



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

September 27, 2023
AGENDA ITEM #5

Accept the unaudited financial
statements for July 2023

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 July 2023.

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

Financing: N/A

Action requested/Staff Recommendation: Accept the unaudited financial statements for July 2023.

Backup provided: Draft Resolution
Draft unaudited financial statements for
July 2023

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

RESOLUTION NO. 23-0XX

ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR JULY 2023

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 July 2023 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 July 2023 which is attached hereto as Exhibit A.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 27th day of September 2023.

Submitted and reviewed by:

Approved:

James M. Bass
Executive Director

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

Exhibit A

Unaudited Financial Statements for July 2023

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending July 31, 2023

	Budget			
	Amount FY	Actual Year	Percent of	Actual Prior
	2024	to Date	Budget	Year to Date
REVENUE				
Operating Revenue				
Toll Revenue	153,792,700	12,408,847	8.07%	9,134,259
Video Tolls	64,352,000	4,313,888	6.70%	4,116,650
Fee Revenue	12,962,900	1,081,073	8.34%	836,807
Total Operating Revenue	231,107,600	17,803,808	7.70%	14,087,716
Other Revenue				
Transfer In - Cash	-	34,136,134	-	-
Interest Income	24,905,700	4,403,680	17.68%	865,599
Grant Revenue	945,500	-	-	-
Misc Revenue	230,000	3,452	1.50%	9,434
Total Other Revenue	26,081,200	38,543,266	147.78%	875,033
TOTAL REVENUE	257,188,800	56,347,073	21.91%	14,962,748
EXPENSES				
Salaries and Benefits				
Salary Expense-Regular	4,871,464	227,958	4.68%	207,828
Salary Reserve	80,000	-	-	-
TCDRS	1,591,401	45,078	2.83%	46,329
FICA	249,197	12,824	5.15%	11,155
FICA MED	70,635	3,275	4.64%	2,995
Health Insurance Expense	584,446	36,676	6.28%	27,663
Life Insurance Expense	3,817	189	4.96%	304
Auto Allowance Expense	10,200	595	5.83%	213
Other Benefits	166,290	5,117	3.08%	6,021
Unemployment Taxes	5,760	-	-	10
Total Salaries and Benefits	7,633,210	331,712	4.35%	302,517
Administrative				
Administrative and Office Expenses				
Accounting	9,500	634	6.67%	634
Auditing	245,000	-	-	-
Financial Advisors	162,000	18,000	11.11%	18,000
Human Resources	37,500	84	0.22%	225
Legal	70,000	4,160	5.94%	1,770
IT Services	365,000	11,131	3.05%	11,092
Internet	150	-	-	-
Software Licenses	1,167,000	110,071	9.43%	15,472
Cell Phones	27,800	999	3.59%	810
Local Telephone Service	2,000	7,385	369.27%	7,421
Overnight Delivery Services	250	-	-	-
Copy Machine	10,000	1,272	12.72%	1,272
Repair & Maintenance-General	10,000	-	-	-

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending July 31, 2023

	Budget			
	Amount FY	Actual Year	Percent of	Actual Prior
	2024	to Date	Budget	Year to Date
Meeting Facilities	2,000	-	-	-
Meeting Expense	13,750	349	2.54%	-
Toll Tag Expense	3,000	-	-	-
Parking / Local Ride Share	3,550	27	0.76%	-
Mileage Reimbursement	4,350	-	-	40
Insurance Expense	651,000	49,031	7.53%	42,688
Rent Expense	562,540	1,195	0.21%	62,007
Building Parking	3,500	-	-	177
Total Legal Services	488,000	18,793	3.85%	340
Total Administrative and Office Expenses	3,837,890	223,130	5.81%	161,949
Office Supplies				
Books & Publications	5,090	320	6.28%	-
Office Supplies	8,250	-	-	939
Misc Office Equipment	4,500	-	-	-
Computer Supplies	202,100	3,823	1.89%	46,779
Copy Supplies	1,000	-	-	-
Other Reports-Printing	1,500	-	-	-
Office Supplies-Printed	2,000	70	3.49%	-
Postage Expense	550	128	23.31%	-
Total Office Supplies	224,990	4,341	1.93%	47,718
Communications and Public Relations				
Graphic Design Services	75,000	-	-	-
Website Maintenance	464,000	39,435	8.50%	10,114
Research Services	150,000	-	-	-
Communications and Marketing	400,000	435	0.11%	-
Advertising Expense	500,000	164,199	32.84%	27,763
Direct Mail	40,000	-	-	-
Video Production	160,000	-	-	25,790
Photography	25,000	-	-	450
Radio	50,000	-	-	-
Other Public Relations	22,500	-	-	-
Promotional Items	20,000	-	-	-
Annual Report printing	1,300	-	-	-
Direct Mail Printing	17,500	-	-	-
Other Communication Expenses	15,000	-	-	6,903
Total Communications and Public Relations	1,940,300	204,069	10.52%	71,020

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending July 31, 2023

	Budget Amount FY 2024	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
Employee Development				
Subscriptions	750	-	-	-
Agency Memberships	88,440	-	-	-
Continuing Education	14,800	-	-	-
Professional Development	20,150	-	-	-
Other Licenses	2,500	-	-	-
Seminars and Conferences	104,100	425	0.41%	25,000
Travel	110,500	3,434	3.11%	-
Total Employee Development	341,240	3,859	1.13%	25,000
Financing and Banking Fees				
Trustee Fees	62,000	7,000	11.29%	7,000
Bank Fee Expense	3,240	447	13.80%	165
Continuing Disclosure	7,000	-	-	-
Arbitrage Rebate Calculation	16,300	-	-	-
Rating Agency Expense	45,000	32,500	72.22%	31,000
Total Financing and Banking Fees	133,540	39,947	29.91%	38,165
Total Administrative	6,477,960	475,346	7.34%	343,851
Operations and Maintenance				
Operations and Maintenance Consulting				
GEC-Trust Indenture Support	1,131,395	113,780	10.06%	83,185
GEC-Financial Planning Support	275,000	20,577	7.48%	22,637
GEC-Toll Ops Support	1,584,000	57,539	3.63%	46,724
GEC-Roadway Ops Support	1,605,500	33,009	2.06%	38,562
GEC-Technology Support	679,526	72,114	10.61%	96,054
GEC-Public Information Support	200,000	7,761	3.88%	7,330
GEC-General Support	1,631,820	57,537	3.53%	49,115
General System Consultant	1,381,000	27,875	2.02%	-
Traffic Modeling	125,000	-	-	-
Traffic and Revenue Consultant	1,010,000	34,518	3.42%	82,508
Total Operations and Maintenance Consulting	9,623,241	424,711	4.41%	426,116
Roadway Operations and Maintenance				
Roadway Maintenance	3,431,819	262,173	7.64%	(164,602)
Landscape Maintenance	2,789,256	230,870	8.28%	-
Signal & Illumination Maint	25,000	-	-	-
Maintenance Supplies-Roadway	400,000	-	-	-
Gasoline	30,000	2,158	7.19%	-
Repair & Maintenance - Vehicles	10,000	-	-	-
Natural Gas	2,500	598	23.92%	386
Electricity - Roadways	250,000	13,827	5.53%	16,142
Total Roadway Operations and Maintenance	6,938,575	509,626	7.34%	(148,074)

