

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending August 31, 2020

	Budget Amount FY 2021	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
REVENUE				
Operating Revenue				
Toll Revenue Kansas 183A	57,173	5,549	9.71%	7,382
Toll Revenue Oklahoma 183A	206,251	15,594	7.56%	23,403
Toll Revenue-TxTag-183A	36,226,843	5,459,041	15.07%	6,875,972
Toll Revenue-HCTRA-183A	4,897,717	684,124	13.97%	786,602
Toll Revenue-NTTA-183A	2,869,495	430,195	14.99%	478,533
Toll Revenue-TxTag-MoPac ML	809,806	132,663	16.38%	1,840,663
Toll Revenue-Kansas MoPAC ML	49	110	223.81%	1,794
Toll Revenue Oklahoma MoPac ML	3,736	461	12.34%	4,306
Toll Revenue-HCTRA MoPac ML	86,633	15,006	17.32%	204,502
Toll Revenue-NTTA-Mopac ML	99,776	17,390	17.43%	186,195
Toll Revenue-TxTag-Manor	13,934,683	1,752,574	12.58%	2,082,802
Toll Revenue-Kansas Manor	56,980	3,802	6.67%	4,165
Toll Revenue Oklahoma Manor	123,674	9,001	7.28%	9,252
Toll Revenue-HCTRA Manor	3,552,933	510,825	14.38%	628,063
Toll Revenue-NTTA-Manor	1,121,026	157,507	14.05%	168,081
Toll Revenue-TxTag-71E	4,033,291	538,441	13.35%	799,569
Toll Revenue-Kansas 71E	16,557	1,072	6.48%	1,673
Toll Revenue Oklahoma 71E	42,658	2,814	6.60%	3,403
Toll Revenue-HCTRA 71E	1,660,907	248,346	14.95%	326,422
Toll Revenue-NTTA-71E	407,894	53,985	13.23%	81,448
Toll Revenue TxTAG 45SW	2,654,799	409,271	15.42%	383,482
Toll Revenue Kansas 45SW	956	158	16.53%	112
Toll Revenue Oklahoma 45SW	4,593	601	13.08%	841
Toll Revenue HCTRA 45SW	223,633	35,919	16.06%	32,349
Toll Revenue NTTA 45SW	167,088	26,344	15.77%	25,652
Toll Revenue TxTAG 183S	11,002,760	628,967	5.72%	-
Toll Revenue Kansas 183S	13,523	1,096	8.10%	-
Toll Revenue Oklahoma 183S	51,760	3,265	6.31%	-
Toll Revenue HCTRA 183S	1,966,972	118,482	6.02%	-
Toll Revenue NTTA 183S	988,636	58,551	5.92%	-
Video Tolls 183A	10,720,103	1,906,628	17.79%	2,176,509
Video Tolls Manor Expressway	5,574,919	721,010	12.93%	804,972
Video Tolls MoPac ML	407,570	140,917	34.58%	676,468
Video Tolls 71E	1,638,223	254,398	15.53%	345,516
Video Tolls 183S	4,316,895	301,788	6.99%	2,823
Video Tolls 45SW	643,409	131,539	20.44%	73,420

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending August 31, 2020

	Budget			
	Amount FY	Actual Year to	Percent of	Actual Prior
	2021	Date	Budget	Year to Date
Fee Revenue 183A	3,293,078	907,123	27.55%	724,170
Fee Revenue Manor Expressway	2,166,012	581,760	26.86%	393,141
Fee Revenue MoPac ML	92,430	50,231	54.34%	103,267
Fee Revenue 71E	540,799	159,530	29.50%	134,146
Fee Revenue 183S	2,024,733	168,369	8.32%	11,678
Fee Revenue 45SW	225,029	53,062	23.58%	77,965
Total Operating Revenue	118,926,000	16,697,512	14.04%	20,480,742
Other Revenue				
Interest Income	2,500,000	155,366	6.21%	1,081,964
Grant Revenue	3,000,000	380,990	12.70%	630
Misc Revenue	3,000	-	-	-
Gain/Loss on Sale of Asset	-	-	-	11,117
Total Other Revenue	5,503,000	536,357	9.75%	1,093,711
TOTAL REVENUE	\$124,429,000	\$17,233,869	13.85%	21,574,453
EXPENSES				
Salaries and Benefits				
Salary Expense-Regular	4,773,694	665,078	13.93%	617,451
Salary Reserve	80,000	-	-	-
TCDRS	675,000	96,731	14.33%	87,196
FICA	221,877	30,191	13.61%	24,908
FICA MED	72,321	10,170	14.06%	8,970
Health Insurance Expense	513,812	79,504	15.47%	64,733
Life Insurance Expense	8,138	829	10.18%	653
Auto Allowance Expense	10,200	1,275	12.50%	1,275
Other Benefits	213,038	23,560	11.06%	19,716
Unemployment Taxes	4,608	144	3.13%	-
Total Salaries and Benefits	6,572,687	907,482	13.81%	824,902

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending August 31, 2020

	Budget			
	Amount FY	Actual Year to	Percent of	Actual Prior
	2021	Date	Budget	Year to Date
Administrative				
Administrative and Office Expenses				
Accounting	8,000	1,455	18.19%	1,185
Auditing	115,000	11,000	9.57%	28,000
Human Resources	52,000	643	1.24%	236
IT Services	242,000	32,005	13.23%	1,090
Internet	450	-	-	23
Software Licenses	347,000	12,318	3.55%	10,143
Cell Phones	24,185	2,251	9.31%	800
Local Telephone Service	95,000	14,754	15.53%	522
Overnight Delivery Services	350	-	-	41
Local Delivery Services	50	-	-	-
Copy Machine	15,264	2,544	16.67%	1,272
Repair & Maintenance-General	12,000	175	1.46%	3,297
Meeting Facilities	5,000	-	-	-
Meeting Expense	14,750	434	2.94%	3,264
Toll Tag Expense	3,050	600	19.67%	150
Parking / Local Ride Share	2,900	-	-	189
Mileage Reimbursement	6,800	35	0.51%	276
Insurance Expense	450,998	68,866	15.27%	31,015
Rent Expense	570,000	93,792	16.45%	90,634
Building Parking	11,000	-	-	2,501
Legal Services	591,000	61,786	10.45%	578
Total Administrative and Office Expenses	2,566,797	302,658	11.79%	175,217
Office Supplies				
Books & Publications	4,750	839	17.66%	-
Office Supplies	9,500	1,789	18.83%	1,299
Misc Office Equipment	6,750	-	-	610
Computer Supplies	36,350	5,789	15.93%	560
Copy Supplies	1,500	-	-	565
Other Reports-Printing	8,000	-	-	-
Office Supplies-Printed	3,100	-	-	224
Postage Expense	1,150	8	0.70%	112
Total Office Supplies	71,100	8,424	11.85%	3,371

