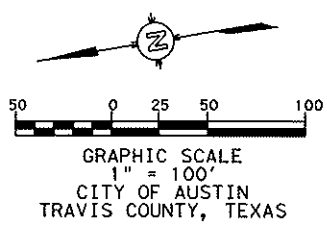
That I, Robert J. Roy a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and belief and that the property described herein was determined by a survey made on the ground under my direction and supervision.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas this the 02<sup>nd</sup> day of July, 2015 A.D.

SURVEYING AND MAPPING, Inc.  
4801 Southwest Parkway  
Building Two, Suite 100  
Austin, Texas 78735  
Texas Firm Registration No. 10064300

  
\_\_\_\_\_  
Robert J. Roy  
Registered Professional Land Surveyor  
No. 5159 - State of Texas





ED BLUESTEIN BLVD.  
U.S. HIGHWAY 183  
(VARIABLE WIDTH R.O.W.)

STATE OF TEXAS  
VOL. 2845, PG. 245  
D.R.T.C.TX.

EXISTING R.O.W. LINE S11°32'08"W 507.77' (S13°57'50"W 999.98') S11°32'08"W 381.23'

P.O.C.  
345+62.56  
249.08' RT

P.O.B.  
350+70.30  
243.06' RT

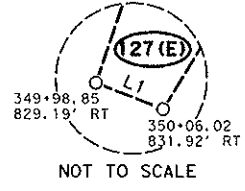
JESSE C. TANNEHILL LEAGUE,  
ABSTRACT NO. 22

CHURCH OF CHRIST  
AT EASTSIDE  
CALLED 26.828 ACRES  
DOC. NO. 2011065761  
O.P.R.T.C.TX.

127 (E)  
3.052 AC.

- LEGEND**
- TYPE I CONCRETE MONUMENT FOUND
  - TYPE II CONCRETE MONUMENT FOUND (UNLESS NOTED)
  - TYPE II CONCRETE MONUMENT SET
  - 1/2" IRON ROD SET WITH TXDOT ALUMINUM CAP SET UNLESS NOTED
  - 1/2" IRON ROD FOUND (UNLESS NOTED)
  - IRON PIPE FOUND
  - COTTON SPINDLE FOUND
  - △ CALCULATED POINT
  - FENCE POST
  - ⊗ DRILL HOLE IN CONCRETE FOUND
  - PROPERTY LINE
  - CENTER LINE
  - ( ) RECORD INFORMATION
  - P.O.B. POINT OF BEGINNING
  - P.O.C. POINT OF COMMENCING
  - P.O.T. POINT OF TERMINATION
  - P.C. POINT OF CURVATURE
  - P.R.C. POINT OF REVERSE CURVATURE
  - P.T. POINT OF TANGENCY
  - P.O.R. POINT OF REFERENCE
  - D.R.T.C.TX. DEED RECORDS TRAVIS COUNTY, TX.
  - P.R.T.C.TX. PLAT RECORDS TRAVIS COUNTY, TX.
  - R.P.R.T.C.TX. REAL PROPERTY RECORDS TRAVIS COUNTY, TEXAS
  - O.P.R.T.C.TX. OFFICIAL PUBLIC RECORDS TRAVIS COUNTY, TEXAS
  - ACCESS DENIAL LINE [A.D.L.] (C. OF A. LINE) [C.O.A.]

DETAIL "A"



NOT TO SCALE

**LINE TABLE**

LINE NO.	BEARING	DISTANCE
L1	N33°03'37"E	7.67'

**NOTES:**

1. THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT. RECORD INFORMATION ON THIS DRAWING IS BASED ON A PUBLIC RECORDS SEARCH BY THE SURVEYOR AND MAY NOT INCLUDE ALL EASEMENTS OR INSTRUMENTS PERTAINING TO THIS PROPERTY.
2. ALL BEARINGS ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, NAD 83(93) HARN, ALL DISTANCES AND COORDINATES ARE ADJUSTED TO SURFACE USING THE PROJECT SURFACE ADJUSTMENT FACTOR OF 1.00011.
3. IMPROVEMENTS SHOWN HEREON ARE BASED UPON TXDOT AERIAL SURVEY DIGITAL FILES.
4. THIS PLAT IS ACCOMPANIED BY A PROPERTY DESCRIPTION OF EVEN DATE.

