



CENTRAL TEXAS REGIONAL  
**MOBILITY AUTHORITY**

December 14, 2022  
AGENDA ITEM #8

---

Accept the financial statements for  
September 2022 and October 2022

Strategic Plan Relevance: Stewardship  
Department: Finance  
Contact: José Hernández, Chief Financial Officer  
Associated Costs: N/A  
Funding Source: N/A  
Action Requested: Consider and act on draft resolution

**Project Description/Background:** Presentation and acceptance of the financial statements for September 2022 and October 2022.

**Previous Actions & Brief History of the Program/Project:** N/A

**Financing:** N/A

**Action requested/Staff Recommendation:** Accept the financial statements for September 2022 and October 2022.

**Backup provided:** Draft Resolution  
Draft financial statements for September 2022 and  
October 2022

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

**RESOLUTION NO. 22-0XX**

**ACCEPT THE FINANCIAL STATEMENTS FOR SEPTEMBER 2022  
AND OCTOBER 2022**

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; and

WHEREAS, the Executive Director, working with the Chief Financial Officer, has reviewed and authorized the disbursements necessary for the month of September 2022 and has caused unaudited 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 October 2022 and has caused financial statements to be prepared and attached to this resolution as Exhibit B.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors accepts the unaudited financial statements for September 2022 and financial statements for October 2022, attached hereto as Exhibit A and Exhibit B, respectively.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 14<sup>th</sup> day of December 2022.

Submitted and reviewed by:

Approved:

---

James M. Bass  
Executive Director

---

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

**Exhibit A**

*Financial Statements for September 2022*

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2022**

|                                    | Budget Amount<br>FY 2023 | Actual Year to<br>Date | Percent of<br>Budget | Actual Prior<br>Year to Date |
|------------------------------------|--------------------------|------------------------|----------------------|------------------------------|
| <b>REVENUE</b>                     |                          |                        |                      |                              |
| <b>Operating Revenue</b>           |                          |                        |                      |                              |
| Toll Revenue - Tags                | 119,610,800              | 31,895,518             | 26.67%               | 27,412,536                   |
| Video Tolls                        | 46,743,300               | 15,225,743             | 32.57%               | 9,883,492                    |
| Fee Revenue                        | 13,845,900               | 2,655,696              | 19.18%               | 3,405,970                    |
| <b>Total Operating Revenue</b>     | <b>180,200,000</b>       | <b>49,776,957</b>      | <b>27.62%</b>        | <b>40,701,998</b>            |
| <b>Other Revenue</b>               |                          |                        |                      |                              |
| Interest Income                    | 3,190,301                | 3,701,969              | 116.04%              | 56,155                       |
| Grant Revenue                      | 1,359,833                | -                      | -                    | 20,995                       |
| Misc Revenue                       | 130,000                  | 10,436                 | 8.03%                | 58,813                       |
| Gain/Loss on Sale of Asset         | -                        | -                      | -                    | 6,568                        |
| <b>Total Other Revenue</b>         | <b>4,680,134</b>         | <b>3,712,405</b>       | <b>79.32%</b>        | <b>142,531</b>               |
| <b>TOTAL REVENUE</b>               | <b>\$184,880,134</b>     | <b>\$53,489,362</b>    | <b>28.93%</b>        | <b>40,844,529</b>            |
| <b>EXPENSES</b>                    |                          |                        |                      |                              |
| <b>Salaries and Benefits</b>       |                          |                        |                      |                              |
| Salary Expense-Regular             | 4,621,321                | 783,682                | 16.96%               | 901,020                      |
| Salary Reserve                     | 80,000                   | -                      | -                    | -                            |
| TCDRS                              | 1,046,269                | 150,288                | 14.36%               | 259,556                      |
| FICA                               | 232,304                  | 37,282                 | 16.05%               | 45,474                       |
| FICA MED                           | 67,009                   | 11,306                 | 16.87%               | 14,263                       |
| Health Insurance Expense           | 580,271                  | 93,100                 | 16.04%               | 98,873                       |
| Life Insurance Expense             | 5,972                    | 1,088                  | 18.22%               | 1,620                        |
| Auto Allowance Expense             | 10,200                   | 1,913                  | 18.75%               | 2,125                        |
| Other Benefits                     | 126,590                  | 18,599                 | 14.69%               | 25,305                       |
| Unemployment Taxes                 | 4,608                    | 30                     | 0.65%                | 3,509                        |
| <b>Total Salaries and Benefits</b> | <b>6,774,544</b>         | <b>1,097,287</b>       | <b>16.20%</b>        | <b>1,351,745</b>             |

### Administrative

#### Administrative and Office Expenses

|   |                  |                |               |                |
|---|------------------|----------------|---------------|----------------|
| Accounting                                      | 9,500            | 2,093          | 22.03%        | 2,004          |
| Auditing  | 190,000          | 107,531        | 56.60%        | 100,975        |
| Financial Advisors                              | 108,000          | 54,000         | 50.00%        | -              |
| Human Resources                                 | 30,000           | 595            | 1.98%         | 507            |
| Legal   | 70,000           | 1,770          | 2.53%         | -              |
| IT Services                                     | 350,000          | 48,662         | 13.90%        | 33,095         |
| Internet  | 150              | -              | -             | -              |
| Software Licenses                               | 557,500          | 31,051         | 5.57%         | 116,141        |
| Cell Phones                                     | 24,200           | 3,027          | 12.51%        | 4,627          |
| Local Telephone Service                         | 10,000           | 25,261         | 252.61%       | 22,154         |
| Overnight Delivery Services                     | 250              | 40             | 16.06%        | 44             |
| Copy Machine                                    | 15,500           | 3,816          | 24.62%        | 2,544          |
| Repair & Maintenance-General                    | 8,000            | -              | -             | -              |
| Meeting Expense                                 | 12,750           | 4,005          | 31.42%        | 230            |
| Toll Tag Expense                                | 3,000            | 100            | 3.33%         | 340            |
| Parking / Local Ride Share                      | 2,800            | 275            | 9.81%         | -              |
| Mileage Reimbursement                           | 3,950            | 557            | 14.10%        | 50             |
| Insurance Expense                               | 651,250          | 128,063        | 19.66%        | 154,359        |
| Rent Expense                                    | 731,203          | 192,325        | 26.30%        | 126,886        |
| Building Parking                                | 3,500            | 425            | 12.14%        | 74             |
| Legal Services                                  | 443,000          | 340            | 0.08%         | 29,029         |
| <b>Total Administrative and Office Expenses</b> | <b>3,224,553</b> | <b>603,936</b> | <b>18.73%</b> | <b>593,059</b> |

#### Office Supplies

|                              |                |                |               |               |
|------------------------------|----------------|----------------|---------------|---------------|
| Books & Publications         | 3,250          | 615            | 18.93%        | 292           |
| Office Supplies              | 7,750          | 1,163          | 15.01%        | 582           |
| Misc Office Equipment        | 4,500          | -              | -             | 630           |
| Computer Supplies            | 221,950        | 132,296        | 59.61%        | 9,045         |
| Other Reports-Printing       | 5,000          | -              | -             | -             |
| Office Supplies-Printed      | 3,100          | 668            | 21.54%        | -             |
| Postage Expense              | 550            | 122            | 22.20%        | 112           |
| <b>Total Office Supplies</b> | <b>246,100</b> | <b>134,864</b> | <b>54.80%</b> | <b>10,660</b> |

**Communications and Public Relations**

|  |                  |                |              |                |
|--|------------------|----------------|--------------|----------------|
| Graphic Design Services                          | 75,000           | -              | -            | -              |
| Website Maintenance                              | 111,500          | 23,692         | 21.25%       | 19,479         |
| Research Services                                | 140,000          | -              | -            | 10,109         |
| Communications and Marketing                     | 400,000          | -              | -            | 12,827         |
| Advertising Expense                              | 500,000          | 56,551         | 11.31%       | 65,263         |
| Direct Mail                                      | 65,000           | -              | -            | -              |
| Video Production                                 | 82,500           | 28,359         | 34.37%       | 8,820          |
| Photography                                      | 25,000           | 450            | 1.80%        | 199            |
| Radio  | 50,000           | -              | -            | -              |
| Other Public Relations                           | 2,500            | -              | -            | -              |
| Promotional Items                                | 520,000          | 7,656          | 1.47%        | -              |
| Annual Report printing                           | 1,500            | -              | -            | 780            |
| Direct Mail Printing                             | 26,000           | -              | -            | -              |
| Other Communication Expenses                     | 15,000           | 17,703         | 118.02%      | 11,040         |
| <b>Total Communications and Public Relations</b> | <b>2,014,000</b> | <b>134,411</b> | <b>6.67%</b> | <b>128,515</b> |

**Employee Development**

|                                   |                |               |               |              |
|-----------------------------------|----------------|---------------|---------------|--------------|
| Subscriptions                     | 50,700         | 264           | 0.52%         | 123          |
| Agency Memberships                | 78,550         | 1,200         | 1.53%         | 150          |
| Continuing Education              | 4,800          | -             | -             | 50           |
| Professional Development          | 19,150         | 375           | 1.96%         | -            |
| Other Licenses                    | 1,900          | 497           | 26.15%        | 375          |
| Seminars and Conferences          | 118,500        | 35,310        | 29.80%        | 1,350        |
| Travel                            | 93,500         | 30            | 0.03%         | -            |
| <b>Total Employee Development</b> | <b>367,100</b> | <b>37,676</b> | <b>10.26%</b> | <b>2,048</b> |

**Financing and Banking Fees**

|   |                |               |               |               |
|---|----------------|---------------|---------------|---------------|
| Trustee Fees                            | 60,000         | 36,000        | 60.00%        | 11,463        |
| Bank Fee Expense                        | 3,240          | 273           | 8.41%         | 917           |
| Continuing Disclosure                   | 7,000          | -             | -             | -             |
| Arbitrage Rebate Calculation            | 15,000         | 16,300        | 108.67%       | -             |
| Rating Agency Expense                   | 50,000         | 31,000        | 62.00%        | -             |
| <b>Total Financing and Banking Fees</b> | <b>135,240</b> | <b>83,573</b> | <b>61.80%</b> | <b>12,380</b> |

**Total Administrative**      **5,986,993**      **994,459**      **16.61%**      **746,662**

## Operations and Maintenance

### Operations and Maintenance Consulting

|  |                  |                  |               |                  |
|--|------------------|------------------|---------------|------------------|
| GEC-Trust Indenture Support                        | 763,997          | 281,928          | 36.90%        | 278,936          |
| GEC-Financial Planning Support                     | 275,000          | 66,422           | 24.15%        | 43,747           |
| GEC-Toll Ops Support                               | 2,550,000        | 154,812          | 6.07%         | 247,468          |
| GEC-Roadway Ops Support                            | 1,411,139        | 115,749          | 8.20%         | 102,304          |
| GEC-Technology Support                             | 654,369          | 158,806          | 24.27%        | 251,641          |
| GEC-Public Information Support                     | 200,000          | 46,308           | 23.15%        | 51,158           |
| GEC-General Support                                | 1,360,000        | 198,789          | 14.62%        | 277,048          |
| General System Consultant                          | 1,159,640        | 307,054          | 26.48%        | 256,823          |
| Traffic Modeling                                   | 150,000          | -                | -             | 91,842           |
| Traffic and Revenue Consultant                     | 500,000          | 162,641          | 32.53%        | 191,735          |
| <b>Total Operations and Maintenance Consulting</b> | <b>9,024,145</b> | <b>1,492,507</b> | <b>16.54%</b> | <b>1,792,702</b> |

### Roadway Operations and Maintenance

|   |                  |                  |               |                  |
|---|------------------|------------------|---------------|------------------|
| Roadway Maintenance                             | 1,868,052        | 1,065,486        | 57.04%        | 447,463          |
| Landscape Maintenance                           | 2,949,320        | 1,315,369        | 44.60%        | 599,145          |
| Maintenance Supplies-Roadway                    | 300,000          | -                | -             | 26,100           |
| Tools & Equipment Expense                       | 25,000           | 444              | 1.78%         | -                |
| Gasoline  | 30,000           | 5,112            | 17.04%        | 3,714            |
| Repair & Maintenance - Vehicles                 | 10,000           | 674              | 6.74%         | 369              |
| Natural Gas                                     | 2,500            | 1,285            | 51.40%        | 1,100            |
| Electricity - Roadways                          | 250,000          | 63,807           | 25.52%        | 40,389           |
| <b>Total Roadway Operations and Maintenance</b> | <b>5,434,872</b> | <b>2,452,178</b> | <b>45.12%</b> | <b>1,118,279</b> |

### Toll Processing and Collection Expense

|  |                   |                  |               |                  |
|--|-------------------|------------------|---------------|------------------|
| Image Processing                               | 4,208,340         | 1,023,675        | 24.32%        | 931,654          |
| Tag Collection Fees                            | 8,453,846         | 2,361,248        | 27.93%        | 1,933,623        |
| Court Enforcement Costs                        | 10,000            | -                | -             | -                |
| DMV Lookup Fees                                | 200               | -                | -             | -                |
| <b>Total Processing and Collection Expense</b> | <b>12,672,387</b> | <b>3,384,923</b> | <b>26.71%</b> | <b>2,865,277</b> |

### Toll Operations Expense

|   |                  |                |              |                |
|---|------------------|----------------|--------------|----------------|
| Generator Fuel                              | 3,000            | -              | -            | -              |
| Fire and Burglar Alarm                      | 500              | 123            | 24.67%       | 123            |
| Refuse                                      | 2,180            | 640            | 29.37%       | 393            |
| Water - Irrigation                          | 7,500            | 3,082          | 41.09%       | 1,289          |
| Electricity                                 | 500              | 111            | 22.17%       | 186            |
| ETC spare parts expense                     | 200,000          | -              | -            | -              |
| Repair & Maintenance Toll Equip             | 50,000           | 31,491         | 62.98%       | -              |
| Law Enforcement                             | 500,000          | 106,434        | 21.29%       | 50,950         |
| ETC Maintenance Contract                    | 6,000,000        | 666,601        | 11.11%       | 43,900         |
| Transaction Processing Maintenance Contract | 1,500,000        | -              | -            | -              |
| ETC Toll Management Center System Operation | 875,000          | 134,510        | 15.37%       | 37,500         |
| ETC Development                             | 559,000          | 2,759          | 0.49%        | 109,881        |
| ETC Testing                                 | 275,000          | -              | -            | -              |
| <b>Total Toll Operations Expense</b>        | <b>9,972,680</b> | <b>945,752</b> | <b>9.48%</b> | <b>244,222</b> |

**Total Operations and Maintenance 37,104,083 8,275,359 22.30% 6,020,480**

### Other Expenses

#### Special Projects and Contingencies

|   |                  |                  |               |                  |
|---|------------------|------------------|---------------|------------------|
| HERO  | 149,000          | 36,957           | 24.80%        | 36,957           |
| Special Projects                                | 100,000          | -                | -             | -                |
| 71 Express Net Revenue Payment                  | 5,000,000        | 1,324,641        | 26.49%        | 1,101,925        |
| Customer Relations                              | 3,000            | -                | -             | -                |
| Technology Initiatives                          | 75,000           | -                | -             | 10,279           |
| Other Contractual Svcs                          | 370,000          | 75,500           | 20.41%        | 59,500           |
| Contingency                                     | 300,000          | -                | -             | -                |
| <b>Total Special Projects and Contingencies</b> | <b>5,997,000</b> | <b>1,437,098</b> | <b>23.96%</b> | <b>1,208,661</b> |

#### Non Cash Expenses

|                                  |                   |                   |               |                   |
|----------------------------------|-------------------|-------------------|---------------|-------------------|
| Amortization Expense             | 2,020,950         | 320,073           | 15.84%        | 349,778           |
| Amort Expense - Refund Savings   | 9,073,105         | 1,330,277         | 14.66%        | 678,856           |
| Dep Exp - Furniture & Fixtures   | 2,178             | 653               | 30.00%        | 653               |
| Dep Expense - Equipment          | -                 | -                 | -             | 625               |
| Dep Expense - Autos & Trucks     | 46,496            | 13,338            | 28.69%        | 5,735             |
| Dep Expense - Buildng & Toll Fac | 176,748           | 44,187            | 25.00%        | 44,187            |
| Dep Expense - Highways & Bridges | 53,479,102        | 12,655,386        | 23.66%        | 12,655,386        |
| Dep Expense - Toll Equipment     | 4,736,604         | 1,035,778         | 21.87%        | 1,018,608         |
| Dep Expense - Signs              | 1,052,717         | 254,143           | 24.14%        | 254,143           |
| Dep Expense - Land Improvements  | 884,934           | 221,234           | 25.00%        | 221,234           |
| Depreciation Expense - Computers | 64,319            | 47,270            | 73.49%        | 47,270            |
| <b>Total Non Cash Expenses</b>   | <b>71,537,153</b> | <b>15,922,338</b> | <b>22.26%</b> | <b>15,276,476</b> |

**Total Other Expenses 77,534,153 17,359,437 22.39% 16,485,137**



**Non Operating Expenses**

|                       |            |            |        |            |
|-----------------------|------------|------------|--------|------------|
| Bond Issuance Expense | 1,250,000  | 132,074    | 10.57% | 331,120    |
| Loan Fee Expense      | 14,500     | -          | -      | -          |
| Interest Expense      | 83,664,454 | 19,504,907 | 23.31% | 20,560,802 |
| CAMPO RIF Payment     | -          | -          | -      | 5,000,000  |
| Community Initiatives | 150,000    | -          | -      | 17,550     |

---

|                                     |                     |                     |               |                     |
|-------------------------------------|---------------------|---------------------|---------------|---------------------|
| <b>Total Non Operating Expenses</b> | <b>\$85,078,954</b> | <b>\$19,636,981</b> | <b>23.08%</b> | <b>\$25,909,472</b> |
|-------------------------------------|---------------------|---------------------|---------------|---------------------|

---

---

|                       |                    |                   |               |                   |
|-----------------------|--------------------|-------------------|---------------|-------------------|
| <b>TOTAL EXPENSES</b> | <b>212,478,727</b> | <b>47,363,523</b> | <b>22.29%</b> | <b>50,513,496</b> |
|-----------------------|--------------------|-------------------|---------------|-------------------|

---

|                   |                        |                     |  |                       |
|-------------------|------------------------|---------------------|--|-----------------------|
| <b>Net Income</b> | <b>\$ (27,598,593)</b> | <b>\$ 6,125,839</b> |  | <b>\$ (9,668,967)</b> |
|-------------------|------------------------|---------------------|--|-----------------------|