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending August 31, 2020

	Budget Amount FY 2021	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
Communications and Public Relations				
Graphic Design Services	20,000	-	-	-
Website Maintenance	50,000	3,412	6.82%	206
Research Services	115,000	30,671	26.67%	-
Communications and Marketing	125,000	17,556	14.05%	8,000
Advertising Expense	150,000	81,036	54.02%	72,983
Direct Mail	5,000	-	-	-
Video Production	10,000	8,820	88.20%	-
Photography	5,000	-	-	-
Other Public Relations	55,000	-	-	-
Promotional Items	-	945	-	-
Annual Report printing	6,500	553	8.51%	-
Direct Mail Printing	30,000	-	-	-
Other Communication Expenses	33,000	450	1.36%	171
Total Communications and Public Relations	604,500	143,443	23.73%	81,360
Employee Development				
Subscriptions	2,873	119	4.14%	279
Agency Memberships	60,980	950	1.56%	499
Continuing Education	9,200	275	2.99%	1,130
Professional Development	7,000	-	-	125
Other Licenses	1,250	-	-	40
Seminars and Conferences	38,500	245	0.64%	5,494
Travel	-	-	-	37,288
Total Employee Development	119,803	1,589	1.33%	44,855
Financing and Banking Fees				
Trustee Fees	48,000	3,763	7.84%	3,763
Bank Fee Expense	2,000	19	0.94%	139
Continuing Disclosure	4,000	-	-	-
Arbitrage Rebate Calculation	10,000	-	-	-
Rating Agency Expense	24,000	17,000	70.83%	16,500
Total Financing and Banking Fees	88,000	20,781	23.62%	20,402
Total Administrative	3,450,200	476,895	13.82%	325,205

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending August 31, 2020

	Budget Amount FY 2021	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
Operations and Maintenance				
Operations and Maintenance Consulting				
GEC-Trust Indenture Support	350,129	212,464	60.68%	-
GEC-Financial Planning Support	209,410	31,828	15.20%	-
GEC-Toll Ops Support	800,000	61,688	7.71%	-
GEC-Roadway Ops Support	682,969	128,627	18.83%	-
GEC-Technology Support	741,461	432,811	58.37%	200,937
GEC-Public Information Support	100,000	2,215	2.21%	-
GEC-General Support	1,158,085	94,568	8.17%	-
General System Consultant	1,082,515	108,687	10.04%	1,571
Traffic Modeling	50,000	28,627	57.25%	-
Traffic and Revenue Consultant	150,000	-	-	-
Total Operations and Maintenance Consulting	5,324,569	1,101,515	20.69%	202,507
Roadway Operations and Maintenance				
Roadway Maintenance	3,963,810	455,934	11.50%	244,315
Landscape Maintenance	2,665,410	-	-	-
Signal & Illumination Maint	50,000	-	-	-
Maintenance Supplies-Roadway	250,000	-	-	-
Tools & Equipment Expense	1,500	2,090	139.33%	257
Gasoline	30,500	1,774	5.82%	2,467
Repair & Maintenance - Vehicles	11,000	1,342	12.20%	493
Natural Gas	-	528	-	-
Electricity - Roadways	250,000	17,001	6.80%	25,749
Total Roadway Operations and Maintenance	7,222,220	478,670	6.63%	273,281
Toll Processing and Collection Expense				
Image Processing	1,200,000	283,382	23.62%	-
Tag Collection Fees	3,611,638	899,025	24.89%	1,095,990
Court Enforcement Costs	1,478,362	-	-	-
DMV Lookup Fees	1,000	-	-	89
Total Processing and Collection Expense	6,291,000	1,182,407	18.80%	1,096,079

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending August 31, 2020

	Budget			
	Amount FY	Actual Year to	Percent of	Actual Prior
	2021	Date	Budget	Year to Date
Toll Operations Expense				
Generator Fuel	3,000	-	-	-
Fire and Burglar Alarm	500	-	-	-
Refuse	2,400	229	9.54%	221
Telecommunications	-	-	-	10,421
Water - Irrigation	7,500	306	4.09%	395
Electricity	500	106	21.23%	-
ETC spare parts expense	50,000	-	-	-
Law Enforcement	300,000	39,468	13.16%	-
ETC Maintenance Contract	4,191,000	685,351	16.35%	170,807
ETC Toll Management Center System Operation	534,000	87,187	16.33%	-
ETC Development	1,250,000	192,174	15.37%	-
ETC Testing	200,000	700	0.35%	-
Total Toll Operations Expense	6,538,900	1,005,521	15.38%	181,844
Total Operations and Maintenance	25,376,689	3,768,114	14.85%	1,753,712
Other Expenses				
Special Projects and Contingencies				
HERO	148,000	12,319	8.32%	12,319
Special Projects	-	26,121	-	8,655
71 Express Net Revenue Payment	2,300,000	-	-	-
Technology Initiatives	125,000	21,145	16.92%	-
Other Contractual Svcs	220,000	122,202	55.55%	15,500
Contingency	750,000	-	-	-
Total Special Projects and Contingencies	3,543,000	181,788	5.13%	36,474

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending August 31, 2020

	Budget Amount FY 2021	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
Non Cash Expenses				
Amortization Expense	1,000,000	150,833	15.08%	132,977
Amort Expense - Refund Savings	1,050,000	176,302	16.79%	174,994
Dep Exp - Furniture & Fixtures	2,620	436	16.63%	436
Dep Expense - Equipment	59,000	417	0.71%	41,205
Dep Expense - Autos & Trucks	30,000	7,195	23.98%	4,957
Dep Expense - Building & Toll Fac	176,800	29,458	16.66%	29,458
Dep Expense - Highways & Bridges	40,000,000	5,797,390	14.49%	4,922,000
Dep Expense - Toll Equipment	4,000,000	609,638	15.24%	555,066
Dep Expense - Signs	800,000	169,428	21.18%	57,964
Dep Expense - Land Improvements	985,000	147,489	14.97%	221,233
Depreciation Expense - Computers	75,000	32,699	43.60%	2,262
Undevelopable Projects	-	4,468,748	-	-
Total Non Cash Expenses	48,178,420	11,590,033	24.06%	6,142,552
Total Other Expenses	51,721,420	11,771,821	22.76%	6,179,027
Non Operating Expenses				
Bond Issuance Expense	2,000,000	171,619	8.58%	37,792
Loan Fee Expense	50,000	-	-	-
Interest Expense	42,091,626	6,734,866	16.00%	6,417,792
Community Initiatives	65,000	5,050	7.77%	2,500
Total Non Operating Expenses	44,206,626	6,911,535	15.63%	6,458,084
TOTAL EXPENSES	\$131,327,621	\$23,835,847	18.15%	\$15,540,930
Net Income	(\$6,898,621)	(\$6,601,978)		6,033,522