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending July 31, 2023

	Budget Amount FY 2024	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
Toll Processing and Collection Expense				
Image Processing	3,000,000	236,147	7.87%	334,192
Tag Collection Fees	11,500,000	868,297	7.55%	684,299
Court Enforcement Costs	10,000	-	-	-
ETC Incentive	500,000	-	-	-
Total Processing and Collection Expense	15,010,000	1,104,444	7.36%	1,018,491
Toll Operations Expense				
Generator Fuel	3,000	-	-	-
Fire and Burglar Alarm	500	41	8.22%	41
Refuse	2,360	300	12.73%	163
Telecommunications	60,000	-	-	-
Water - Irrigation	7,500	-	-	1,001
Electricity	750	119	15.82%	111
ETC spare parts expense	100,000	-	-	-
Repair & Maintenance Toll Equip	50,000	-	-	31,491
Law Enforcement	600,000	39,118	6.52%	33,972
ETC Maintenance Contract	6,450,000	499,698	7.75%	-
Transaction Processing Maintenance Contract	2,000,000	-	-	-
ETC Toll Management Center System Operation	2,885,054	91,601	3.18%	18,750
ETC Development	650,000	-	-	-
ETC Testing	225,000	-	-	-
Total Toll Operations Expense	13,034,164	630,876	4.84%	85,529
Total Operations and Maintenance	44,605,980	2,669,656	5.98%	1,382,063
Other Expenses				
Special Projects and Contingencies				
HERO	200,000	12,319	6.16%	-
Special Projects	100,000	-	-	-
71 Express Net Revenue Payment	5,000,000	536,265	10.73%	-
Customer Relations	10,000	-	-	-
Technology Initiatives	185,000	-	-	-
Other Contractual Svcs	390,000	24,500	6.28%	21,000
Contingency	200,000	-	-	-
Total Special Projects and Contingencies	6,085,000	573,084	9.42%	21,000
Non Cash Expenses				
Amortization Expense				
Amortization Expense - Software	1,228,015	2,117	0.17%	106,691
Amortization Expense - Right to Use Asset - Subscr	355,208	31,808	8.95%	-
Amortization Expense - Refundings	1,907,487	512,118	26.85%	443,426
Subtotal Amortization Expense	3,490,710	546,042	15.64%	550,117

Central Texas Regional Mobility Authority
Income Statement
For the Period Ending July 31, 2023

	Budget Amount FY 2024	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
Depreciation Expense				
Dep Exp - Furniture & Fixtures	2,178	-	-	218
Dep Expense - Equipment	476,653	51,892	10.89%	-
Dep Expense - Autos & Trucks	45,399	2,534	5.58%	4,446
Dep Expense - Buildng & Toll Fac	187,058	14,729	7.87%	14,729
Dep Expense - Highways & Bridges	48,608,788	4,236,463	8.72%	4,218,462
Dep Expense - Toll Equipment	3,917,914	253,432	6.47%	362,172
Dep Expense - Signs	1,641,174	100,746	6.14%	84,714
Dep Expense - Land Improvements	884,934	72,776	8.22%	73,745
Depreciation Expense - Computers	98,507	-	-	15,757
Subtotal Depreciation Expense	55,862,606	4,732,571	8.47%	4,774,242
Total Non Cash Expenses	59,353,316	5,278,614	8.89%	5,324,359
Total Other Expenses	65,438,316	5,851,698	8.94%	5,345,359
Non Operating Expenses				
Bond Issuance Expense	1,250,000	-	-	44,025
Loan Fee Expense	40,000	-	-	-
Interest Expense - Debt Obligations	95,964,098	6,368,816	6.64%	6,501,687
Interest Expense - Right to Use Assets	26,164	-	-	-
Transfer Out - Cash	-	34,136,134	-	-
CAMPO RIF Payment	6,000,000	-	-	-
Community Initiatives	645,000	-	-	-
Total Non Operating Expenses	103,925,262	40,504,950	38.98%	6,545,711
TOTAL EXPENSES	228,080,728	49,833,362	21.85%	13,919,501
Net Income	29,108,072	6,513,711		1,043,248

Central Texas Regional Mobility Authority
Balance Sheet
as of July 31, 2023

as of 07/31/2023 as of 07/31/2022

ASSETS

Current Assets

Cash

Regions Operating Account	\$	145,719	\$	2,247,557
Cash in TexStar		340,776		41,791
Regions Payroll Account		107,629		135,268

Restricted Cash

Goldman Sachs FSGF 465		714,051,459		794,221,344
Restricted Cash - TexSTAR		13,138,346		189,343,918
Overpayments account		-		291,148

Total Cash and Cash Equivalents		727,783,928		986,281,025
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Accounts Receivables

Accounts Receivable - Net		4,979,871		2,770,089
Due From Other Agencies		92,072		50,856
Due From TTA		1,148,195		440,843
Due From NTTA		1,383,426		912,874
Due From HCTRA		3,662,183		1,666,354
Due From TxDOT		12,152,543		164,602
Interest Receivable		693,342		701,920

Total Receivables		24,111,632		6,707,538
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Short Term Investments

Treasuries		118,543,252		-
Agencies		189,998,036		112,437,061

Total Short Term Investments		308,541,288		112,437,061
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Total Current Assets		1,060,436,848		1,105,425,625
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Construction in Progress

		406,009,366		265,747,416
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Capital Assets (Net of Depreciation and Amortization)

Depreciable Assets

Computers		-		82,750
Furniture and Fixtures		-		1,960
Equipment		1,349,196		9,624
Autos and Trucks		44,347		89,436
Buildings and Toll Facilities		4,215,232		4,402,290
Highways and Bridges		1,668,059,036		1,711,822,025
Toll Equipment		14,482,024		19,617,879
Signs		11,269,190		13,054,004
Land Improvements		5,241,559		6,125,524

Central Texas Regional Mobility Authority
Balance Sheet
as of July 31, 2023

	as of 07/31/2023	as of 07/31/2022
Right of way	88,149,606	88,149,606
Leasehold Improvements	6,349	40,866
Intangible Assets		
Computer Software	-	1,676,555
Right to Use Assets		
Leases	1,286,881	-
Subscription Based IT Arrangements	535,279	-
Total Fixed Assets	1,794,638,699	1,845,072,520
Other Assets		
Intangible Assets-Net	172,872,578	174,848,759
2005 Bond Insurance Costs	-	3,389,900
Prepaid Insurance	98,062	85,376
Deferred Outflows (pension related)	2,661,405	675,913
Pension Asset	1,046,634	2,549,818
Total Other Assets	176,678,679	181,549,765
Total Assets	\$ 3,437,763,592	\$ 3,397,795,326

LIABILITIES

Current Liabilities		
Accounts Payable	7,435,998	9,363,737
Construction Payable	4,159,498	5,389,022
Overpayments	1,570	294,629
Interest Payable	5,906,495	6,816,341
TCDRS Payable	82,537	109,665
Due to other Agencies	3,583	2,291
Due to TTA	(266)	495,283
Due to HCTRA	154,466	121,804
Due to Other Entities	1,778,535	79,760
71E TxDOT Obligation - ST	3,222,840	1,818,107
Total Current Liabilities	22,745,256	24,490,640
Long Term Liabilities		
Compensated Absences	240,954	268,014
Right to Use Obligations - Lease	1,286,881	-
Right to Use Obligations - SBITA	579,894	-
Deferred Inflows (pension related)	1,340,710	1,481,361
Long Term Payables	3,448,440	1,749,375

