



CENTRAL TEXAS REGIONAL  
**MOBILITY AUTHORITY**

October 30, 2024  
**AGENDA ITEM #5**

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Accept the unaudited financial  
statements for September 2024

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 unaudited financial statements for September 2024.

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

**Financing:** N/A

**Action requested/Staff Recommendation:** Accept the unaudited financial statements for September 2024.

**Backup provided:** Draft Resolution  
Draft unaudited financial statements for September 2024

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

**RESOLUTION NO. 24-0XX**

**ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR SEPTEMBER 2024**

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 2024 and has caused financial statements to be prepared and attached to this resolution as Exhibit A; and

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors accepts the unaudited financial statements for September 2024, attached hereto as Exhibit A.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30<sup>th</sup> day of October 2024.

Submitted and reviewed by:

Approved:

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James M. Bass  
Executive Director

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

**Exhibit A**

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2024**

	Budget Amount FY 2025	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>REVENUE</b>				
<b>Operating Revenue</b>				
Toll Revenue	178,100,000	42,510,737	23.87%	38,533,687
Video Tolls	67,500,000	14,245,779	21.10%	13,408,972
Fee Revenue	13,200,000	3,846,586	29.14%	3,241,602
<b>Total Operating Revenue</b>	<b>258,800,000</b>	<b>60,603,101</b>	<b>23.42%</b>	<b>55,184,260</b>
<b>Other Revenue</b>				
Interest Income	43,025,800	8,599,132	19.99%	10,563,041
Grant Revenue	595,467	309,462	51.97%	82,466
Misc Revenue	100,000	5,890	5.89%	5,609
Unrealized Gain/Loss	-	123,484	-	-
<b>Total Other Revenue</b>	<b>43,721,267</b>	<b>9,037,969</b>	<b>20.67%</b>	<b>10,651,116</b>
<b>TOTAL REVENUE</b>	<b>302,521,267</b>	<b>69,641,070</b>	<b>23.02%</b>	<b>65,835,376</b>
<b>EXPENSES</b>				
<b>Salaries and Benefits</b>				
Salary Expense - Regular	4,994,532	903,879	18.10%	878,691
Salary Reserve	80,000	-	-	-
TCDRS	1,142,301	163,110	14.28%	162,515
FICA	257,234	46,273	17.99%	43,734
FICA MED	72,421	12,967	17.91%	12,624
Health Insurance Expense	586,073	121,581	20.75%	113,041
Life Insurance Expense	3,249	607	18.69%	726
Auto Allowance Expense	10,200	2,295	22.50%	2,295
Other Benefits	204,671	21,892	10.70%	17,210
Unemployment Taxes	5,760	-	-	-
<b>Total Salaries and Benefits</b>	<b>7,356,441</b>	<b>1,272,605</b>	<b>17.30%</b>	<b>1,230,837</b>
<b>Administrative</b>				
<b>Administrative and Office Expenses</b>				
Accounting	9,500	2,185	23.00%	2,176
Auditing	270,000	90,000	33.33%	62,100
Financial Advisors	200,000	27,900	13.95%	54,000
Human Resources	100,000	254	0.25%	494
Legal	60,000	6,195	10.33%	4,750
IT Services	365,000	54,390	14.90%	77,002
Software Licenses	1,573,150	1,374,991	87.40%	689,309
Cell Phones	34,900	2,840	8.14%	7,476
Local Telephone Service	2,200	610	27.72%	24,873
Overnight Delivery Services	200	8	4.19%	-
Copy Machine	15,300	3,816	24.94%	3,816
Repair & Maintenance-General	10,000	-	-	8,445
Meeting Facilities	2,500	-	-	-
Meeting Expense	13,750	899	6.54%	489
Toll Tag Expense	3,000	300	10.00%	100
Parking / Local Ride Share	2,500	127	5.06%	27
Mileage Reimbursement	4,600	97	2.10%	206
Insurance Expense	1,301,000	241,891	18.59%	147,556
Rent Expense	992,200	76,639	7.72%	25,020
Building Parking	3,500	200	5.70%	192
Total Legal Services	458,000	-	-	18,793
<b>Total Administrative and Office Expenses</b>	<b>5,421,300</b>	<b>1,883,342</b>	<b>34.74%</b>	<b>1,126,822</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2024**

	Budget Amount FY 2025	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Office Supplies</b>				
Books & Publications	5,250	894	17.03%	639
Office Supplies	5,250	329	6.27%	88
Misc Office Equipment	4,500	-	-	-
Computer Supplies	201,850	5,932	2.94%	23,650
Copy Supplies	750	-	-	-
Other Reports - Printing	500	-	-	-
Office Supplies - Printed	3,500	845	24.15%	102
Postage Expense	900	-	-	329
<b>Total Office Supplies</b>	<b>222,500</b>	<b>8,000</b>	<b>3.60%</b>	<b>24,807</b>
<b>Communications and Public Relations</b>				
Print Production	75,000	-	-	-
Website Maintenance	240,000	21,981	9.16%	157,325
Research Services	210,000	11,900	5.67%	-
Communications and Marketing	500,000	5,953	1.19%	12,420
Media Planning and Placement	1,225,000	489,153	39.93%	165,235
Direct Mail Production	60,000	-	-	-
TV and Video Production	250,000	-	-	-
Photography	25,000	850	3.40%	295
Radio Production	50,000	-	-	-
Other Public Relations	20,000	13,000	65.00%	-
Promotional Items	20,000	-	-	1,166
Printing	80,000	-	-	-
Other Communication Expenses	15,000	4,306	28.71%	-
<b>Total Communications and Public Relations</b>	<b>2,770,000</b>	<b>547,143</b>	<b>19.75%</b>	<b>336,441</b>
<b>Employee Development</b>				
Subscriptions	1,250	139	11.12%	139
Agency Memberships	88,300	35	0.04%	25
Continuing Education	14,800	150	1.01%	500
Professional Development	21,400	3,285	15.35%	-
Other Licenses	2,000	375	18.75%	-
Seminars and Conferences	70,300	4,300	6.12%	1,445
Travel	107,000	12,013	11.23%	12,852
<b>Total Employee Development</b>	<b>305,050</b>	<b>20,297</b>	<b>6.65%</b>	<b>14,961</b>
<b>Financing and Banking Fees</b>				
Trustee Fees	75,000	15,000	20.00%	32,500
Bank Fee Expense	6,500	1,621	24.94%	1,505
Continuing Disclosure	10,000	-	-	-
Arbitrage Rebate Calculation	16,500	-	-	-
Rating Agency Expense	50,000	33,500	67.00%	32,500
<b>Total Financing and Banking Fees</b>	<b>158,000</b>	<b>50,121</b>	<b>31.72%</b>	<b>66,505</b>
<b>Total Administrative</b>	<b>8,876,850</b>	<b>2,508,902</b>	<b>28.26%</b>	<b>1,569,536</b>
<b>Operations and Maintenance</b>				
<b>Operations and Maintenance Consulting</b>				
GEC-Trust Indenture Support	1,568,659	652,600	41.60%	485,164
GEC-Financial Planning Support	300,000	73,595	24.53%	100,754
GEC-Toll Ops Support	1,142,136	439,234	38.46%	311,715
GEC-Roadway Ops Support	1,515,000	217,776	14.37%	259,921
GEC-Technology Support	804,962	119,151	14.80%	328,107
GEC-Public Information Support	200,000	51,531	25.77%	56,106