Central Texas Regional Mobility Authority
Balance Sheet
as of August 31, 2020

	as of 08/31/2020	as of 08/31/2019
ASSETS		
Current Assets		
Cash		
Regions Operating Account	\$ 246,160	\$ 271,622
Cash in TexStar	240,071	336,118
Regions Payroll Account	108,071	75,926
Restricted Cash		
Goldman Sachs FSGF 465	122,065,488	191,655,114
Restricted Cash - TexSTAR	276,636,565	274,383,773
Overpayments account	<u>719,478</u>	<u>434,028</u>
Total Cash and Cash Equivalents	400,015,832	467,156,580
Accounts Receivable		
Accounts Receivable	2,770,089	2,776,451
Due From Other Agencies	45,611	55,028
Due From TTA	777,862	928,024
Due From NTTA	725,839	852,581
Due From HCTRA	970,521	1,116,378
Due From TxDOT	716,427	515,550
Interest Receivable	<u>314,596</u>	<u>700,013</u>
Total Receivables	6,320,946	6,944,025
Short Term Investments		
Treasuries	9,855,135	89,642,629
Agencies	<u>10,144,865</u>	<u>40,036,386</u>
Total Short Term Investments	20,000,000	129,679,015
Total Current Assets	426,336,778	603,779,620
Total Construction in Progress	649,955,708	658,376,547
Fixed Assets (Net of Depreciation and Amortization)		
Computers	446,254	18,637
Computer Software	3,229,707	3,301,724
Furniture and Fixtures	6,970	9,583
Equipment	4,207	8,318
Autos and Trucks	66,224	62,197
Buildings and Toll Facilities	4,741,056	4,917,804
Highways and Bridges	1,187,689,075	1,022,274,474
Toll Equipment	22,263,609	18,756,134
Signs	12,875,729	10,434,945
Land Improvements	7,821,648	8,706,582
Right of way	88,149,606	88,149,606
Leasehold Improvements	<u>129,307</u>	<u>175,450</u>
Total Fixed Assets	1,327,423,391	1,156,815,453
Other Assets		
Intangible Assets-Net	100,912,279	102,243,946
2005 Bond Insurance Costs	3,825,356	4,038,864
Prepaid Insurance	188,809	169,640
Deferred Outflows (pension related)	198,767	866,997
Pension Asset	<u>896,834</u>	<u>177,226</u>
Total Other Assets	106,022,046	107,496,674
Total Assets	<u><u>\$ 2,509,737,923</u></u>	<u><u>\$ 2,526,468,294</u></u>

Central Texas Regional Mobility Authority
Balance Sheet
as of August 31, 2020

	as of 08/31/2020	as of 08/31/2019
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 11,382,066	\$ 33,415
Construction Payable	20,895,372	24,605,188
Overpayments	722,663	437,128
Interest Payable	9,957,006	9,226,317
Due to other Funds	1,687,633	-
TCDRS Payable	71,733	98,451
Due to other Agencies	4,784	4,113,407
Due to TTA	404,307	1,173,703
Due to NTTA	53,095	179,712
Due to HCTRA	72,730	165,914
Due to Other Entities	1,854,914	964,647
71E TxDOT Obligation - ST	1,268,601	1,723,140
Total Current Liabilities	48,374,903	42,721,021
Long Term Liabilities		
Compensated Absences	543,329	541,425
Deferred Inflows (pension related)	164,402	206,675
Long Term Payables	707,731	748,100
Bonds Payable		
Senior Lien Revenue Bonds:		
Senior Lien Revenue Bonds 2010	76,419,103	78,167,583
Senior Lien Revenue Bonds 2011	17,634,871	16,576,795
Senior Refunding Bonds 2013	133,195,000	136,405,000
Senior Lien Revenue Bonds 2015	298,790,000	298,790,000
Senior Lien Put Bnd 2015	68,785,000	68,785,000
Senior Lien Refunding Revenue Bonds 2016	356,785,000	358,030,000
Senior Lien Revenue Bonds 2018	44,345,000	44,345,000
Senior Lien Revenue Bonds 2020A	50,265,000	-
Sn Lien Rev Bnd Prem/Disc 2013	4,174,607	5,988,878
Sn Lien Revenue Bnd Prem 2015	18,184,921	19,381,426
Sn Lien Put Bnd Prem 2015	-	1,552,303
Senior lien premium 2016 revenue bonds	42,368,485	46,657,344
Sn Lien Revenue Bond Premium 2018	3,638,508	3,905,081
Senior Lien Revenue Bond Premium 2020A	11,656,830	-
Total Senior Lien Revenue Bonds	1,126,242,326	1,078,584,410
Sub Lien Revenue Bonds:		
Sub Lien Refunding Bonds 2013	95,945,000	98,295,000
Sub Lien Refunding Bonds 2016	73,490,000	73,905,000
Subordinated Lien BANs 2018	46,020,000	46,020,000
Sub Refunding 2013 Prem/Disc	890,744	1,315,892
Sub Refunding 2016 Prem/Disc	7,313,146	8,156,399
Sub Lien BANS 2018 Premium	705,511	1,234,644
Total Sub Lien Revenue Bonds	224,364,401	228,926,935
Other Obligations		
TIFIA Note 2015	298,561,393	289,561,303
TIFIA Note 2019	51,917	50,414
SIB Loan 2015	33,695,520	33,255,059
State Highway Fund Loan 2015	33,695,550	33,255,089
State 45SW Loan	-	62,836,506
71E TxDOT Obligation - LT	60,728,211	60,728,211
Regions 2017 MoPAC Note	24,990,900	24,990,900
Total Other Obligations	451,723,490	504,677,480
Total Long Term Liabilities	1,803,037,948	1,812,936,926
Total Liabilities	1,851,412,851	1,855,657,947

Central Texas Regional Mobility Authority
Balance Sheet
as of August 31, 2020

	as of 08/31/2020	as of 08/31/2019
	NET ASSETS	
Contributed Capital	121,462,104	121,202,391
Net Assets Beginning	540,619,005	543,620,311
Current Year Operations	<u>(3,756,037)</u>	<u>5,987,645</u>
Total Net Assets	<u>658,325,072</u>	<u>670,810,347</u>
Total Liabilities and Net Assets	<u>\$ 2,509,737,923</u>	<u>\$ 2,526,468,294</u>

Central Texas Regional Mobility Authority
Statement of Cash Flow
as of August 31, 2020

Cash flows from operating activities:

Receipts from toll revenues	\$	17,498,515
Receipts from interest income		68,700
Payments to vendors		(6,077,730)
Payments to employees		(1,034,811)
Net cash flows provided by (used in) operating activities		10,454,673

Cash flows from capital and related financing activities:

Interest payments		(29,858,986)
Acquisitions of construction in progress		(45,105,885)
Net cash flows provided by (used in) capital and related financing activities		(74,964,871)

Cash flows from investing activities:

Purchase of investments		(25,301,304)
Proceeds from sale or maturity of investments		41,502,383
Net cash flows provided by (used in) investing activities		16,111,443
Net increase (decrease) in cash and cash equivalents		(48,398,755)
Cash and cash equivalents at beginning of period		146,942,487
Cash and cash equivalents at end of period	\$	98,543,732