---

---

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2022**

|  | as of 09/30/2022               | as of 09/30/2021               |
|--|--------------------------------|--------------------------------|
| <b>ASSETS</b>  |                                |                                |
| <b>Current Assets</b>                                      |                                |                                |
| <b>Cash</b>  |                                |                                |
| Regions Operating Account                                  | \$ 3,518,183                   | \$ 1,234,218                   |
| Cash in TexStar  | 42,930                         | 1,040,217                      |
| Regions Payroll Account                                    | 99,387                         | 149,919                        |
| <b>Restricted Cash</b>                                     |                                |                                |
| Goldman Sachs FSGF 465                                     | 1,103,383,771                  | 542,367,543                    |
| Restricted Cash - TexSTAR                                  | 10,409,892                     | 151,866,879                    |
| Overpayments account                                       | 291,108                        | 626,619                        |
| <b>Total Cash and Cash Equivalents</b>                     | <u>1,117,745,271</u>           | <u>697,285,393</u>             |
| <b>Accounts Receivable</b>                                 |                                |                                |
| Accounts Receivable  | 2,770,089                      | 2,770,089                      |
| Due From Other Agencies                                    | 65,805                         | 83,228                         |
| Due From TTA   | 548,177                        | 4,039,245                      |
| Due From NTTA  | 1,062,984                      | 1,148,059                      |
| Due From HCTRA   | 2,065,183                      | 1,593,212                      |
| Due From TxDOT   | 164,602                        | 139,239                        |
| Interest Receivable  | 693,342                        | 675,683                        |
| <b>Total Receivables</b>                                   | <u>7,370,183</u>               | <u>10,448,756</u>              |
| <b>Short Term Investments</b>                              |                                |                                |
| Treasuries   | (0)                            | 329,356,750                    |
| Agencies   | (0)                            | 169,282,486                    |
| <b>Total Short Term Investments</b>                        | <u>(0)</u>                     | <u>498,639,236</u>             |
| <b>Total Current Assets</b>                                | <u>1,125,115,454</u>           | <u>1,206,373,386</u>           |
| <b>Total Construction in Progress</b>                      | 305,998,504                    | 211,140,943                    |
| <b>Fixed Assets (Net of Depreciation and Amortization)</b> |                                |                                |
| Computers  | 51,237                         | 240,318                        |
| Computer Software  | 1,470,864                      | 2,311,532                      |
| Furniture and Fixtures                                     | 1,525                          | 4,138                          |
| Equipment  | 9,624                          | 119,838                        |
| Autos and Trucks   | 80,545                         | 33,797                         |
| Buildings and Toll Facilities                              | 4,372,832                      | 4,549,579                      |
| Highways and Bridges                                       | 1,704,435,035                  | 1,750,072,871                  |
| Toll Equipment   | 19,023,709                     | 21,457,435                     |
| Signs  | 12,908,180                     | 13,485,020                     |
| Land Improvements  | 5,978,035                      | 6,862,969                      |
| Right of way   | 88,149,606                     | 88,149,606                     |
| Leasehold Improvements                                     | 33,176                         | 79,319                         |
| <b>Total Fixed Assets</b>                                  | <u>1,836,514,366</u>           | <u>1,887,366,423</u>           |
| <b>Other Assets</b>  |                                |                                |
| Intangible Assets-Net                                      | 173,961,907                    | 123,655,207                    |
| 2005 Bond Insurance Costs                                  | 3,301,851                      | 3,594,056                      |
| Deferred Outflows (pension related)                        | 675,913                        | 641,074                        |
| Pension Asset  | 2,549,818                      | 591,247                        |
| <b>Total Other Assets</b>                                  | <u>180,489,489</u>             | <u>128,481,583</u>             |
| <b>Total Assets</b>  | <u><u>\$ 3,448,117,813</u></u> | <u><u>\$ 3,433,362,336</u></u> |

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2022**

|   | as of 09/30/2022 | as of 09/30/2021 |
|---|------------------|------------------|
| <b>LIABILITIES</b>                        |                  |                  |
| <b>Current Liabilities</b>                |                  |                  |
| Accounts Payable                          | \$ 45,341,686    | \$ 36,194,303    |
| Construction Payable                      | 5,224,340        | 10,022,980       |
| Overpayments                              | 294,629          | 629,946          |
| Interest Payable                          | 20,449,024       | 24,735,845       |
| TCDRS Payable                             | 74,574           | 60,707           |
| Due to other Agencies                     | 2,849            | 8,118            |
| Due to TTA                                | 624,134          | 319,374          |
| Due to NTTA                               | -                | 83,919           |
| Due to HCTRA                              | 148,238          | 118,502          |
| Due to Other Entities                     | 57,776           | 1,104,346        |
| 71E TxDOT Obligation - ST                 | 3,142,749        | 2,625,615        |
| <b>Total Current Liabilities</b>          | 75,359,999       | 75,903,656       |
| <b>Long Term Liabilities</b>              |                  |                  |
| Compensated Absences                      | 268,014          | 285,301          |
| Deferred Inflows (pension related)        | 1,481,361        | 109,052          |
| <b>Long Term Payables</b>                 | 1,749,375        | 394,353          |
| <b>Bonds Payable</b>                      |                  |                  |
| <b>Senior Lien Revenue Bonds:</b>         |                  |                  |
| Senior Lien Revenue Bonds 2010            | 89,266,291       | 82,850,936       |
| Senior Lien Revenue Bonds 2011            | 19,136,793       | 18,857,674       |
| Senior Refunding Bonds 2013               | 3,475,000        | 7,080,000        |
| Senior Lien Revenue Bonds 2015            | 10,000,000       | 298,790,000      |
| Senior Lien Refunding Revenue Bonds 2016  | 70,790,000       | 348,295,000      |
| Senior Lien Revenue Bonds 2018            | 44,345,000       | 44,345,000       |
| Senior Lien Revenue Bonds 2020A           | 50,265,000       | 50,265,000       |
| Senior Lien Refunding Bonds 2020B         | 55,600,000       | 56,205,000       |
| Senior Lien Refunding Bonds 2020C         | 138,435,000      | 138,435,000      |
| Senior Lien Revenue Bonds 2020E           | 167,160,000      | 167,160,000      |
| Senior Lien Revenue Bonds 2021B           | 255,075,000      | 255,075,000      |
| Senior Lien Refunding Bonds 2021D         | 274,625,000      | -                |
| Senior Lien Refunding Bonds 2021E         | 335,610,000      | -                |
| Sn Lien Rev Bnd Prem/Disc 2013            | 447,279          | 2,236,397        |
| Sn Lien Revenue Bnd Prem 2015             | -                | 16,888,708       |
| Senior Lien Premium 2016 Revenue Bonds    | 7,383,436        | 37,969,218       |
| Sn Lien Revenue Bond Premium 2018         | 3,083,148        | 3,349,721        |
| Senior Lien Revenue Bond Premium 2020A    | 11,304,305       | 11,441,313       |
| Senior Lien Refunding Bond Premium 2020B  | 11,637,887       | 12,172,962       |
| Senior Lien Revenue Bonds Premium 2020E   | 25,427,076       | 27,142,462       |
| Senior Lien Revenue Bonds Premium 2021B   | 53,414,235       | 53,706,204       |
| Senior Lien Refunding Bonds Premium 2021D | 44,749,354       | -                |
| <b>Total Senior Lien Revenue Bonds</b>    | 1,671,229,804    | 1,632,265,594    |

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2022**

|   | as of 09/30/2022        | as of 09/30/2021        |
|---|-------------------------|-------------------------|
| <b>Sub Lien Revenue Bonds:</b>                  |                         |                         |
| Sub Lien Refunding Bonds 2013                   | 2,725,000               | 5,320,000               |
| Sub Lien Refunding Bonds 2016                   | 72,605,000              | 73,055,000              |
| Subordinated Lien BANS 2018                     | -                       | 46,020,000              |
| Sub Lien Refunding Bonds 2020D                  | 98,580,000              | 99,705,000              |
| Subordinated Lien BANS 2020F                    | 110,875,000             | 110,875,000             |
| Subordinate Lien Refunding Bonds 2020G          | 61,570,000              | 61,570,000              |
| Subordinated Lien BANS 2021C                    | 244,185,000             | 244,185,000             |
| Sub Refunding 2013 Prem/Disc                    | 95,437                  | 477,185                 |
| Sub Refunding 2016 Prem/Disc                    | 5,587,450               | 6,407,577               |
| Sub Lien BANS 2018 Premium                      | -                       | (0)                     |
| Subordinated Lien BANS 2020F Premium            | 9,006,445               | 13,009,310              |
| Subordinated Lien Refunding Bonds Premium 2020G | 7,067,227               | 7,471,198               |
| Sub Lien BANS 2021C Premium                     | 32,349,629              | 39,961,306              |
| <b>Total Sub Lien Revenue Bonds</b>             | 644,646,188             | 708,056,576             |
| <b>Other Obligations</b>                        |                         |                         |
| TIFIA Note 2021                                 | 353,243,889             | 307,045,008             |
| 71E TxDOT Obligation - LT                       | 55,077,264              | 57,263,411              |
| Regions 2017 MoPAC Note                         | -                       | 24,990,900              |
| Regions 2022 MoPac Loan                         | 24,690,900              | -                       |
| <b>Total Other Obligations</b>                  | 433,012,053             | 389,299,319             |
| <b>Total Long Term Liabilities</b>              | 2,750,637,420           | 2,730,015,842           |
| <b>Total Liabilities</b>                        | 2,825,997,419           | 2,805,919,498           |
| <b>NET ASSETS</b>                               |                         |                         |
| Contributed Capital                             | 121,462,104             | 121,462,104             |
| Net Assets Beginning                            | 494,532,189             | 515,649,438             |
| Current Year Operations                         | 6,126,101               | (9,668,704)             |
| <b>Total Net Assets</b>                         | 622,120,394             | 627,442,838             |
| <b>Total Liabilities and Net Assets</b>         | <b>\$ 3,448,117,813</b> | <b>\$ 3,433,362,336</b> |

**Central Texas Regional Mobility Authority**  
**Statement of Cash Flow**  
**as of September 2022**

**Cash flows from operating activities:**

|   |    |              |
|---|----|--------------|
| Receipts from toll revenues                               | \$ | 55,149,297   |
| Payments to vendors                                       |    | (11,520,977) |
| Payments to employees                                     |    | (1,143,867)  |
| Net cash flows provided by (used in) operating activities |    | 42,484,453   |

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

|   |  |              |
|---|--|--------------|
| Issuance Expense  |  | (132,074)    |
| Payments on bonds / loans   |  | (300,000)    |
| Interest payments   |  | (39,904,215) |
| RIF Contribution  |  | (5,000,000)  |
| Acquisition of capital assets - non project                                   |  | (1,815,039)  |
| Acquisitions of construction in progress                                      |  | (20,297,206) |
| Net cash flows provided by (used in) capital and related financing activities |  | (67,448,534) |

**Cash flows from investing activities:**

|   |    |               |
|---|----|---------------|
| Interest Receivable                                       |    | 2,018         |
| Interest income   |    | 3,702,579     |
| Purchase of investments                                   |    | (21,098,870)  |
| Proceeds from sale or maturity of investments             |    | 131,044,443   |
| Net cash flows provided by (used in) investing activities |    | 113,648,151   |
| Net increase (decrease) in cash and cash equivalents      |    | 88,684,070    |
| Cash and cash equivalents at beginning of period          |    | 1,029,061,201 |
| Cash and cash equivalents at end of period                | \$ | 1,117,745,271 |

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

|   |    |            |
|---|----|------------|
| Operating income  | \$ | 22,060,850 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: |    |            |
| Depreciation and amortization   |    | 15,917,980 |
| Changes in assets and liabilities:  |    |            |
| (Increase) decrease in accounts receivable  |    | 4,906,690  |
| (Increase) decrease in prepaid expenses and other assets                                    |    | (128,063)  |
| (Decrease) increase in accounts payable   |    | (724,064)  |
| Increase (decrease) in accrued expenses   |    | 451,059    |
| Total adjustments   |    | 20,423,602 |
| Net cash flows provided by (used in) operating activities                                   | \$ | 42,484,453 |

**Reconciliation of cash and cash equivalents:**

|  |    |               |
|--|----|---------------|
| Unrestricted cash and cash equivalents | \$ | 180,711,513   |
| Restricted cash and cash equivalents   |    | 937,033,758   |
| Total                                  | \$ | 1,117,745,271 |

**INVESTMENTS by FUND**

|   |                       | <b>Balance</b>             |                            |
|---|-----------------------|----------------------------|----------------------------|
|   |                       | <b>September 30, 2022</b>  |                            |
| <b>Renewal &amp; Replacement Fund</b>                   |                       |                            |                            |
| <b>TexSTAR</b>  | <b>1,805.86</b>       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>40,175.84</b>      |                            |                            |
| Agencies/ Treasuries                                    |                       | 41,981.70                  |                            |
| <b>Grant Fund</b>                                       |                       |                            | <b>\$ 1,108,552,620.08</b> |
| <b>TexSTAR</b>  | <b>457,564.31</b>     |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>9,664,893.85</b>   |                            |                            |
| Agencies/ Treasuries                                    | MATURED               | 10,122,458.16              |                            |
| <b>Senior Debt Service Reserve Fund</b>                 |                       |                            |                            |
| <b>TexSTAR</b>  | <b>993,057.18</b>     |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>107,428,216.31</b> |                            |                            |
| Agencies/ Treasuries                                    | MATURED               | <b>108,421,273.49</b>      |                            |
| <b>2010 Senior Lien Debt Service Account</b>            |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>60,945.96</b>      | 60,945.96                  |                            |
| <b>2011 Sr Debt Service Accountt</b>                    |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>2,805,792.77</b>   | 2,805,792.77               |                            |
| <b>2013 Sr Debt Service Accountt</b>                    |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>2,657,603.94</b>   | 2,657,603.94               |                            |
| <b>2013 Sub Debt Service Account</b>                    |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>2,084,078.42</b>   | 2,084,078.42               |                            |
| <b>2013 Sub Debt Service Reserve Fund</b>               |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>123.87</b>         | 785,942.42                 |                            |
| <b>TexSTAR</b>  | <b>785,818.55</b>     |                            |                            |
| <b>2015 Sr Debt Service Account</b>                     |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>4,503,001.01</b>   | 4,503,001.01               |                            |
| <b>2016 Sr Lien Rev Refunding Debt Service Account</b>  |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>10,989,475.65</b>  | 10,989,475.65              |                            |
| <b>2016 Sub Lien Rev Refunding Debt Service Account</b> |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>1,704,969.70</b>   | 1,704,969.70               |                            |
| <b>2016 Sub Lien Rev Refunding DSR</b>                  |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>7,030,860.40</b>   | 7,030,860.40               |                            |
| Agencies/ Treasuries                                    | -                     | -                          |                            |
| <b>Operating Fund</b>                                   |                       |                            |                            |
| <b>TexSTAR</b>  | <b>42,849.34</b>      |                            |                            |
| <b>TexSTAR-Trustee</b>                                  | <b>5,035,907.38</b>   |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>7,850,774.27</b>   | 12,929,530.99              |                            |
| <b>Revenue Fund</b>                                     |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>8,808,344.27</b>   | 8,808,344.27               |                            |
| <b>General Fund</b>                                     |                       |                            |                            |
| <b>TexSTAR</b>  | <b>1,145,928.21</b>   |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>127,144,500.92</b> |                            |                            |
| Agencies/ Treasuries                                    | -                     | 128,290,429.13             |                            |
| <b>71E Revenue Fund</b>                                 |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>24,133,657.79</b>  | 24,133,657.79              |                            |
| <b>MoPac Revenue Fund</b>                               |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>88,572.45</b>      | 88,572.45                  |                            |
| <b>MoPac General Fund</b>                               |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>8,116,908.05</b>   | 8,116,908.05               |                            |
| <b>MoPac Operating Fund</b>                             |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>183,208.77</b>     | 183,208.77                 |                            |
| <b>MoPac Loan Repayment Fund</b>                        |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>433,837.98</b>     | 433,837.98                 |                            |
| <b>2015B Project Account</b>                            |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>42,184,855.21</b>  |                            |                            |
| <b>TexSTAR</b>  | <b>352,205.25</b>     | 42,537,060.46              |                            |
| <b>2015 TIFIA Project Account</b>                       |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>38,558,045.36</b>  |                            |                            |
| <b>TexSTAR</b>  | <b>699,711.28</b>     |                            |                            |
| Agencies/ Treasuries                                    | -                     | 39,257,756.64              |                            |
| <b>2011 Sr Financial Assistance Fund</b>                |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>978,002.53</b>     | 978,018.54                 |                            |
| <b>TexSTAR</b>  | <b>16.01</b>          |                            |                            |
| <b>2018 Sr Lien Debt Service Account</b>                |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>454,779.02</b>     | 454,779.02                 |                            |
| <b>2018 Sr Lien Project Cap I</b>                       |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>200,753.72</b>     | 200,753.72                 |                            |
| <b>2018 Sr Lien Project Account</b>                     |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>11,008,564.70</b>  |                            |                            |
| <b>TexSTAR</b>  | <b>937,877.91</b>     | 11,946,442.61              |                            |
| <b>2020A Senior Lien Debt Service Account</b>           |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>962,574.70</b>     | 962,574.70                 |                            |
| <b>2020B Senior Lien Debt Service Account</b>           |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>1,148,654.29</b>   | 1,148,654.29               |                            |
| <b>2020C Senior Lien Debt Service Account</b>           |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>947,317.32</b>     | 947,317.32                 |                            |
| <b>2020D Sub Lien Debt Service Account</b>              |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>1,601,575.31</b>   | 1,601,575.31               |                            |
| <b>2020D Sub Debt Service Reserve Fund</b>              |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>8,161,305.18</b>   | 8,161,305.18               |                            |
| <b>2020E Senior Lien Project Account</b>                |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>152,264,706.91</b> | 152,264,706.91             |                            |
| <b>2020E Senior Lien Project Cap Interest</b>           |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>21,814,242.42</b>  | 21,814,242.42              |                            |
| <b>2020F Sub Lien Project Account</b>                   |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>24,870,974.64</b>  | 24,870,974.64              |                            |
| <b>2020F Sub Lien Deb Service Account</b>               |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>1,389,629.39</b>   | 1,389,629.39               |                            |
| <b>2020G Sub Lien Debt Service Account</b>              |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>639,849.91</b>     | 639,849.91                 |                            |
| <b>2020G Sub Lien Debt Service Reserve Account</b>      |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>2,755,846.98</b>   | 2,755,846.98               |                            |
| <b>2021A Sub Lien Debt Service Reserve Account</b>      |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>11,619,833.05</b>  | 11,619,833.05              | <b>30,353,788.03</b>       |
| <b>2021A Sub Debt Service Account</b>                   |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>96.22</b>          | 96.22                      |                            |
| <b>2021B Senior Lien Cap I Project Fund</b>             |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>46,202,998.18</b>  | 46,202,998.18              |                            |
| <b>2021B Senior Lien Project Account</b>                |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>231,025,689.04</b> |                            |                            |
| Agencies/ Treasuries                                    | MATURED               | 231,025,689.04             |                            |
| <b>2021C Sub Lien Cap I Project Fund</b>                |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>1,342.90</b>       | 1,342.90                   |                            |
| <b>2021C Sub Lien Project Account</b>                   |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>162,630,875.32</b> | 162,630,875.32             |                            |
| <b>2021C Sub Lien Debt Service Account</b>              |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>3,059,567.40</b>   | 3,059,567.40               |                            |
| <b>2021D Senior Lien Debt Service Account</b>           |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>3,169,032.81</b>   | 3,169,032.81               |                            |
| <b>2021E Senior Lien Debt Service Account</b>           |                       |                            |                            |
| <b>Goldman Sachs</b>                                    | <b>4,718,824.07</b>   | 4,718,824.07               |                            |
|   |                       | <b>\$ 1,108,552,620.08</b> |                            |