7/2/2015  
PAGE 3 OF 4



4801 Southwest Parkway  
Building Two, Suite 100  
Austin, Texas 78735  
(512) 447-0575  
Fax: (512) 326-3029  
Texas Firm Registration No. 10064300

DRAINAGE EASEMENT SKETCH  
SHOWING PARCEL 127 (E)  
3.052 AC. (132,928 SQ. FT.)  
RCSJ NO. 0151-09-039

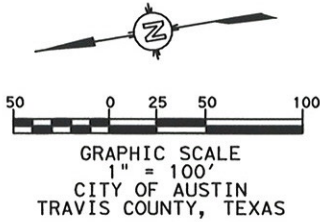
MATCH LINE PAGE 4

355+00

ENGINEER'S CENTERLINE S12°12'54"W 2,290.69'

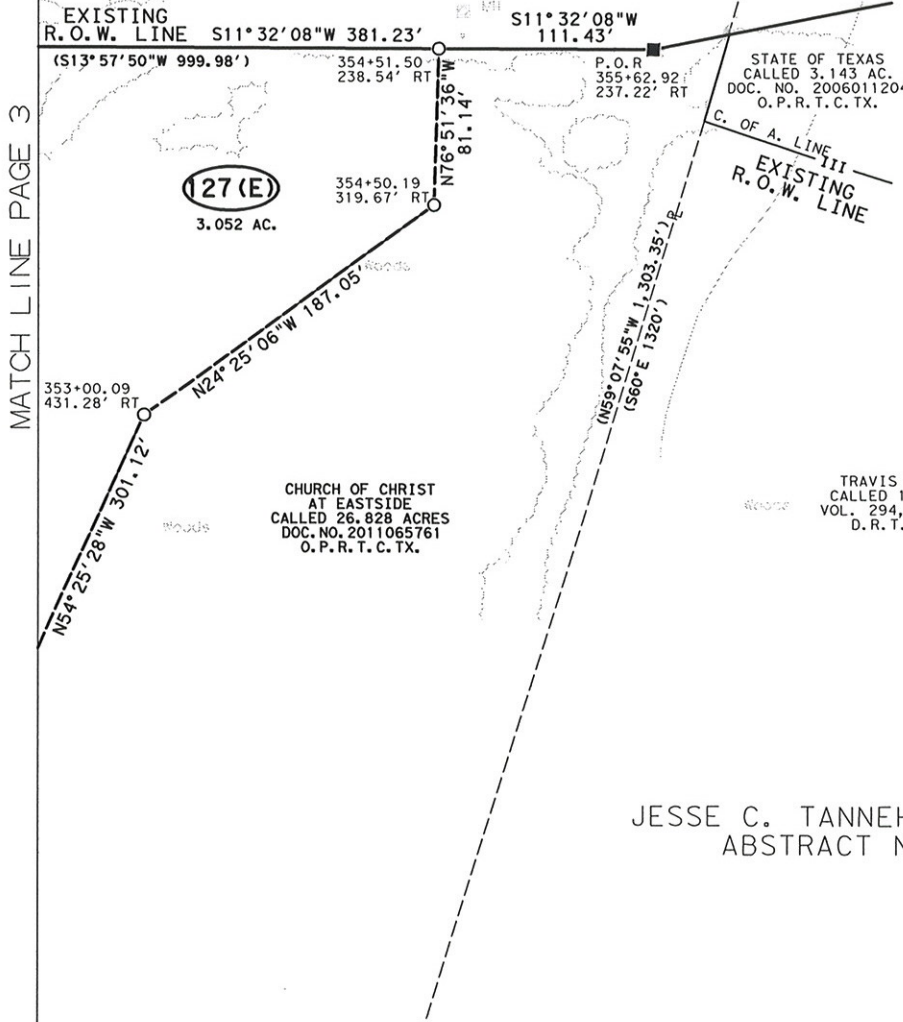
LEGEND

- TYPE I CONCRETE MONUMENT FOUND
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- ACCESS DENIAL LINE [A.D.L.] [C. OF A. LINE] ["C.O.A."]



ED BLUESTEIN BLVD.  
U. S. HIGHWAY 183  
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STATE OF TEXAS  
VOL. 2845, PG. 245  
D. R. T. C. TX.



CHURCH OF CHRIST  
AT EASTSIDE  
CALLED 26.828 ACRES  
DOC. NO. 2011065761  
O. P. R. T. C. TX.

TRAVIS COUNTY  
CALLED 11 ACRES  
VOL. 294, PG. 350  
D. R. T. C. TX.

JESSE C. TANNEHILL LEAGUE  
ABSTRACT NO. 22

I HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION AND THAT THIS PLAT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

