



CENTRAL TEXAS REGIONAL  
**MOBILITY AUTHORITY**

April 24, 2024  
**AGENDA ITEM #5**

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Accept the financial statements for  
March 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 financial statements for March 2024.

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

**Financing:** N/A

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

**Backup provided:** Draft Resolution  
Draft financial statements for March 2024

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

**RESOLUTION NO. 24-0XX**

**ACCEPT THE FINANCIAL STATEMENTS FOR MARCH 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 March 2024 and has caused financial statements to be prepared and attached to this resolution as Exhibit A.

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

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 24<sup>th</sup> day of April 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 March 31, 2024**

	Budget Amount	Actual Year to	Percent of	Actual Prior
	FY 2024	Date	Budget	Year to Date
<b>REVENUE</b>				
<b>Operating Revenue</b>				
<b>Toll Revenue</b>	153,792,700	118,780,633	77.23%	105,819,728
<b>Video Tolls</b>	64,352,000	44,731,636	69.51%	48,197,942
<b>Fee Revenue</b>	12,962,900	9,911,456	76.46%	9,750,069
<b>Total Operating Revenue</b>	<b>231,107,600</b>	<b>173,423,725</b>	<b>75.04%</b>	<b>163,767,739</b>
<b>Other Revenue</b>				
Interest Income	24,905,700	36,817,054	147.83%	23,405,727
Grant Revenue	945,500	179,310	18.96%	344,737
Misc Revenue	230,000	11,320	4.92%	18,519
<b>Total Other Revenue</b>	<b>26,081,200</b>	<b>37,007,685</b>	<b>141.89%</b>	<b>23,768,983</b>
<b>TOTAL REVENUE</b>	<b>257,188,800</b>	<b>210,431,410</b>	<b>81.82%</b>	<b>187,536,722</b>
<b>EXPENSES</b>				
<b>Salaries and Benefits</b>				
Salary Expense - Regular	4,871,464	3,048,116	62.57%	2,731,816
Salary Reserve	80,000	-	-	-
TCDRS	1,591,401	1,279,607	80.41%	725,645
FICA	249,197	143,276	57.49%	126,822
FICA MED	70,635	44,066	62.39%	39,712
Health Insurance Expense	584,446	349,464	59.79%	314,749
Life Insurance Expense	3,817	2,368	62.04%	3,009
Auto Allowance Expense	10,200	7,395	72.50%	7,013
Other Benefits	166,290	101,691	61.15%	68,008
Unemployment Taxes	5,760	261	4.53%	(1,765)
<b>Total Salaries and Benefits</b>	<b>7,633,210</b>	<b>4,976,245</b>	<b>65.19%</b>	<b>4,015,009</b>
<b>Administrative</b>				
<b>Administrative and Office Expenses</b>				
Accounting	9,500	6,608	69.56%	6,303
Auditing	245,000	133,467	54.48%	138,655
Financial Advisors	162,000	112,500	69.44%	151,200
Human Resources	37,500	1,367	3.64%	49,582
Legal	70,000	13,452	19.22%	24,397
IT Services	365,000	182,677	50.05%	302,963
Internet	150	-	-	-
Software Licenses	1,167,000	1,090,003	93.40%	527,611
Cell Phones	27,800	20,611	74.14%	12,319
Local Telephone Service	2,000	1,707	85.35%	71,083
Overnight Delivery Services	250	-	-	48
Copy Machine	10,000	11,448	114.48%	11,448