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

Operating income	\$	422,443
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization		11,413,731
Changes in assets and liabilities:		
(Increase) decrease in prepaid expenses and other assets		68,866
(Decrease) increase in accounts payable		(2,751,924)
Increase (decrease) in accrued expenses		1,395,209
Total adjustments		10,032,230
Net cash flows provided by (used in) operating activities	\$	10,454,673

Reconciliation of cash and cash equivalents:

Unrestricted cash and cash equivalents	\$	1,073,709
Restricted cash and cash equivalents		97,470,023
Total	\$	98,543,732



183 South Design-Build Project
Contingency Status
 August 31, 2020



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

Total Project Contingency	\$47,860,000
----------------------------------	---------------------

Obligations	CO#1 City of Austin ILA Adjustment	(\$2,779,934)
	CO#2 Addition of Coping to Soil Nail Walls	\$742,385
	CO#4 Greenroads Implementation	\$362,280
	CO#6 51st Street Parking Trailhead	\$477,583
	CO#9 Patton Interchange Revisions	\$3,488,230
	CO#10 City of Austin Utility (\$1,010,000 - no cost to RMA)	\$0
	CO#17 Boggy Creek Turnaround	\$2,365,876
	CO#21 Wall 125 Differing Site Condition - Part A	\$1,263,577
	Others Less than \$300,000 (18)	\$2,355,313
	Executed Change Orders	\$8,275,310
Change Orders Under Negotiation	\$5,100,000	
Potential Contractual Obligations	\$22,040,000	

(-) Total Obligations	\$35,415,310
------------------------------	---------------------

Remaining Project Contingency	\$12,444,690
--------------------------------------	---------------------



290E Ph. III
Contingency Status
 August 31, 2020



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

Total Mobility Authority Contingency	\$10,633,758
Total TxDOT Project Contingency	\$15,292,524

Obligations	Others Less than \$300,000 (8)	\$152,949
	Executed Change Orders	\$152,949
	Change Orders Under Negotiation	\$274,000
	Potential Contractual Obligations	\$1,860,000

(-) Total Obligations	\$2,286,949
------------------------------	--------------------

Remaining Mobility Authority Contingency	\$8,402,569
Remaining TxDOT Contingency	\$15,236,961

INVESTMENTS by FUND

		Balance		
			August 31, 2020	
Renewal & Replacement Fund				TexSTAR 276,876,635.14
	TexSTAR	403,116.99		Goldman Sachs 100,898,773.55
	Goldman Sachs	15,110.27		Agencies & Treasury Notes 20,000,000.00
	Agencies/ Treasuries		418,227.26	
Grant Fund				\$ 397,775,408.69
	TexSTAR	4,452,432.44		
	Goldman Sachs	5,625,412.71		
	Agencies/ Treasuries	-	10,077,845.15	
Senior Debt Service Reserve Fund				
	TexSTAR	78,552,076.17		
	Goldman Sachs	5,656,983.55		
	Agencies/ Treasuries	-	84,209,059.72	
2010 Senior Lien DSF				
	Goldman Sachs	60,624.55	60,624.55	
2011 Debt Service Acct				
	Goldman Sachs	789,086.89	789,086.89	
2013 Sr Debt Service Acct				
	Goldman Sachs	3,620,777.34	3,620,777.34	
2013 Sub Debt Service Account				
	Goldman Sachs	2,445,335.66	2,445,335.66	
2015 Sr Capitalized Interest				
	Goldman Sachs	-	10,322,584.19	
	TexSTAR	10,322,584.19		
2015 State Highway Fund DSA				
	Goldman Sachs	229,140.32	229,140.32	
2015 SIB DSA				
	Goldman Sachs	229,140.32	229,140.32	
2015 SHF DSRF				
	Goldman Sachs	126,329.16	126,329.16	
2015 SIB DSRF				
	Goldman Sachs	126,329.16	126,329.16	
2015B Debt Service Account				
	Goldman Sachs	1,118,958.51	1,118,958.51	
2016 Sr Lien Rev Refunding Debt Service Account				
	Goldman Sachs	9,533,221.00	9,533,221.00	
2016 Sub Lien Rev Refunding Debt Service Account				
	Goldman Sachs	845,791.18	845,791.18	
2016 Sub Lien Rev Refunding DSR				
	Goldman Sachs	6,991,439.56		
	Agencies/ Treasuries	-	6,991,439.56	
Operating Fund				
	TexSTAR	240,070.69		
	TexSTAR-Trustee	2,001,191.20		
	Goldman Sachs	73,052.22	2,314,314.11	
Revenue Fund				
	Goldman Sachs	4,133,402.80	4,133,402.80	
General Fund				
	TexSTAR	52,954,233.95		
	Goldman Sachs	647,344.69	73,601,578.64	
	Agencies/ Treasuries	20,000,000.00		
2013 Sub Debt Service Reserve Fund				
	TexSTAR	5,281,087.80		
	Goldman Sachs	3,648,564.30	8,929,652.10	
71E Revenue Fund				
	Goldman Sachs	13,469,606.11	13,469,606.11	
MoPac Revenue Fund				
	Goldman Sachs	21,165.49	21,165.49	
MoPac General Fund				
	Goldman Sachs	14,564,280.33	14,564,280.33	
MoPac Operating Fund				
	Goldman Sachs	1,780,853.54	1,780,853.54	
MoPac Loan Repayment Fund				
	Goldman Sachs	36,019.62	36,019.62	
2015B Project Account				
	Goldman Sachs	15,971,550.57		
	Agencies/ Treasuries	-		
	TexSTAR	26,337,059.85	42,308,610.42	
2015 TIFIA Project Account				
	Goldman Sachs	458,372.86		
	TexSTAR	66,876,806.94		
	Agencies/ Treasuries	-	67,335,179.80	
2015 TIFIA Debt Service Reserve Fund				
	Goldman Sachs	1,184,196.00	1,184,196.00	
2011 Sr Financial Assistance Fund				
	Goldman Sachs	0.00	10,831,725.36	
	TexSTAR	10,831,725.36		
2018 Sr Lien Project Cap I				
	Goldman Sachs	4,630,774.21	4,630,774.21	
2018 Sr Lien Project Account				
	Goldman Sachs	965,696.68		
	TexSTAR	18,624,249.56	19,589,946.24	
2018 Sub Debt Service Account				
	Goldman Sachs	307,547.05	307,547.05	
2019 TIFIA Sub Lien Project Account				
	Goldman Sachs	50,960.45	50,960.45	
2020A Senior Lien Debt Service Acct				
	Goldman Sachs	419,128.98	419,128.98	
2020 SH 45SW Project Account				
	Goldman Sachs	1,122,577.47	1,122,577.47	
			<u>\$ 397,775,408.69</u>	