ROBERT J. ROY  
REGISTERED PROFESSIONAL LAND SURVEYOR  
NO. 5159, STATE OF TEXAS

7/02/15  
DATE

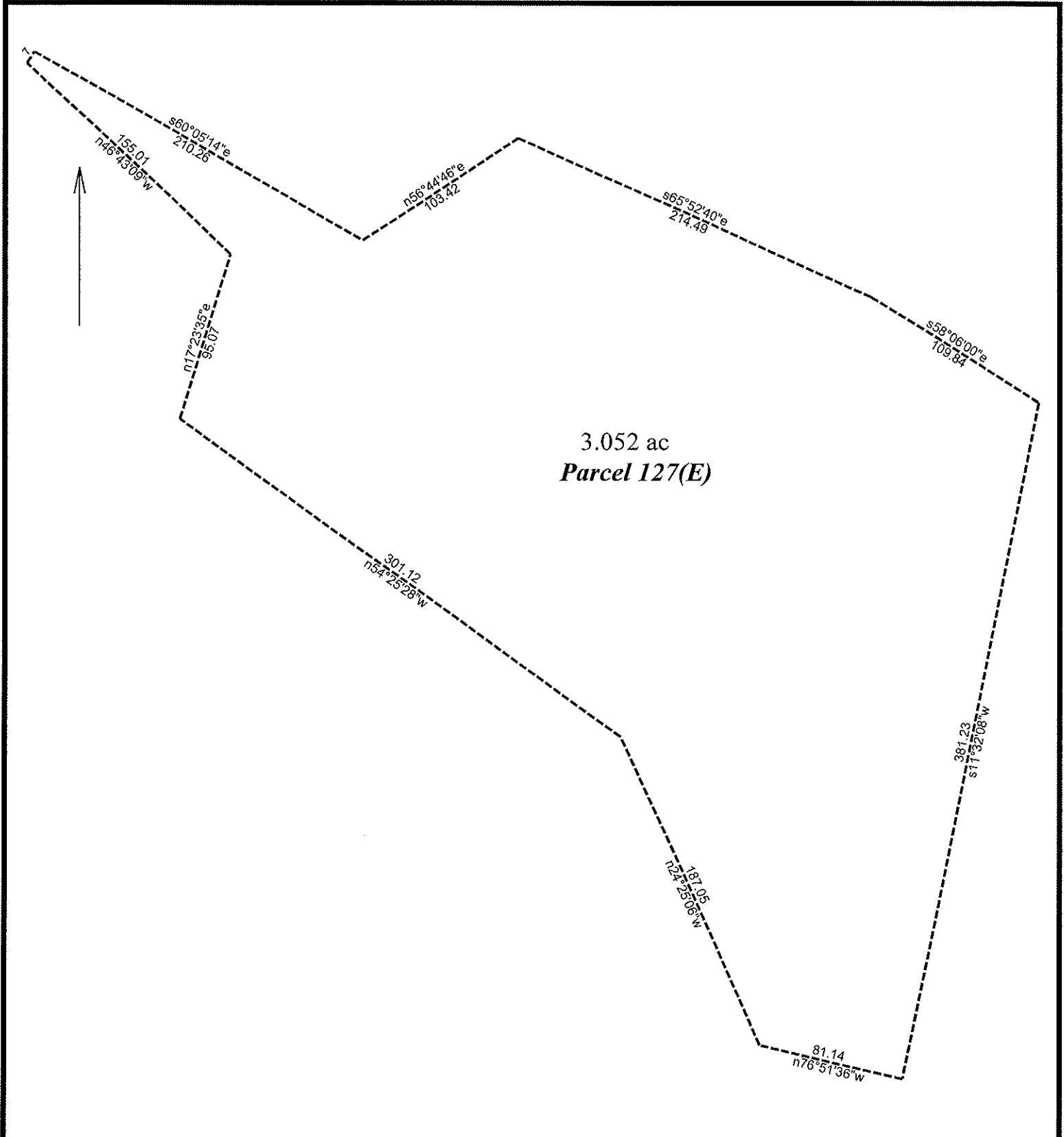


7/2/2015  
PAGE 4 OF 4



4801 Southwest Parkway  
Building Two, Suite 100  
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(512) 447-0575  
Fax: (512) 326-3029  
Texas Firm Registration No. 10064300