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending March 31, 2024**

	Budget Amount	Actual Year to	Percent of	Actual Prior
	FY 2024	Date	Budget	Year to Date
Repair & Maintenance-General	10,000	10,339	103.39%	-
Meeting Facilities	2,000	-	-	-
Community Meeting / Events	-	5,050	-	-
Meeting Expense	13,750	6,729	48.94%	7,132
Toll Tag Expense	3,000	500	16.67%	300
Parking / Local Ride Share	3,550	203	5.73%	510
Mileage Reimbursement	4,350	789	18.14%	710
Insurance Expense	651,000	492,359	75.63%	422,712
Rent Expense	562,540	453,746	80.66%	460,077
Building Parking	3,500	650	18.58%	1,212
Total Legal Services	488,000	272,686	55.88%	180,306
<b>Total Administrative and Office Expenses</b>	<b>3,837,890</b>	<b>2,816,893</b>	<b>73.40%</b>	<b>2,368,566</b>
<b>Office Supplies</b>				
Books & Publications	5,090	2,876	56.51%	2,006
Office Supplies	8,250	644	7.80%	1,852
Misc Office Equipment	4,500	989	21.98%	9,370
Computer Supplies	202,100	70,373	34.82%	200,787
Copy Supplies	1,000	-	-	-
Other Reports - Printing	1,500	43	2.88%	-
Office Supplies - Printed	2,000	2,466	123.28%	1,142
Postage Expense	550	797	144.98%	366
<b>Total Office Supplies</b>	<b>224,990</b>	<b>78,189</b>	<b>34.75%</b>	<b>215,523</b>
<b>Communications and Public Relations</b>				
Graphic Design Services	75,000	-	-	-
Website Maintenance	464,000	304,835	65.70%	37,388
Research Services	150,000	-	-	-
Communications and Marketing	400,000	48,030	12.01%	19,788
Advertising Expense	500,000	193,916	38.78%	221,890
Direct Mail	40,000	-	-	-
Video Production	160,000	-	-	29,097
Photography	25,000	885	3.54%	12,160
Radio	50,000	-	-	-
Other Public Relations	22,500	5,000	22.22%	1,200
Promotional Items	20,000	11,031	55.15%	12,682
Annual Report printing	1,300	-	-	-
Direct Mail Printing	17,500	-	-	-
Other Communication Expenses	15,000	-	-	(30)
<b>Total Communications and Public Relations</b>	<b>1,940,300</b>	<b>563,697</b>	<b>29.05%</b>	<b>334,175</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending March 31, 2024**

	Budget Amount FY 2024	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Employee Development</b>				
Subscriptions	750	139	18.53%	1,653
Agency Memberships	88,440	48,917	55.31%	46,314
Continuing Education	14,800	500	3.38%	1,049
Professional Development	20,150	6,184	30.69%	4,672
Other Licenses	2,500	197	7.88%	577
Seminars and Conferences	104,100	9,293	8.93%	46,473
Travel	110,500	34,508	31.23%	12,952
<b>Total Employee Development</b>	<b>341,240</b>	<b>99,738</b>	<b>29.23%</b>	<b>113,690</b>
<b>Financing and Banking Fees</b>				
Trustee Fees	62,000	49,500	79.84%	56,500
Bank Fee Expense	3,240	4,901	151.27%	1,198
Continuing Disclosure	7,000	9,903	141.46%	11,525
Arbitrage Rebate Calculation	16,300	16,105	98.80%	16,300
Rating Agency Expense	45,000	45,000	100.00%	43,000
<b>Total Financing and Banking Fees</b>	<b>133,540</b>	<b>125,409</b>	<b>93.91%</b>	<b>128,523</b>
<b>Total Administrative</b>	<b>6,477,960</b>	<b>3,683,925</b>	<b>56.87%</b>	<b>3,160,478</b>
<b>Operations and Maintenance</b>				
<b>Operations and Maintenance Consulting</b>				
GEC-Trust Indenture Support	1,131,395	497,257	43.95%	453,585
GEC-Financial Planning Support	275,000	208,774	75.92%	201,945
GEC-Toll Ops Support	1,584,000	650,027	41.04%	639,609
GEC-Roadway Ops Support	1,605,500	639,731	39.85%	610,059
GEC-Technology Support	679,526	597,882	87.99%	329,697
GEC-Public Information Support	200,000	147,154	73.58%	115,502
GEC-General Support	1,631,820	776,436	47.58%	555,802
General System Consultant	1,381,000	709,378	51.37%	692,183
Traffic Modeling	125,000	-	-	-
Traffic and Revenue Consultant	1,010,000	396,235	39.23%	595,200
<b>Total Operations and Maintenance Consulting</b>	<b>9,623,241</b>	<b>4,622,873</b>	<b>48.04%</b>	<b>4,193,582</b>
<b>Roadway Operations and Maintenance</b>				
Roadway Maintenance	3,431,819	1,798,550	52.41%	984,869
Landscape Maintenance	2,789,256	1,776,531	63.69%	2,113,513
Signal & Illumination Maint	25,000	-	-	-
Maintenance Supplies-Roadway	400,000	48,337	12.08%	(17,834)
Tools & Equipment Expense	-	20	-	444
Gasoline	30,000	13,161	43.87%	13,625
Repair & Maintenance - Vehicles	10,000	4,382	43.82%	(19,006)