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2024**

	Budget Amount FY 2025	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
GEC-General Support	2,226,000	381,746	17.15%	365,306
General System Consultant	2,307,274	295,365	12.80%	36,186
Traffic Modeling	125,000	-	-	-
Traffic and Revenue Consultant	1,200,000	176,961	14.75%	60,761
<b>Total Operations and Maintenance Consulting</b>	<b>11,389,031</b>	<b>2,407,958</b>	<b>21.14%</b>	<b>2,004,020</b>
<b>Roadway Operations and Maintenance</b>				
Roadway Maintenance	4,169,031	487,458	11.69%	256,969
Landscape Maintenance	3,249,260	480,554	14.79%	391,010
Signal & Illumination Maint	25,000	-	-	-
Maintenance Supplies-Roadway	400,000	-	-	-
Tools & Equipment Expense	-	957	-	-
Gasoline	30,000	4,120	13.73%	3,729
Repair & Maintenance - Vehicles	10,000	(1,468)	-14.68%	360
Natural Gas	7,500	2,389	31.85%	7,220
Electricity - Roadways	300,000	53,881	17.96%	65,052
<b>Total Roadway Operations and Maintenance</b>	<b>8,190,791</b>	<b>1,027,890</b>	<b>12.55%</b>	<b>724,340</b>
<b>Toll Processing and Collection Expense</b>				
Image Processing	3,300,000	400,191	12.13%	514,785
Tag Collection Fees	12,675,000	2,894,244	22.83%	2,682,471
Court Enforcement Costs	160,000	-	-	-
PBM Incentive	500,000	-	-	-
<b>Total Processing and Collection Expense</b>	<b>16,635,000</b>	<b>3,294,435</b>	<b>19.80%</b>	<b>3,197,257</b>
<b>Toll Operations Expense</b>				
Generator Fuel	3,000	-	-	-
Fire & Burglar Alarm	500	123	24.67%	123
Refuse	2,360	512	21.71%	474
Telecommunications	100,000	30,103	30.10%	-
Water - Irrigation	7,500	1,674	22.32%	2,252
Electricity	750	225	29.98%	249
ETC Spare Parts Expense	150,000	21,285	14.19%	16,453
Repair & Maintenance Toll Equip	100,000	-	-	-
Law Enforcement	725,000	128,655	17.75%	118,445
ETC Maintenance Contract	6,450,000	497,986	7.72%	531,208
Transaction Processing Maintenance Contract	2,000,000	-	-	-
ETC Toll Management Center System Operation	1,338,822	116,363	8.69%	134,101
ETC Development	456,000	-	-	65,823
ETC Testing	50,000	-	-	-
<b>Total Toll Operations Expense</b>	<b>11,383,932</b>	<b>796,928</b>	<b>7.00%</b>	<b>869,127</b>
<b>Total Operations and Maintenance</b>	<b>47,598,754</b>	<b>7,527,212</b>	<b>15.81%</b>	<b>6,794,744</b>
<b>Other Expenses</b>				
<b>Special Projects and Contingencies</b>				
HERO	711,621	34,401	4.83%	41,838
Special Projects	50,000	-	-	-
Disbursement Other Government - Travis County Road	-	16,171	-	-
71 Express Interest Expense	6,750,000	431,155	6.39%	1,621,070
Customer Relations	10,000	-	-	-
Technology Initiatives	100,000	-	-	-
Other Contractual Svcs	390,000	40,500	10.38%	48,000
Contingency	200,000	-	-	-
<b>Total Special Projects and Contingencies</b>	<b>8,211,621</b>	<b>522,227</b>	<b>6.36%</b>	<b>1,710,909</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>72,043,666</b>	<b>11,830,945</b>	<b>16.42%</b>	<b>11,306,025</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2024**

	Budget Amount FY 2025	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Non Cash Expenses</b>				
<b>Amortization Expense</b>				
Amortization Expense - Intangible Software	-	375,464	-	-
Amortization Expense - Software	13,000,000	-	-	6,349
Amortization Expense - Right to Use Asset - Leases	515,000	128,688	24.99%	-
Amortization Expense - Refundings	6,600,000	1,650,790	25.01%	1,536,354
<b>Subtotal Amortization Expense</b>	<b>20,115,000</b>	<b>2,154,942</b>	<b>10.71%</b>	<b>1,542,704</b>
<b>Depreciation Expense</b>				
Dep Expense - Equipment	-	-	-	155,676
Dep Expense - Autos & Trucks	31,000	7,602	24.52%	7,602
Dep Expense - Buildng & Toll Fac	180,000	44,187	24.55%	44,187
Dep Expense - Highways & Bridges	53,500,000	13,130,769	24.54%	12,709,388
Dep Expense - Toll Equipment	13,640,000	848,048	6.22%	759,562
Dep Expense - Signs	1,830,000	336,958	18.41%	302,239
Dep Expense - Land Improvements	545,000	135,581	24.88%	163,163
<b>Subtotal Depreciation Expense</b>	<b>69,726,000</b>	<b>14,503,145</b>	<b>20.80%</b>	<b>14,141,817</b>
<b>Total Non Cash Expenses</b>	<b>89,841,000</b>	<b>16,658,087</b>	<b>18.54%</b>	<b>15,684,520</b>
<b>Non Operating Expenses</b>				
Interest Expense - Debt Obligations	109,112,756	24,808,631	22.74%	19,698,810
CAMPO RIF Payment	10,000,000	10,000,000	100.00%	6,000,000
Community Initiatives	600,000	64,207	10.70%	-
<b>Total Non Operating Expenses</b>	<b>119,712,756</b>	<b>34,872,837</b>	<b>29.13%</b>	<b>25,698,810</b>
<b>TOTAL EXPENSES</b>	<b>281,597,422</b>	<b>63,361,870</b>	<b>22.50%</b>	<b>52,689,355</b>
<b>Net Income</b>	<b>20,923,845</b>	<b>6,279,201</b>	<b>30.01%</b>	<b>13,146,021</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2024**

**as of 09/30/2024**    **as of 09/30/2023**

**ASSETS**

**Current Assets**

**Cash**

Regions Operating Account	628,271	93,698
Cash in TexStar	1,413,785	158,162
Regions Payroll Account	109,622	107,534

**Restricted Cash**

Goldman Sachs FSGF 465	299,016,289	592,768,575
Restricted Cash - TexSTAR	28,061,811	6,210,647
Treasury SLGS	222,885,094	-

<b>Total Cash and Cash Equivalents</b>	<b>552,114,871</b>	<b>599,338,616</b>
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**Accounts Receivables**

Accounts Receivable - Net	5,984,664	4,979,871
Due From Other Agencies	349,019	346,552
Due From TTA	1,171,565	988,433
Due From NTTA	1,837,290	1,477,295
Due From HCTRA	2,348,988	3,652,916
Due From TxDOT	9,774,045	6,073,328
Due From Other Funds	1,964,106	-
Interest Receivable	963,090	693,342

<b>Total Receivables</b>	<b>24,392,766</b>	<b>18,211,737</b>
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**Short Term Investments**