CTRMA INVESTMENT REPORT

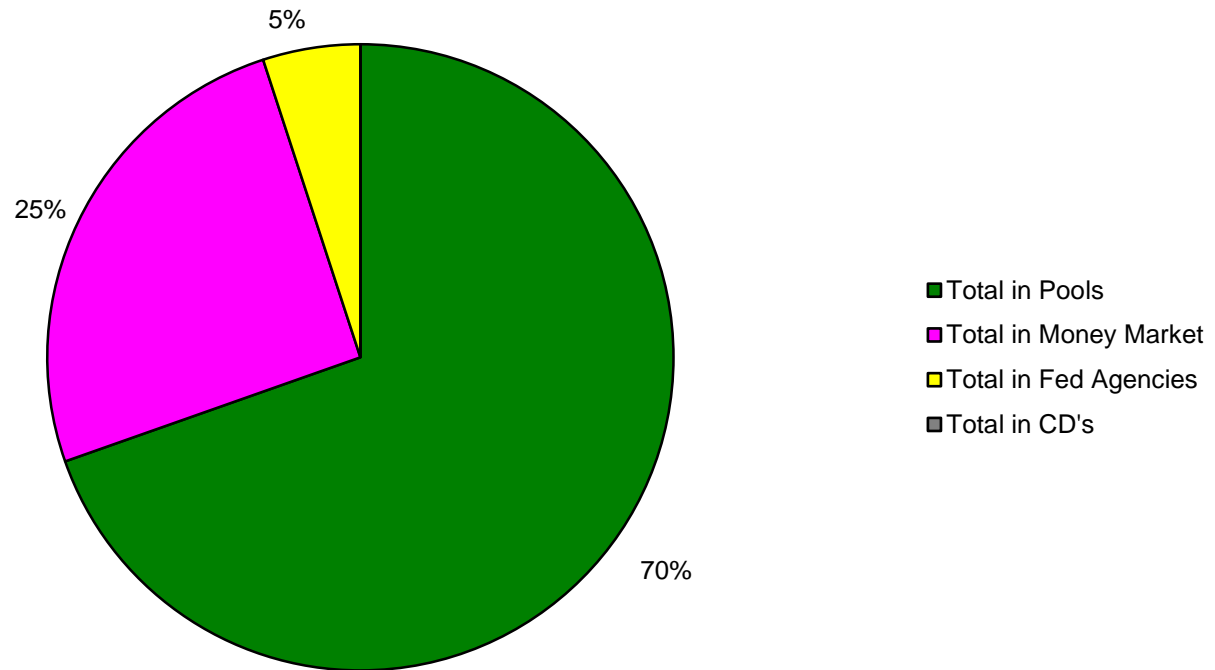
	Month Ending 8/31/2020					Rate August	
	Balance 8/1/2020	Additions	Discount Amortization	Accrued Interest	Withdrawals		Balance 8/31/2020
Amount in Trustee TexStar							
2011 Sr Lien Financial Assist Fund	10,830,212.22			1,513.14		10,831,725.36	0.1645%
2013 Sub Lien Debt Service Reserve General Fund	5,280,350.07			737.73		5,281,087.80	0.1645%
Trustee Operating Fund	54,634,367.44			7,499.13	1,687,632.62	52,954,233.95	0.1645%
Renewal and Replacement Grant Fund	1,072,991.41	3,228,000.00		199.79	2,300,000.00	2,001,191.20	0.1645%
Senior Lien Debt Service Reserve Fund	403,060.67			56.32		403,116.99	0.1645%
2015A Sr Ln Project Cap Interest	4,451,810.48			621.96		4,452,432.44	0.1645%
2015B Sr Ln Project	66,541,219.93	12,000,000.00		10,856.24		78,552,076.17	0.1645%
2015C TIFIA Project	10,321,142.21			1,441.98		10,322,584.19	0.1645%
2018 Sr Lien Project Account	26,333,380.73			3,679.12		26,337,059.85	0.1645%
	68,267,322.33			9,484.61	1,400,000.00	66,876,806.94	0.1645%
	19,833,942.14	1,687,632.62		2,674.80	2,900,000.00	18,624,249.56	0.1645%
	267,969,799.63	16,915,632.62		38,764.82	8,287,632.62	276,636,564.45	
Amount in TexStar Operating Fund	240,031.03	2,300,000.00		39.66	2,300,000.00	240,070.69	0.1645%
Goldman Sachs							
Operating Fund	295,706.77	3,005,310.72		34.73	3,228,000.00	73,052.22	0.0824%
2020 SH 45SW Project Account	1,122,434.47			143.00		1,122,577.47	0.0824%
2020A Senior Lien Debt Service Acct	209,737.85	209,377.43		13.70		419,128.98	0.0824%
2015B Project Account	15,969,598.05			1,952.52		15,971,550.57	0.0824%
2015C TIFIA Project Account	291,733.56	1,400,000.00		46.26	1,233,406.96	458,372.86	0.0824%
2015C TIFIA Debt Service Reserve Fund	0.00	1,184,196.00		0.00		1,184,196.00	0.0824%
2011 Sr Financial Assistance Fund	0.00			0.00		0.00	0.0824%
2010 Senior DSF	60,617.14			7.41		60,624.55	0.0824%
2011 Senior Lien Debt Service Acct	788,990.42			96.47		789,086.89	0.0824%
2013 Senior Lien Debt Service Acct	2,753,143.98	867,346.21		287.15		3,620,777.34	0.0824%
2013 Sub Debt Service Reserve Fund	3,648,118.26			446.04		3,648,564.30	0.0824%
2013 Subordinate Debt Service Acct	1,839,541.12	605,604.17		190.37		2,445,335.66	0.0824%
2015A Sr Ln Project Cap Interest	0.00			0.00		0.00	0.0824%
2015 Sub Lien SIB DSA	114,579.48	114,560.84		0.00		229,140.32	0.0824%
2015 Sub Lien SHF DSA	114,579.48	114,560.84		0.00		229,140.32	0.0824%
2015 Sub Lien SIB DSRF	0.00	126,329.16		0.00		126,329.16	0.0824%
2015 Sub Lien SHF DSRFA	0.00	126,329.16		0.00		126,329.16	0.0824%
2015A Debt Service Account	0.00			0.00		0.00	0.0824%
2015B Debt Service Acct	766,199.93	352,685.01		73.57		1,118,958.51	0.0824%
2016 Sr Lien Rev Refunding Debt Service Account	7,620,149.53	1,912,248.85		822.62		9,533,221.00	0.0824%
2016 Sub Lien Rev Refunding Debt Service Account	532,659.58	313,084.33		47.27		845,791.18	0.0824%
2016 Sub Lien Rev Refunding DSR	6,990,584.86			854.70		6,991,439.56	0.0824%
2018 Sr Lien Project Cap I	4,630,184.56			589.65		4,630,774.21	0.0824%
2018 Sr Lien Project Account	949,703.72	2,900,000.00		55.30	2,884,062.34	965,696.68	0.0824%
2018 Sub Debt Service Account	154,321.15	153,215.77		10.13		307,547.05	0.0824%
2018 Sr Lien Debt Service Account	0.00			0.00		0.00	0.0824%
2019 TIFIA Sub Lien Project Account	50,954.22			6.23		50,960.45	0.0824%
Grant Fund	5,624,725.00			687.71		5,625,412.71	0.0824%
Renewal and Replacement	15,108.42			1.85		15,110.27	0.0824%
Revenue Fund	5,656,439.67	10,345,110.39		445.10	11,868,592.36	4,133,402.80	0.0824%
General Fund	866,014.53	1,293,439.17		295.38	1,512,404.39	647,344.69	0.0824%
Senior Lien Debt Service Reserve Fund	17,654,824.98			2,158.57	12,000,000.00	5,656,983.55	0.0824%
71E Revenue Fund	12,925,297.69	621,646.89		1,529.44	78,867.91	13,469,606.11	0.0824%
MoPac Revenue Fund	101,534.45	165,608.19		18.36	245,995.51	21,165.49	0.0824%
MoPac General Fund	14,598,486.80			1,811.84	36,018.31	14,564,280.33	0.0824%
MoPac Operating Fund	1,637,874.71	245,995.51		197.17	103,213.85	1,780,853.54	0.0824%
MoPac Loan Repayment Fund	0.00	36,018.31		1.31		36,019.62	0.0824%
	107,983,844.38	26,092,666.95		12,823.85	33,190,561.63	100,898,773.55	
Amount in Fed Agencies and Treasuries							
Amortized Principal	20,000,000.00					20,000,000.00	
	20,000,000.00					20,000,000.00	
Certificates of Deposit							
Total in Pools	268,209,830.66	19,215,632.62		38,804.48	10,587,632.62	276,876,635.14	
Total in GS FSGF	107,983,844.38	26,092,666.95		12,823.85	33,190,561.63	100,898,773.55	
Total in Fed Agencies and Treasuries	20,000,000.00					20,000,000.00	
Total Invested	396,193,675.04	45,308,299.57		51,628.33	43,778,194.25	397,775,408.69	