Central Texas Regional Mobility Authority
Balance Sheet
as of July 31, 2023

as of 07/31/2023 as of 07/31/2022

Bonds Payable

Senior Lien Revenue Bonds:

Senior Lien Revenue Bonds 2010	94,983,156	88,156,800
Senior Lien Revenue Bonds 2011	16,288,094	18,938,887
Senior Refunding Bonds 2013	-	3,475,000
Senior Lien Revenue Bonds 2015	10,000,000	10,000,000
Senior Lien Refunding Revenue Bonds 2016	59,340,000	70,790,000
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	54,970,000	55,600,000
Senior Lien Refunding Bonds 2020C	138,435,000	138,435,000
Senior Lien Revenue Bonds 2020E	167,160,000	167,160,000
Senior Lien Revenue Bonds 2021B	255,075,000	255,075,000
Senior Lien Refunding Bonds 2021D	274,150,000	274,625,000
Senior Lien Refunding Bonds 2021E	332,585,000	335,610,000
Sn Lien Rev Bnd Prem/Disc 2013	-	745,466
Senior Lien Premium 2016 Revenue Bonds	5,848,303	7,529,266
Sn Lien Revenue Bond Premium 2018	2,861,003	3,127,576
Senior Lien Revenue Bond Premium 2020A	11,149,029	11,331,707
Senior Lien Refunding Bond Premium 2020B	11,191,991	11,727,066
Senior Lien Revenue Bonds Premium 2020E	23,997,587	25,712,973
Senior Lien Revenue Bonds Premium 2021B	52,950,080	53,489,099
Senior Lien Refunding Bonds Premium 2021D	44,336,000	44,810,932
Total Senior Lien Revenue Bonds	1,649,930,242	1,670,949,772

Sub Lien Revenue Bonds:

Sub Lien Refunding Bonds 2013	-	2,725,000
Sub Lien Refunding Bonds 2016	71,435,000	72,605,000
Sub Lien Refunding Bonds 2020D	97,440,000	98,580,000
Subordinated Lien BANs 2020F	110,875,000	110,875,000
Subordinate Lien Refunding Bonds 2020G	61,570,000	61,570,000
Subordinated Lien BANs 2021C	244,185,000	244,185,000
Sub Refunding 2013 Prem/Disc	-	159,062
Sub Refunding 2016 Prem/Disc	4,927,486	5,723,693
Subordinated Lien BANs 2020F Premium	5,670,725	9,673,590
Subordinated Lien Refunding Bonds Premium 2020G	6,730,583	7,134,555
Sub Lien BANS 2021C Premium	26,006,564	33,618,242
Total Sub Lien Revenue Bonds	628,840,359	646,849,141

Central Texas Regional Mobility Authority
Balance Sheet
as of July 31, 2023

	as of 07/31/2023	as of 07/31/2022
Other Obligations		
TIFIA Note 2021	359,702,519	351,950,431
71E TxDOT Obligation - LT	51,918,220	55,077,264
Regions 2022 MoPac Loan	23,765,900	24,690,900
Total Other Obligations	435,386,640	431,718,595
Total Long Term Liabilities	2,717,605,680	2,751,266,883
Total Liabilities	2,740,350,936	2,775,757,523
NET ASSETS		
Contributed Capital	121,462,104	121,462,104
Net Assets Beginning	569,436,841	499,532,451
Current Year Operations	6,513,711	1,043,248
Total Net Assets	697,412,656	622,037,803
Total Liabilities and Net Assets	\$ 3,437,763,592	\$ 3,397,795,326

Central Texas Regional Mobility Authority
Statement of Cash Flow
as of July 2023

Cash flows from operating activities:

Receipts from toll revenues	19,638,092
Receipts from Other Sources (AR)	3,452
Payments to vendors	(37,092,411)
Payments to employees	(337,151)
Net cash flows provided by (used in) operating activities	(17,788,018)

Cash flows from capital and related financing activities:

Prepaid payment on Intangible assets	(512,118)
Issuance Expense	(3,513,621)
Payments on bonds / loans	(278,131)
RIF Contribution	-
Acquisition of capital assets - non project	(18,732)
Acquisitions of construction in progress	(1,529,932)
Net cash flows provided by (used in) capital and related financing activities	(5,852,534)

Cash flows from investing activities:

Interest income	4,403,680
Purchase of investments	(84,975,813)
Proceeds from sale or maturity of investments	2,191,455
Net cash flows provided by (used in) investing activities	(78,380,679)

Net increase (decrease) in cash and cash equivalents	(142,127,051)
Cash and cash equivalents at beginning of period	894,022,611
Cash and cash equivalents at end of period	751,895,560

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

Operating income	6,513,711
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	5,278,614
Changes in assets and liabilities:	
Decrease in accounts receivable	1,834,284
Increase in prepaid expenses and other assets	49,031
Decrease in accrued expenses	(33,428,794)
Decrease in Interest expense	6,368,816
Increase in interest receivable	(4,403,680)
(Decrease) increase in Pension Asset	-
(Increase) in deferred outflows of resources	-
(Increase) in deferred inflows of resources	-
Total adjustments	(24,301,729)
Net cash flows provided by (used in) operating activities	\$ (17,788,018)

Reconciliation of cash and cash equivalents:

Unrestricted cash and cash equivalents	24,705,756
Restricted cash and cash equivalents	727,189,805
Total	751,895,560

INVESTMENTS by FUND

		Balance
		July 31, 2023
Total Investments		
TexSTAR		13,473,545.75
Goldman Sachs		709,778,054.51
Agencies & Treasury Notes		308,541,288.04
		<u>\$1,031,792,888.30</u>
Renewal and Replacement Fund		
TexSTAR	8.63	
Goldman Sachs	1,150.49	
Agencies/ Treasuries		1,159.12
Grant Fund		
TexSTAR	472,469.19	
Goldman Sachs	9,994,979.27	
Agencies/ Treasuries		10,467,448.46
Senior Debt Service Reserve Fund		
TexSTAR	1,029,858.66	
Goldman Sachs	5,987,199.68	
Agencies/ Treasuries	104,995,814.41	<u>112,012,872.75</u>
2010 Senior Lien Debt Service Account		
Goldman Sachs	63,047.05	63,047.05
2011 Sr Debt Service Accountt		
Goldman Sachs	4,251,794.95	4,251,794.95
2013 Sr Debt Service Accountt		
Goldman Sachs	41,790.44	41,790.44
2013 Sub Debt Service Account		
Goldman Sachs	32,890.38	32,890.38
2013 Sub Debt Service Reserve Fund		
Goldman Sachs	128.16	811,544.22
TexSTAR	811,416.06	
2015 Sr Debt Service Account		
Goldman Sachs	4,152,477.41	4,152,477.41
2016 Sr Lien Rev Refunding Debt Service Account		
Goldman Sachs	8,238,560.87	8,238,560.87
2016 Sub Lien Rev Refunding Debt Service Account		
Goldman Sachs	1,687,436.72	1,687,436.72
2016 Sub Lien Rev Refunding DSR		
Goldman Sachs	600,488.79	
Agencies/ Treasuries	6,671,837.25	<u>7,272,326.04</u>
Operating Fund		
TexSTAR	340,775.52	
TexSTAR-Trustee	7,567,072.53	
Goldman Sachs	11,149,618.90	19,057,466.95
Revenue Fund		
Goldman Sachs	10,817,096.87	10,817,096.87
General Fund		
TexSTAR	1,188,394.92	
Goldman Sachs	68,324,055.89	
Agencies/ Treasuries	104,917,207.70	174,429,658.51
71E Revenue Fund		
Goldman Sachs	29,409,204.05	29,409,204.05
MoPac Revenue Fund		
Goldman Sachs	71,741.93	71,741.93
MoPac General Fund		
Goldman Sachs	15,445,424.29	15,445,424.29