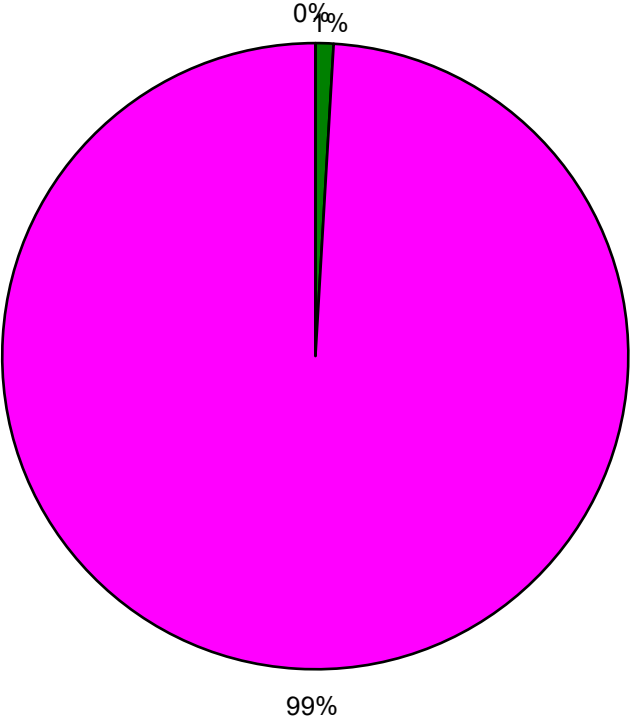
**CTRMA INVESTMENT REPORT**

|  | Month Ending 9/30/2022 |                |                          |                  |                | Rate<br>September |                      |
|--|------------------------|----------------|--------------------------|------------------|----------------|-------------------|----------------------|
|  | Balance<br>9/1/2022    | Additions      | Discount<br>Amortization | Accrued Interest | Withdrawals    |                   | Balance<br>9/30/2022 |
| <b>Amount in Trustee TexStar</b>                   |                        |                |                          |                  |                |                   |                      |
| * 2011 Sr Lien Financial Assist Fund               | 16.01                  |                |                          | 0.00             |                | 16.01             | 2.2941%              |
| * 2013 Sub Lien Debt Service Reserve               | 784,339.61             |                |                          | 1,478.94         |                | 785,818.55        | 2.2941%              |
| * General Fund                                     | 1,143,771.52           |                |                          | 2,156.69         |                | 1,145,928.21      | 2.2941%              |
| * Trustee Operating Fund                           | 5,024,502.99           | 4,000,000.00   |                          | 11,404.39        | 4,000,000.00   | 5,035,907.38      | 2.2941%              |
| * Renewal and Replacement                          | 1,802.46               |                |                          | 3.40             |                | 1,805.86          | 2.2941%              |
| * Grant Fund                                       | 456,703.15             |                |                          | 861.16           |                | 457,564.31        | 2.2941%              |
| * Senior Lien Debt Service Reserve Fund            | 991,188.21             |                |                          | 1,868.97         |                | 993,057.18        | 2.2941%              |
| * 2015B Sr Ln Project                              | 351,542.38             |                |                          | 662.87           |                | 352,205.25        | 2.2941%              |
| * 2015C TIFIA Project                              | 698,394.40             |                |                          | 1,316.88         |                | 699,711.28        | 2.2941%              |
| * 2018 Sr Lien Project Account                     | 936,112.77             |                |                          | 1,765.14         |                | 937,877.91        | 2.2941%              |
|  | 10,388,373.50          | 4,000,000.00   |                          | 21,518.44        | 4,000,000.00   | 10,409,891.94     |                      |
|  |                        |                |                          |                  |                |                   |                      |
| <b>Amount in TexStar Operating Fund</b>            | 41,790.90              | 3,000,000.00   |                          | 1,058.44         | 3,000,000.00   | 42,849.34         | 2.2941%              |
| <b>Goldman Sachs</b>                               |                        |                |                          |                  |                |                   |                      |
| * Operating Fund                                   | 7,762,787.68           | 4,077,280.38   |                          | 13,779.10        | 4,003,072.89   | 7,850,774.27      | 2.4719%              |
| * 2020A Senior Lien Debt Service Account           | 862,302.19             | 98,815.62      |                          | 1,456.89         |                | 962,574.70        | 2.4719%              |
| * 2020B Senior Lien Debt Service Account           | 870,873.17             | 276,450.46     |                          | 1,330.66         |                | 1,148,654.29      | 2.4719%              |
| * 2020C Senior Lien Debt Service Account           | 631,944.03             | 314,498.42     |                          | 874.87           |                | 947,317.32        | 2.4719%              |
| * 2020D Sub Lien Debt Service Account              | 1,257,708.94           | 341,898.96     |                          | 1,967.41         |                | 1,601,575.31      | 2.4719%              |
| * 2020D Sub Debt Service Reserve Fund              | 8,146,797.25           |                |                          | 14,507.93        |                | 8,161,305.18      | 2.4719%              |
| * 2020E Sr Lien Project Account                    | 151,994,033.76         |                |                          | 270,673.15       |                | 152,264,706.91    | 2.4719%              |
| * 2020E Sr Ln Project Cap Interest                 | 21,775,464.36          |                |                          | 38,778.06        |                | 21,814,242.42     | 2.4719%              |
| * 2020F Sub Lien Project Account                   | 25,518,561.50          |                |                          | 49,935.41        | 697,522.27     | 24,870,974.64     | 2.4719%              |
| * 2020F Sub Lien Debt Service Account              | 926,989.05             | 461,357.03     |                          | 1,283.31         |                | 1,389,629.39      | 2.4719%              |
| * 2020G Sub Lien Debt Service Account              | 426,828.81             | 212,430.20     |                          | 590.90           |                | 639,849.91        | 2.4719%              |
| * 2020G Sub Debt Service Reserve Fund              | 2,655,331.16           | 95,863.53      |                          | 4,652.29         |                | 2,755,846.98      | 2.4719%              |
| * 2021A Sub Debt Service Reserve Fund              | 11,052,799.07          | 547,787.33     |                          | 19,246.65        |                | 11,619,833.05     | 2.4719%              |
| * 2021A Sub Debt Service Account                   | 96.05                  |                |                          | 0.17             |                | 96.22             | 2.4719%              |
| * 2021B Senior Lien Cap I Project Fund             | 46,120,865.48          |                |                          | 82,132.70        |                | 46,202,998.18     | 2.4719%              |
| * 2021B Senior Lien Project Account                | 130,757,833.62         | 100,035,000.00 |                          | 232,855.42       |                | 231,025,689.04    | 2.4719%              |
| * 2021C Sub Lien Cap I Project Fund                | 1,340.51               |                |                          | 2.39             |                | 1,342.90          | 2.4719%              |
| * 2021C Sub Lien Project Account                   | 164,155,559.36         |                |                          | 4,281,313.84     | 5,805,997.88   | 162,630,875.32    | 2.4719%              |
| * 2021C Sub Lien Debt Service Account              | 2,040,520.34           | 1,016,222.72   |                          | 2,824.34         |                | 3,059,567.40      | 2.4719%              |
| * 2021D Senior Lien Debt Service Account           | 2,192,875.27           | 973,027.48     |                          | 3,130.06         |                | 3,169,032.81      | 2.4719%              |
| * 2021E Senior Lien Debt Service Account           | 3,650,220.28           | 1,062,950.10   |                          | 5,653.69         |                | 4,718,824.07      | 2.4719%              |
| * 2011 Sr Financial Assistance Fund                | 976,263.91             |                |                          | 1,738.62         |                | 978,002.53        | 2.4719%              |
| * 2010 Senior DSF                                  | 60,837.62              |                |                          | 108.34           |                | 60,945.96         | 2.4719%              |
| * 2011 Senior Lien Debt Service Account            | 2,491,209.23           | 310,394.25     |                          | 4,189.29         |                | 2,805,792.77      | 2.4719%              |
| * 2013 Senior Lien Debt Service Account            | 2,349,967.04           | 303,693.80     |                          | 3,943.10         |                | 2,657,603.94      | 2.4719%              |
| * 2013 Sub Debt Service Reserve Fund               | 123.65                 |                |                          | 0.22             |                | 123.87            | 2.4719%              |
| * 2013 Subordinate Debt Service Account            | 1,842,818.51           | 238,167.79     |                          | 3,092.12         |                | 2,084,078.42      | 2.4719%              |
| * 2015A Sr Lien Debt Service Account               | 4,494,995.93           |                |                          | 8,005.08         |                | 4,503,001.01      | 2.4719%              |
| * 2015B Project Account                            | 42,109,862.26          |                |                          | 74,992.95        |                | 42,184,855.21     | 2.4719%              |
| * 2015C TIFIA Project Account                      | 38,603,936.40          |                |                          | 68,876.49        | 114,767.53     | 38,558,045.36     | 2.4719%              |
| * 2016 Sr Lien Rev Refunding Debt Service Account  | 10,294,355.33          | 677,326.81     |                          | 17,793.51        |                | 10,989,475.65     | 2.4719%              |
| * 2016 Sub Lien Rev Refunding Debt Service Account | 1,331,663.19           | 371,230.70     |                          | 2,075.81         |                | 1,704,969.70      | 2.4719%              |
| * 2016 Sub Lien Rev Refunding DSR                  | 7,018,361.48           |                |                          | 12,498.92        |                | 7,030,860.40      | 2.4719%              |
| * 2018 Sr Lien Project Cap I                       | 200,396.85             |                |                          | 356.87           |                | 200,753.72        | 2.4719%              |
| * 2018 Sr Lien Debt Service Account                | 302,945.38             | 151,414.77     |                          | 418.87           |                | 454,779.02        | 2.4719%              |
| * 2018 Sr Lien Project Account                     | 11,003,962.48          |                |                          | 19,599.59        | 14,997.37      | 11,008,564.70     | 2.4719%              |
| * Grant Fund                                       | 7,206,204.66           | 2,445,855.75   |                          | 12,833.44        |                | 9,664,893.85      | 2.4719%              |
| * Renewal and Replacement                          | 19,078.57              | 700,000.00     |                          | 199.45           | 679,102.18     | 40,175.84         | 2.4719%              |
| * Revenue Fund                                     | 8,032,736.04           | 18,415,085.26  |                          | 13,718.00        | 17,653,195.03  | 8,808,344.27      | 2.4719%              |
| * General Fund                                     | 122,880,283.68         | 4,788,517.40   |                          | 200,345.80       | 724,645.96     | 127,144,500.92    | 2.4719%              |
| * Senior Lien Debt Service Reserve Fund            | 97,266,783.36          | 10,003,500.00  |                          | 157,932.95       |                | 107,428,216.31    | 2.4719%              |
| * 71E Revenue Fund                                 | 23,110,368.33          | 1,121,935.71   |                          | 40,176.43        | 138,822.68     | 24,133,657.79     | 2.4719%              |
| * MoPac Revenue Fund                               | 443,654.66             | 1,097,177.12   |                          | 339.05           | 1,452,598.38   | 88,572.45         | 2.4719%              |
| * MoPac General Fund                               | 11,810,183.79          | 1,308,630.13   |                          | 20,913.83        | 5,022,819.70   | 8,116,908.05      | 2.4719%              |
| * MoPac Operating Fund                             | 476,347.55             | 50,410.62      |                          | 1,159.66         | 344,709.06     | 183,208.77        | 2.4719%              |
| * MoPac Loan Repayment Fund                        | 289,551.56             | 143,968.25     |                          | 318.17           |                | 433,837.98        | 2.4719%              |
|  | 977,418,623.34         | 151,640,890.59 |                          | 5,692,615.80     | 36,652,250.93  | 1,098,099,878.80  |                      |
| <b>Amount in Fed Agencies and Treasuries</b>       |                        |                |                          |                  |                |                   |                      |
| Amortized Principal                                | 112,444,442.74         |                |                          |                  | 112,444,442.74 | 0.00              |                      |
|  | 112,444,442.74         |                |                          |                  |                | 0.00              |                      |
| <b>Certificates of Deposit</b>                     |                        |                |                          |                  |                |                   |                      |
| Total in Pools                                     | 10,430,164.40          | 7,000,000.00   |                          | 22,576.88        | 7,000,000.00   | 10,452,741.28     |                      |
| Total in GS FSGF                                   | 977,418,623.34         | 151,640,890.59 |                          | 5,692,615.80     | 36,652,250.93  | 1,098,099,878.80  |                      |
| Total in Fed Agencies and Treasuries               | 112,444,442.74         |                |                          |                  | 112,444,442.74 | 0.00              |                      |
| <b>Total Invested</b>                              | 1,100,293,230.48       | 158,640,890.59 |                          | 5,715,192.68     | 156,096,693.67 | 1,108,552,620.08  |                      |

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

9/30/2022

# Allocation of Funds



- Total in Pools
- Total in Money Market
- Total in Fed Agencies
- Total in CD's



Amount of Investments As of September 30, 2022

| Agency                       | CUSIP #    | COST    | Book Value | Market Value | Yield to Maturity | Purchased | Matures   | FUND             |
|------------------------------|------------|---------|------------|--------------|-------------------|-----------|-----------|------------------|
| Agency - Federal Farm Credit | 3133EM5T5  | MATURED | MATURED    | MATURED      | 0.0076%           | 9/24/2021 | 9/21/2022 | Grant Fund       |
| Agency - Federal Farm Credit | 3133EM5T5a | MATURED | MATURED    | MATURED      | 0.0076%           | 9/24/2021 | 9/21/2022 | Sr Lien DSR      |
| Agency - Federal Farm Credit | 3133EM5T5b | MATURED | MATURED    | MATURED      | 0.0076%           | 9/24/2021 | 9/21/2022 | 2021B Sr Project |
|                              |            | -       | -          | -            |                   |           |           |                  |

| Agency                       | CUSIP #    | COST    | Cumulative<br>Amortization | Book Value | Maturity Value | Interest Income  |              |                 |
|------------------------------|------------|---------|----------------------------|------------|----------------|------------------|--------------|-----------------|
|                              |            |         |                            |            |                | Accrued Interest | Amortization | Interest Earned |
| Agency - Federal Farm Credit | 3133EM5T5  | MATURED | MATURED                    | MATURED    | 2,445,000.00   | 142.63           | 12.11        | 154.74          |
| Agency - Federal Farm Credit | 3133EM5T5a | MATURED | MATURED                    | MATURED    | 10,000,000.00  | 583.33           | (632.89)     | (49.56)         |
| Agency - Federal Farm Credit | 3133EM5T5b | MATURED | MATURED                    | MATURED    | 100,000,000.00 | 5,833.33         | 495.58       | 6,328.91        |
|                              |            | -       | -                          | -          | 112,445,000.00 | 6,559.29         | (125.20)     | 6,434.09        |

## ESCROW FUNDS

### Travis County Escrow Fund - Elroy Road

|               | <b>Balance</b>  |                  | <b>Accrued</b>  |                    | <b>Balance</b>   |
|---------------|-----------------|------------------|-----------------|--------------------|------------------|
|               | <b>9/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>9/30/2022</b> |
| Goldman Sachs | 3,774,926.04    |                  | 5,083.71        |                    | 3,780,009.75     |

### Travis County Escrow Fund - Ross Road

|               | <b>Balance</b>  |                  | <b>Accrued</b>  |                    | <b>Balance</b>   |
|---------------|-----------------|------------------|-----------------|--------------------|------------------|
|               | <b>9/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>9/30/2022</b> |
| Goldman Sachs | 116,751.99      |                  | 169.22          |                    | 116,921.21       |

### Travis County Escrow Fund - Old San Antonio Road

|               | <b>Balance</b>  |                  | <b>Accrued</b>  |                    | <b>Balance</b>   |
|---------------|-----------------|------------------|-----------------|--------------------|------------------|
|               | <b>9/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>9/30/2022</b> |
| Goldman Sachs | 47,302.51       |                  | 66.13           |                    | 47,368.64        |

### Travis County Escrow Fund - Old Lockhart Road

|               | <b>Balance</b>  |                  | <b>Accrued</b>  |                    | <b>Balance</b>   |
|---------------|-----------------|------------------|-----------------|--------------------|------------------|
|               | <b>9/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>9/30/2022</b> |
| Goldman Sachs | 262,649.14      |                  | 417.18          |                    | 263,066.32       |

### Travis County Escrow Fund - County Line Road

|               | <b>Balance</b>  |                  | <b>Accrued</b>  |                    | <b>Balance</b>   |
|---------------|-----------------|------------------|-----------------|--------------------|------------------|
|               | <b>9/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>9/30/2022</b> |
| Goldman Sachs | 324,190.50      |                  | 460.32          |                    | 324,650.82       |

### Travis County Escrow Fund - South Pleasant Valley Road

|               | <b>Balance</b>  |                  | <b>Accrued</b>  |                    | <b>Balance</b>   |
|---------------|-----------------|------------------|-----------------|--------------------|------------------|
|               | <b>9/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>9/30/2022</b> |
| Goldman Sachs | 334,023.76      |                  | 443.20          |                    | 334,466.96       |

### Travis County Escrow Fund - Thaxton Road

|               | <b>Balance</b>  |                  | <b>Accrued</b>  |                    | <b>Balance</b>   |
|---------------|-----------------|------------------|-----------------|--------------------|------------------|
|               | <b>9/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>9/30/2022</b> |
| Goldman Sachs | 140,807.79      |                  | 187.71          |                    | 140,995.50       |

### Travis County Escrow Fund - Pearce Lane Road

|               | <b>Balance</b>  |                  | <b>Accrued</b>  |                    | <b>Balance</b>   |
|---------------|-----------------|------------------|-----------------|--------------------|------------------|
|               | <b>9/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>9/30/2022</b> |
| Goldman Sachs | 317,605.74      |                  | 424.90          |                    | 318,030.64       |



## PERFORMANCE

### As of September 30, 2022

|                                       |                    |
|---------------------------------------|--------------------|
| Current Invested Balance              | \$8,448,258,598.47 |
| Weighted Average Maturity (1)         | 12 Days            |
| Weighted Average Life (2)             | 48 Days            |
| Net Asset Value                       | 0.999510           |
| Total Number of Participants          | 994                |
| Management Fee on Invested Balance    | 0.06%*             |
| Interest Distributed                  | \$17,014,012.43    |
| Management Fee Collected              | \$434,628.93       |
| % of Portfolio Invested Beyond 1 Year | 6.86%              |
| Standard & Poor's Current Rating      | AAAm               |

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

### September Averages

|  |                    |
|--|--------------------|
| Average Invested Balance                 | \$8,813,500,442.00 |
| Average Monthly Yield, on a simple basis | 2.2941%            |
| Average Weighted Maturity (1)            | 16 Days            |
| Average Weighted Life (2)                | 43 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 instruction to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.  
(2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

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

## NEW PARTICIPANTS

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

- \* Brazoria County Municipal Utility District No. 22
- \* City Park Redevelopment Authority
- \* City of Sweeny

## HOLIDAY REMINDER

In observance of **Columbus Day**, **TexSTAR will be closed on Monday, October 10, 2022**. All ACH transactions initiated on Friday, October 7th will settle on Tuesday, October 11th. Please plan accordingly for your liquidity needs.

In observance of **Veterans Day**, **TexSTAR will be closed on Friday, November 11, 2022**. All ACH transactions initiated on Thursday, November 10th will settle on Monday, November 14th. Please plan accordingly for your liquidity needs.