Treasuries	163,106,750	118,543,252
Agencies	250,712,604	339,758,036

<b>Total Short Term Investments</b>	<b>413,819,354</b>	<b>458,301,288</b>
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<b>Total Current Assets</b>	<b>990,326,991</b>	<b>1,075,851,641</b>
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**Construction in Progress**

	<b>539,161,563</b>	<b>370,517,955</b>
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**Capital Assets (Net of Depreciation and Amortization)**

**Depreciable Assets**

Equipment	-	1,245,411
Autos and Trucks	8,869	39,279
Buildings and Toll Facilities	4,283,551	4,185,774
Highways and Bridges	1,667,921,496	1,712,299,190
Toll Equipment	21,384,970	14,916,806
Signs	11,148,649	11,100,566



**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2024**

	as of 09/30/2024	as of 09/30/2023
Land Improvements	4,608,849	5,151,172
Right of way	88,149,606	88,149,606
Leasehold Improvements	-	297,427
<b>Intangible Assets</b>		
Intangible Software	5,600,209	-
<b>Right to Use Assets</b>		
Leases	815,025	-
<b>Total Fixed Assets</b>	<b>1,803,921,224</b>	<b>1,837,385,230</b>
<b>Other Assets</b>		
Intangible Assets-Net	161,084,585	167,277,378
Deferred Outflows (pension related)	2,384,338	2,738,023
Pension Asset	-	1,046,634
<b>Total Other Assets</b>	<b>163,468,923</b>	<b>171,062,035</b>
<b>Total Assets</b>	<b>3,496,878,701</b>	<b>3,454,816,862</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable	12,442,590	3,372,178
Construction Payable	-	9,796,249
Overpayments	-	1,570
Interest Payable	24,279,213	19,966,690
Due to other Funds	1,964,106	-
TCDRS Payable	84,542	82,369
Due to other Agencies	11,062	3,569
Due to TTA	639,399	625,830
Due to HCTRA	155,380	154,452
Due to Other Entities	-	1,878,422
71E TxDOT Obligation - ST	1,138,812	4,307,645
<b>Total Current Liabilities</b>	<b>40,715,103</b>	<b>40,188,973</b>
<b>Long Term Liabilities</b>		
Compensated Absences	222,277	240,954
Right to Use Obligations - Lease	949,904	1,286,881
Deferred Inflows (pension related)	1,192,688	1,378,935
Pension Liability	1,971,627	-
<b>Long Term Payables</b>	<b>4,336,496</b>	<b>2,906,771</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2024**

**as of 09/30/2024    as of 09/30/2023**

**Bonds Payable**

**Senior Lien Revenue Bonds:**

Senior Lien Revenue Bonds 2010	106,547,913	96,178,695
Senior Lien Revenue Bonds 2011	9,954,410	16,459,605
Senior Lien Revenue Bonds 2015	10,000,000	10,000,000
Senior Lien Refunding Revenue Bonds 2016	47,045,000	59,340,000
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	54,305,000	54,970,000
Senior Lien Refunding Bonds 2020C	133,210,000	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	273,650,000	274,150,000
Senior Lien Refunding Bonds 2021E	329,545,000	332,585,000
Senior Lien Premium 2016 Revenue Bonds	5,995,127	6,736,845
Sn Lien Revenue Bond Premium 2018	2,550,001	2,816,574
Senior Lien Revenue Bond Premium 2020A	10,865,879	11,112,493
Senior Lien Refunding Bond Premium 2020B	10,567,736	11,102,812
Senior Lien Revenue Bonds Premium 2020E	21,996,302	23,711,689
Senior Lien Revenue Bonds Premium 2021B	52,253,848	52,830,298
Senior Lien Refunding Bonds Premium 2021D	43,379,357	44,221,847
<b>Total Senior Lien Revenue Bonds</b>	<b>1,628,710,575</b>	<b>1,651,495,859</b>

**Sub Lien Revenue Bonds:**

Sub Lien Refunding Bonds 2016	69,055,000	71,435,000
Sub Lien Refunding Bonds 2020D	93,430,000	97,440,000
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 2016 Prem/Disc	4,068,452	4,797,315
Subordinated Lien BANs 2020F Premium	1,000,716	5,003,581
Subordinated Lien Refunding Bonds Premium 2020G	6,259,283	6,663,255
Sub Lien BANS 2021C Premium	17,126,274	24,737,951
<b>Total Sub Lien Revenue Bonds</b>	<b>607,569,725</b>	<b>626,707,102</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2024**

	as of 09/30/2024	as of 09/30/2023
<b>Other Obligations</b>		
TIFIA Note 2021 - 183S	322,354,437	361,020,863
TIFIA Note 2021 - 290E	41,088,581	-
71E TxDOT Obligation - LT	47,253,089	51,918,220
Regions 2022 MoPac Loan	22,490,900	23,765,900
<b>Total Other Obligations</b>	<b>433,187,007</b>	<b>436,704,983</b>
<b>Total Long Term Liabilities</b>	<b>2,673,803,803</b>	<b>2,717,814,715</b>
<b>Total Liabilities</b>	<b>2,714,518,906</b>	<b>2,758,003,688</b>
 <b>NET ASSETS</b>		
Contributed Capital	-	121,462,104
Net Assets Beginning	776,080,594	563,196,620
Current Year Operations	6,279,201	13,146,021
<b>Total Net Assets</b>	<b>782,359,795</b>	<b>697,804,745</b>
<b>Total Liabilities and Net Assets</b>	<b>3,496,878,701</b>	<b>3,455,808,433</b>

**Central Texas Regional Mobility Authority**

**Statement of Cash Flow**

**as of September 2024**

**Cash flows from operating activities:**

Receipts from toll revenues	68,419,016
Receipts from other sources	438,837
Payments to vendors	(50,849,058)
Payments to employees	(1,282,502)
Net cash flows provided by (used in) operating activities	16,726,294

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

Payment on Intangible assets	(1,654,119)
Interest Expense	(44,364,111)
Payments on bonds / loans	(745,582)
RIF Contribution	(10,000,000)
Acquisition of capital assets - non project	(1,327,688)
Acquisitions of construction in progress	(25,867,757)
Net cash flows provided by (used in) capital and related financing activities	(83,959,257)

**Cash flows from investing activities:**

Interest income	8,482,593
Purchase of investments	(182,422,587)
Net cash flows provided by (used in) investing activities	(173,939,994)

Net increase (decrease) in cash and cash equivalents	(241,172,958)
Cash and cash equivalents at beginning of period	817,680,594
Cash and cash equivalents at end of period	576,507,637

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

Operating income	6,279,201
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	16,658,087
Changes in assets and liabilities:	
Decrease in accounts receivable	7,815,915
Increase in prepaid expenses and other assets	241,428
Decrease in accrued expenses	(30,542,042)
Decrease in Interest expense	24,872,837
Increase in interest receivable	(8,599,132)
Total adjustments	10,447,093
Net cash flows provided by (used in) operating activities	\$ 16,726,294

**Reconciliation of cash and cash equivalents:**

Unrestricted cash and cash equivalents	249,429,537
Restricted cash and cash equivalents	327,078,100
Total	576,507,637