INVESTMENTS by FUND

MoPac Operating Fund		
Goldman Sachs	956,056.27	956,056.27
MoPac Loan Repayment Fund		
Goldman Sachs	170,629.18	170,629.18
2015B Project Account		
Goldman Sachs	7,911,220.08	
TexSTAR	365,257.60	8,276,477.68
2015 TIFIA Project Account		
Goldman Sachs	8,992,605.47	
TexSTAR	725,641.79	
Agencies/ Treasuries	30,000,000.00	39,718,247.26
2011 Sr Financial Assistance Fund		
Goldman Sachs	27,905.81	27,922.13
TexSTAR	16.32	
2018 Sr Lien Debt Service Account		
Goldman Sachs	196,622.53	196,622.53
2018 Sr Lien Project Cap I		
Goldman Sachs	740.26	740.26
2018 Sr Lien Project Account		
Goldman Sachs	12,889,718.49	
TexSTAR	972,634.53	13,862,353.02
2020A Senior Lien Debt Service Account		
Goldman Sachs	222,417.39	222,417.39
2020B Senior Lien Debt Service Account		
Goldman Sachs	626,923.00	626,923.00
2020C Senior Lien Debt Service Account		
Goldman Sachs	665,192.06	665,192.06
2020D Sub Lien Debt Service Account		
Goldman Sachs	2,623,055.89	2,623,055.89
2020D Sub Debt Service Reserve Fund		
Goldman Sachs	453,343.95	
Agencies/ Treasuries	7,987,089.95	8,440,433.90
2020E Senior Lien Project Account		
Goldman Sachs	145,772,717.83	145,772,717.83
2020E Senior Lien Project Cap Interest		
Goldman Sachs	15,043,094.66	15,043,094.66
2020F Sub Lien Project Account		
Goldman Sachs	48,631.93	48,631.93
2020F Sub Lien Deb Service Account		
Goldman Sachs	491,877.24	491,877.24
2020G Sub Lien Debt Service Account		
Goldman Sachs	226,483.12	226,483.12
2020G Sub Lien Debt Service Reserve Account		
Goldman Sachs	749,406.95	
Agencies/ Treasuries	2,995,158.73	3,744,565.68
2021A Sub Lien Debt Service Reserve Account		
Goldman Sachs	1,703,129.04	
Agencies/ Treasuries	15,974,180.00	17,677,309.04
2021A Sub Debt Service Account		
Goldman Sachs	99.53	99.53
2021B Senior Lien Cap I Project Fund		
Goldman Sachs	35,926,642.35	35,926,642.35
2021B Senior Lien Project Account		
Goldman Sachs	203,860,623.83	
Agencies/ Treasuries	35,000,000.00	238,860,623.83

INVESTMENTS by FUND

2021C Sub Lien Cap I Project Fund		
Goldman Sachs	1,389.19	1,389.19
2021C Sub Lien Project Account		
Goldman Sachs	94,927,531.28	94,927,531.28
2021C Sub Lien Debt Service Account		
Goldman Sachs	1,083,348.14	1,083,348.14
2021D Senior Lien Debt Service Account		
Goldman Sachs	1,287,157.90	1,287,157.90
2021E Senior Lien Debt Service Account		
Goldman Sachs	2,650,405.00	2,650,405.00
		<u><u>\$1,031,792,888.30</u></u>

CTRMA INVESTMENT REPORT

Month Ending 07/31/2023

	Balance 7/1/2023	Accrued Interest	Additions	Cash Transfers	Discount Amortization	Withdrawals	Balance 7/31/2023	Rate July
Amount in Trustee TexStar								
2011 Sr Lien Financial Assist Fund	16.28	0.04					16.32	5.1148%
2013 Sub Lien Debt Service Reserve General Fund	811,416.06 1,183,256.16						811,416.06 1,188,394.92	5.1148%
Trustee Operating Fund	544,596.81	22,475.72	10,000,000.00	(3,000,000.00)			7,567,072.53	5.1148%
Renewal and Replacement	8.63						8.63	5.1148%
TxDOT Grant Fund	472,469.19						472,469.19	5.1148%
Senior Lien Debt Service Reserve Fund	1,025,405.44	4,453.22					1,029,858.66	5.1148%
2015B Sr Ln Project	363,678.18	1,579.42					365,257.60	5.1148%
2015C TIFIA Project	722,504.03	3,137.76					725,641.79	5.1148%
2018 Sr Lien Project Account	968,428.75	4,205.78					972,634.53	5.1148%
	6,091,779.53	40,990.70	10,000,000.00	(3,000,000.00)	-	-	13,132,770.23	

Amount in TexStar Operating Fund

	735,648.93	5,126.59		3,000,000.00		3,400,000.00	340,775.52	5.1148%
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Goldman Sachs