## ECONOMIC COMMENTARY

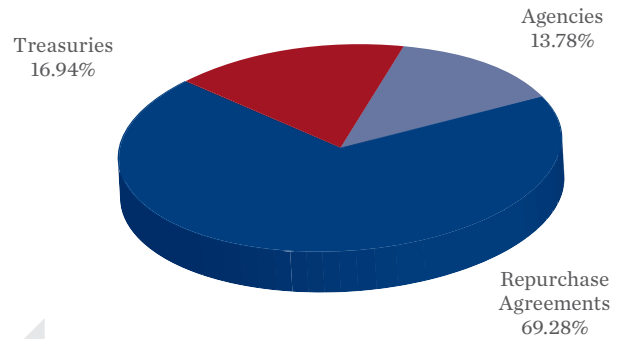
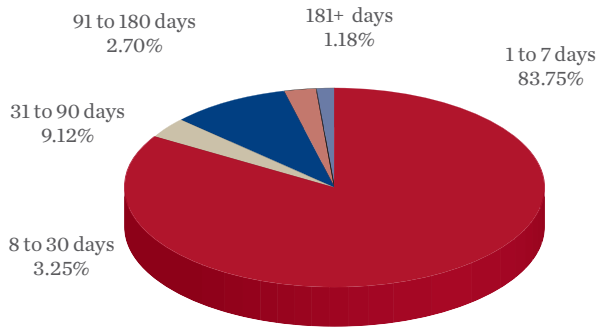
### Market review

US Treasury yields continued their move higher amid stronger than expected inflation data and a more hawkish September Federal Open Market Committee (FOMC) meeting outcome, as economic data continued to show the economy losing steam despite strength in the labor market. Economic data continued to point to the risk of a recession emerging in the months ahead as a massive fiscal drag, a higher dollar and rising mortgage rates softened growth prospects. Federal Reserve (Fed) rate hikes have been effective in dragging down activity in the housing market, and September showed additional weakening in several housing indicators. With nine straight monthly declines reported for the NAHB's gauge of homebuilder sentiment, seven straight monthly declines for existing home sales, and six straight declines for single-family housing permits. With mortgage rates now approaching 7%, the drop in housing demand also appeared to be weighing on home prices. More broadly, recent purchasing managers' index (PMI) surveys pointed to the economy losing steam. The output index from the manufacturing survey averaged 49.4 over the latest three months, down from a 54.3 average over the prior three. Similarly, the activity index from the services survey averaged 46.7 over the latest three months, weakening from a 53.9 average over the prior three. Moreover, August was a soft month for real consumer spending, which grew 0.1% for the month. The saving rate remained at 3.5%, unchanged from July. Price increases appeared to be taking a toll as real personal income was down -2.3% year-over-year (y/y).

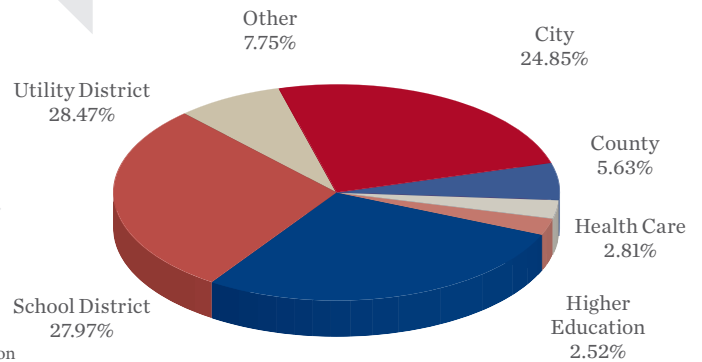
*(continued page 4)*

## INFORMATION AT A GLANCE

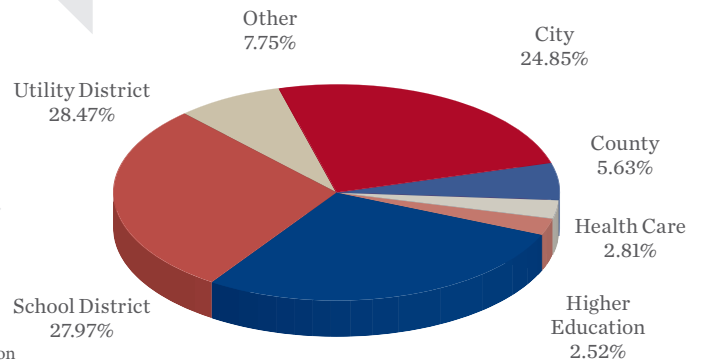
### PORTFOLIO BY TYPE OF INVESTMENT AS OF SEPTEMBER 30, 2022



### PORTFOLIO BY MATURITY AS OF SEPTEMBER 30, 2022 (1)



### DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF SEPTEMBER 30, 2022



(1) Portfolio by Maturity is calculated using WAM (1) definition for stated maturity. See page 1 for definition

## HISTORICAL PROGRAM INFORMATION

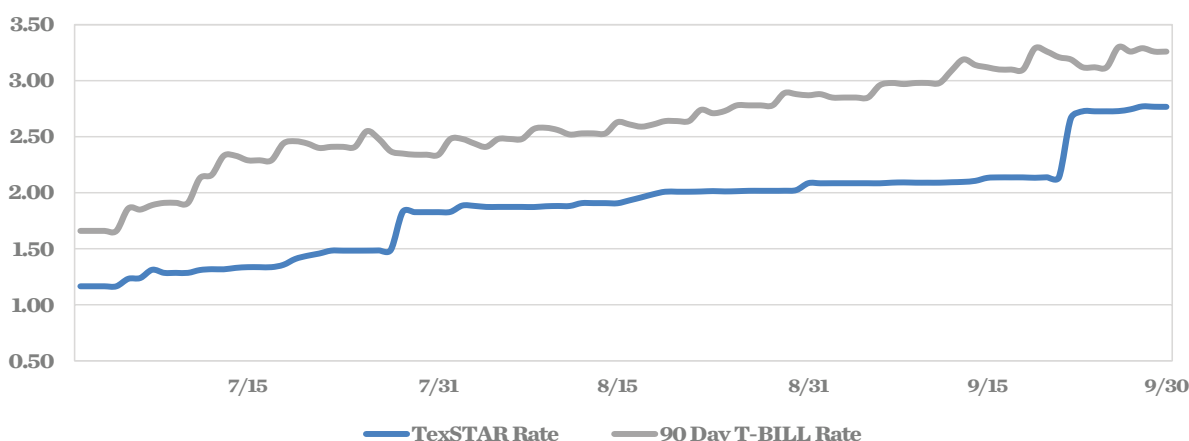
| MONTH  | AVERAGE RATE | BOOK VALUE         | MARKET VALUE       | NET ASSET VALUE | WAM (1) | WAL (2) | NUMBER OF PARTICIPANTS |
|--------|--------------|--------------------|--------------------|-----------------|---------|---------|------------------------|
| Sep 22 | 2.2941 %     | \$8,448,258,598.47 | \$8,444,307,157.72 | 0.999510        | 16      | 43      | 994                    |
| Aug 22 | 1.9469%      | 8,988,292,520.61   | 8,983,610,837.50   | 0.999479        | 27      | 50      | 991                    |
| Jul 22 | 1.4010%      | 9,799,798,062.32   | 9,793,880,215.07   | 0.999396        | 34      | 49      | 990                    |
| Jun 22 | 0.9850%      | 9,799,299,684.61   | 9,793,062,348.93   | 0.999363        | 42      | 57      | 989                    |
| May 22 | 0.6459%      | 9,701,777,049.61   | 9,700,243,468.41   | 0.999841        | 43      | 61      | 988                    |
| Apr 22 | 0.3225%      | 8,985,925,505.16   | 8,984,338,322.90   | 0.999818        | 39      | 60      | 986                    |
| Mar 22 | 0.1070%      | 9,050,970,696.95   | 9,050,137,013.72   | 0.999907        | 27      | 38      | 981                    |
| Feb 22 | 0.0104%      | 9,779,113,455.23   | 9,778,353,196.78   | 0.999922        | 26      | 32      | 979                    |
| Jan 22 | 0.0100%      | 9,399,813,099.48   | 9,399,092,954.95   | 0.999923        | 31      | 38      | 977                    |
| Dec 21 | 0.0139%      | 8,763,539,414.27   | 8,763,577,847.71   | 1.000011        | 40      | 52      | 977                    |
| Nov 21 | 0.0102%      | 8,132,746,877.26   | 8,133,007,416.80   | 1.000032        | 47      | 62      | 965                    |
| Oct 21 | 0.0100%      | 8,641,191,692.82   | 8,641,540,291.95   | 1.000040        | 41      | 58      | 963                    |

## PORTFOLIO ASSET SUMMARY AS OF SEPTEMBER 30, 2022

|                                      | BOOK VALUE                 | MARKET VALUE               |
|--------------------------------------|----------------------------|----------------------------|
| Uninvested Balance                   | \$ 564.28                  | \$ 564.28                  |
| Accrual of Interest Income           | 3,740,956.37               | 3,740,956.37               |
| Interest and Management Fees Payable | (16,944,724.91)            | (16,944,724.91)            |
| Payable for Investment Purchased     | 0.00                       | 0.00                       |
| Repurchase Agreement                 | 5,861,584,999.52           | 5,861,584,999.52           |
| Government Securities                | 2,599,876,803.21           | 2,595,925,362.46           |
| <b>TOTAL</b>                         | <b>\$ 8,448,258,598.47</b> | <b>\$ 8,444,307,157.72</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 of \$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 consists 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 2022

| DATE           | MNY MKT FUND EQUIV. [SEC Std.] | DAILY ALLOCATION FACTOR | INVESTED BALANCE          | MARKET VALUE PER SHARE | WAM DAYS (1) | WAL DAYS (2) |
|----------------|--------------------------------|-------------------------|---------------------------|------------------------|--------------|--------------|
| 9/1/2022       | 2.0840%                        | 0.000057096             | \$8,965,804,899.79        | 0.999480               | 20           | 48           |
| 9/2/2022       | 2.0846%                        | 0.000057113             | \$8,989,650,258.51        | 0.999509               | 19           | 46           |
| 9/3/2022       | 2.0846%                        | 0.000057113             | \$8,989,650,258.51        | 0.999509               | 19           | 46           |
| 9/4/2022       | 2.0846%                        | 0.000057113             | \$8,989,650,258.51        | 0.999509               | 19           | 46           |
| 9/5/2022       | 2.0846%                        | 0.000057113             | \$8,989,650,258.51        | 0.999509               | 19           | 46           |
| 9/6/2022       | 2.0840%                        | 0.000057095             | \$8,966,612,952.72        | 0.999475               | 18           | 45           |
| 9/7/2022       | 2.0897%                        | 0.000057253             | \$8,944,783,702.21        | 0.999477               | 18           | 45           |
| 9/8/2022       | 2.0918%                        | 0.000057310             | \$8,902,465,700.46        | 0.999464               | 18           | 45           |
| 9/9/2022       | 2.0894%                        | 0.000057245             | \$8,795,357,551.98        | 0.999463               | 17           | 44           |
| 9/10/2022      | 2.0894%                        | 0.000057245             | \$8,795,357,551.98        | 0.999463               | 17           | 44           |
| 9/11/2022      | 2.0894%                        | 0.000057245             | \$8,795,357,551.98        | 0.999463               | 17           | 44           |
| 9/12/2022      | 2.0933%                        | 0.000057350             | \$8,996,839,493.69        | 0.999486               | 16           | 43           |
| 9/13/2022      | 2.0966%                        | 0.000057441             | \$9,015,054,814.24        | 0.999439               | 16           | 42           |
| 9/14/2022      | 2.1058%                        | 0.000057694             | \$9,027,560,180.02        | 0.999445               | 15           | 42           |
| 9/15/2022      | 2.1325%                        | 0.000058424             | \$8,901,803,376.22        | 0.999418               | 15           | 42           |
| 9/16/2022      | 2.1367%                        | 0.000058540             | \$8,922,337,900.88        | 0.999454               | 14           | 41           |
| 9/17/2022      | 2.1367%                        | 0.000058540             | \$8,922,337,900.88        | 0.999454               | 14           | 41           |
| 9/18/2022      | 2.1367%                        | 0.000058540             | \$8,922,337,900.88        | 0.999454               | 14           | 41           |
| 9/19/2022      | 2.1334%                        | 0.000058448             | \$8,879,526,570.08        | 0.999450               | 14           | 41           |
| 9/20/2022      | 2.1377%                        | 0.000058566             | \$8,815,603,597.81        | 0.999455               | 14           | 41           |
| 9/21/2022      | 2.1362%                        | 0.000058527             | \$8,792,302,680.89        | 0.999458               | 14           | 40           |
| 9/22/2022      | 2.6633%                        | 0.000072968             | \$8,596,862,104.97        | 0.999478               | 14           | 41           |
| 9/23/2022      | 2.7268%                        | 0.000074708             | \$8,624,169,073.84        | 0.999515               | 14           | 40           |
| 9/24/2022      | 2.7268%                        | 0.000074708             | \$8,624,169,073.84        | 0.999515               | 14           | 40           |
| 9/25/2022      | 2.7268%                        | 0.000074708             | \$8,624,169,073.84        | 0.999515               | 14           | 40           |
| 9/26/2022      | 2.7288%                        | 0.000074761             | \$8,583,332,057.51        | 0.999522               | 13           | 40           |
| 9/27/2022      | 2.7444%                        | 0.000075189             | \$8,581,989,162.67        | 0.999515               | 13           | 40           |
| 9/28/2022      | 2.7708%                        | 0.000075912             | \$8,496,977,725.93        | 0.999503               | 13           | 49           |
| 9/29/2022      | 2.7676%                        | 0.000075825             | \$8,505,041,028.06        | 0.999497               | 13           | 49           |
| 9/30/2022      | 2.7669%                        | 0.000075805             | \$8,448,258,598.47        | 0.999510               | 12           | 48           |
| <b>Average</b> | <b>2.2941%</b>                 | <b>0.000062853</b>      | <b>\$8,813,500,442.00</b> |                        | <b>16</b>    | <b>43</b>    |



## *ECONOMIC COMMENTARY (cont.)*

It appears that consumers have been dipping into the “excess saving” built up from federal outlays during the pandemic to fund recent spending.

Meanwhile, inflation showed some signs of turning over but remained persistently high. Despite hopes for a slightly negative headline inflation print, the August CPI report came in above expectations as broad-based goods and services inflation offset the impact of large declines in gasoline prices. Headline CPI rose by 0.1% month-over-month (m/m) (vs. consensus -0.1%), and core CPI jumped 0.6% m/m (vs. consensus 0.3%), translating to year-over-year gains of 8.3% and 6.3%, respectively. While year-over-year CPI declined from 8.5% the previous month, core CPI increased from 5.9% in July. Similarly, the headline personal consumption expenditure (PCE) price index rose 0.3% m/m and 6.2% y/y in August, down from 6.4% y/y in July. The core PCE index increased 0.6% m/m and 4.9% y/y, up from 4.7% y/y in July. Within the CPI data, gasoline was a major source of the disinflation, but other categories impacted by commodities were slower to cool. While gasoline prices fell 10.6%, utility gas spiked 3.5% and electricity prices remain elevated. Food prices also rose, although the 0.8% increase was more modest than in recent months. Services prices continued to accelerate, with transportation services and medical care services rising 0.5% and 0.8%. However, airline fares continued to decline another -4.6% after falling -7.8% in July. Rental inflation, one of the stickiest parts of inflation, continued to firm as both tenants’ rent, and owner’s equivalent rent rose another 0.7%. Despite declines in the Manheim Used Vehicle Index, prices for used vehicles only ticked down by 0.1%, less than expected, and prices for new cars rose 0.8%.

Employment remained a bright spot. The August employment report continued to show solid job growth with a slight tick down in earnings and a modest rise in the unemployment rate driven by a healthy increase in the labor force. Non-farm payrolls rose by 315,000. While gains were broad-based across the economy, the payroll increase was slightly less impressive following downward revisions of a cumulative -107,000 to the prior two months. An unexpected, but welcome, 786,000 surge in the labor force caused the unemployment rate to increase from 3.5% to 3.7%. Meanwhile, weekly jobless claims, which peaked at 262,000 at the beginning of August, the highest level since November, declined to a low of 193,000 (the lowest since April) before rising to 219,000 during the week ending October 1, which was still low by historical standards. As anticipated, the FOMC voted unanimously to raise the federal funds rate target range by 75 basis points (bps) to 3.00%-3.25%, the highest level in almost 15 years. The committee’s tone remained hawkish given policymakers are “highly attentive” to taming inflation that runs well above its 2% target. The big news came with the committee’s forward guidance through its Summary of Economic Projections (SEP) and much more hawkish median “dot” plot. Relative to their June forecasts, the Fed now sees the federal funds rate ending 2022 at 4.4% and hitting a 4.6% terminal rate in 2023, with rates remaining restrictive until at least 2025.

Real GDP growth projections were revised down from 1.7% y/y in 4Q22 to just 0.2%, and cut to 1.2% by 4Q23, followed by a more sustainable 1.5%-2.0% through 2025. Expectations for year-over-year PCE deflator inflation for 4Q22 were revised higher with headline up to 5.4% from 5.2% and core up to 4.5% from 4.3%. The 4Q22 unemployment rate forecast was pushed up to 3.8% compared to 3.7% in June. Chair Powell’s message remained clear and consistent, stating that the Fed will need to bring the federal funds rate to a restrictive level and keep it there for some time, while stressing the potential for pain ahead and increased challenges for a soft landing. The Fed chose to not make any adjustments to its quantitative tightening plan, letting it run in the background. However, as originally planned, the pace of assets rolling off its balance sheet was stepped up in September, to a pace of USD 95 billion a month (USD 60 billion in U.S. Treasuries and USD 35 billion in mortgages).

Volatility was elevated as financial conditions tightened during the month. In this environment, the U.S. Treasury yield curve inverted further with the difference between two-year and 10-year yields widened to -45 bps as front-end U.S. Treasury yields rose more dramatically. The two-year Treasury yield increased by 78bps to end the month at 4.28%. In the money market space, the three-month Treasury bill was the outperformer, rising only 34 bps on the month to end at 3.27%, while the six-month and 12-month Treasury bill yields increased 58 bps and 48 bps to end at 3.93% and 3.99%, respectively.



## ECONOMIC COMMENTARY (cont.)

### Outlook

As we enter the fourth quarter, slowing economic momentum and rising interest rates have increased recession fears with sharp corrections in both equity and fixed income markets. With employment still strong, CPI has been the driver of Fed policy. Overall, core inflation continues to run hotter than we and the Fed would like, but it is important to recognize that it is on the way down to more normal levels. Commodities disinflation should continue to drive declines in prices, particularly as they spill over to other categories such as goods and transportation services. Other economic data continue to point to inflation moderating, and we expect measures tied to the auto sector and travel/tourism will be weak in the coming months. Supply chain issues broadly continue to improve as we have seen in the Fed's Global Supply Chain index, and inflation expectations from both consumers and financial participants have now rolled over. That being said, shelter inflation remains much stickier than anticipated and is going to be difficult to bring down.