**CTRMA INVESTMENT REPORT**  
**Month Ending September 30, 2024**

	Balance 8/31/2024	Accrued Interest	Additions	Cash Transfers	Withdrawals	Balance 9/30/2024	Rate September '24
<b>Amount in Trustee TexStar</b>							
2011 Sr Lien Financial Assist Fund	16.86	0.04				16.90	5.13%
2013 Sub Lien Debt Service Reserve General Fund	863,297.85	3,128.05			250,000.00	616,425.90	5.13%
Trustee Operating Fund	10,175,350.28	42,910.86				10,218,261.14	5.13%
Renewal and Replacement	17,032,369.88	65,679.59		(3,000,000.00)		14,098,049.47	5.13%
TxDOT Grant Fund	8.70					8.70	5.13%
Senior Lien Debt Service Reserve Fund	502,678.76	2,119.85				504,798.61	5.13%
2015B Sr Ln Project	427,247.43	1,801.74				429,049.17	5.13%
2015C Sub TIFIA Project	386,931.75	1,631.75				388,563.50	5.13%
2018 Sr Lien Project	768,700.92	3,241.72				771,942.64	5.13%
	1,030,349.98	4,345.11				1,034,695.09	5.13%
	<b>31,186,952.41</b>	<b>124,858.71</b>	<b>-</b>	<b>(3,000,000.00)</b>	<b>250,000.00</b>	<b>28,061,811.12</b>	
<b>Amount in TexStar Operating Fund</b>							
	<b>2,007,338.38</b>	<b>6,446.91</b>		<b>3,000,000.00</b>	<b>3,600,000.00</b>	<b>1,413,785.29</b>	<b>5.13%</b>
<b>Goldman Sachs</b>							
Operating Fund	4,610,607.86	19,990.54		5,000,000.00	4,302.51	9,626,295.89	5.03%
2020A Senior Lien Debt Service	423,637.87	1,181.42		209,437.50		634,256.79	5.03%
2020B Senior Lien Debt Service	909,011.60	3,099.25		276,837.50		1,188,948.35	5.03%
2020C Senior Lien Debt Service	4,049,502.40	15,437.58		734,488.33		4,799,428.31	5.03%
2020D Sub Lien Debt Service	3,225,503.69	12,309.98		580,855.71		3,818,669.38	5.03%
2020D Sub Debt Service Reserve Fund	1,101,216.76	4,850.87				1,106,067.63	5.03%
2020E Sr Lien Project	92,519,666.38	427,995.84	217,866.99		528,883.52	92,636,645.69	5.03%
2020E Sr Ln Project Cap Interest	8,349,244.82	36,780.87				8,386,025.69	5.03%
2020F Sub Lien Debt Service	1,075,842.81	3,228.80		461,979.17		1,541,050.78	5.03%
2020G Sub Lien Debt Service	430,069.34	1,199.03		212,716.67		643,985.04	5.03%
2020G Sub Debt Service Reserve Fund	466,526.45	2,055.03				468,581.48	5.03%
2021A Sub Debt Service Reserve Fund	1,967,648.16	8,667.28				1,976,315.44	5.03%
2021A TIFIA Sub Lien Debt Service Acct	525,487.64	2,314.93				527,802.57	5.03%
2021B Senior Lien Cap I Project Fund	26,067,401.50	114,834.54				26,182,236.04	5.03%
2021B Senior Lien Project	367,826.89	25,502.04	20,000,000.00		19,587,914.24	805,414.69	5.03%
2021B Senior Lien Cap I Debt Service Acct	9,434.34	41.54				9,475.88	5.03%
2021C Sub Lien Cap I Project Fund	1,469.89	6.48				1,476.37	5.03%
2021C Sub Lien Project	6,336,141.05	34,566.81				6,370,707.86	5.03%
2021C Sub Lien Debt Service	2,056,895.50	5,734.36		1,017,437.50		3,080,067.36	5.03%
2021D Senior Lien Debt Service	2,234,825.38	6,658.59		974,500.00		3,215,983.97	5.03%
2021E Senior Lien Debt Service	3,772,780.24	13,107.10		1,074,393.20		4,860,280.54	5.03%
2011 Sr Financial Assistance Fund	143.92	0.63				144.55	5.03%
2010 Senior DSF	5,829,440.86	23,570.36		646,171.30		6,499,182.52	5.03%
2011 Senior Lien Debt Service	4,870,966.65	19,641.04		556,403.31		5,447,011.00	5.03%
2013 Senior Lien Debt Service	44,218.64	194.82				44,413.46	5.03%
2013 Sub Debt Service Reserve Fund	135.62	0.60	250,000.00		1,476.30	248,659.92	5.03%
2013 Subordinate Debt Service	34,801.47	153.33				34,954.80	5.03%
2015A Sr Lien Debt Service	5,006,344.49	41,566.27		208,333.33		5,256,244.09	5.03%
2015B Project	4,941,934.14	21,843.75			56,855.88	4,906,922.01	5.03%
2015C TIFIA Project	1,141,265.85	5,028.33				1,146,294.18	5.03%
2016 Sr Lien Rev Refunding Debt Service	8,803,071.07	38,785.63				8,841,856.70	5.03%
2016 Sub Lien Rev Refunding Debt Service	2,381,854.34	8,890.53		490,271.88		2,881,016.75	5.03%
2016 Sub Lien Rev Refunding DSR	844,183.14	3,719.40				847,902.54	5.03%
2018 Sr Lien Debt Service	1,044,507.59	3,724.70		268,104.17		1,316,336.46	5.03%
2018 Sr Lien Project	12,164,514.95	54,187.60			712,524.06	11,506,178.49	5.03%
TxDOT Grant Fund	528,647.79	2,329.18				530,976.97	5.03%
Renewal and Replacement	40.01	1.18		30,900.00	30,931.72	9.47	5.03%
Revenue Fund	10,661,829.46	61,548.32	19,513,935.72	(20,053,270.21)		10,184,043.29	5.03%
General Fund	27,360,971.64	104,627.72		5,610,134.44	493,471.75	32,582,262.05	5.03%
Senior Lien Debt Service Reserve Fund	3,400,557.69	14,982.59				3,415,540.28	5.03%
71E Revenue Fund	8,287,726.29	33,038.78	346,101.67	791,805.14	126,811.88	9,331,860.00	5.03%
MoPac Revenue Fund	75,039.27	2,592.66	329,310.22	(320,847.47)		86,094.68	5.03%
MoPac General Fund	20,769,320.10	58,718.22		651,756.53	10,000,000.00	11,479,794.85	5.03%
MoPac Operating Fund	2,771,047.45	10,918.90		400,000.00	341,143.78	2,840,822.57	5.03%
MoPac Loan Repayment Fund	382,715.91	1,055.12		177,592.00		561,363.03	5.03%
	<b>281,846,018.91</b>	<b>1,250,682.54</b>	<b>40,657,214.60</b>	<b>-</b>	<b>31,884,315.64</b>	<b>291,869,600.41</b>	
<b>Amount in Fed Agencies and Treasuries</b>							
Amortized Principal	413,819,353.93					413,819,353.93	
<b>Certificates of Deposit</b>							
<b>Total in Pools - TxStar</b>	33,194,290.79	131,305.62	-	-	3,850,000.00	29,475,596.41	
<b>Total in GS FSGF</b>	281,846,018.91	1,250,682.54	40,657,214.60	-	31,884,315.64	291,869,600.41	
<b>Total in Treasury SLGS</b>	269,000,000.00	3,385,094.13	-	-	49,500,000.00	222,885,094.13	
<b>Total in Fed Agencies and Treasuries</b>	413,819,353.93	-	-	-	-	413,819,353.93	
<b>Total Invested</b>	997,859,663.63	4,767,082.29	40,657,214.60	-	85,234,315.64	958,049,644.88	