Operating Fund	17,011,529.28	62,058.35	79,730.56	4,000,000.00		10,003,699.29	11,149,618.90	5.0500%
2020A Senior Lien Debt Service Account	1,267,168.03	4,816.24		207,058.12		1,256,625.00	222,417.39	5.0500%
2020B Senior Lien Debt Service Account	1,676,666.85	6,372.54		274,033.61		1,330,150.00	626,923.00	5.0500%
2020C Senior Lien Debt Service Account	2,187,519.69	8,311.46		358,929.03		1,889,568.12	665,192.06	5.0500%
2020D Sub Lien Debt Service Account	3,509,465.05	13,334.10		575,873.28		1,475,616.54	2,623,055.89	5.0500%
2020D Sub Debt Service Reserve Fund	420,951.36	32,392.59					453,343.95	5.0500%
2020E Sr Lien Project Account	149,075,970.79	626,426.26				3,929,679.22	145,772,717.83	5.0500%
2020E Sr Ln Project Cap Interest	18,684,925.12	76,869.54		(3,718,700.00)			15,043,094.66	5.0500%
2020E Sr Lien Debt Service Account	0.00			3,718,700.00		3,718,700.00	0.00	5.0500%
2020F Sub Lien Project Account	127,453.06					78,821.13	48,631.93	5.0500%
2020F Sub Lien Debt Service Account	2,795,040.83	10,620.73		458,090.68		2,771,875.00	491,877.24	5.0500%
2020G Sub Lien Debt Service Account	1,286,966.61	4,890.28		210,926.23		1,276,300.00	226,483.12	5.0500%
2020G Sub Debt Service Reserve Fund	696,091.67	14,184.78		39,130.50			749,406.95	5.0500%
2021A Sub Debt Service Reserve Fund	1,076,729.68	64,674.59		561,724.77			1,703,129.04	5.0500%
2021A Sub Debt Service Account	99.12	0.41					99.53	5.0500%
2021B Senior Lien Cap I Project Fund	41,622,308.71	171,233.64		(5,866,900.00)			35,926,642.35	5.0500%
2021B Senior Lien Project Account	237,881,980.42	978,643.41				35,000,000.00	203,860,623.83	5.0500%
2021B Senior Lien Cap I Debt Service Account	0.00			5,866,900.00		5,866,900.00	0.00	5.0500%
2021C Sub Lien Cap I Project Fund	1,383.50	5.69					1,389.19	5.0500%
2021C Sub Lien Project Account	120,412,276.10	509,099.72				25,993,844.54	94,927,531.28	5.0500%
2021C Sub Lien Debt Service Account	6,155,639.53	23,390.36		1,008,943.25		6,104,625.00	1,083,348.14	5.0500%
2021D Senior Lien Debt Service Account	5,895,953.58	22,404.71		965,799.61		5,597,000.00	1,287,157.90	5.0500%
2021E Senior Lien Debt Service Account	6,440,522.06	24,479.89		1,051,969.46		4,866,566.41	2,650,405.00	5.0500%
2011 Sr Financial Assistance Fund	512,100.74	2,107.07		(486,302.00)			27,905.81	5.0500%
2010 Senior DSF	62,788.70	258.35					63,047.05	5.0500%
2011 Senior Lien Debt Service Account	3,642,849.15	13,847.59		595,098.21			4,251,794.95	5.0500%
2013 Senior Lien Debt Service Account	41,619.20	171.24					41,790.44	5.0500%
2013 Sub Debt Service Reserve Fund	127.63	0.53					128.16	5.0500%
2013 Subordinate Debt Service Account	32,755.61	134.77					32,890.38	5.0500%
2015A Sr Lien Debt Service Account	4,384,437.38	18,040.03				250,000.00	4,152,477.41	5.0500%
2015B Project Account	7,851,784.45	161,565.24				102,129.61	7,911,220.08	5.0500%
2015C TIFIA Project Account	38,832,825.48	159,779.99				30,000,000.00	8,992,605.47	5.0500%
2016 Sr Lien Rev Refunding Debt Service Account	7,797,720.94	29,821.51		1,666,287.17		1,255,268.75	8,238,560.87	5.0500%
2016 Sub Lien Rev Refunding Debt Service Account	2,829,625.76	10,754.48		463,187.73		1,616,131.25	1,687,436.72	5.0500%
2016 Sub Lien Rev Refunding DSR	571,603.23	28,885.56					600,488.79	5.0500%
2018 Sr Lien Project Cap I	737.23	3.03					740.26	5.0500%
2018 Sr Lien Debt Service Account	1,117,847.96	4,247.76		183,151.81		1,108,625.00	196,622.53	5.0500%
2018 Sr Lien Project Account	12,836,907.62	52,810.87					12,889,718.49	5.0500%
TxDOT Grant Fund	9,954,022.85	40,956.42					9,994,979.27	5.0500%
Renewal and Replacement	1.44	5.28		2,897,750.00		2,896,606.23	1,150.49	5.0500%
Revenue Fund	15,429,460.31	41,035.39	16,913,174.65	(20,042,915.68)		1,523,657.80	10,817,096.87	5.0500%
General Fund	84,839,868.33	615,449.04		3,481,809.49		20,613,070.97	68,324,055.89	5.0500%
Senior Lien Debt Service Reserve Fund	5,667,879.20	319,320.48					5,987,199.68	5.0500%
71E Revenue Fund	28,423,634.71	113,789.78	335,208.22	722,055.26		185,483.92	29,409,204.05	5.0500%
MoPac Revenue Fund	74,591.92	717.83	312,598.74	(316,166.56)			71,741.93	5.0500%
MoPac General Fund	14,833,164.08	57,867.78		557,956.79		3,564.36	15,445,424.29	5.0500%
MoPac Operating Fund	1,028,594.36	3,266.19	54,875.29	400,000.00		530,679.57	956,056.27	5.0500%
MoPac Loan Repayment Fund	1,319,766.35	5,019.94		165,609.24		1,319,766.35	170,629.18	5.0500%
	860,313,355.67	4,334,065.44	17,695,587.46	-	-	172,564,954.06	709,778,054.51	

Amount in Fed Agencies and Treasuries

Amortized Principal	223,565,474.68	55,555.56	84,920,257.80		-		308,541,288.04	
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Certificates of Deposit

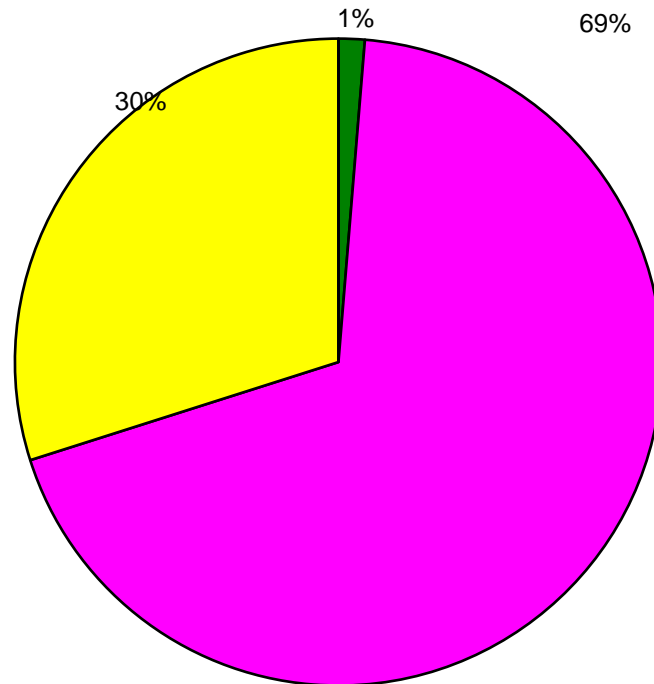
Total in Pools	6,827,428.46	46,117.29	10,000,000.00	-	-	3,400,000.00	13,473,545.75	
Total in GS FSGF	860,313,355.67	4,334,065.44	17,695,587.46	-	-	172,564,954.06	709,778,054.51	
Total in Fed Agencies and Treasuries	223,565,474.68	55,555.56	84,920,257.80	-	-	-	308,541,288.04	
Total Invested	1,090,706,258.81	4,435,738.29	112,615,845.26	-	-	175,964,954.06	1,031,792,888.30	