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending March 31, 2024**

	Budget Amount	Actual Year to	Percent of	Actual Prior
	FY 2024	Date	Budget	Year to Date
Natural Gas	2,500	11,667	466.67%	4,812
Electricity - Roadways	250,000	220,174	88.07%	213,185
<b>Total Roadway Operations and Maintenance</b>	<b>6,938,575</b>	<b>3,872,822</b>	<b>55.82%</b>	<b>3,293,608</b>
<b>Toll Processing and Collection Expense</b>				
Image Processing	3,000,000	1,839,926	61.33%	2,187,259
Tag Collection Fees	11,500,000	8,204,998	71.35%	7,429,739
Court Enforcement Costs	10,000	-	-	-
ETC Incentive	500,000	-	-	-
<b>Total Processing and Collection Expense</b>	<b>15,010,000</b>	<b>10,044,924</b>	<b>66.92%</b>	<b>9,616,998</b>
<b>Toll Operations Expense</b>				
Generator Fuel	3,000	1,072	35.74%	1,252
Fire & Burglar Alarm	500	370	74.02%	370
Refuse	2,360	1,672	70.87%	1,493
Telecommunications	60,000	91,267	152.11%	3,360
Water - Irrigation	7,500	6,490	86.53%	5,220
Electricity	750	554	73.87%	547
ETC Spare Parts Expense	100,000	123,536	123.54%	-
Repair & Maintenance Toll Equip	50,000	65,066	130.13%	192,085
Law Enforcement	600,000	347,013	57.84%	324,732
ETC Maintenance Contract	6,450,000	4,395,558	68.15%	5,373,903
Transaction Processing Maintenance Contract	2,000,000	1,372,480	68.62%	248,740
ETC Toll Management Center System Operation	2,885,054	573,110	19.86%	454,630
ETC Development	650,000	92,660	14.26%	70,473
ETC Testing	225,000	-	-	41,922
<b>Total Toll Operations Expense</b>	<b>13,034,164</b>	<b>7,070,848</b>	<b>54.25%</b>	<b>6,718,727</b>
<b>Total Operations and Maintenance</b>	<b>44,605,980</b>	<b>25,611,467</b>	<b>57.42%</b>	<b>23,822,915</b>
<b>Other Expenses</b>				
<b>Special Projects and Contingencies</b>				
HERO	200,000	127,840	63.92%	98,553
Special Projects	100,000	-	-	-
71 Express Net Revenue Payment	5,000,000	1,388,255	27.77%	1,272,306
Customer Relations	10,000	-	-	-
Technology Initiatives	185,000	-	-	43,834
Other Contractual Svcs	390,000	136,500	35.00%	278,320
Contingency	200,000	-	-	-
<b>Total Special Projects and Contingencies</b>	<b>6,085,000</b>	<b>1,652,595</b>	<b>27.16%</b>	<b>1,693,013</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>64,802,150</b>	<b>35,924,233</b>	<b>55.44%</b>	<b>32,691,416</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending March 31, 2024**

	Budget Amount	Actual Year to	Percent of	Actual Prior
	FY 2024	Date	Budget	Year to Date
<b>Non Cash Expenses</b>				
<b>Amortization Expense</b>				
Amortization Expense - Software	1,300,000	8,466	0.65%	955,508
Amortization Expense - Right to Use Asset - Leases	350,000	214,480	61.28%	-
Amortization Expense - Refundings	2,000,000	4,718,219	235.91%	4,122,609
<b>Subtotal Amortization Expense</b>	<b>3,650,000</b>	<b>4,941,165</b>	<b>135.37%</b>	<b>5,078,117</b>
<b>Depreciation Expense</b>				
Dep Expense - Furniture & Fixtures	-	-	-	1,960
Dep Expense - Equipment	477,000	467,029	97.91%	-
Dep Expense - Autos & Trucks	46,000	22,807	49.58%	38,894
Dep Expense - Buildng & Toll Fac	188,000	132,561	70.51%	132,561
Dep Expense - Highways & Bridges	48,610,000	38,863,419	79.95%	37,966,158
Dep Expense - Toll Equipment	4,000,000	2,277,952	56.95%	2,691,380
Dep Expense - Signs	2,000,000	906,716	45.34%	762,428
Dep Expense - Land Improvements	885,000	434,324	49.08%	663,701
Depreciation Expense - Computers	-	-	-	63,835
Undevelopable Projects	-	41,806	-	-
<b>Subtotal Depreciation Expense</b>	<b>56,206,000</b>	<b>43,146,614</b>	<b>76.77%</b>	<b>42,320,916</b>
<b>Total Non Cash Expenses</b>	<b>59,856,000</b>	<b>48,087,779</b>	<b>80.34%</b>	<b>47,399,033</b>
<b>Non Operating Expenses</b>				
Bond Issuance Expense	1,250,000	-	-	396,222
Loan Fee Expense	40,000	-	-	32,000
Interest Expense - Debt Obligations	95,964,098	59,883,398	62.40%	58,177,359
Interest Expense - Right to Use Assets	-	-	-	-
CAMPO RIF Payment	6,000,000	6,000,000	100.00%	5,000,000
Community Initiatives	645,000	5,000	0.78%	40,050
<b>Total Non Operating Expenses</b>	<b>103,899,098</b>	<b>65,888,398</b>	<b>63.42%</b>	<b>63,645,631</b>
<b>TOTAL EXPENSES</b>	<b>228,557,248</b>	<b>149,900,410</b>	<b>65.59%</b>	<b>143,736,080</b>
<b>Net Income</b>	<b>28,631,552</b>	<b>60,530,999</b>		<b>43,800,642</b>