DRAINAGE EASEMENT SKETCH  
SHOWING PARCEL 127(E)  
3.052 AC. (132,928 SQ. FT.)  
RCSJ NO. 0151-09-039



3.052 ac  
**Parcel 127(E)**

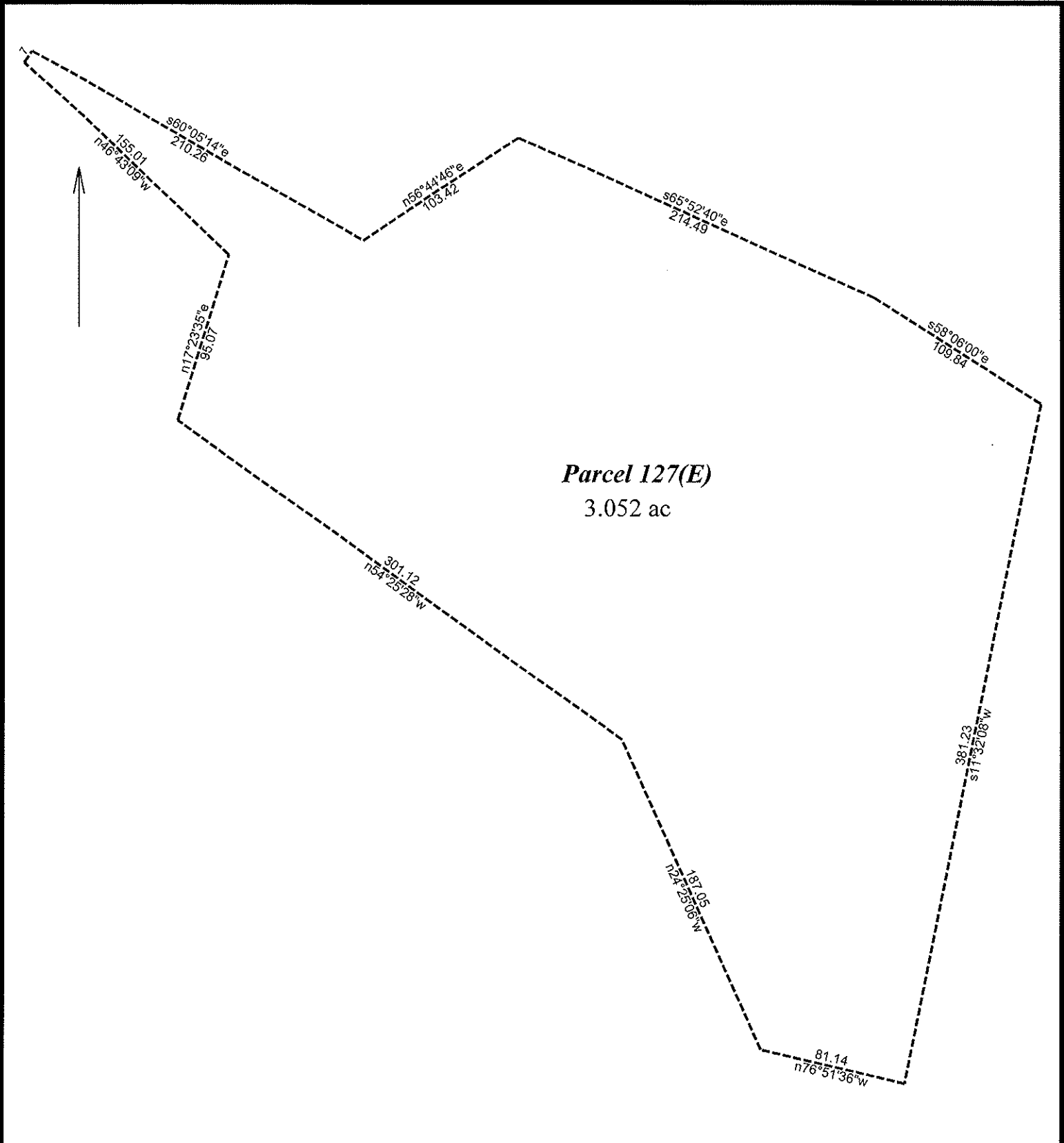
6/25/2015

Scale: 1 inch= 73 feet

File: Parcel 127E\_R2 FN.ndp

Tract 1: 3.0516 Acres (132928 Sq. Feet), Closure: n67.0132w 0.01 ft. (1/221827), Perimeter=1846 ft.

- |                     |                     |
|---------------------|---------------------|
| 01 s11.3208w 381.23 | 10 s65.5240e 214.49 |
| 02 n76.5136w 81.14  | 11 s58.0600e 109.84 |
| 03 n24.2506w 187.05 |                     |
| 04 n54.2528w 301.12 |                     |
| 05 n17.2335e 95.07  |                     |
| 06 n46.4309w 155.01 |                     |
| 07 n33.0337e 7.67   |                     |
| 08 s60.0514e 210.26 |                     |
| 09 n56.4446e 103.42 |                     |



**Parcel 127(E)**

3.052 ac

6/25/2015

Scale: 1 inch= 73 feet

File: Parcel 127E\_R2 sk.ndp

Tract 1: 3.0516 Acres (132928 Sq. Feet), Closure: n67.0132w 0.01 ft. (1/221827), Perimeter=1846 ft.

- |                     |                     |
|---------------------|---------------------|
| 01 s11.3208w 381.23 | 10 s65.5240e 214.49 |
| 02 n76.5136w 81.14  | 11 s58.0600e 109.84 |
| 03 n24.2506w 187.05 |                     |
| 04 n54.2528w 301.12 |                     |
| 05 n17.2335e 95.07  |                     |
| 06 n46.4309w 155.01 |                     |
| 07 n33.0337e 7.67   |                     |
| 08 s60.0514e 210.26 |                     |
| 09 n56.4446e 103.42 |                     |