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 Zigmond, Controller

7/31/2023

Allocation of Funds



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

Goldman Sachs Escrow Funds

	Fund Number	Acct No.	Balance 7/1/2023	Additions	Accrued Interest	Withdrawals	Balance 7/31/2023
Travis County Escrow Fund - Elroy Road	ELROYRD	1001005077	2,999,680.94		12,435.02	10,696.11	3,001,419.85
Travis County Escrow Fund - Ross Road	ROSSRD	1001021483	165,539.06		733.58	1,440.46	164,832.18
Travis County Escrow Fund - Old San Antonio Road	OLDSANARD	1001021487	32,550.97		137.06	38.35	32,649.68
Travis County Escrow Fund - Old Lockhart Road	LOCKHARTRD	1001021488	129,407.48		532.38		129,939.86
Travis County Escrow Fund - County Line Road	COUNTYLRD	1001021489	241,991.32		1,026.72	14,421.84	228,596.20
Travis County Escrow Fund - South Pleasant Valley Road	SPLEASVRD	1001021490	313,556.14		1,298.50	3,198.23	311,656.41
Travis County Escrow Fund - Thaxton Road	THAXTONRD	1001021531	127,350.47		535.73	7,549.72	120,336.48
Travis County Escrow Fund - Pearce Lane Road	PEARCELNRD	1001021532	294,806.43		1,222.18	12,055.17	283,973.44

Amount of Investments As of July 31, 2023

Bank account	FUND	Agency	CUSIP #	Yield to Maturity	Purchased	Matures	Market Value	COST
6180006366	2016SUBDSR	Treasury	912796ZN2	5.14%	6/20/2023	12/20/2023	6,672,653.50	6,671,837.25
1001017484	2020D DSRF	Treasury	912796ZN2	5.14%	6/20/2023	12/20/2023	7,987,702.00	7,987,089.95
1001021540	2020G DSRF	Treasury	912796ZN2	5.14%	6/20/2023	12/20/2023	2,995,388.25	2,995,158.73
1001021543	2021A DSRF	Treasury	912796ZN2	5.14%	6/20/2023	12/20/2023	15,975,404.00	15,974,180.00
6180000120	GENERAL	FAMC	31422X4D1	4.77%	6/23/2023	6/23/2025	19,923,200.00	20,000,000.00
6180000120	GENERAL	Treasury	912797FV4	5.30%	6/20/2023	12/20/2023	19,989,775.00	19,973,592.19
6180000120	GENERAL	Treasury	91282CCG4	5.23%	6/20/2023	6/20/2024	44,893,872.50	44,963,937.40
6180000059	SENLIENSR	FHLB	3130AV5N8	5.00%	6/23/2023	12/31/2024	19,913,600.00	20,000,000.00
6180000059	SENLIENSR	FAMC	31422X4D1	4.77%	6/23/2023	6/23/2025	19,923,200.00	20,000,000.00
6180000059	SENLIENSR	FAMC	31422x4e9	5.30%	6/21/2023	6/21/2024	44,913,150.00	45,000,000.00
6180000059	SENLIENSR	Treasury	912797FV4	5.30%	6/20/2023	12/20/2023	19,989,755.00	19,973,592.19
6180000120	GENERAL	FHLB	3130AV5N8	5.00%	7/3/2023	12/31/2024	9,962,200.00	9,960,128.90
6180000120	GENERAL	FHLB	3130AV5N8	5.00%	7/3/2023	12/31/2024	9,962,200.00	9,960,128.90
6180005349	2015TIFIAP	FHLB	3130AWM31	5.46%	7/12/2023	6/12/2024	30,005,100.00	30,000,000.00
1001021273	2021BPROJ	FHLB	3130AWM64	5.40%	7/12/2023	7/12/2024	35,006,300.00	35,000,000.00
							308,113,500.25	308,459,645.51

Amount of Investments As of July 31, 2023

Bank account	FUND	Agency	CUSIP #	Book Value	Maturity Value	Interest Income	
						Accrued Interest	Interest Earned
6180006366	2016SUBDSR	Treasury	912796ZN2	6,671,837.25			-
1001017484	2020D DSRF	Treasury	912796ZN2	7,987,089.95	8,200,000.00		-
1001021540	2020G DSRF	Treasury	912796ZN2	2,995,158.73	3,075,000.00		-
1001021543	2021A DSRF	Treasury	912796ZN2	15,974,180.00	16,400,000.00		-
6180000120	GENERAL	FAMC	31422X4D1	20,000,000.00	20,000,000.00		-
6180000120	GENERAL	Treasury	912797FV4	19,973,592.19	20,500,000.00		-
6180000120	GENERAL	Treasury	91282CCG4	44,963,937.40	47,150,000.00	3,864.75	3,864.75
6180000059	SENLIENSR	FHLB	3130AV5N8	20,000,000.00	20,000,000.00	22,222.22	22,222.22
6180000059	SENLIENSR	FAMC	31422X4D1	20,000,000.00	20,000,000.00		-
6180000059	SENLIENSR	FAMC	31422x4e9	45,000,000.00	45,000,000.00		-
6180000059	SENLIENSR	Treasury	912797FV4	19,973,592.19	20,500,000.00		-
6180000120	GENERAL	FHLB	3130AV5N8	9,960,128.90	10,000,000.00	27,777.78	27,777.78
6180000120	GENERAL	FHLB	3130AV5N8	9,960,128.90	10,000,000.00	27,777.78	27,777.78
6180005349	2015TIFIAP	FHLB	3130AWM31	30,000,000.00	30,000,000.00		-
1001021273	2021BPROJ	FHLB	3130AWM64	35,000,000.00	35,000,000.00		-
				-			-
				308,459,645.51	305,825,000.00	81,642.53	81,642.53



TexSTAR
MONTHLY
NEWSLETTER
JULY
2023



PERFORMANCE

As of July 31, 2023

Current Invested Balance	\$ 10,852,471,505.08
Weighted Average Maturity (1)	25 Days
Weighted Average Life (2)	50 Days
Net Asset Value	0.999741
Total Number of Participants	1021
Management Fee on Invested Balance	0.06%*
Interest Distributed	\$ 46,932,044.64
Management Fee Collected	\$ 544,071.72
% of Portfolio Invested Beyond 1 Year	4.03%
Standard & Poor's Current Rating	AAAm

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

July Averages

Average Invested Balance	\$ 10,676,905,669.90
Average Monthly Yield, on a simple basis	5.1148%
Average Weighted Maturity (1)	22 Days
Average Weighted Life (2)	47 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 July:

* City of Joshua

HOLIDAY REMINDER

In observance of **Labor Day**, **TexSTAR will be closed on Monday, September 4, 2023**. All ACH transactions initiated on Friday, September 1st will settle on Tuesday, September 5th. Please plan accordingly for your liquidity needs.