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

William Chapman, CFO
Mary Temple, Controller

8/31/2020

Allocation of Funds



Amount of Investments As of August 31, 2020

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
Farmer Mac	31422BDL1	20,000,000.00	20,000,000.00	20,032,622.00	2.5995%	3/11/2019	9/25/2020	General Fund
		<u>20,000,000.00</u>	<u>20,000,000.00</u>	<u>20,032,622.00</u>				

Agency	CUSIP #	COST	Cumulative Amortization	8/31/2020			Interest Income		
				Book Value	Maturity Value		Accrued Interest	Amortization	Interest Earned
Farmer Mac	31422BDL1	20,000,000.00	-	20,000,000.00	20,000,000.00		43,333.33	-	43,333.33
		<u>20,000,000.00</u>	<u>-</u>	<u>20,000,000.00</u>	<u>20,000,000.00</u>		<u>43,333.33</u>	<u>-</u>	<u>43,333.33</u>

ESCROW FUNDS

Travis County Escrow Fund - Elroy Road

	<u>Balance</u>		<u>Accrued</u>		<u>Balance</u>
	<u>8/1/2020</u>	<u>Additions</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>8/31/2020</u>
Goldman Sachs	18,665,905.22		2,343.55	257,733.49	18,410,515.28

Travis County Escrow Fund - Ross Road

	<u>Balance</u>		<u>Accrued</u>		<u>Balance</u>
	<u>8/1/2020</u>	<u>Additions</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>8/31/2020</u>
Goldman Sachs	(75,861.68)		15.11		(75,846.57)

Berstrom Expressway 183S Escrow Account

	<u>Balance</u>		<u>Accrued</u>		<u>Balance</u>
	<u>8/1/2020</u>	<u>Additions</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>8/31/2020</u>
Goldman Sachs	206,410.03		25.24		206,435.27

Travis County Escrow Fund - Old San Antonio Road

	<u>Balance</u>		<u>Accrued</u>		<u>Balance</u>
	<u>8/1/2020</u>	<u>Additions</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>8/31/2020</u>
Goldman Sachs	298,340.59	115,288.00	40.76		413,669.35

Travis County Escrow Fund - Old Lockhart Road

	<u>Balance</u>		<u>Accrued</u>		<u>Balance</u>
	<u>8/1/2020</u>	<u>Additions</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>8/31/2020</u>
Goldman Sachs	283,071.18	181,588.00	40.88		464,700.06

Travis County Escrow Fund - County Line Road

	<u>Balance</u>		<u>Accrued</u>		<u>Balance</u>
	<u>8/1/2020</u>	<u>Additions</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>8/31/2020</u>
Goldman Sachs	709,244.82		87.94		709,332.76

Travis County Escrow Fund - South Pleasant Valley Road

	<u>Balance</u>		<u>Accrued</u>		<u>Balance</u>
	<u>8/1/2020</u>	<u>Additions</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>8/31/2020</u>
Goldman Sachs	406,691.18		49.79	3,221.61	403,519.36

Travis County Escrow Fund - Thaxton Road

	<u>Balance</u>		<u>Accrued</u>		<u>Balance</u>
	<u>8/1/2020</u>	<u>Additions</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>8/31/2020</u>
Goldman Sachs	220,805.79		30.11		220,835.90

Travis County Escrow Fund - Pearce Lane Road

	<u>Balance</u>		<u>Accrued</u>		<u>Balance</u>
	<u>8/1/2020</u>	<u>Additions</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>8/31/2020</u>
Goldman Sachs	80,187.31	343,247.00	10.35	9,891.65	413,553.01



PERFORMANCE

As of August 31, 2020

Current Invested Balance	\$9,465,008,033.71
Weighted Average Maturity (1)	28 Days
Weighted Average Maturity(2)	93 Days
Net Asset Value	1.000190
Total Number of Participants	931
Management Fee on Invested Balance	0.06%*
Interest Distributed	\$1,869,166.32
Management Fee Collected	\$493,579.82
% of Portfolio Invested Beyond 1 Year	6.83%
Standard & Poor's Current Rating	AAAm

August Averages

Average Invested Balance	\$9,839,068,420.90
Average Monthly Yield, on a simple basis	0.1645%
Average Weighted Maturity (1)*	29 Days
Average Weighted Life (2)*	95 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.

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

NEW PARTICIPANTS

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

- * Travis County Housing Finance Corporation

HOLIDAY REMINDER

In observance of **Columbus Day, TexSTAR will be closed on Monday, October 12, 2020.** All ACH transactions initiated on Friday, October 9th will settle on Tuesday, October 13th. Please plan accordingly for your liquidity needs.