Aggressive central banks have pushed front-end global yields higher. Despite these meaningful moves, front-end yields are biased to go even higher as central banks continue to focus on fighting inflation through more aggressive rate hikes. Furthermore, historically, there hasn't been a point in time when the Fed has ended its rate hiking cycle with a negative real fed funds rate. Even after the most recent increase, the real fed funds rate is still deeply negative at -5%, signaling more hikes are needed. The FOMC seems to agree, given the significant upward revisions to the dot plot at the September meeting. Unless unemployment moves materially higher or signs emerge of a deep recession, we expect the Fed to remain singularly focused on controlling inflation through further rate hikes. We currently expect another 125 bps of rate hikes this year bringing the fed funds rate to a range of 4.25%-4.50% by year-end. It is becoming more likely that the US will enter a recession in 2023 as the Fed will continue hiking rates until growth slows enough to tackle unprecedented high inflation. Importantly, we expect this recession to be driven by central bank policy rather than by over-levered consumers or corporations.

This information is an excerpt from an economic report dated September 2022 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.

### TEXSTAR BOARD MEMBERS

|                |   |                                  |
|----------------|---|----------------------------------|
| Monte Mercer   | North Central TX Council of Government      | Governing Board President        |
| David Pate     | Richardson ISD                              | Governing Board Vice President   |
| Anita Cothran  | City of Frisco                              | Governing Board Treasurer        |
| David Medanich | Hilltop Securities                          | Governing Board Secretary        |
| Jennifer Novak | J.P. Morgan Asset Management                | Governing Board Asst. Sec./Treas |
| Brett Starr    | City of Irving                              | Advisory Board                   |
| James Mauldin  | DFW Airport/Non-Participant                 | Advisory Board                   |
| Sandra Newby   | Tarrant Regional Water Dist/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 717 N. Hardwood Street, Suite 3400, Dallas, TX 75201, (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 October 2022*



**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending October 31, 2022**

|                                    | Budget<br>Amount FY<br>2023 | Actual Year to<br>Date | Percent of<br>Budget | Actual Prior<br>Year to Date |
|------------------------------------|-----------------------------|------------------------|----------------------|------------------------------|
| <b>REVENUE</b>                     |                             |                        |                      |                              |
| <b>Operating Revenue</b>           |                             |                        |                      |                              |
| Toll Revenue - Tags                | 119,610,800                 | 43,053,104             | 35.99%               | 37,686,767                   |
| Video Tolls                        | 46,743,300                  | 20,657,532             | 44.19%               | 13,397,028                   |
| Fee Revenue                        | 13,845,900                  | 3,494,690              | 25.24%               | 4,740,643                    |
| <b>Total Operating Revenue</b>     | <b>180,200,000</b>          | <b>67,205,326</b>      | <b>37.29%</b>        | <b>55,824,438</b>            |
| <b>Other Revenue</b>               |                             |                        |                      |                              |
| Interest Income                    | 3,190,301                   | 5,794,702              | 181.63%              | 274,266                      |
| Grant Revenue                      | 1,359,833                   | -                      | -                    | 20,995                       |
| Misc Revenue                       | 130,000                     | 11,235                 | 8.64%                | 89,283                       |
| Gain/Loss on Sale of Asset         | -                           | -                      | -                    | 6,568                        |
| <b>Total Other Revenue</b>         | <b>4,680,134</b>            | <b>5,805,937</b>       | <b>124.05%</b>       | <b>391,112</b>               |
| <b>TOTAL REVENUE</b>               | <b>\$184,880,134</b>        | <b>\$73,011,263</b>    | <b>39.49%</b>        | <b>56,215,550</b>            |
| <b>EXPENSES</b>                    |                             |                        |                      |                              |
| <b>Salaries and Benefits</b>       |                             |                        |                      |                              |
| Salary Expense-Regular             | 4,621,321                   | 1,087,465              | 23.53%               | 1,178,187                    |
| Salary Reserve                     | 80,000                      | -                      | -                    | -                            |
| TCDRS                              | 1,046,269                   | 209,992                | 20.07%               | 298,479                      |
| FICA                               | 232,304                     | 47,340                 | 20.38%               | 57,846                       |
| FICA MED                           | 67,009                      | 16,083                 | 24.00%               | 18,235                       |
| Health Insurance Expense           | 580,271                     | 128,048                | 22.07%               | 131,810                      |
| Life Insurance Expense             | 5,972                       | 1,608                  | 26.92%               | 2,026                        |
| Auto Allowance Expense             | 10,200                      | 2,763                  | 27.08%               | 2,975                        |
| Other Benefits                     | 126,590                     | 24,307                 | 19.20%               | 36,567                       |
| Unemployment Taxes                 | 4,608                       | 32                     | 0.70%                | 3,752                        |
| <b>Total Salaries and Benefits</b> | <b>6,774,544</b>            | <b>1,517,637</b>       | <b>22.40%</b>        | <b>1,729,877</b>             |

### Administrative

#### Administrative and Office Expenses

|   |                  |                  |               |                |
|---|------------------|------------------|---------------|----------------|
| Accounting                                      | 9,500            | 2,703            | 28.45%        | 2,923          |
| Auditing  | 190,000          | 138,655          | 72.98%        | 100,975        |
| Financial Advisors                              | 108,000          | 72,000           | 66.67%        | -              |
| Human Resources                                 | 30,000           | 36,688           | 122.29%       | 1,837          |
| Legal   | 70,000           | 2,655            | 3.79%         | -              |
| IT Services                                     | 350,000          | 255,865          | 73.10%        | 45,528         |
| Internet  | 150              | -                | -             | -              |
| Software Licenses                               | 557,500          | 295,351          | 52.98%        | 182,548        |
| Cell Phones                                     | 24,200           | 4,753            | 19.64%        | 6,418          |
| Local Telephone Service                         | 10,000           | 32,893           | 328.93%       | 29,525         |
| Overnight Delivery Services                     | 250              | 40               | 16.06%        | 44             |
| Copy Machine                                    | 15,500           | 5,088            | 32.83%        | 3,816          |
| Repair & Maintenance-General                    | 8,000            | -                | -             | 2,273          |
| Meeting Expense                                 | 12,750           | 4,848            | 38.03%        | 230            |
| Toll Tag Expense                                | 3,000            | 200              | 6.67%         | 420            |
| Parking / Local Ride Share                      | 2,800            | 419              | 14.95%        | -              |
| Mileage Reimbursement                           | 3,950            | 566              | 14.34%        | 59             |
| Insurance Expense                               | 651,250          | 177,557          | 27.26%        | 197,561        |
| Rent Expense                                    | 731,203          | 248,026          | 33.92%        | 175,073        |
| Building Parking                                | 3,500            | 769              | 21.96%        | 207            |
| Legal Services                                  | 443,000          | 107,622          | 24.29%        | 29,029         |
| <b>Total Administrative and Office Expenses</b> | <b>3,224,553</b> | <b>1,386,698</b> | <b>43.00%</b> | <b>778,465</b> |

#### Office Supplies

|                              |                |                |               |               |
|------------------------------|----------------|----------------|---------------|---------------|
| Books & Publications         | 3,250          | 923            | 28.39%        | 292           |
| Office Supplies              | 7,750          | 1,252          | 16.15%        | 673           |
| Misc Office Equipment        | 4,500          | 8,470          | 188.21%       | 669           |
| Computer Supplies            | 221,950        | 174,741        | 78.73%        | 12,111        |
| Other Reports-Printing       | 5,000          | -              | -             | -             |
| Office Supplies-Printed      | 3,100          | 668            | 21.54%        | -             |
| Postage Expense              | 550            | 122            | 22.20%        | 112           |
| <b>Total Office Supplies</b> | <b>246,100</b> | <b>186,175</b> | <b>75.65%</b> | <b>13,856</b> |

**Communications and Public Relations**

|  |                  |                |              |                |
|--|------------------|----------------|--------------|----------------|
| Graphic Design Services                          | 75,000           | -              | -            | -              |
| Website Maintenance                              | 111,500          | 34,850         | 31.26%       | 21,916         |
| Research Services                                | 140,000          | -              | -            | 10,109         |
| Communications and Marketing                     | 400,000          | -              | -            | 12,827         |
| Advertising Expense                              | 500,000          | 70,432         | 14.09%       | 85,718         |
| Direct Mail                                      | 65,000           | -              | -            | -              |
| Video Production                                 | 82,500           | 28,359         | 34.37%       | 8,820          |
| Photography                                      | 25,000           | 5,615          | 22.46%       | 199            |
| Radio  | 50,000           | -              | -            | -              |
| Other Public Relations                           | 2,500            | -              | -            | -              |
| Promotional Items                                | 520,000          | 12,682         | 2.44%        | -              |
| Annual Report printing                           | 1,500            | -              | -            | 780            |
| Direct Mail Printing                             | 26,000           | -              | -            | -              |
| Other Communication Expenses                     | 15,000           | 18,018         | 120.12%      | 11,320         |
| <b>Total Communications and Public Relations</b> | <b>2,014,000</b> | <b>169,956</b> | <b>8.44%</b> | <b>151,688</b> |

**Employee Development**

|                                   |                |               |               |              |
|-----------------------------------|----------------|---------------|---------------|--------------|
| Subscriptions                     | 50,700         | 514           | 1.01%         | 123          |
| Agency Memberships                | 78,550         | 1,360         | 1.73%         | 310          |
| Continuing Education              | 4,800          | -             | -             | 185          |
| Professional Development          | 19,150         | 375           | 1.96%         | -            |
| Other Licenses                    | 1,900          | 497           | 26.15%        | 472          |
| Seminars and Conferences          | 118,500        | 36,798        | 31.05%        | 2,560        |
| Travel                            | 93,500         | 1,139         | 1.22%         | 5,597        |
| <b>Total Employee Development</b> | <b>367,100</b> | <b>40,682</b> | <b>11.08%</b> | <b>9,247</b> |

**Financing and Banking Fees**

|   |                |               |               |               |
|---|----------------|---------------|---------------|---------------|
| Trustee Fees                            | 60,000         | 36,000        | 60.00%        | 26,513        |
| Bank Fee Expense                        | 3,240          | 361           | 11.15%        | 1,289         |
| Continuing Disclosure                   | 7,000          | -             | -             | -             |
| Arbitrage Rebate Calculation            | 15,000         | 16,300        | 108.67%       | 12,905        |
| Rating Agency Expense                   | 50,000         | 31,000        | 62.00%        | -             |
| <b>Total Financing and Banking Fees</b> | <b>135,240</b> | <b>83,661</b> | <b>61.86%</b> | <b>40,706</b> |

**Total Administrative**      **5,986,993**      **1,867,173**      **31.19%**      **993,962**

## Operations and Maintenance

### Operations and Maintenance Consulting

|  |                  |                  |               |                  |
|--|------------------|------------------|---------------|------------------|
| GEC-Trust Indenture Support                        | 763,997          | 416,287          | 54.49%        | 288,489          |
| GEC-Financial Planning Support                     | 275,000          | 109,015          | 39.64%        | 66,062           |
| GEC-Toll Ops Support                               | 2,550,000        | 255,148          | 10.01%        | 292,635          |
| GEC-Roadway Ops Support                            | 1,411,139        | 184,265          | 13.06%        | 179,426          |
| GEC-Technology Support                             | 654,369          | 191,782          | 29.31%        | 269,381          |
| GEC-Public Information Support                     | 200,000          | 82,661           | 41.33%        | 74,470           |
| GEC-General Support                                | 1,360,000        | 345,939          | 25.44%        | 350,241          |
| General System Consultant                          | 1,159,640        | 307,054          | 26.48%        | 416,183          |
| Traffic Modeling                                   | 150,000          | -                | -             | 94,501           |
| Traffic and Revenue Consultant                     | 500,000          | 327,444          | 65.49%        | 166,014          |
| <b>Total Operations and Maintenance Consulting</b> | <b>9,024,145</b> | <b>2,219,595</b> | <b>24.60%</b> | <b>2,197,403</b> |

### Roadway Operations and Maintenance

|   |                  |                  |               |                |
|---|------------------|------------------|---------------|----------------|
| Roadway Maintenance                             | 1,868,052        | 1,561,641        | 83.60%        | 303,712        |
| Landscape Maintenance                           | 2,949,320        | 1,776,434        | 60.23%        | 599,145        |
| Maintenance Supplies-Roadway                    | 300,000          | -                | -             | 26,100         |
| Tools & Equipment Expense                       | 25,000           | 444              | 1.78%         | -              |
| Gasoline  | 30,000           | 6,575            | 21.92%        | 4,702          |
| Repair & Maintenance - Vehicles                 | 10,000           | 817              | 8.17%         | 527            |
| Natural Gas                                     | 2,500            | 1,798            | 71.90%        | 1,539          |
| Electricity - Roadways                          | 250,000          | 88,157           | 35.26%        | 57,017         |
| <b>Total Roadway Operations and Maintenance</b> | <b>5,434,872</b> | <b>3,435,866</b> | <b>63.22%</b> | <b>992,741</b> |

### Toll Processing and Collection Expense

|  |                   |                  |               |                  |
|--|-------------------|------------------|---------------|------------------|
| Image Processing                               | 4,208,340         | 1,023,675        | 24.32%        | 1,271,568        |
| Tag Collection Fees                            | 8,453,846         | 3,185,181        | 37.68%        | 2,686,755        |
| Court Enforcement Costs                        | 10,000            | -                | -             | -                |
| DMV Lookup Fees                                | 200               | -                | -             | -                |
| <b>Total Processing and Collection Expense</b> | <b>12,672,387</b> | <b>4,208,856</b> | <b>33.21%</b> | <b>3,958,323</b> |

**Toll Operations Expense**

|   |                  |                  |               |                |
|---|------------------|------------------|---------------|----------------|
| Generator Fuel                              | 3,000            | -                | -             | -              |
| Fire and Burglar Alarm                      | 500              | 164              | 32.90%        | 123            |
| Refuse                                      | 2,180            | 803              | 36.84%        | 534            |
| Water - Irrigation                          | 7,500            | 3,511            | 46.82%        | 2,693          |
| Electricity                                 | 500              | 288              | 57.61%        | 310            |
| ETC spare parts expense                     | 200,000          | -                | -             | -              |
| Repair & Maintenance Toll Equip             | 50,000           | 65,966           | 131.93%       | -              |
| Law Enforcement                             | 500,000          | 139,774          | 27.95%        | 95,680         |
| ETC Maintenance Contract                    | 6,000,000        | 1,142,698        | 19.04%        | 43,900         |
| Transaction Processing Maintenance Contract | 1,500,000        | -                | -             | -              |
| ETC Toll Management Center System Operation | 875,000          | 192,390          | 21.99%        | 75,000         |
| ETC Development                             | 559,000          | 2,759            | 0.49%         | 109,881        |
| ETC Testing                                 | 275,000          | -                | -             | -              |
| <b>Total Toll Operations Expense</b>        | <b>9,972,680</b> | <b>1,548,354</b> | <b>15.53%</b> | <b>328,122</b> |

**Total Operations and Maintenance 37,104,083 11,412,671 30.76% 7,476,589**

**Other Expenses****Special Projects and Contingencies**

|   |                  |                  |               |                  |
|---|------------------|------------------|---------------|------------------|
| HERO  | 149,000          | 49,276           | 33.07%        | 49,276           |
| Special Projects                                | 100,000          | -                | -             | -                |
| 71 Express Net Revenue Payment                  | 5,000,000        | 1,324,641        | 26.49%        | 1,101,925        |
| Customer Relations                              | 3,000            | -                | -             | -                |
| Technology Initiatives                          | 75,000           | 43,784           | 58.38%        | 16,030           |
| Other Contractual Svcs                          | 370,000          | 91,500           | 24.73%        | 97,488           |
| Contingency                                     | 300,000          | -                | -             | -                |
| <b>Total Special Projects and Contingencies</b> | <b>5,997,000</b> | <b>1,509,202</b> | <b>25.17%</b> | <b>1,264,719</b> |

**Non Cash Expenses**

|                                   |                   |                   |               |                   |
|-----------------------------------|-------------------|-------------------|---------------|-------------------|
| Amortization Expense              | 2,020,950         | 426,764           | 21.12%        | 466,371           |
| Amort Expense - Refund Savings    | 9,073,105         | 1,773,703         | 19.55%        | 905,142           |
| Dep Exp - Furniture & Fixtures    | 2,178             | 871               | 40.00%        | 871               |
| Dep Expense - Equipment           | -                 | -                 | -             | 833               |
| Dep Expense - Autos & Trucks      | 46,496            | 17,783            | 38.25%        | 7,647             |
| Dep Expense - Building & Toll Fac | 176,748           | 58,916            | 33.33%        | 58,916            |
| Dep Expense - Highways & Bridges  | 53,479,102        | 16,873,848        | 31.55%        | 16,873,848        |
| Dep Expense - Toll Equipment      | 4,736,604         | 1,311,711         | 27.69%        | 1,358,144         |
| Dep Expense - Signs               | 1,052,717         | 338,857           | 32.19%        | 338,857           |
| Dep Expense - Land Improvements   | 884,934           | 294,978           | 33.33%        | 294,978           |
| Depreciation Expense - Computers  | 64,319            | 63,027            | 97.99%        | 63,027            |
| <b>Total Non Cash Expenses</b>    | <b>71,537,153</b> | <b>21,160,459</b> | <b>29.58%</b> | <b>20,368,634</b> |

**Total Other Expenses 77,534,153 22,669,661 29.24% 21,633,354**

**Non Operating Expenses**

|                       |            |            |         |            |
|-----------------------|------------|------------|---------|------------|
| Bond Issuance Expense | 1,250,000  | 176,099    | 14.09%  | 4,641,294  |
| Loan Fee Expense      | 14,500     | 48,000     | 331.03% | 14,500     |
| Interest Expense      | 83,664,454 | 26,006,517 | 31.08%  | 26,220,254 |
| CAMPO RIF Payment     | -          | -          | -       | 5,000,000  |
| Community Initiatives | 150,000    | -          | -       | 17,550     |

---

|                                     |                     |                     |               |                     |
|-------------------------------------|---------------------|---------------------|---------------|---------------------|
| <b>Total Non Operating Expenses</b> | <b>\$85,078,954</b> | <b>\$26,230,616</b> | <b>30.83%</b> | <b>\$35,893,598</b> |
|-------------------------------------|---------------------|---------------------|---------------|---------------------|

---

---

|                       |                    |                   |               |                   |
|-----------------------|--------------------|-------------------|---------------|-------------------|
| <b>TOTAL EXPENSES</b> | <b>212,478,727</b> | <b>63,697,757</b> | <b>29.98%</b> | <b>67,727,380</b> |
|-----------------------|--------------------|-------------------|---------------|-------------------|

---

|                   |                        |                     |  |                        |
|-------------------|------------------------|---------------------|--|------------------------|
| <b>Net Income</b> | <b>\$ (27,598,593)</b> | <b>\$ 9,313,506</b> |  | <b>\$ (11,511,830)</b> |
|-------------------|------------------------|---------------------|--|------------------------|