ECONOMIC COMMENTARY

Market review

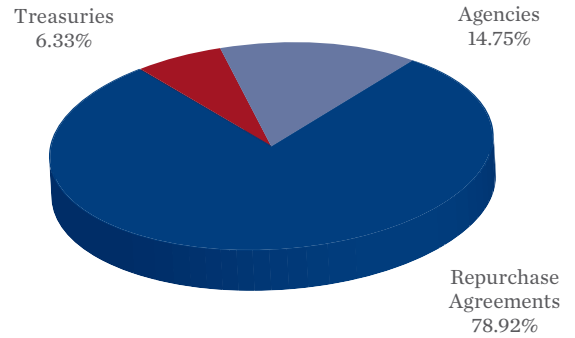
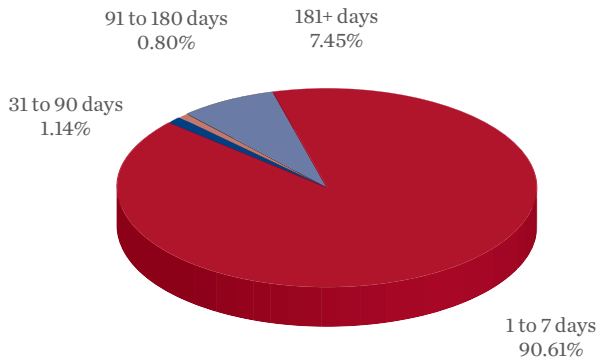
July's data releases painted a rosy picture of an economy showing resiliency growth and labor markets, even as inflation declined further. After pausing rate hikes last month, the Federal Reserve (Fed) hiked rates in July. The first estimate of 2Q23 GDP showed the economy grew at a better-than-expected 2.4% annualized rate, reflecting strength in consumption and the best pace of business fixed investment since 1Q22, rising 7.7%. Consumer confidence also improved as the University of Michigan Consumer Sentiment index rose to 71.6, the highest rate since October 2021. The economy is clearly exhibiting strength in the face of monetary tightening, but strains on the consumer and business spending may temper growth in the following quarters. On July 26th, in line with expectations, the Fed voted to increase the federal funds rate by 25 basis points (bps) to a new range of 5.25%-5.50%, the highest since 2001, and delivered somewhat dovish messaging. While statement language kept the door open for further rate hikes, commentary from Chairman Powell emphasized continued data dependency in policy decisions. Powell remained balanced in his remarks, acknowledging that recent progress on inflation and labor markets is encouraging, although continued and broad-based evidence of cooling prices and softening wage growth is still needed to confirm the trend. Moreover, he emphasized the importance of the next two months of economic releases, suggesting the July and August CPI reports will play decisive roles in determining whether additional tightening is necessary. Consequently, it is possible the Fed is done tightening despite the median dot projection from June's meeting, which suggests at least one more hike.

The disinflationary trend gathered steam in June, with headline CPI inflation gaining 0.2% month-over-month (m/m) seasonally adjusted and 3.1% year-over-year (y/y), representing only a third of last June's peak inflation of 8.9%. Core CPI also eased, rising 0.2% m/m seasonally adjusted and 4.9% y/y. In the details, declines in airline fares and used car prices contributed most to the easing.

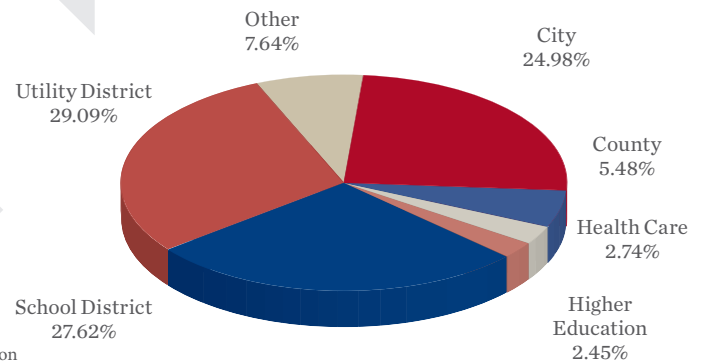
(continued page 4)

INFORMATION AT A GLANCE

PORTFOLIO BY TYPE OF INVESTMENT AS OF JULY 31, 2023



PORTFOLIO BY MATURITY AS OF JULY 31, 2023 (1)



DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF JULY 31, 2023

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

HISTORICAL PROGRAM INFORMATION

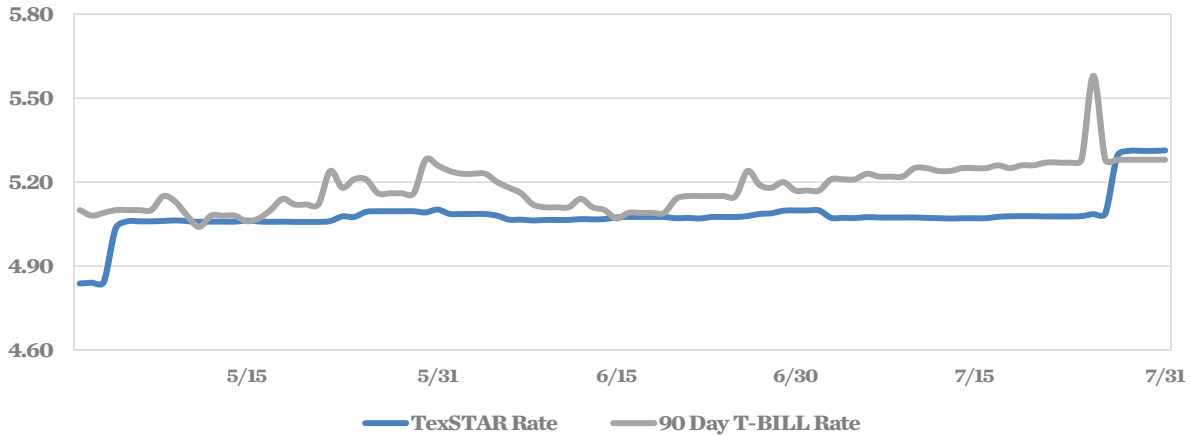
MONTH	AVERAGE RATE	BOOK VALUE	MARKET VALUE	NET ASSET VALUE	WAM (1)	WAL (2)	NUMBER OF PARTICIPANTS
Jul 23	5.1148%	\$10,852,471,505.08	\$10,849,665,890.42	0.999741	22	47	1021
Jun 23	5.0764%	10,475,876,514.08	10,473,945,855.73	0.999806	22	50	1020
May 23	5.0471%	10,704,350,596.85	10,702,720,616.60	0.999847	20	45	1019
Apr 23	4.8292%	10,940,711,794.05	10,941,057,413.24	1.000031	17	42	1017
Mar 23	4.6066%	11,042,113,205.98	11,042,864,910.32	1.000029	11	39	1012
Feb 23	4.4919%	10,962,890,240.57	10,961,778,645.78	0.999898	9	38	1008
Jan 23	4.2515%	10,451,037,339.95	10,450,044,625.54	0.999905	6	41	1003
Dec 22	3.9681%	9,016,826,910.67	9,015,709,981.89	0.999855	5	43	999
Nov 22	3.5588%	8,393,118,851.17	8,390,786,906.73	0.999722	6	47	998
Oct 22	2.8531%	8,388,414,626.87	8,384,901,873.82	0.999581	10	46	996
Sep 22	2.2941%	8,448,258,598.47	8,444,307,157.72	0.999510	16	43	994
Aug 22	1.9469%	8,988,292,520.61	8,983,610,837.50	0.999479	27	50	991

PORTFOLIO ASSET SUMMARY AS OF JULY 31, 2023

	BOOK VALUE	MARKET VALUE
Uninvested Balance	\$ 39,587.49	\$ 39,587.49
Accrual of Interest Income	12,220,858.91	12,220,858.91
Interest and Management Fees Payable	(46,980,087.05)	(46,980,087.05)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreement	8,592,009,999.80	8,592,009,999.80
Government Securities	2,295,181,145.93	2,292,375,531.27
TOTAL	\$ 10,852,471,505.08	\$ 10,849,665,890.42