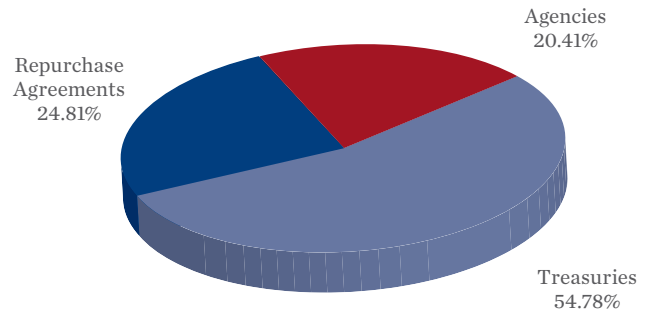
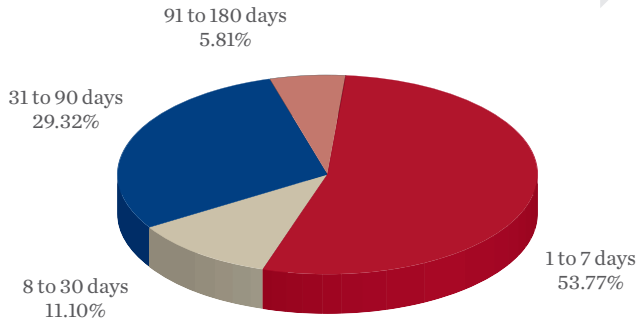
ECONOMIC COMMENTARY

Market review

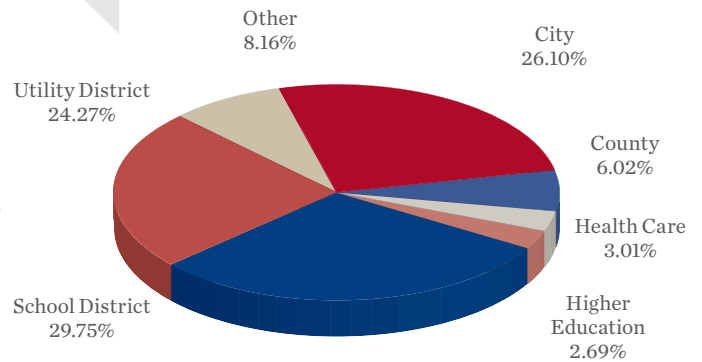
The market waded off a series of headwinds in August, despite delayed fiscal stimulus, an intensification of tensions between the U.S. and China, and a second wave of infections, which threatened the pace of economic recovery. Negotiations on a new COVID-19 relief bill stalled as the U.S. Senate adjourned in mid-August. An additional stimulus package appears unlikely before mid-September. This implies slightly lower U.S. Treasury bill issuance as there is no additional spending that requires funding. Therefore, yields on Treasury bills have continued to decline and currently stand near or at their 2-month low. The 3-month Treasury bill yield ended the month at 0.09%, and the 12-month Treasury bill yield at 0.11%. The August U.S. employment report showed solid gains despite the virus resurgence in the second half of July. Government employment increased 344,000, boosted by temporary Census hiring, while the private sector added about 1 million jobs. Additionally, many people are still being paid by their employers, under the Paycheck Protection Program (PPP), but are not actually working. As we shift into autumn, central bank policy continues to be the main fundamental driver of the market. While the ultra-accommodative monetary policy stance remains unchanged, Federal Reserve (Fed) Chairman Jerome Powell made some important announcements about the Fed's overall framework at the annual Jackson Hole symposium. The shift to an average inflation targeting approach—under which the Fed will allow inflation to remain above 2%, to make up for the fact that it has been running below 2% for an extended period of time—was largely anticipated by the market, even if it was expected to be announced at a later date. The more noteworthy incremental change is in the approach to the unemployment rate, with the Fed in future only responding to “shortfalls” and not “deviations”. In other words, a low unemployment rate alone will no longer cause the Fed to raise rates. These changes solidify the Fed's easy policy and remove the tail risk of a taper tantrum-like scenario for fixed income markets. Investor optimism across markets continued in August amid mounting hopes for a COVID-19 vaccine and data reaffirming solid global growth. *(continued page 4)*

INFORMATION AT A GLANCE

**PORTFOLIO BY
TYPE OF INVESTMENT
AS OF AUGUST 31, 2020**



**PORTFOLIO BY
MATURITY
AS OF AUGUST 31, 2020**



**DISTRIBUTION OF
PARTICIPANTS BY TYPE
AS OF AUGUST 31, 2020**

HISTORICAL PROGRAM INFORMATION

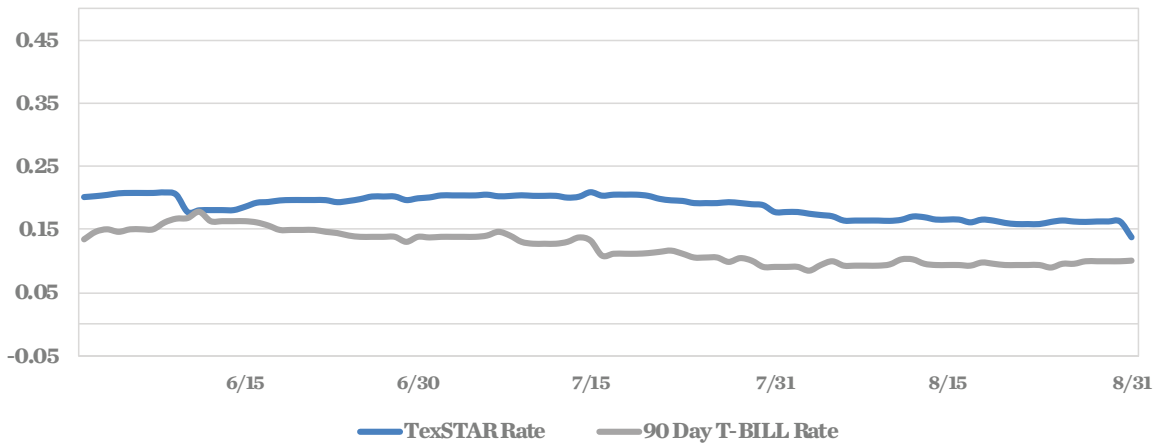
MONTH	AVERAGE RATE	BOOK VALUE	MARKET VALUE	NET ASSET VALUE	WAM (1)*	WAM (2)*	NUMBER OF PARTICIPANTS
Aug 20	0.1645%	\$ 9,465,008,033.71	\$ 9,466,814,693.25	1.000190	29	95	931
Jul 20	0.2003%	10,009,983,894.25	10,012,082,381.15	1.000209	27	101	930
Jun 20	0.1974%	9,671,601,669.74	9,674,049,521.47	1.000253	33	108	927
May 20	0.2444%	9,711,678,322.09	9,714,791,961.71	1.000320	29	103	924
Apr 20	0.4447%	9,402,508,666.82	9,406,011,209.34	1.000372	27	111	923
Mar 20	0.9570%	8,656,111,186.51	8,662,045,828.91	1.000685	27	108	922
Feb 20	1.5641%	9,669,676,298.74	9,671,875,580.06	1.000213	32	84	921
Jan 20	1.5514%	9,728,196,391.64	9,728,681,551.87	1.000027	33	96	920
Dec 19	1.5643%	8,550,355,101.35	8,550,086,726.49	0.999959	36	110	918
Nov 19	1.6177%	8,004,510,359.61	8,003,923,189.55	0.999918	30	109	917
Oct 19	1.8510%	8,148,867,422.02	8,148,521,034.89	0.999957	24	109	915
Sep 19	2.1065%	7,801,760,097.32	7,801,464,171.79	0.999962	22	113	912