---

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of October 31, 2022**

|  | as of 10/31/2022        | as of 10/31/2021        |
|--|-------------------------|-------------------------|
| <b>ASSETS</b>  |                         |                         |
| <b>Current Assets</b>                                      |                         |                         |
| <b>Cash</b>  |                         |                         |
| Regions Operating Account                                  | \$ 2,004,014            | \$ 1,589,643            |
| Cash in TexStar  | 43,034                  | 1,040,227               |
| Regions Payroll Account                                    | 109,176                 | 300,122                 |
| <b>Restricted Cash</b>                                     |                         |                         |
| Goldman Sachs FSGF 465                                     | 1,106,195,571           | 672,769,646             |
| Restricted Cash - TexSTAR                                  | 11,437,004              | 9,725,069               |
| Overpayments account                                       | 291,086                 | 626,603                 |
| <b>Total Cash and Cash Equivalents</b>                     | 1,120,079,886           | 686,051,309             |
| <b>Accounts Receivable</b>                                 |                         |                         |
| Accounts Receivable  | 2,770,089               | 2,770,089               |
| Due From Other Agencies                                    | 79,681                  | 98,987                  |
| Due From TTA   | 1,968,075               | 4,840,356               |
| Due From NTTA  | 1,255,487               | 1,308,344               |
| Due From HCTRA   | 2,073,630               | 1,447,424               |
| Due From TxDOT   | -                       | 143,751                 |
| Interest Receivable  | 693,342                 | 1,404,371               |
| <b>Total Receivables</b>                                   | 8,840,305               | 12,013,322              |
| <b>Short Term Investments</b>                              |                         |                         |
| Treasuries   | (0)                     | 328,897,610             |
| Agencies   | (0)                     | 169,215,379             |
| <b>Total Short Term Investments</b>                        | (0)                     | 498,112,989             |
| <b>Total Current Assets</b>                                | 1,128,920,191           | 1,196,177,620           |
| <b>Total Construction in Progress</b>                      | 322,020,118             | 221,265,546             |
| <b>Fixed Assets (Net of Depreciation and Amortization)</b> |                         |                         |
| Computers  | 35,480                  | 224,561                 |
| Computer Software  | 1,368,018               | 2,198,785               |
| Furniture and Fixtures                                     | 1,307                   | 3,920                   |
| Equipment  | 9,624                   | 119,630                 |
| Autos and Trucks   | 76,099                  | 31,885                  |
| Buildings and Toll Facilities                              | 4,358,103               | 4,534,850               |
| Highways and Bridges                                       | 1,700,313,614           | 1,749,044,770           |
| Toll Equipment   | 18,831,072              | 21,117,899              |
| Signs  | 12,839,893              | 13,404,125              |
| Land Improvements  | 5,904,291               | 6,789,225               |
| Right of way   | 88,149,606              | 88,149,606              |
| Leasehold Improvements                                     | 29,330                  | 75,473                  |
| <b>Total Fixed Assets</b>                                  | 1,831,916,435           | 1,885,694,730           |
| <b>Other Assets</b>  |                         |                         |
| Intangible Assets-Net                                      | 173,518,481             | 181,838,104             |
| 2005 Bond Insurance Costs                                  | 3,257,826               | 3,576,263               |
| Prepaid Insurance  | 539,340                 | 466,963                 |
| Deferred Outflows (pension related)                        | 675,913                 | 641,074                 |
| Pension Asset  | 2,549,818               | 591,247                 |
| <b>Total Other Assets</b>                                  | 180,541,378             | 187,113,651             |
| <b>Total Assets</b>  | <b>\$ 3,463,398,122</b> | <b>\$ 3,490,251,547</b> |

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of October 31, 2022**

|   | as of 10/31/2022     | as of 10/31/2021     |
|---|----------------------|----------------------|
| <b>LIABILITIES</b>                        |                      |                      |
| <b>Current Liabilities</b>                |                      |                      |
| Accounts Payable                          | \$ 51,172,883        | \$ 38,645,793        |
| Construction Payable                      | 5,049,936            | 9,442,453            |
| Overpayments                              | 294,629              | 629,946              |
| Interest Payable                          | 27,265,365           | 30,490,513           |
| TCDRS Payable                             | 84,116               | 59,300               |
| Due to other Agencies                     | 6,394                | 12,909               |
| Due to TTA                                | 576,676              | 639,101              |
| Due to NTTA                               | -                    | 95,938               |
| Due to HCTRA                              | 149,173              | 107,826              |
| Due to Other Entities                     | 52,511               | 1,123,388            |
| 71E TxDOT Obligation - ST                 | 3,142,749            | 2,625,615            |
| <b>Total Current Liabilities</b>          | <b>87,794,432</b>    | <b>83,872,784</b>    |
| <b>Long Term Liabilities</b>              |                      |                      |
| Compensated Absences                      | 240,954              | 285,301              |
| Deferred Inflows (pension related)        | 1,481,361            | 109,052              |
| <b>Long Term Payables</b>                 | <b>1,722,315</b>     | <b>394,353</b>       |
| <b>Bonds Payable</b>                      |                      |                      |
| <b>Senior Lien Revenue Bonds:</b>         |                      |                      |
| Senior Lien Revenue Bonds 2010            | 89,821,037           | 83,365,799           |
| Senior Lien Revenue Bonds 2011            | 19,235,746           | 18,954,896           |
| Senior Refunding Bonds 2013               | 3,475,000            | 7,080,000            |
| Senior Lien Revenue Bonds 2015            | 10,000,000           | 10,000,000           |
| Senior Lien Refunding Revenue Bonds 2016  | 70,790,000           | 81,395,000           |
| Senior Lien Revenue Bonds 2018            | 44,345,000           | 44,345,000           |
| Senior Lien Revenue Bonds 2020A           | 50,265,000           | 50,265,000           |
| Senior Lien Refunding Bonds 2020B         | 55,600,000           | 56,205,000           |
| Senior Lien Refunding Bonds 2020C         | 138,435,000          | 138,435,000          |
| Senior Lien Revenue Bonds 2020E           | 167,160,000          | 167,160,000          |
| Senior Lien Revenue Bonds 2021B           | 255,075,000          | 255,075,000          |
| Senior Lien Refunding Bonds 2021D         | 274,625,000          | 274,625,000          |
| Senior Lien Refunding Bonds 2021E         | 335,610,000          | 340,765,000          |
| Sn Lien Rev Bnd Prem/Disc 2013            | 298,186              | 2,087,304            |
| Senior Lien Premium 2016 Revenue Bonds    | 7,310,522            | 8,542,696            |
| Sn Lien Revenue Bond Premium 2018         | 3,060,933            | 3,327,506            |
| Senior Lien Revenue Bond Premium 2020A    | 11,290,604           | 11,432,179           |
| Senior Lien Refunding Bond Premium 2020B  | 11,593,297           | 12,128,373           |
| Senior Lien Revenue Bonds Premium 2020E   | 25,284,127           | 26,999,513           |
| Senior Lien Revenue Bonds Premium 2021B   | 53,376,804           | 53,691,231           |
| Senior Lien Refunding Bonds Premium 2021D | 44,718,564           | 44,973,500           |
| <b>Total Senior Lien Revenue Bonds</b>    | <b>1,671,369,820</b> | <b>1,690,852,998</b> |



**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of October 31, 2022**

|   | as of 10/31/2022  | as of 10/31/2021 |
|---|-------------------|------------------|
| <b>Sub Lien Revenue Bonds:</b>                  |                   |                  |
| Sub Lien Refunding Bonds 2013                   | 2,725,000         | 5,320,000        |
| Sub Lien Refunding Bonds 2016                   | 72,605,000        | 73,055,000       |
| Sub Lien Refunding Bonds 2020D                  | 98,580,000        | 99,705,000       |
| Subordinated Lien BANS 2020F                    | 110,875,000       | 110,875,000      |
| Subordinate Lien Refunding Bonds 2020G          | 61,570,000        | 61,570,000       |
| Subordinated Lien BANS 2021C                    | 244,185,000       | 244,185,000      |
| Sub Refunding 2013 Prem/Disc                    | 63,625            | 445,372          |
| Sub Refunding 2016 Prem/Disc                    | 5,519,328         | 6,338,566        |
| Subordinated Lien BANS 2020F Premium            | 8,672,873         | 12,675,738       |
| Subordinated Lien Refunding Bonds Premium 2020G | 7,033,562         | 7,437,534        |
| Sub Lien BANS 2021C Premium                     | 31,715,322        | 39,327,000       |
| <b>Total Sub Lien Revenue Bonds</b>             | 643,544,711       | 660,934,210      |
| <b>Other Obligations</b>                        |                   |                  |
| TIFIA Note 2021                                 | 353,890,618       | 346,332,777      |
| 71E TxDOT Obligation - LT                       | 55,077,264        | 57,263,411       |
| Regions 2017 MoPAC Note                         | -                 | 24,990,900       |
| Regions 2022 MoPac Loan                         | 24,690,900        | -                |
| <b>Total Other Obligations</b>                  | 433,658,783       | 428,587,087      |
| <b>Total Long Term Liabilities</b>              | 2,750,295,629     | 2,780,768,648    |
| <b>Total Liabilities</b>                        | 2,838,090,061     | 2,864,641,431    |
|   | <b>NET ASSETS</b> |                  |
| Contributed Capital                             | 121,462,104       | 121,462,104      |
| Net Assets Beginning                            | 494,532,189       | 515,659,579      |
| Current Year Operations                         | 9,313,768         | (11,511,568)     |
| <b>Total Net Assets</b>                         | 625,308,061       | 625,610,115      |
| <b>Total Liabilities and Net Assets</b>         | \$ 3,463,398,122  | \$ 3,490,251,547 |

**Central Texas Regional Mobility Authority**  
**Statement of Cash Flow**  
**as of October 2022**

**Cash flows from operating activities:**

|   |               |
|---|---------------|
| Receipts from toll revenues                               | \$ 71,060,099 |
| Payments to vendors                                       | (16,064,817)  |
| Payments to employees                                     | (1,581,734)   |
| Net cash flows provided by (used in) operating activities | 53,413,549    |

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

|   |              |
|---|--------------|
| Issuance Expense  | (176,099)    |
| Payments on bonds / loans   | (300,000)    |
| Interest payments   | (39,904,215) |
| RIF Contribution  | (5,000,000)  |
| Acquisition of capital assets - non project                                   | (1,422,647)  |
| Acquisitions of construction in progress                                      | (30,305,570) |
| Net cash flows provided by (used in) capital and related financing activities | (77,108,531) |

**Cash flows from investing activities:**

|   |                  |
|---|------------------|
| Interest Receivable                                       | 2,018            |
| Interest income   | 5,795,311        |
| Purchase of investments                                   | (28,126,087)     |
| Proceeds from sale or maturity of investments             | 137,044,443      |
| Net cash flows provided by (used in) investing activities | 114,713,667      |
| Net increase (decrease) in cash and cash equivalents      | 91,018,685       |
| Cash and cash equivalents at beginning of period          | 1,029,061,201    |
| Cash and cash equivalents at end of period                | \$ 1,120,079,886 |

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

|   |               |
|---|---------------|
| Operating income  | \$ 29,749,420 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: |               |
| Depreciation and amortization   | 21,171,190    |
| Changes in assets and liabilities:  |               |
| (Increase) decrease in accounts receivable  | 3,436,568     |
| (Increase) decrease in prepaid expenses and other assets                                    | (411,276)     |
| (Decrease) increase in accounts payable   | (908,109)     |
| Increase (decrease) in accrued expenses   | 375,755       |
| Total adjustments   | 23,664,129    |
| Net cash flows provided by (used in) operating activities                                   | \$ 53,413,549 |

**Reconciliation of cash and cash equivalents:**

|  |                  |
|--|------------------|
| Unrestricted cash and cash equivalents | \$ 182,880,497   |
| Restricted cash and cash equivalents   | 937,199,389      |
| Total                                  | \$ 1,120,079,886 |

**INVESTMENTS by FUND**

|  |                | Balance<br>October 31, 2022 |                                       |
|--|----------------|-----------------------------|---------------------------------------|
| Renewal & Replacement Fund                       |                |                             | <b>TexSTAR</b> 11,480,038.62          |
| <b>TexSTAR</b>                                   | 1,810.21       |                             | <b>Goldman Sachs</b> 1,100,941,775.79 |
| <b>Goldman Sachs</b>                             | 87,088.96      |                             | Agencies & Treasury Notes -           |
| Agencies/ Treasuries                             |                | 88,899.17                   |                                       |
| Grant Fund                                       |                |                             | \$ 1,112,421,814.41                   |
| <b>TexSTAR</b>                                   | 458,672.95     |                             |                                       |
| <b>Goldman Sachs</b>                             | 9,681,294.68   |                             |                                       |
| Agencies/ Treasuries                             |                | 10,139,967.63               |                                       |
| <b>Senior Debt Service Reserve Fund</b>          |                |                             |                                       |
| <b>TexSTAR</b>                                   | 995,463.28     |                             |                                       |
| <b>Goldman Sachs</b>                             | 107,631,645.77 |                             |                                       |
| Agencies/ Treasuries                             |                | 108,627,109.05              |                                       |
| 2010 Senior Lien Debt Service Account            |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 61,068.35      | 61,068.35                   |                                       |
| 2011 Sr Debt Service Accountt                    |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 3,121,557.40   | 3,121,557.40                |                                       |
| 2013 Sr Debt Service Accountt                    |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 2,966,376.23   | 2,966,376.23                |                                       |
| 2013 Sub Debt Service Account                    |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 2,326,228.73   | 2,326,228.73                |                                       |
| 2013 Sub Debt Service Reserve Fund               |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 124.12         | 787,846.64                  |                                       |
| <b>TexSTAR</b>                                   | 787,722.52     |                             |                                       |
| 2015 Sr Debt Service Account                     |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 4,512,043.65   | 4,512,043.65                |                                       |
| 2016 Sr Lien Rev Refunding Debt Service Account  |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 11,688,294.66  | 11,688,294.66               |                                       |
| 2016 Sub Lien Rev Refunding Debt Service Account |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 2,079,308.43   | 2,079,308.43                |                                       |
| 2016 Sub Lien Rev Refunding DSR                  |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 7,044,979.32   | 7,044,979.32                |                                       |
| Agencies/ Treasuries                             |                | -                           |                                       |
| Operating Fund                                   |                |                             |                                       |
| <b>TexSTAR</b>                                   | 43,034.16      |                             |                                       |
| <b>TexSTAR-Trustee</b>                           | 6,049,999.19   |                             |                                       |
| <b>Goldman Sachs</b>                             | 7,927,521.59   | 14,020,554.94               |                                       |
| Revenue Fund                                     |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 8,548,614.10   | 8,548,614.10                |                                       |
| General Fund                                     |                |                             |                                       |
| <b>TexSTAR</b>                                   | 1,148,704.72   |                             |                                       |
| <b>Goldman Sachs</b>                             | 129,017,742.37 |                             |                                       |
| Agencies/ Treasuries                             |                | 130,166,447.09              |                                       |
| 71E Revenue Fund                                 |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 25,089,871.34  | 25,089,871.34               |                                       |
| MoPac Revenue Fund                               |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 109,545.63     | 109,545.63                  |                                       |
| MoPac General Fund                               |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 8,585,875.83   | 8,585,875.83                |                                       |
| MoPac Operating Fund                             |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 465,000.83     | 465,000.83                  |                                       |
| MoPac Loan Repayment Fund                        |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 578,445.66     | 578,445.66                  |                                       |
| 2015B Project Account                            |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 42,269,568.14  |                             |                                       |
| <b>TexSTAR</b>                                   | 353,058.62     | 42,622,626.76               |                                       |
| 2015 TIFIA Project Account                       |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 37,957,739.99  |                             |                                       |
| <b>TexSTAR</b>                                   | 701,406.63     |                             |                                       |
| Agencies/ Treasuries                             |                | 38,659,146.62               |                                       |
| 2011 Sr Financial Assistance Fund                |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 979,966.49     | 979,982.50                  |                                       |
| <b>TexSTAR</b>                                   | 16.01          |                             |                                       |
| 2018 Sr Lien Debt Service Account                |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 606,978.22     | 606,978.22                  |                                       |
| 2018 Sr Lien Project Cap I                       |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 201,156.84     | 201,156.84                  |                                       |
| 2018 Sr Lien Project Account                     |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 11,018,519.24  |                             |                                       |
| <b>TexSTAR</b>                                   | 940,150.33     | 11,958,669.57               |                                       |
| 2020A Senior Lien Debt Service Account           |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 1,063,239.16   | 1,063,239.16                |                                       |
| 2020B Senior Lien Debt Service Account           |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 1,427,176.16   | 1,427,176.16                |                                       |
| 2020C Senior Lien Debt Service Account           |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 1,263,450.50   | 1,263,450.50                |                                       |
| 2020D Sub Lien Debt Service Account              |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 1,946,399.50   | 1,946,399.50                |                                       |
| 2020D Sub Debt Service Reserve Fund              |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 8,177,693.33   | 8,177,693.33                |                                       |
| 2020E Senior Lien Project Account                |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 152,570,459.17 | 152,570,459.17              |                                       |
| 2020E Senior Lien Project Cap Interest           |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 21,858,046.10  | 21,858,046.10               |                                       |
| 2020F Sub Lien Project Account                   |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 21,417,259.06  | 21,417,259.06               |                                       |
| 2020F Sub Lien Deb Service Account               |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 1,853,384.46   | 1,853,384.46                |                                       |
| 2020G Sub Lien Debt Service Account              |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 853,384.28     | 853,384.28                  |                                       |
| 2020G Sub Lien Debt Service Reserve Account      |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 2,857,162.81   | 2,857,162.81                |                                       |
| 2021A Sub Lien Debt Service Reserve Account      |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 12,190,487.48  | 12,190,487.48               | 31,058,169.58                         |
| 2021A Sub Debt Service Account                   |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 96.41          | 96.41                       |                                       |
| 2021B Senior Lien Cap I Project Fund             |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 46,295,775.24  | 46,295,775.24               |                                       |
| 2021B Senior Lien Project Account                |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 231,366,594.02 |                             |                                       |
| Agencies/ Treasuries                             |                | 231,366,594.02              |                                       |
| 2021C Sub Lien Cap I Project Fund                |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 1,345.60       | 1,345.60                    |                                       |
| 2021C Sub Lien Project Account                   |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 157,224,254.48 | 157,224,254.48              |                                       |
| 2021C Sub Lien Debt Service Account              |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 4,081,069.53   | 4,081,069.53                |                                       |
| 2021D Senior Lien Debt Service Account           |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 4,147,596.25   | 4,147,596.25                |                                       |
| 2021E Senior Lien Debt Service Account           |                |                             |                                       |
| <b>Goldman Sachs</b>                             | 5,790,345.68   | 5,790,345.68                |                                       |
|  |                | \$ 1,112,421,814.41         |                                       |