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 JULY 2023

DATE	MNY MKT FUND EQUIV. [SEC Std.]	DAILY ALLOCATION FACTOR	INVESTED BALANCE	MARKET VALUE PER SHARE	WAM DAYS (1)	WAL DAYS (2)
7/1/2023	5.0991%	0.000139701	\$10,475,876,514.08	0.999806	22	48
7/2/2023	5.0991%	0.000139701	\$10,475,876,514.08	0.999806	22	48
7/3/2023	5.0728%	0.000138980	\$10,590,854,026.81	0.999893	21	47
7/4/2023	5.0728%	0.000138980	\$10,590,854,026.81	0.999893	21	47
7/5/2023	5.0718%	0.000138954	\$10,504,970,964.59	0.999817	21	47
7/6/2023	5.0753%	0.000139050	\$10,452,913,671.02	0.999768	21	47
7/7/2023	5.0739%	0.000139010	\$10,427,012,891.21	0.999786	21	47
7/8/2023	5.0739%	0.000139010	\$10,427,012,891.21	0.999786	21	47
7/9/2023	5.0739%	0.000139010	\$10,427,012,891.21	0.999786	21	47
7/10/2023	5.0741%	0.000139016	\$10,423,519,761.04	0.999789	21	46
7/11/2023	5.0725%	0.000138973	\$10,761,291,530.13	0.999794	20	45
7/12/2023	5.0716%	0.000138948	\$10,826,054,678.95	0.999818	20	44
7/13/2023	5.0702%	0.000138910	\$10,595,593,522.70	0.999824	21	45
7/14/2023	5.0713%	0.000138941	\$10,625,287,498.08	0.999817	21	47
7/15/2023	5.0713%	0.000138941	\$10,625,287,498.08	0.999817	21	47
7/16/2023	5.0713%	0.000138941	\$10,625,287,498.08	0.999817	21	47
7/17/2023	5.0765%	0.000139083	\$10,683,227,677.75	0.999819	23	47
7/18/2023	5.0783%	0.000139131	\$10,608,149,409.66	0.999809	23	47
7/19/2023	5.0786%	0.000139141	\$10,878,080,763.22	0.999828	22	45
7/20/2023	5.0787%	0.000139143	\$10,832,278,758.74	0.999802	22	45
7/21/2023	5.0778%	0.000139118	\$10,746,955,999.33	0.999803	22	45
7/22/2023	5.0778%	0.000139118	\$10,746,955,999.33	0.999803	22	45
7/23/2023	5.0778%	0.000139118	\$10,746,955,999.33	0.999803	22	45
7/24/2023	5.0789%	0.000139147	\$10,693,272,401.39	0.999785	22	48
7/25/2023	5.0861%	0.000139344	\$10,774,529,864.28	0.999763	22	48
7/26/2023	5.0882%	0.000139402	\$10,956,907,840.32	0.999773	25	50
7/27/2023	5.2938%	0.000145035	\$10,896,975,273.10	0.999767	25	51
7/28/2023	5.3122%	0.000145541	\$10,904,202,632.40	0.999788	25	50
7/29/2023	5.3122%	0.000145541	\$10,904,202,632.40	0.999788	25	50
7/30/2023	5.3122%	0.000145541	\$10,904,202,632.40	0.999788	25	50
7/31/2023	5.3139%	0.000145586	\$10,852,471,505.08	0.999741	25	50
Average	5.1148%	0.000140131	\$10,676,905,669.90		22	47



ECONOMIC COMMENTARY (cont.)

Inflation in auto services remained strong, but moderation in owners' equivalent rent helped core inflation. PCE data also confirmed further progress on disinflation. Chairman Powell's focus measure of inflation, core services ex-housing PCE, rose a modest 0.24% in June, a notable downshift from the 0.44% average rate in the previous three months.

The June employment report showed that the labor market, while strong by historical standards, is moderating. Nonfarm payrolls rose by a weaker than expected 209K, while private payrolls rose by 149K, the slowest pace of growth since 2020. In the details, a tick up in wage growth to 4.4% y/y and tick down in the unemployment rate to 3.6% highlighted continued strength. However, wage growth remained well below its peak of 5.9%. Elsewhere, unemployment claims remained low, and strong durable goods orders pointed to continued consumer and business demand. On August 1st, in a surprise move reminiscent of S&P's downgrade back in August 2011, Fitch Ratings downgraded the United States of America's rating from AAA to AA+, with a stable outlook. Fitch said the key drivers of the downgrade were expected fiscal deterioration amid swelling budget deficits, a growing government debt burden and the erosion of governance due to the increased polarization in Congress. While the debt ceiling drama was put to bed earlier this year, with President Biden signing a deal to suspend the debt ceiling until January 2025, Fitch believes that repeated political standoffs around the debt limit and last-minute resolutions lower confidence in governance on fiscal and debt matters. We don't expect significant market reaction to the downgrade given the resilience of the economy and the strong labor market. Front-end Treasury yields rose on stronger economic data as markets crystallized their expectations for an additional 25 bp rate hike in July. Three-month Treasury bill yields rose by 12 bps to 5.42%, and six-month T-bill yields rose by 3 bps to 5.47%. Meanwhile, 12-month T-bill yields declined by 3 bps to 5.39%.

Outlook

The U.S. is now seventeen months into the fastest rate hiking cycle in history, yet the economy is clearly showing renewed strength. The effects of monetary policy tend to lag, and the increased cost of capital may eventually catch up with consumer and business spending, which would dampen growth in the coming quarters. Furthermore, the Fed's quarterly Senior Loan Officer and Opinion Survey indicated that U.S. banks reported tighter credit standards and weaker loan demand from businesses and consumers during the second quarter and expect to further tighten standards over the rest of 2023. The rise in consumer confidence and real wages, stabilization in the housing market and firm second-quarter growth alongside gradually cooling inflation suggest the runway for a soft-landing has widened. However, the Fed's zealous pursuit of 2% inflation remains a risk to the outlook. Interestingly though, Powell laid out a scenario where policy rates could gradually be reduced next year even if inflation is not at 2%, however, only if strong evidence indicates prices are headed in that direction. While the Fed may need some more convincing over the next two meetings, it seems reasonable to expect this tightening cycle will end this year.

While the disinflation trend is gathering momentum, data elsewhere does not indicate an imminent recession – the labor market remains resilient, and the consumer still appears strong. While the timing of a recession is uncertain, it remains our base case but will likely be pushed out into 2024 as the lagged impact of monetary tightening starts to feed into the economy. For now, the market is focused on 'painless' disinflation and the increased probability of a soft landing. Going forward, the Fed is likely to focus on inflation, with the July and August CPI reports playing a decisive role in their September decision. Powell also made specific mention of the Employment Cost Index (ECI), which may offer a clearer picture of wage gains relative to the Bureau of Labor Statistics (BLS) report, as it tracks the same jobs over time. The ECI rose 1.0% in the second quarter, marking the slowest quarterly pace in two years. Mounting evidence of a sustained disinflation trend could potentially give the Fed confidence to pause rate hikes in September.

This information is an excerpt from an economic report dated July 2023 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.



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