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

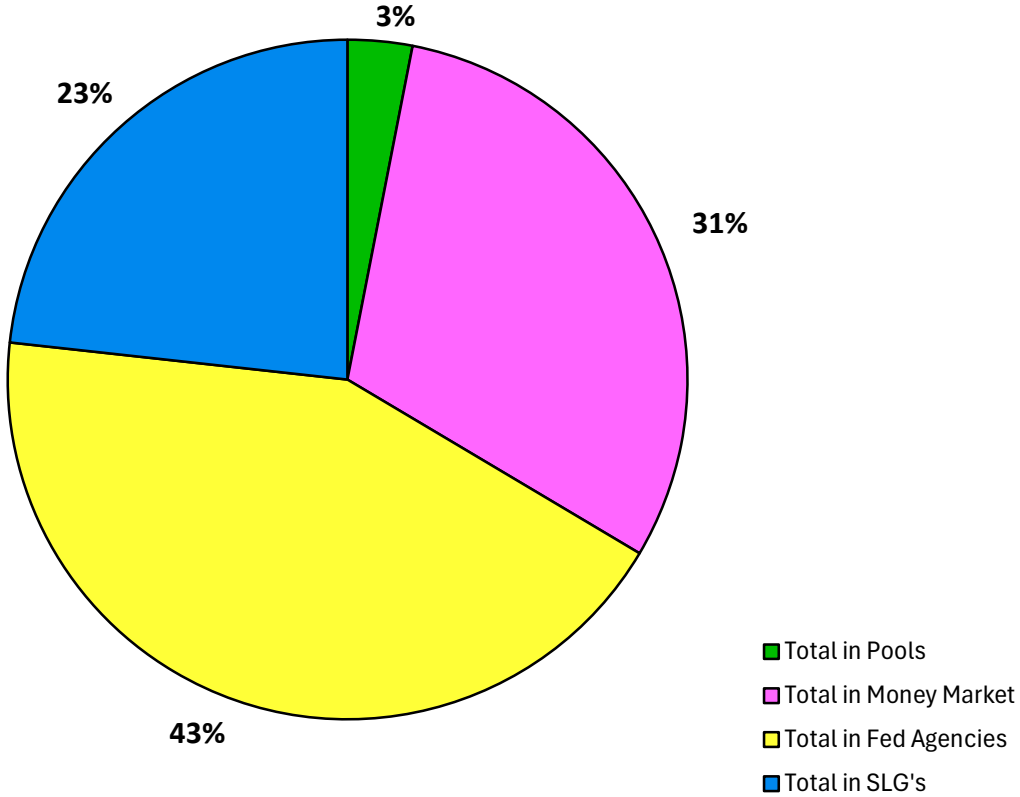
Ann Zigmund, Controller

## Investments by Fund

Fund	TexSTAR	TexSTAR-Trustee	Goldman Sachs	Agencies / Treasuries / SLGS	Balance
Renewal and Replacement Fund	8.70		9.47		18.17
Grant Fund	504,798.61		530,976.97	10,000,000.00	11,035,775.58
Senior Debt Service Reserve Fund	429,049.17		3,415,540.28	114,051,334.25	117,895,923.70
2010 Senior Lien Debt Service			6,499,182.52		6,499,182.52
2011 Sr Debt Service t			5,447,011.00		5,447,011.00
2013 Sr Debt Service t			44,413.46		44,413.46
2013 Sub Debt Service			34,954.80		34,954.80
2013 Sub Debt Service Reserve Fund	616,425.90		248,659.92		865,085.82
2015 Sr Debt Service			5,256,244.09		5,256,244.09
2016 Sr Lien Rev Refunding Debt Service			8,841,856.70		8,841,856.70
2016 Sub Lien Rev Refunding Debt Service			2,881,016.75		2,881,016.75
2016 Sub Lien Rev Refunding DSR			847,902.54	6,825,843.85	7,673,746.39
Operating Fund	14,098,049.47	1,413,785.29	9,626,295.89		25,138,130.65
Revenue Fund			10,184,043.29		10,184,043.29
General Fund	10,218,261.14		32,582,262.05	182,098,391.72	224,898,914.91
71E Revenue Fund			9,331,860.00	29,639,926.50	38,971,786.50
MoPac Revenue Fund			86,094.68		86,094.68
MoPac General Fund			11,479,794.85		11,479,794.85
MoPac Operating Fund			2,840,822.57		2,840,822.57
MoPac Loan Repayment Fund			561,363.03		561,363.03
2015B Project	388,563.50		4,906,922.01		5,295,485.51
2015 TIFIA Project	771,942.64		1,146,294.18	40,000,000.00	41,918,236.82
2011 Sr Financial Assistance Fund	16.90		144.55		161.45
2018 Sr Lien Debt Service			1,316,336.46		1,316,336.46
2018 Sr Lien Project Cap I			-		-
2018 Sr Lien Project	1,034,695.09		11,506,178.49		12,540,873.58
2020A Senior Lien Debt Service			634,256.79		634,256.79
2020B Senior Lien Debt Service			1,188,948.35		1,188,948.35
2020C Senior Lien Debt Service			4,799,428.31		4,799,428.31
2020D Sub Lien Debt Service			3,818,669.38		3,818,669.38
2020D Sub Debt Service Reserve Fund			1,106,067.63	7,800,964.40	8,907,032.03
2020E Senior Lien Project			92,636,645.69		92,636,645.69
2020E Senior Lien Project Cap Interest			8,386,025.69		8,386,025.69
2020F Sub Lien Project			-		-
2020F Sub Lien Deb Service			1,541,050.78		1,541,050.78
2020G Sub Lien Debt Service			643,985.04		643,985.04
2020G Sub Lien Debt Service Reserve			468,581.48	3,900,482.20	4,369,063.68
2021A Sub Lien Debt Service Reserve			1,976,315.44	19,502,411.01	21,478,726.45
2021A Sub Debt Service			527,802.57		527,802.57
2021B Senior Lien Cap I Project Fund			26,182,236.04		26,182,236.04
2021B Senior Lien Project			805,414.69	217,105,989.55	217,911,404.24
2021B Senior Lien Cap I Debt Service Acct			9,475.88		9,475.88
2021C Sub Lien Cap I Project Fund			1,476.37	5,779,104.58	5,780,580.95
2021C Sub Lien Project			6,370,707.86		6,370,707.86
2021C Sub Lien Debt Service			3,080,067.36		3,080,067.36
2021D Senior Lien Debt Service			3,215,983.97		3,215,983.97
2021E Senior Lien Debt Service			4,860,280.54		4,860,280.54
<b>Totals</b>	<b>28,061,811.12</b>	<b>1,413,785.29</b>	<b>291,869,600.41</b>	<b>636,704,448.06</b>	<b>958,049,644.88</b>