CTRMA INVESTMENT REPORT

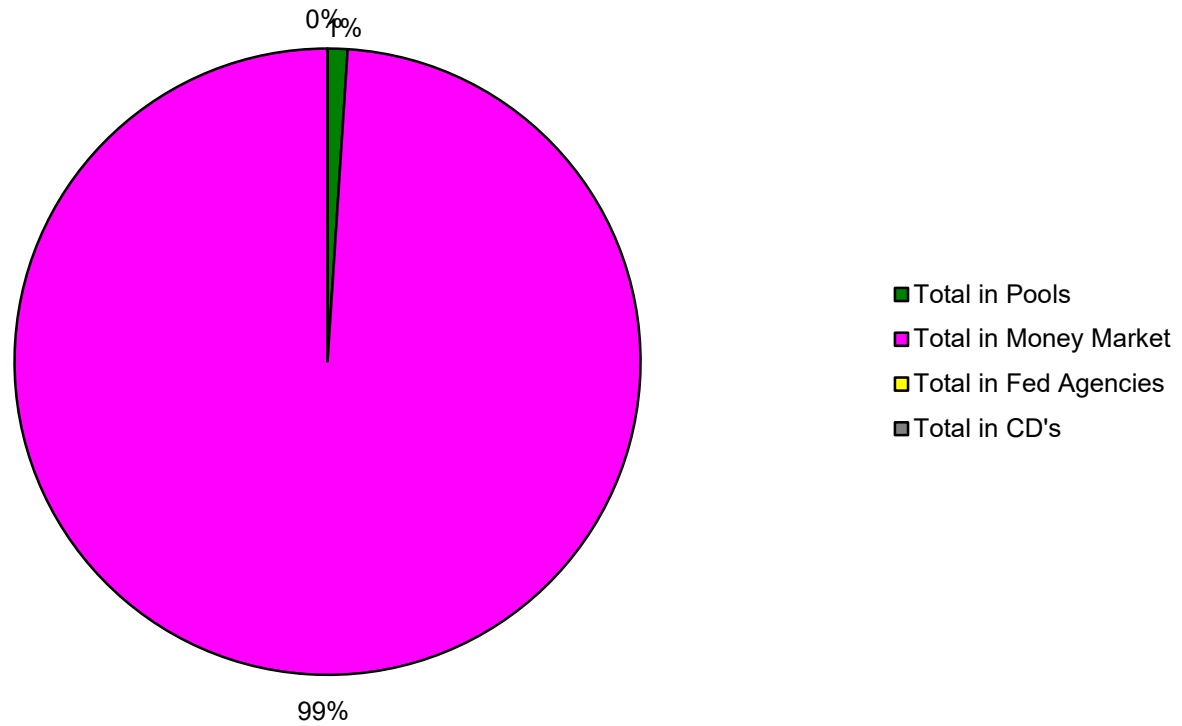
|  | Month Ending 10/31/2022    |                      |                          |                      |                      | Balance<br>10/31/2022      | Rate<br>September  |
|--|----------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------------|--------------------|
|  | Balance<br>10/1/2022       | Additions            | Discount<br>Amortization | Accrued Interest     | Withdrawals          |                            |                    |
| <b>Amount in Trustee TexStar</b>                   |                            |                      |                          |                      |                      |                            |                    |
| 2011 Sr Lien Financial Assist Fund                 | 16.01                      |                      |                          |                      |                      | 16.01                      | 2.2941%            |
| 2013 Sub Lien Debt Service Reserve<br>General Fund | 785,818.55<br>1,145,928.21 |                      |                          | 1,903.97<br>2,776.51 |                      | 787,722.52<br>1,148,704.72 | 2.2941%<br>2.2941% |
| Trustee Operating Fund                             | 5,035,907.38               | 4,000,000.00         |                          | 14,091.81            | 3,000,000.00         | 6,049,999.19               | 2.2941%            |
| Renewal and Replacement<br>Grant Fund              | 1,805.86<br>457,564.31     |                      |                          | 4.35<br>1,108.64     |                      | 1,810.21<br>458,672.95     | 2.2941%<br>2.2941% |
| Senior Lien Debt Service Reserve Fund              | 993,057.18                 |                      |                          | 2,406.10             |                      | 995,463.28                 | 2.2941%            |
| 2015B Sr Ln Project                                | 352,205.25                 |                      |                          | 853.37               |                      | 353,058.62                 | 2.2941%            |
| 2015C TIFIA Project                                | 699,711.28                 |                      |                          | 1,695.35             |                      | 701,406.63                 | 2.2941%            |
| 2018 Sr Lien Project Account                       | 937,877.91                 |                      |                          | 2,272.42             |                      | 940,150.33                 | 2.2941%            |
|  | 10,409,891.94              | 4,000,000.00         |                          | 27,112.52            | 3,000,000.00         | 11,437,004.46              |                    |
| <b>Amount in TexStar Operating Fund</b>            |                            |                      |                          |                      |                      |                            |                    |
|  | 42,930.14                  | 3,000,000.00         |                          | 104.02               | 3,000,000.00         | 43,034.16                  | 2.2941%            |
| <b>Goldman Sachs</b>                               |                            |                      |                          |                      |                      |                            |                    |
| Operating Fund                                     | 7,850,774.27               | 4,077,077.72         |                          | 15,669.60            | 4,016,000.00         | 7,927,521.59               | 2.4719%            |
| 2020A Senior Lien Debt Service Account             | 962,574.70                 | 98,815.62            |                          | 1,848.84             |                      | 1,063,239.16               | 2.4719%            |
| 2020B Senior Lien Debt Service Account             | 1,148,654.29               | 276,450.46           |                          | 2,071.41             |                      | 1,427,176.16               | 2.4719%            |
| 2020C Senior Lien Debt Service Account             | 947,317.32                 | 314,498.42           |                          | 1,634.76             |                      | 1,263,450.50               | 2.4719%            |
| 2020D Sub Lien Debt Service Account                | 1,601,575.31               | 341,898.96           |                          | 2,925.23             |                      | 1,946,399.50               | 2.4719%            |
| 2020D Sub Debt Service Reserve Fund                | 8,161,305.18               |                      |                          | 16,388.15            |                      | 8,177,693.33               | 2.4719%            |
| 2020E Sr Lien Project Account                      | 152,264,706.91             |                      |                          | 305,752.26           |                      | 152,570,459.17             | 2.4719%            |
| 2020E Sr Ln Project Cap Interest                   | 21,814,242.42              |                      |                          | 43,803.68            |                      | 21,858,046.10              | 2.4719%            |
| 2020F Sub Lien Project Account                     | 24,870,974.64              |                      |                          | 50,354.64            | 3,504,070.22         | 21,417,259.06              | 2.4719%            |
| 2020F Sub Lien Debt Service Account                | 1,389,629.39               | 461,357.03           |                          | 2,398.04             |                      | 1,853,384.46               | 2.4719%            |
| 2020G Sub Lien Debt Service Account                | 639,849.91                 | 212,430.20           |                          | 1,104.17             |                      | 853,384.28                 | 2.4719%            |
| 2020G Sub Debt Service Reserve Fund                | 2,755,846.98               | 95,863.53            |                          | 5,452.30             |                      | 2,857,162.81               | 2.4719%            |
| 2021A Sub Debt Service Reserve Fund                | 11,619,833.05              | 547,787.33           |                          | 22,867.10            |                      | 12,190,487.48              | 2.4719%            |
| 2021A Sub Debt Service Account                     | 96.22                      |                      |                          | 0.19                 |                      | 96.41                      | 2.4719%            |
| 2021B Senior Lien Cap I Project Fund               | 46,202,998.18              |                      |                          | 92,777.06            |                      | 46,295,775.24              | 2.4719%            |
| 2021B Senior Lien Project Account                  | 231,025,689.04             |                      |                          | 340,904.98           |                      | 231,366,594.02             | 2.4719%            |
| 2021C Sub Lien Cap I Project Fund                  | 1,342.90                   |                      |                          | 2.70                 |                      | 1,345.60                   | 2.4719%            |
| 2021C Sub Lien Project Account                     | 162,630,875.32             |                      |                          | 329,470.82           | 5,736,091.66         | 157,224,254.48             | 2.4719%            |
| 2021C Sub Lien Debt Service Account                | 3,059,567.40               | 1,016,222.72         |                          | 5,279.41             |                      | 4,081,069.53               | 2.4719%            |
| 2021D Senior Lien Debt Service Account             | 3,169,032.81               | 973,027.48           |                          | 5,535.96             |                      | 4,147,596.25               | 2.4719%            |
| 2021E Senior Lien Debt Service Account             | 4,718,824.07               | 1,062,950.10         |                          | 8,571.51             |                      | 5,790,345.68               | 2.4719%            |
| 2011 Sr Financial Assistance Fund                  | 978,002.53                 |                      |                          | 1,963.96             |                      | 979,966.49                 | 2.4719%            |
| 2010 Senior DSF                                    | 60,945.96                  |                      |                          | 122.39               |                      | 61,068.35                  | 2.4719%            |
| 2011 Senior Lien Debt Service Account              | 2,805,792.77               | 310,394.25           |                          | 5,370.38             |                      | 3,121,557.40               | 2.4719%            |
| 2013 Senior Lien Debt Service Account              | 2,657,603.94               | 303,693.80           |                          | 5,078.49             |                      | 2,966,376.23               | 2.4719%            |
| 2013 Sub Debt Service Reserve Fund                 | 123.87                     |                      |                          | 0.25                 |                      | 124.12                     | 2.4719%            |
| 2013 Subordinate Debt Service Account              | 2,084,078.42               | 238,167.79           |                          | 3,982.52             |                      | 2,326,228.73               | 2.4719%            |
| 2015A Sr Lien Debt Service Account                 | 4,503,001.01               |                      |                          | 9,042.64             |                      | 4,512,043.65               | 2.4719%            |
| 2015B Project Account                              | 42,184,855.21              |                      |                          | 84,712.93            |                      | 42,269,568.14              | 2.4719%            |
| 2015C TIFIA Project Account                        | 38,558,048.36              |                      |                          | 77,606.71            | 677,915.08           | 37,957,739.99              | 2.4719%            |
| 2016 Sr Lien Rev Refunding Debt Service Account    | 10,989,475.65              | 677,326.81           |                          | 21,492.20            |                      | 11,688,294.66              | 2.4719%            |
| 2016 Sub Lien Rev Refunding Debt Service Account   | 1,704,969.70               | 371,230.70           |                          | 3,108.03             |                      | 2,079,308.43               | 2.4719%            |
| 2016 Sub Lien Rev Refunding DSR                    | 7,030,860.40               |                      |                          | 14,118.92            |                      | 7,044,979.32               | 2.4719%            |
| 2018 Sr Lien Project Cap I                         | 200,753.72                 |                      |                          | 403.12               |                      | 201,156.84                 | 2.4719%            |
| 2018 Sr Lien Debt Service Account                  | 454,779.02                 | 151,414.77           |                          | 784.43               |                      | 606,978.22                 | 2.4719%            |
| 2018 Sr Lien Project Account                       | 11,008,564.70              |                      |                          | 22,112.69            | 12,158.15            | 11,018,519.24              | 2.4719%            |
| Grant Fund   | 9,664,893.85               |                      |                          | 16,400.83            |                      | 9,681,294.68               | 2.4719%            |
| Renewal and Replacement                            | 40,175.84                  | 600,000.00           |                          | 306.63               | 553,393.51           | 87,088.96                  | 2.4719%            |
| Revenue Fund                                       | 8,808,344.27               | 15,022,053.53        |                          | 13,994.79            | 15,295,778.49        | 8,548,614.10               | 2.4719%            |
| General Fund                                       | 127,144,500.92             | 2,254,801.02         |                          | 251,510.29           | 633,069.86           | 129,017,742.37             | 2.4719%            |
| Senior Lien Debt Service Reserve Fund              | 107,428,216.31             |                      |                          | 203,429.46           |                      | 107,631,645.77             | 2.4719%            |
| 71E Revenue Fund                                   | 24,133,657.79              | 1,066,783.25         |                          | 47,528.64            | 158,098.34           | 25,089,871.34              | 2.4719%            |
| MoPac Revenue Fund                                 | 88,572.45                  | 1,230,395.30         |                          | 1,464.38             | 1,210,886.50         | 109,545.63                 | 2.4719%            |
| MoPac General Fund                                 | 8,116,908.05               | 466,913.53           |                          | 14,202.02            | 12,147.77            | 8,585,875.83               | 2.4719%            |
| MoPac Operating Fund                               | 183,208.77                 | 650,410.62           |                          | 653.57               | 369,272.13           | 465,000.83                 | 2.4719%            |
| MoPac Loan Repayment Fund                          | 433,837.98                 | 143,968.25           |                          | 639.43               |                      | 578,445.66                 | 2.4719%            |
|  | 1,098,099,881.80           | 32,965,933.19        |                          | 2,054,842.51         | 32,178,881.71        | 1,100,941,775.79           |                    |
| <b>Amount in Fed Agencies and Treasuries</b>       |                            |                      |                          |                      |                      |                            |                    |
| Amortized Principal                                | 0.00                       |                      |                          |                      | 0.00                 | 0.00                       |                    |
|  | 0.00                       |                      |                          |                      |                      | 0.00                       |                    |
| <b>Certificates of Deposit</b>                     |                            |                      |                          |                      |                      |                            |                    |
| Total in Pools                                     | 10,452,822.08              | 7,000,000.00         |                          | 27,216.54            | 6,000,000.00         | 11,480,038.62              |                    |
| Total in GS FSGF                                   | 1,098,099,878.80           | 32,965,933.19        |                          | 2,054,842.51         | 32,178,881.71        | 1,100,941,775.79           |                    |
| Total in Fed Agencies and Treasuries               | 0.00                       |                      |                          |                      | 0.00                 | 0.00                       |                    |
| <b>Total Invested</b>                              | <b>1,108,552,700.88</b>    | <b>39,965,933.19</b> |                          | <b>2,082,059.05</b>  | <b>38,178,881.71</b> | <b>1,112,421,814.41</b>    |                    |

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

José Hernández, CFO

10/31/2022

## Allocation of Funds



## ESCROW FUNDS

### Travis County Escrow Fund - Elroy Road

|               | <b>Balance</b>   |                  | <b>Accrued</b>  |                    | <b>Balance</b>    |
|---------------|------------------|------------------|-----------------|--------------------|-------------------|
|               | <b>10/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>10/31/2022</b> |
| Goldman Sachs | 3,760,635.71     |                  | 7,583.81        | 27,709.17          | 3,740,510.35      |

### Travis County Escrow Fund - Ross Road

|               | <b>Balance</b>   |                  | <b>Accrued</b>  |                    | <b>Balance</b>    |
|---------------|------------------|------------------|-----------------|--------------------|-------------------|
|               | <b>10/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>10/31/2022</b> |
| Goldman Sachs | 115,660.98       |                  | 234.05          | 1,771.72           | 114,123.31        |

### Travis County Escrow Fund - Old San Antonio Road

|               | <b>Balance</b>   |                  | <b>Accrued</b>  |                    | <b>Balance</b>    |
|---------------|------------------|------------------|-----------------|--------------------|-------------------|
|               | <b>10/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>10/31/2022</b> |
| Goldman Sachs | 47,452.99        |                  | 95.29           | 2,101.97           | 45,446.31         |

### Travis County Escrow Fund - Old Lockhart Road

|               | <b>Balance</b>   |                  | <b>Accrued</b>  |                    | <b>Balance</b>    |
|---------------|------------------|------------------|-----------------|--------------------|-------------------|
|               | <b>10/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>10/31/2022</b> |
| Goldman Sachs | 263,534.79       |                  | 529.19          |                    | 264,063.98        |

### Travis County Escrow Fund - County Line Road

|               | <b>Balance</b>   |                  | <b>Accrued</b>  |                    | <b>Balance</b>    |
|---------------|------------------|------------------|-----------------|--------------------|-------------------|
|               | <b>10/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>10/31/2022</b> |
| Goldman Sachs | 321,485.06       |                  | 650.32          | 1,735.84           | 320,399.54        |

### Travis County Escrow Fund - South Pleasant Valley Road

|               | <b>Balance</b>   |                  | <b>Accrued</b>  |                    | <b>Balance</b>    |
|---------------|------------------|------------------|-----------------|--------------------|-------------------|
|               | <b>10/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>10/31/2022</b> |
| Goldman Sachs | 323,961.84       |                  | 664.11          | 2,828.15           | 321,797.80        |

### Travis County Escrow Fund - Thaxton Road

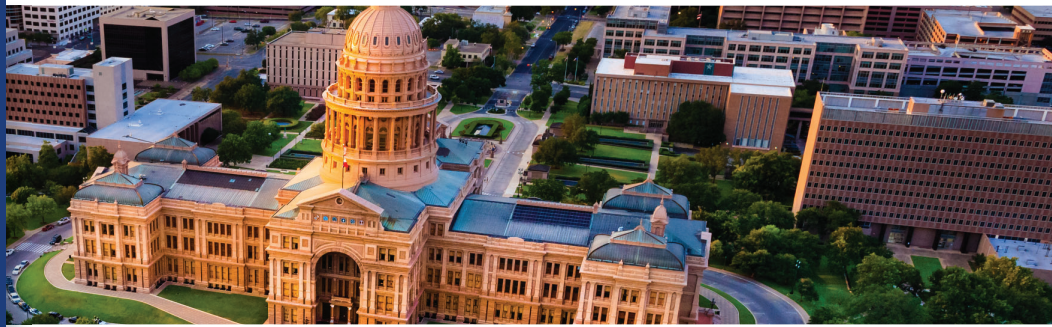
|               | <b>Balance</b>   |                  | <b>Accrued</b>  |                    | <b>Balance</b>    |
|---------------|------------------|------------------|-----------------|--------------------|-------------------|
|               | <b>10/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>10/31/2022</b> |
| Goldman Sachs | 138,549.44       |                  | 281.51          | 2,137.95           | 136,693.00        |

### Travis County Escrow Fund - Pearce Lane Road

|               | <b>Balance</b>   |                  | <b>Accrued</b>  |                    | <b>Balance</b>    |
|---------------|------------------|------------------|-----------------|--------------------|-------------------|
|               | <b>10/1/2022</b> | <b>Additions</b> | <b>Interest</b> | <b>Withdrawals</b> | <b>10/31/2022</b> |
| Goldman Sachs | 312,608.86       |                  | 635.05          | 2,483.06           | 310,760.85        |



MONTHLY  
NEWSLETTER  
OCTOBER  
2022



## PERFORMANCE

### As of October 31, 2022

|                                       |                    |
|---------------------------------------|--------------------|
| Current Invested Balance              | \$8,388,414,626.87 |
| Weighted Average Maturity (1)         | 8 Days             |
| Weighted Average Life (2)             | 45 Days            |
| Net Asset Value                       | 0.999581           |
| Total Number of Participants          | 996                |
| Management Fee on Invested Balance    | 0.06%*             |
| Interest Distributed                  | \$20,641,718.26    |
| Management Fee Collected              | \$425,189.91       |
| % of Portfolio Invested Beyond 1 Year | 4.59%              |
| Standard & Poor's Current Rating      | AAAm               |

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

### October Averages

|  |                    |
|--|--------------------|
| Average Invested Balance                 | \$8,343,961,244.96 |
| Average Monthly Yield, on a simple basis | 2.8531%            |
| Average Weighted Maturity (1)            | 10 Days            |
| Average Weighted Life (2)                | 46 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 instruction to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.  
(2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

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

## NEW PARTICIPANTS

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

\* Apple Springs Independent School District \* Mountain Peak Special Utility District

## HOLIDAY REMINDER

In observance of the **Veterans Day holiday, TexSTAR will be closed on Friday, November 11, 2022.** All ACH transactions initiated on Thursday, November 10th will settle on Monday, November 14th. Please plan accordingly for your liquidity needs.

In observance of the **Thanksgiving Day holiday, TexSTAR will be closed Thursday, November 24, 2022.** All ACH transactions initiated on Wednesday, November 23rd will settle Friday, November 25th. Notification of any early transaction deadlines on the day preceding or following this holiday will be sent out by email to the primary contact on file for all TexSTAR participants.