PORTFOLIO ASSET SUMMARY AS OF AUGUST 31, 2020

	BOOK VALUE	MARKET VALUE
Uninvested Balance	\$ 3,783.82	\$ 3,783.82
Accrual of Interest Income	3,508,369.41	3,508,369.41
Interest and Management Fees Payable	(1,850,991.31)	(1,850,991.31)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreement	2,347,594,999.82	2,347,594,999.82
Government Securities	7,115,751,871.97	7,117,558,531.51
TOTAL	\$ 9,465,008,033.71	\$ 9,466,814,693.25

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 AUGUST 2020

DATE	MNY MKT FUND EQUIV. [SEC Std.]	DAILY ALLOCATION FACTOR	INVESTED BALANCE	MARKET VALUE PER SHARE	WAM DAYS (1)*	WAL DAYS (2)*
8/1/2020	0.1780%	0.000004877	\$10,009,983,894.25	1.000209	26	92
8/2/2020	0.1780%	0.000004877	\$10,009,983,894.25	1.000209	25	92
8/3/2020	0.1752%	0.000004801	\$10,057,005,467.35	1.000203	25	92
8/4/2020	0.1731%	0.000004743	\$10,085,330,278.03	1.000198	26	95
8/5/2020	0.1711%	0.000004687	\$10,079,127,085.75	1.000196	25	94
8/6/2020	0.1641%	0.000004495	\$10,403,327,378.73	1.000193	31	95
8/7/2020	0.1641%	0.000004497	\$10,386,332,243.16	1.000225	29	93
8/8/2020	0.1641%	0.000004497	\$10,386,332,243.16	1.000225	29	93
8/9/2020	0.1641%	0.000004497	\$10,386,332,243.16	1.000225	29	93
8/10/2020	0.1636%	0.000004481	\$10,360,011,812.93	1.000222	29	92
8/11/2020	0.1654%	0.000004531	\$10,312,001,353.80	1.000217	29	95
8/12/2020	0.1707%	0.000004676	\$10,049,552,788.49	1.000219	30	97
8/13/2020	0.1695%	0.000004644	\$9,957,519,805.74	1.000221	30	96
8/14/2020	0.1657%	0.000004540	\$9,816,427,627.59	1.000212	30	96
8/15/2020	0.1657%	0.000004540	\$9,816,427,627.59	1.000212	30	96
8/16/2020	0.1657%	0.000004540	\$9,816,427,627.59	1.000212	30	96
8/17/2020	0.1612%	0.000004416	\$9,722,423,784.51	1.000212	33	96
8/18/2020	0.1656%	0.000004536	\$9,648,481,650.28	1.000219	33	97
8/19/2020	0.1640%	0.000004492	\$9,650,344,654.78	1.000213	32	97
8/20/2020	0.1603%	0.000004391	\$9,617,250,483.92	1.000213	33	100
8/21/2020	0.1584%	0.000004341	\$9,577,985,333.08	1.000202	32	98
8/22/2020	0.1584%	0.000004341	\$9,577,985,333.08	1.000202	32	98
8/23/2020	0.1584%	0.000004341	\$9,577,985,333.08	1.000202	32	98
8/24/2020	0.1619%	0.000004436	\$9,493,403,053.58	1.000204	31	98
8/25/2020	0.1642%	0.000004500	\$9,554,124,879.16	1.000206	31	97
8/26/2020	0.1625%	0.000004451	\$9,513,321,343.61	1.000207	30	97
8/27/2020	0.1619%	0.000004436	\$9,453,723,277.56	1.000209	30	97
8/28/2020	0.1626%	0.000004455	\$9,408,986,838.71	1.000200	28	95
8/29/2020	0.1626%	0.000004455	\$9,408,986,838.71	1.000200	28	95
8/30/2020	0.1626%	0.000004455	\$9,408,986,838.71	1.000200	28	95
8/31/2020	0.1369%	0.000003750	\$9,465,008,033.71	1.000190	28	93
21						
Average	0.1645%	0.000004507	\$9,839,068,420.90		29	95



(continued from page 1)

Outlook

The COVID-19 health crisis and economic shutdowns have resulted in a massive \$2 trillion hole in U.S. output. Since the trough in April, the economy has recovered a good deal of its initial losses, but economic activity remains depressed and unemployment is still high relative to pre-COVID levels. As of July, real consumption remains 4.7% below pre-COVID levels, retracing about ~75% of its decline. That said, high frequency activity data since July hints at further losses in economic momentum after a second wave of cases in southern and western states brought daily new cases in the U.S. to a new high of over 70,000 a day. Since then, the pace of increase in new virus cases has moderated to closer to 50,000 a day. We expect that a full recovery will be slow until there is a widely available vaccine, as different regions of the economy are in various stages of reopening depending on the virus’s development in that area. While the U.S. government’s response has been swift and significant, an additional fiscal stimulus package will be critical to keeping the economic recovery on track. Over 27 million people were receiving some sort of unemployment benefit as of the end of June. The White House and Congress are currently debating how to replace the July 31st expiration of enhanced unemployment benefits. Additionally, PPP loans could be keeping more than 20 million people employed that would have otherwise been out of work. We expect the Fed to maintain its aggressive quantitative easing (QE) program through the end of 2020, purchasing over \$2 trillion in U.S. Treasuries and \$1 trillion in gross agency mortgage-backed securities (MBS) purchases. We also expect the Fed to keep policy rates at the zero lower bound for the foreseeable future. Easy monetary policy that will persist for a substantial period of time will likely continue to be successful in promoting market liquidity and stabilizing inflation expectations but may struggle to fully offset the negative shock to real economic growth unless additional government aid is announced. However, we maintain a close eye on corporate solvency and defaults, as they pose a danger as the economy has structurally shifted as a result of the new social distancing requirements. The virus will determine the course of the recovery until there is a broadly distributed vaccine. Therefore, we expect the unemployment rate to remain elevated. Following the conclusion of the Democratic and Republican conventions and the Fed’s announcement of the results of its prolonged inflation policy review, the U.S. presidential election will take center stage as the next significant catalyst for markets.

This information is an excerpt from an economic report dated August 2020 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.

TEXSTAR BOARD MEMBERS

William Chapman	Central Texas Regional Mobility Authority	Governing Board President
Nell Lange	City of Frisco	Governing Board Vice President
Eric Cannon	City of Allen	Governing Board Treasurer
David Medanich	Hilltop Securities	Governing Board Secretary
Jennifer Novak	J.P. Morgan Asset Management	Governing Board Asst. Sec./Treas
Monte Mercer	North Central TX Council of Government	Advisory Board
Becky Brooks	City of Grand Prairie	Advisory Board
David Pate	Richardson ISD	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 1201 Elm Street, Suite 3500, Dallas, Texas 75270, (214) 859-1800. Member NYSE/FINRA/SIPC. Past performance is no guarantee of future results. Investment Management Services are offered through J.P. Morgan Asset Management Inc. and/or its affiliates. Marketing and Enrollment duties are offered through HilltopSecurities and/or its affiliates. HilltopSecurities and J.P. Morgan Asset Management Inc. are separate entities.