9/30/2024

### Allocation of Funds







Bank	Fund	Cost	Cummulative Amortization	Book Value	Maturity Value	Interest Income		
						Accrued Interest	Amortization	Interest Earned
6180000120	GENERAL	40,000,000.00		40,000,000.00	40,000,000.00			
6180000120	GENERAL	9,960,128.90		9,960,128.90	10,000,000.00	27,777.78		527,777.78
6180000120	GENERAL	9,960,128.90		9,960,128.90	10,000,000.00	27,777.78		527,777.78
6180000120	GENERAL	41,501,020.00		41,501,020.00	43,000,000.00			
6180000059	SENLIENCSR	9,651,400.00		9,651,400.00	10,000,000.00			
6180000120	GENERAL	48,794,377.50		48,794,377.50	50,000,000.00			
6180006366	2016SUBDSR	6,825,843.85		6,825,843.85	7,000,000.00			
1001017484	2020D DSRF	7,800,964.40		7,800,964.40	8,000,000.00			
1001021540	2020G DSRF	3,900,482.20		3,900,482.20	4,000,000.00			
1001021543	2021A DSRF	19,502,411.01		19,502,411.01	20,000,000.00			
6180000059	SENLIENCSR	30,228,737.05		30,228,737.05	31,000,000.00			
6180000059	SENLIENCSR	34,171,197.20		34,171,197.20	35,000,000.00			
6180000059	SENLIENCSR	20,000,000.00		20,000,000.00	20,000,000.00	22,222.22		1,022,222.22
6146001086	71E REVENU	15,000,000.00		15,000,000.00	15,000,000.00			
6146001086	71E REVENU	14,639,926.50		14,639,926.50	14,670,000.00	97,800.00		366,750.00
6180000120	GENERAL	11,882,736.42		11,882,736.42	12,000,000.00	113,036.99		288,340.12
6180000120	GENERAL	20,000,000.00		20,000,000.00	20,000,000.00			954,000.00
6180000059	SENLIENCSR	20,000,000.00		20,000,000.00	20,000,000.00			954,000.00
6180005349	2015TIFIAP	10,000,000.00		10,000,000.00	10,000,000.00			104,430.56
6180000157	TXDOTGRANT	10,000,000.00		10,000,000.00	10,000,000.00			104,430.56
6180005349	2015TIFIAP	30,000,000.00		30,000,000.00	30,000,000.00			
		413,819,353.93	-	413,819,353.93	419,670,000.00	288,614.77	-	4,745,298.46

### Goldman Sachs County Road Escrow Funds

	<b>Balance</b>	<b>Accrued</b>			<b>Balance</b>
	<b>8/31/2024</b>	<b>Interest</b>	<b>Additions</b>	<b>Withdrawals</b>	<b>9/30/2024</b>
Travis County Escrow Fund - Elroy Road	3,110,690.88	13,705.46			3,124,396.34
Travis County Escrow Fund - Ross Road	335,873.43	1,479.62			337,353.05
Travis County Escrow Fund - Old San Antonio Road	114,400.51	503.96			114,904.47
Travis County Escrow Fund - Old Lockhart Road	273,222.53	1,203.62		10,280.36	264,145.79
Travis County Escrow Fund - County Line Road	2,623,627.68	11,557.80			2,635,185.48
Travis County Escrow Fund - South Pleasant Valley Road	250,944.62	1,105.48			252,050.10
Travis County Escrow Fund - Thaxton Road	199,022.37	876.75			199,899.12
Travis County Escrow Fund - Pearce Lane Road	217,794.39	959.44			218,753.83
	<b>7,125,576.41</b>	<b>31,392.13</b>	<b>-</b>	<b>10,280.36</b>	<b>7,146,688.18</b>

**State and Local Government Series as of 9/30/24**

<b>Bank</b>	<b>Fund</b>	<b>Agency</b>	<b>Arbitrage Yield</b>	<b>CUSIP</b>	<b>Yield</b>	<b>Purchased Date</b>	<b>Purchase Value</b>	<b>Beginning</b>	<b>Accrued Interest</b>	<b>Withdrawals</b>	<b>End Value</b>
1001021281	2021CPROJ	State and Local Government Series (SLGS)	1.831%	99SLA1060	4.18%	4/23/2024	35,000,000.00	35,000,000.00	279,104.58	29,500,000.00	5,779,104.58
1001021273	2021BPROJ	State and Local Government Series (SLGS)	1.831%	99SLA1078	4.18%	4/23/2024	210,000,000.00	210,000,000.00	3,049,060.09	-	213,049,060.09
1001021273	2021BPROJ	State and Local Government Series (SLGS)	1.831%	99SLA1870	4.18%	8/9/2024	24,000,000.00	24,000,000.00	56,929.46	20,000,000.00	4,056,929.46
											-
											-
							<b>269,000,000.00</b>	<b>269,000,000.00</b>	<b>3,385,094.13</b>	<b>49,500,000.00</b>	<b>222,885,094.13</b>



### PERFORMANCE

#### As of September 30, 2024

Current Invested Balance	\$ 10,713,994,849.49
Weighted Average Maturity (1)	24 Days
Weighted Average Life (2)	67 Days
Net Asset Value	1.000355
Total Number of Participants	1056
Management Fee on Invested Balance	0.06%*
Interest Distributed	\$ 46,929,365.78
Management Fee Collected	\$ 540,633.20
% of Portfolio Invested Beyond 1 Year	4.25%
Standard & Poor's Current Rating	AAAm

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

#### September Averages

Average Invested Balance	\$ 10,993,149,088.51
Average Monthly Yield, on a simple basis	5.1324%
Average Weighted Maturity (1)	26 Days
Average Weighted Life (2)	66 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:

- \* City of Ballinger    \* Cypress Springs Special Utility District    \* Fort Bend County Municipal Utility District No. 232
- \* Fort Bend County Municipal Utility District No. 246    \* Jefferson County Emergency Service District No. 3
- \* Montgomery County Municipal Utility District No. 197    \* City of Mount Vernon    \* City of Omaha

### HOLIDAY REMINDER

In observance of **Columbus Day**, **TexSTAR will be closed on Monday, October 14, 2024**. All ACH transactions initiated on Friday, October 11th will settle on Tuesday, October 15th. Standard transaction deadlines will be observed on Friday, October 11th. Please plan accordingly for your liquidity needs.