## ECONOMIC COMMENTARY

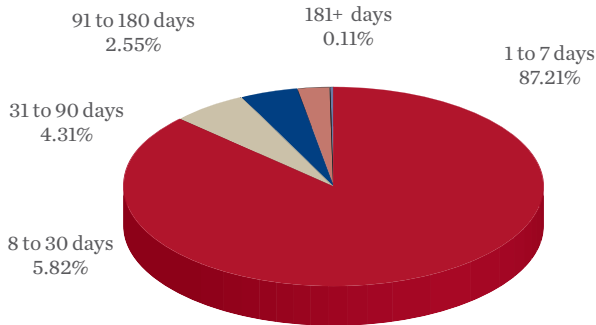
### Market review

Early in the month, hopes for a potential Fed policy pivot were once again dashed by a strong U.S. labor market data. Treasury yields continued to rise and credit spreads widened amid robust job gains, a hawkish Fed, and another inflation surprise. The growth picture remained mixed with momentum declining amid persistent price pressures, as rates turned restrictive and broader financial conditions have tightened considerably. Following two quarters of negative GDP growth, 3Q22 real GDP expanded at a 2.6% annualized rate, slightly stronger than the 2.4% consensus expectation. However, the details of the report suggested that economic growth momentum is waning. Much of the gain came from a large upswing in trade, as the U.S. exported more oil and natural gas with the war in Ukraine disrupting supplies in Europe. Real consumer spending continued to soften, rising by a modest 1.4%, and construction spending was very weak with the climb in interest rates. However, investment spending is still holding up, and the GDP price deflator declined markedly to 4.1% from 9% last quarter. Moreover, with pent-up demand for autos and a still very tight labor market, it is clear the economy is not yet in recession.

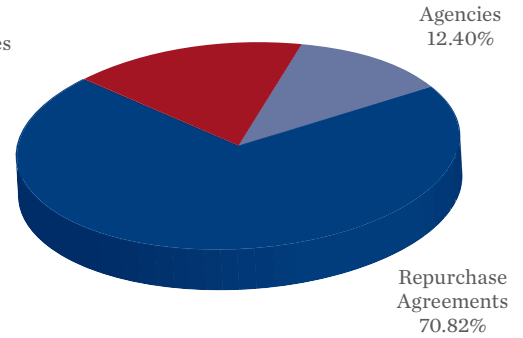
The September jobs report underscored the resilience of labor market, with the recent pace of job growth still solid at 263,000 but moderating, and wage growth continuing to run at a more modest pace of 0.3% month-over-month (m/m). (continued page 4)

## INFORMATION AT A GLANCE

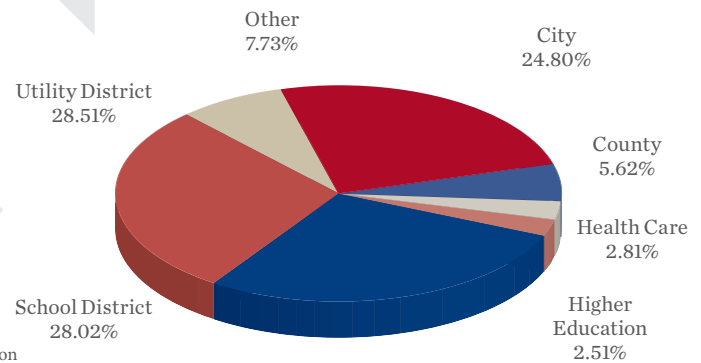
### PORTFOLIO BY TYPE OF INVESTMENT AS OF OCTOBER 31, 2022



Treasuries  
16.78%



### PORTFOLIO BY MATURITY AS OF OCTOBER 31, 2022 (1)



### DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF OCTOBER 31, 2022

(1) Portfolio by Maturity is calculated using WAM (1) definition for stated maturity. See page 1 for definition

## HISTORICAL PROGRAM INFORMATION

| MONTH  | AVERAGE RATE | BOOK VALUE         | MARKET VALUE       | NET ASSET VALUE | WAM (1) | WAL (2) | NUMBER OF PARTICIPANTS |
|--------|--------------|--------------------|--------------------|-----------------|---------|---------|------------------------|
| Oct 22 | 2.8531%      | \$8,388,414,626.87 | \$8,384,901,873.82 | 0.999581        | 10      | 46      | 996                    |
| Sep 22 | 2.2941%      | 8,448,258,598.47   | 8,444,307,157.72   | 0.999510        | 16      | 43      | 994                    |
| Aug 22 | 1.9469%      | 8,988,292,520.61   | 8,983,610,837.50   | 0.999479        | 27      | 50      | 991                    |
| Jul 22 | 1.4010%      | 9,799,798,062.32   | 9,793,880,215.07   | 0.999396        | 34      | 49      | 990                    |
| Jun 22 | 0.9850%      | 9,799,299,684.61   | 9,793,062,348.93   | 0.999363        | 42      | 57      | 989                    |
| May 22 | 0.6459%      | 9,701,777,049.61   | 9,700,243,468.41   | 0.999841        | 43      | 61      | 988                    |
| Apr 22 | 0.3225%      | 8,985,925,505.16   | 8,984,338,322.90   | 0.999818        | 39      | 60      | 986                    |
| Mar 22 | 0.1070%      | 9,050,970,696.95   | 9,050,137,013.72   | 0.999907        | 27      | 38      | 981                    |
| Feb 22 | 0.0104%      | 9,779,113,455.23   | 9,778,353,196.78   | 0.999922        | 26      | 32      | 979                    |
| Jan 22 | 0.0100%      | 9,399,813,099.48   | 9,399,092,954.95   | 0.999923        | 31      | 38      | 977                    |
| Dec 21 | 0.0139%      | 8,763,539,414.27   | 8,763,577,847.71   | 1.000011        | 40      | 52      | 977                    |
| Nov 21 | 0.0102%      | 8,132,746,877.26   | 8,133,007,416.80   | 1.000032        | 47      | 62      | 965                    |

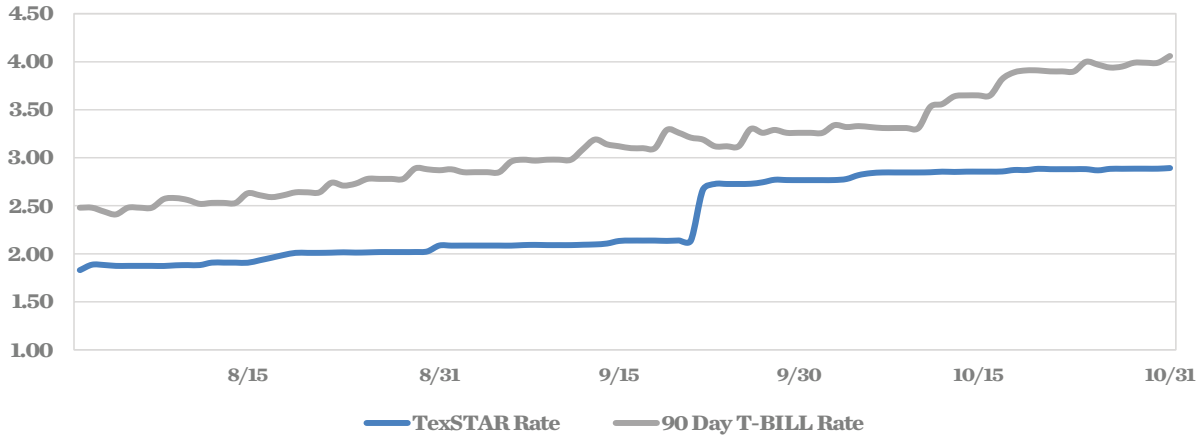
## PORTFOLIO ASSET SUMMARY AS OF OCTOBER 31, 2022

|                                      | BOOK VALUE                 | MARKET VALUE               |
|--------------------------------------|----------------------------|----------------------------|
| Uninvested Balance                   | \$ 619.95                  | \$ 619.95                  |
| Accrual of Interest Income           | 2,631,607.53               | 2,631,607.53               |
| Interest and Management Fees Payable | (20,584,934.57)            | (20,584,934.57)            |
| Payable for Investment Purchased     | (200,000,000.00)           | (200,000,000.00)           |
| Repurchase Agreement                 | 6,094,539,999.57           | 6,094,539,999.57           |
| Government Securities                | 2,511,827,334.39           | 2,508,314,581.34           |
| <b>TOTAL</b>                         | <b>\$ 8,388,414,626.87</b> | <b>\$ 8,384,901,873.82</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 of \$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 consists 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 OCTOBER 2022

| DATE           | MNY MKT FUND EQUIV. [SEC Std.] | DAILY ALLOCATION FACTOR | INVESTED BALANCE          | MARKET VALUE PER SHARE | WAM DAYS (1) | WAL DAYS (2) |
|----------------|--------------------------------|-------------------------|---------------------------|------------------------|--------------|--------------|
| 10/1/2022      | 2.7669%                        | 0.000075805             | \$8,448,258,598.47        | 0.999510               | 12           | 48           |
| 10/2/2022      | 2.7669%                        | 0.000075805             | \$8,448,258,598.47        | 0.999510               | 12           | 48           |
| 10/3/2022      | 2.7677%                        | 0.000075828             | \$8,546,403,441.61        | 0.999545               | 12           | 47           |
| 10/4/2022      | 2.7786%                        | 0.000076126             | \$8,555,635,793.14        | 0.999517               | 12           | 47           |
| 10/5/2022      | 2.8190%                        | 0.000077233             | \$8,619,529,697.47        | 0.999525               | 12           | 46           |
| 10/6/2022      | 2.8392%                        | 0.000077785             | \$8,532,349,041.63        | 0.999522               | 12           | 47           |
| 10/7/2022      | 2.8468%                        | 0.000077994             | \$8,393,770,136.93        | 0.999520               | 11           | 46           |
| 10/8/2022      | 2.8468%                        | 0.000077994             | \$8,393,770,136.93        | 0.999520               | 11           | 46           |
| 10/9/2022      | 2.8468%                        | 0.000077994             | \$8,393,770,136.93        | 0.999520               | 11           | 46           |
| 10/10/2022     | 2.8468%                        | 0.000077994             | \$8,393,770,136.93        | 0.999520               | 11           | 46           |
| 10/11/2022     | 2.8487%                        | 0.000078046             | \$8,375,762,554.14        | 0.999533               | 11           | 46           |
| 10/12/2022     | 2.8552%                        | 0.000078224             | \$8,244,434,045.37        | 0.999529               | 11           | 47           |
| 10/13/2022     | 2.8522%                        | 0.000078143             | \$8,232,757,434.55        | 0.999510               | 11           | 46           |
| 10/14/2022     | 2.8554%                        | 0.000078229             | \$8,355,977,339.03        | 0.999511               | 10           | 45           |
| 10/15/2022     | 2.8554%                        | 0.000078229             | \$8,355,977,339.03        | 0.999511               | 10           | 45           |
| 10/16/2022     | 2.8554%                        | 0.000078229             | \$8,355,977,339.03        | 0.999511               | 10           | 45           |
| 10/17/2022     | 2.8570%                        | 0.000078274             | \$8,370,339,385.12        | 0.999508               | 10           | 45           |
| 10/18/2022     | 2.8726%                        | 0.000078701             | \$8,351,362,738.61        | 0.999523               | 10           | 44           |
| 10/19/2022     | 2.8716%                        | 0.000078673             | \$8,299,427,423.22        | 0.999519               | 10           | 44           |
| 10/20/2022     | 2.8848%                        | 0.000079035             | \$8,223,564,756.32        | 0.999537               | 10           | 45           |
| 10/21/2022     | 2.8810%                        | 0.000078932             | \$8,167,276,500.23        | 0.999557               | 9            | 44           |
| 10/22/2022     | 2.8810%                        | 0.000078932             | \$8,167,276,500.23        | 0.999557               | 9            | 44           |
| 10/23/2022     | 2.8810%                        | 0.000078932             | \$8,167,276,500.23        | 0.999557               | 9            | 44           |
| 10/24/2022     | 2.8814%                        | 0.000078943             | \$8,163,585,102.78        | 0.999553               | 9            | 44           |
| 10/25/2022     | 2.8688%                        | 0.000078597             | \$8,248,975,403.49        | 0.999565               | 9            | 45           |
| 10/26/2022     | 2.8844%                        | 0.000079025             | \$8,288,069,102.49        | 0.999575               | 9            | 45           |
| 10/27/2022     | 2.8850%                        | 0.000079041             | \$8,306,842,949.95        | 0.999582               | 8            | 46           |
| 10/28/2022     | 2.8861%                        | 0.000079072             | \$8,291,328,611.51        | 0.999596               | 8            | 46           |
| 10/29/2022     | 2.8861%                        | 0.000079072             | \$8,291,328,611.51        | 0.999596               | 8            | 46           |
| 10/30/2022     | 2.8861%                        | 0.000079072             | \$8,291,328,611.51        | 0.999596               | 8            | 46           |
| 10/31/2022     | 2.8927%                        | 0.000079251             | \$8,388,414,626.87        | 0.999581               | 8            | 45           |
| <b>Average</b> | <b>2.8531%</b>                 | <b>0.000078168</b>      | <b>\$8,343,961,244.96</b> |                        | <b>10</b>    | <b>46</b>    |



## *ECONOMIC COMMENTARY (cont.)*

Private sector job gains were broad-based with the greatest strength in leisure and hospitality and health care. The unemployment rate fell back down to 3.5%. After having fallen in the past few months, the number of job openings rose 4.3% to 10.717 million in September as indicated by the JOLTS report. The number of job openings are still below their all-time high reported in March but have remained above pre-pandemic standards. Layoffs remained low, with a 10.9% drop to 1.328 million reported for September. Overall, the high level of job openings suggests sustained tightness in the labor market.

Hot inflation is beginning to cool down but continued to surprise to the upside. The headline PCE price index rose 0.3% m/m and 6.3% year-over-year (y/y) in September. The core PCE deflator also rose 0.5% m/m and 5.1% y/y. After a string of upside surprises, the September CPI report came in hotter than expected. Headline CPI rose 0.4% m/m and 8.2% y/y easing slightly from 8.3% in August. Strong services inflation offset declines in core goods and energy prices, with Core CPI inflation jumping 0.6% m/m and 6.6% y/y. Wage inflation and resilient demand have contributed to strong services inflation, while the lagged effect of rising rents continues to propel owners' equivalent rent higher. Softer commodity prices, lower shipping costs and improved supply chains should continue to reduce inflation pressure across a range of goods over the coming months. Importantly, the inventory crunch experienced last year has also reversed. Stockpiling in the first half of the year has allowed retail inventories to recover beyond pre-pandemic levels, while retail sales have flat lined. Even though energy prices have declined, other areas of inflation, such as food prices, services inflation, and owners' equivalent rent, still remain hot.

That said, higher rates weighed on housing demand and prices as mortgage rates exceeded 7% for the first time in 20 years. Real residential investment tumbled 26% in 3Q on top of the 18% 2Q drop and displayed signs of additional weakness ahead. Pending home sales, a leading indicator of existing home sales, continued to push sharply lower into September, with a 10% drop reported for the month. While the Fed didn't have a meeting in October, Fed speakers continued their hawkish rhetoric. Given the persistently high inflation and robust employment backdrop, the Federal Open Market Committee (FOMC) raised the target range for the federal funds rate by 75 basis points (bps) to 3.75-4.0% as expected at its FOMC meeting on November 2nd. The Committee noted that it will pursue monetary policy that is "sufficiently restrictive" to return inflation to 2%. The post-meeting statement also suggested a slowing in the pace of future rate hikes: "In determining the pace of future increases in the target range, the Committee will take into account the cumulative tightening of monetary policy, the lags with which monetary policy affects economic activity and inflation, and economic and financial developments." However, during the press conference that followed, Chair Powell emphasized that "the ultimate level of interest rates will be higher than previously expected," and that it is "very premature to think about pausing." Rate volatility continued as financial conditions tightened during the month. In this environment, the U.S. Treasury yield curve remained inverted between two-year and 10-year yields as front-end U.S. Treasury yields climbed higher. The curve between the three-month Treasury bill and 10-year note yields inverted for the first time this year ending the month at -2 bps. In the money market space, the three-month Treasury bill yield rose 80 bps on the month to end at 4.07%, while the six-month and 12-month Treasury bill yields increased 61 bps and 65 bps to end at 4.54% and 4.64%, respectively.

### **Outlook**

The impact of fast and aggressive Fed interest rate hikes is starting to become evident in economic data. After two months of consecutive increases, the U.S. Conference Board's Consumer Confidence Index fell to 102.5 in October versus expectations of 105.9, reflecting consumers' concerns about sticky inflation and a possible recession next year. The survey also showed signs of a cooling labor market, with a decline in the number of consumers viewing jobs as "plentiful" and an increase in those viewing jobs "hard to get". Separately, October saw the fourth consecutive month of contraction in U.S. business activity, with the U.S. Composite Purchasing Managers' Index print of 46.6 falling short of the 49.2 consensus forecast. Although the Fed has been vocal on its plan to slow growth to bring down inflation, the lagged economic effects of rate hikes have not gone unnoticed. In fact, at the recent November FOMC meeting, the Fed noted that it will consider lags in determining the pace of future rate hikes. Chair Powell emphasized that the Fed is far from pausing even if smaller increases could become appropriate and that the September FOMC projections on the terminal rate were likely to be revised higher. Inflation continues to be a key concern.



### *ECONOMIC COMMENTARY (cont.)*

There are a variety of signals that point to continued labor market strength into year end, including low levels of jobless claims filings and favorable consumer responses about the availability of employment. Inflation has significantly and repeatedly surprised to the upside over the past year, pushing the Fed to tighten policy aggressively. While inflation is likely to remain above-target through the end of next year, we see signs that a moderation is already underway and that this cooling will become more prominent over time. Two main forces are driving this expected moderation. First, pandemic-related distortions that added inflationary pressures are finally starting to abate. Supply chain dislocations have eased and a surge in pent-up demand (initially for goods and more recently for services, such as travel) should fade. Second, the Fed's policy moves have led to tighter financial conditions, including significant U.S. dollar appreciation and higher mortgage rates. As the Fed continues to push policy further into restrictive territory into early next year, we expect the now-tight labor market to loosen as well. Labor market conditions will be an important driver of inflation both in the near-term and further into the future. The Fed is beginning to see signs that its aggressive hiking policy is feeding into economic data. Although a slowdown in the magnitude of rate hikes is likely, it will depend on future inflation releases. We view the current market pricing for the terminal rate, at 5%-5.25% as reasonable, although surprises in inflation could cause further volatility in the near term.

This information is an excerpt from an economic report dated October 2022 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.

## TEXSTAR BOARD MEMBERS

|                |   |                                  |
|----------------|---|----------------------------------|
| Monte Mercer   | North Central TX Council of Government      | Governing Board President        |
| David Pate     | Richardson ISD                              | Governing Board Vice President   |
| Anita Cothran  | City of Frisco                              | Governing Board Treasurer        |
| David Medanich | Hilltop Securities                          | Governing Board Secretary        |
| Jennifer Novak | J.P. Morgan Asset Management                | Governing Board Asst. Sec./Treas |
| Brett Starr    | City of Irving                              | Advisory Board                   |
| James Mauldin  | DFW Airport/Non-Participant                 | Advisory Board                   |
| Sandra Newby   | Tarrant Regional Water Dist/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 717 N. Hardwood Street, Suite 3400, Dallas, TX 75201. (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.