### ECONOMIC COMMENTARY

#### Market review

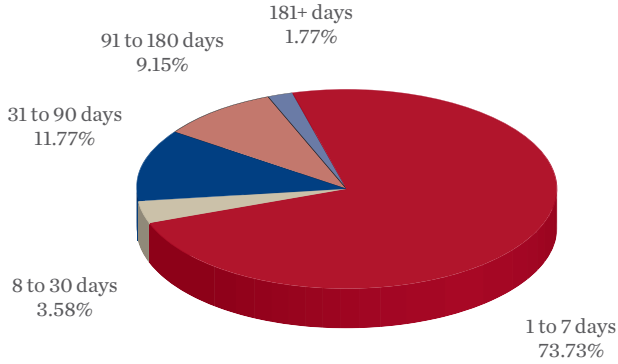
The third quarter provided further evidence that the Federal Reserve (Fed) has successfully cooled down the post-pandemic supercharged economy, aligning it with their dual mandate of price stability and full employment. The disinflationary trend has made significant progress, as the core Personal Consumption Expenditures Price Index (PCE), the Fed's preferred measure for inflation, has declined to a three-month annualized run rate of 2.1% as of August, a substantial drop from 6.6% in 2021. The labor market has also shown signs of cooling, with unemployment rising from a low of 3.4% to 4.2%. Despite these adjustments, the Fed has managed to keep the economy on a stable footing. The economy grew at a 3.0% seasonally adjusted annualized rate in the second quarter, well above first quarter's 1.6%, bringing average GDP growth for the first half of the year to a solid 2.3%, which is in line with trend growth. In a highly anticipated decision, the Federal Open Market Committee (FOMC) voted to lower the federal funds rate by 50 basis points (bps), a larger-than-expected move and their first move lower since March 2020. During his press conference, Powell described the move as a policy "recalibration," suggesting the Fed is proactively managing economic risk.

While the August jobs report was stronger than the downwardly revised weak July report, it didn't represent a full rebound, but it did alleviate some concerns about a hard landing. The establishment survey showed fewer-than-expected job gains of 142,000, primarily concentrated in the construction, leisure and hospitality, and healthcare industries, bringing the three-month moving average down to 116,000. Additionally, July's job gains were revised down to 89,000. On a positive note, the unemployment rate ticked lower from 4.25% to 4.22%, providing some relief after the recent increase.

*(continued page 4)*

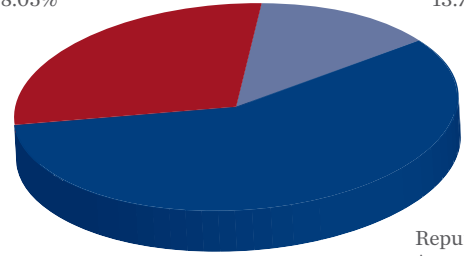
## INFORMATION AT A GLANCE

### PORTFOLIO BY TYPE OF INVESTMENT AS OF SEPTEMBER 30, 2024

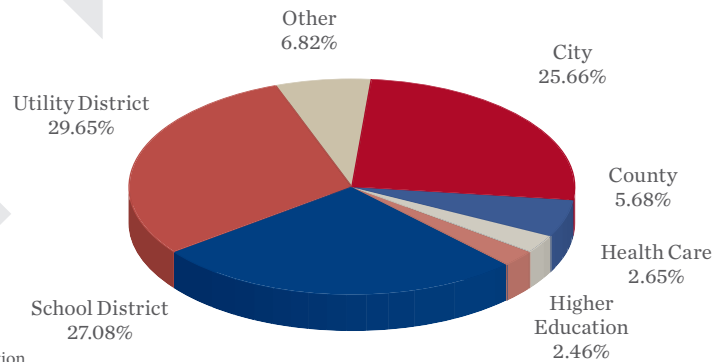


Treasuries  
28.05%

Agencies  
13.78%



### PORTFOLIO BY MATURITY AS OF SEPTEMBER 30, 2024 (1)



### DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF SEPTEMBER 30, 2024

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

## HISTORICAL PROGRAM INFORMATION

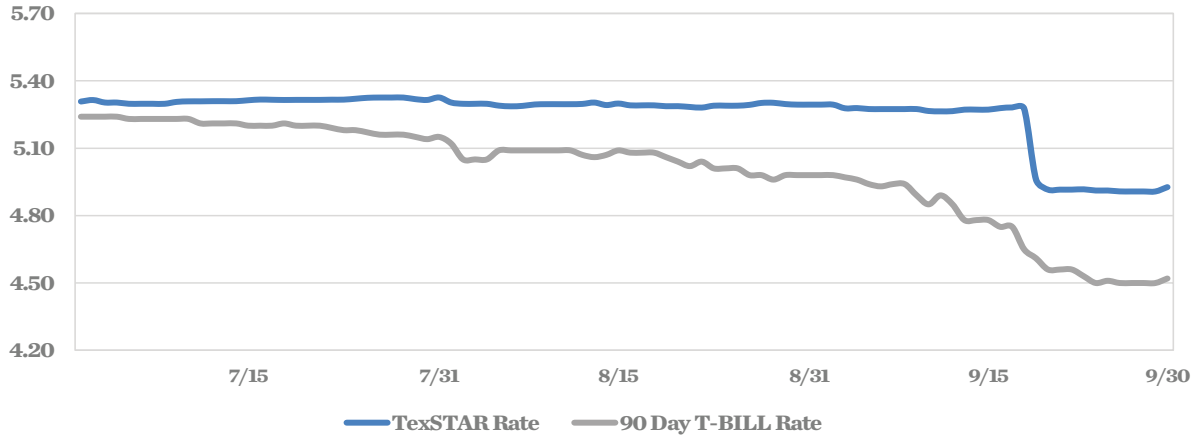
MONTH	AVERAGE RATE	BOOK VALUE	MARKET VALUE	NET ASSET VALUE	WAM (1)	WAL (2)	NUMBER OF PARTICIPANTS
Sep 24	5.1324%	\$10,713,994,849.49	\$10,717,808,636.16	1.000355	26	66	1056
Aug 24	5.2939%	10,960,587,143.65	10,963,170,866.05	1.000150	31	61	1048
Jul 24	5.3131%	11,614,008,231.39	11,614,697,399.72	1.000059	33	64	1043
Jun 24	5.3126%	10,696,510,063.51	10,695,858,054.79	0.999939	36	66	1040
May 24	5.3078%	10,946,135,253.27	10,946,064,280.53	0.999895	37	67	1037
Apr 24	5.3057%	11,388,285,240.44	11,386,977,182.36	0.999885	35	65	1031
Mar 24	5.2986%	11,373,415,394.49	11,372,687,872.41	0.999936	36	68	1025
Feb 24	5.3035%	11,928,691,803.89	11,927,911,436.19	0.999934	36	69	1024
Jan 24	5.3200%	11,483,316,119.03	11,483,741,551.85	1.000037	42	77	1024
Dec 23	5.3378%	10,557,076,424.02	10,557,101,303.24	0.999972	44	85	1037
Nov 23	5.3307%	10,148,883,026.83	10,148,191,305.12	0.999931	33	74	1034
Oct 23	5.3231%	10,017,668,653.01	10,016,121,800.83	0.999845	29	69	1031

## PORTFOLIO ASSET SUMMARY AS OF SEPTEMBER 30, 2024

	BOOK VALUE	MARKET VALUE
Uninvested Balance	\$ 661.84	\$ 661.84
Accrual of Interest Income	11,431,698.94	11,431,698.94
Interest and Management Fees Payable	(46,926,535.66)	(46,926,535.66)
Payable for Investment Purchased	(59,317,500.00)	(59,317,500.00)
Repurchase Agreement	6,286,752,999.95	6,286,752,999.95
Government Securities	4,522,053,524.42	4,525,867,311.09
<b>TOTAL</b>	<b>\$ 10,713,994,849.49</b>	<b>\$ 10,717,808,636.16</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 2024

DATE	MNY MKT FUND EQUIV. [SEC Std.]	DAILY ALLOCATION FACTOR	INVESTED BALANCE	MARKET VALUE PER SHARE	WAM DAYS (1)	WAL DAYS (2)
9/1/2024	5.2945%	0.000145055	\$10,960,587,143.65	1.000150	29	65
9/2/2024	5.2945%	0.000145055	\$10,960,587,143.65	1.000150	29	65
9/3/2024	5.2781%	0.000144606	\$11,088,094,883.72	1.000166	29	64
9/4/2024	5.2792%	0.000144636	\$11,110,506,970.55	1.000212	29	64
9/5/2024	5.2748%	0.000144514	\$11,208,599,884.13	1.000198	28	63
9/6/2024	5.2746%	0.000144509	\$11,095,994,297.74	1.000223	28	63
9/7/2024	5.2746%	0.000144509	\$11,095,994,297.74	1.000223	28	63
9/8/2024	5.2746%	0.000144509	\$11,095,994,297.74	1.000223	28	63
9/9/2024	5.2748%	0.000144515	\$11,090,958,640.65	1.000224	27	62
9/10/2024	5.2661%	0.000144276	\$11,066,520,738.78	1.000243	27	64
9/11/2024	5.2645%	0.000144233	\$10,977,035,452.39	1.000223	26	67
9/12/2024	5.2654%	0.000144257	\$10,930,583,236.22	1.000238	26	67
9/13/2024	5.2722%	0.000144444	\$11,089,396,149.69	1.000275	25	67
9/14/2024	5.2722%	0.000144444	\$11,089,396,149.69	1.000275	25	67
9/15/2024	5.2722%	0.000144444	\$11,089,396,149.69	1.000275	25	67
9/16/2024	5.2788%	0.000144625	\$11,112,581,948.81	1.000303	25	68
9/17/2024	5.2819%	0.000144710	\$11,131,970,444.51	1.000296	25	68
9/18/2024	5.2769%	0.000144573	\$11,161,779,817.69	1.000338	25	68
9/19/2024	4.9605%	0.000135904	\$11,103,842,374.15	1.000362	25	68
9/20/2024	4.9155%	0.000134671	\$10,983,378,303.34	1.000357	25	68
9/21/2024	4.9155%	0.000134671	\$10,983,378,303.34	1.000357	25	68
9/22/2024	4.9155%	0.000134671	\$10,983,378,303.34	1.000357	25	68
9/23/2024	4.9169%	0.000134710	\$10,849,622,607.54	1.000388	25	68
9/24/2024	4.9115%	0.000134563	\$10,710,081,931.35	1.000410	25	69
9/25/2024	4.9116%	0.000134564	\$10,895,345,401.45	1.000390	25	67
9/26/2024	4.9076%	0.000134455	\$10,861,164,208.06	1.000378	25	68
9/27/2024	4.9073%	0.000134447	\$10,784,769,575.42	1.000373	24	67
9/28/2024	4.9073%	0.000134447	\$10,784,769,575.42	1.000373	24	67
9/29/2024	4.9073%	0.000134447	\$10,784,769,575.42	1.000373	24	67
9/30/2024	4.9266%	0.000134976	\$10,713,994,849.49	1.000355	24	67
<b>Average</b>	<b>5.1324%</b>	<b>0.000140615</b>	<b>\$10,993,149,088.51</b>		<b>26</b>	<b>66</b>



## *ECONOMIC COMMENTARY (cont.)*

Wages grew by 0.4% month-over-month (m/m) and 3.8% year-over-year (y/y), slightly higher than July's monthly increase. The Job Openings and Labor Turnover Survey (JOLTS) indicated an uptick in labor demand in August, with job openings rising from an upwardly revised 7.7 million to 8.0 million, the highest since May. Conversely, the quit rate ticked down again, from 2.0% to a new cycle low of 1.9%, and the hires rate, which had increased from 3.3% to 3.4% between June and July, pulled back to 3.3%.

The August CPI report came in as expected, providing further evidence that inflation is on a steady path lower. Headline inflation rose 0.2% m/m and 2.5% y/y, while core inflation rose 0.3% m/m and 3.2% y/y. In the details, food and energy prices were well behaved with energy prices falling by 0.8% m/m. Elsewhere, core goods prices eased for a sixth straight month, led lower by used vehicle prices, although tobacco prices rose by a strong 1.2% m/m. Elsewhere, shelter inflation remained elevated at 0.5% m/m, which alongside a 3.9% m/m increase in airfares, kept core services inflation elevated at 0.5%. Auto insurance prices moderated but rose by a still-warm 0.6% m/m and 16.5% y/y. Headline PCE and Core PCE both rose 0.1% m/m, bringing the y/y figures to 2.2% and 2.7%, respectively. With shelter still driving the bulk of inflation, broad disinflationary tailwinds remain well established, suggesting that inflation is on a steady path back to 2%, enabling the Fed to begin normalizing monetary policy.

While inflation and the labor market have come into better balance, the federal funds rate has remained at a highly restrictive level. With market expectations roughly split between a 25 basis point and a 50 basis point cut, the FOMC voted to reduce the federal funds rate target range by 50 bps to 4.75% – 5.00% at its September meeting, with one dissent in favor of a 25 bp cut. The economic assessment was amended to recognize that job growth has “slowed” rather than merely “moderated,” and the statement noted that the committee has gained greater confidence in inflation returning to target. The risks to employment and inflation are now considered balanced, compared to a previous tilt towards inflation. The ‘dot plot’ provided a refreshed view of the Committee’s expectations for the path of the fed funds rate. The median member now expects the policy rate to fall to 4.375% by year-end 2024, equivalent to an additional 50 bps of rate cuts this year, with an additional 100 bps of cuts anticipated in 2025 and 50 bps in 2026. The long-run dot shifted higher to 2.875%, reflecting discussions among Fed members about the possibility that the neutral policy rate is higher than previously anticipated.

In sum, the Fed delivered the message that policy normalization has begun, more cuts are coming and, despite a slightly larger cut to begin with, easing will still be gradual, barring a more material slowdown in the economy. Markets saw mixed and choppy price action following the Fed decision with short term Treasury yields falling more sharply than longer-term Treasury yields over the month. Three- and six-month Treasury bill yields fell by 49 bps and 45 bps to 4.63% and 4.41%, respectively, while one- and two-year Treasury yields declined 40 bps and 28 bps to 4.01% and 3.64%, respectively.

### **Outlook**

More than two years and 11 rate hikes later, the Fed has begun to normalize policy, with more cuts projected on the horizon. Cooling inflation in recent months has allowed the Fed to shift its focus towards supporting the labor market; while they are not overly concerned about its current state, their goal is to maintain its strength. With slowing inflation and rising unemployment, we anticipate additional front-loaded cuts to bring the Fed closer to a neutral policy stance by 2025. We believe the Fed is on track to deliver two 25 bp rate cuts by year-end and will likely continue easing in 2025. However, as Powell emphasized during the press conference, policy decisions will be contingent on evolving economic data.

The need for restrictive policy has diminished as the risks between employment and inflation have come into balance. With U.S. economic activity broadly looking healthy and the summer growth scare behind us, the Fed's decision to pre-emptively cut more aggressively likely extends the current economic cycle. This increases our conviction in a soft-landing outcome, with only a moderate rise in the unemployment rate as the base case.

This information is an excerpt from an economic report dated September 2024 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.



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