**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of March 31, 2024**

**as of 03/31/2024 as of 03/31/2023**

**ASSETS**

**Current Assets**

**Cash**

Regions Operating Account	57,647	263,647
Cash in TexStar	606,271	47,305
Regions Payroll Account	109,042	105,432

**Restricted Cash**

Goldman Sachs FSGF 465	317,815,694	1,085,328,668
Restricted Cash - TexSTAR	60,873,207	15,455,716
Treasury SLGS	115,125,407	-
Overpayments account	-	290,978

<b>Total Cash and Cash Equivalents</b>	<b>494,587,268</b>	<b>1,101,491,746</b>
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**Accounts Receivables**

Accounts Receivable - Net	5,125,449	2,770,089
Due From Other Agencies	271,672	103,056
Due From TTA	1,748,765	775,611
Due From NTTA	1,801,689	1,597,047
Due From HCTRA	2,550,491	2,454,652
Due From TxDOT	725,422	561,210
Interest Receivable	964,146	693,342

<b>Total Receivables</b>	<b>13,187,634</b>	<b>8,955,007</b>
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**Short Term Investments**

Treasuries	328,907,093	-
Agencies	189,998,036	-

<b>Total Short Term Investments</b>	<b>518,905,128</b>	<b>-</b>
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<b>Total Current Assets</b>	<b>1,026,680,030</b>	<b>1,110,446,753</b>
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**Construction in Progress**

	<b>453,814,532</b>	<b>327,752,611</b>
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**Capital Assets (Net of Depreciation and Amortization)**

**Depreciable Assets**

Computers	-	34,672
Furniture and Fixtures	-	218
Equipment	934,059	9,624
Autos and Trucks	24,074	54,989
Buildings and Toll Facilities	4,097,400	4,284,458
Highways and Bridges	1,687,527,786	1,679,566,585
Toll Equipment	16,901,162	19,687,588
Signs	10,932,479	12,853,030

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of March 31, 2024**

	as of 03/31/2024	as of 03/31/2023
Land Improvements	4,880,010	5,535,568
Right of way	88,149,606	88,149,606
Leasehold Improvements	-	14,815
<b>Intangible Assets</b>		
Computer Software	-	927,284
<b>Right to Use Assets</b>		
Leases	1,072,401	-
<b>Total Fixed Assets</b>	<b>1,814,518,977</b>	<b>1,811,118,437</b>
 <b>Other Assets</b>		
Intangible Assets-Net	164,095,514	171,169,575
2005 Bond Insurance Costs	-	3,037,702
Prepaid Insurance	346,485	294,185
Deferred Outflows (pension related)	2,738,023	675,913
Pension Asset	1,046,634	2,549,818
<b>Total Other Assets</b>	<b>168,226,656</b>	<b>177,727,194</b>
<b>Total Assets</b>	<b>3,463,240,195</b>	<b>3,427,044,996</b>
 <b>LIABILITIES</b>		
<b>Liabilities</b>		
Accounts Payable	9,367,722	17,211,929
Construction Payable	8,218,744	5,121,966
Overpayments	-	294,629
Interest Payable	21,899,846	19,494,485
TCDRS Payable	83,883	80,002
Due to other Agencies	8,329	16,948
Due to TTA	707,883	289,431
Due to HCTRA	171,175	167,649
Due to Other Entities	125,834	517,193
71E TxDOT Obligation - ST	281,188	1,096,617
<b>Total Current Liabilities</b>	<b>40,864,604</b>	<b>44,290,849</b>
 <b>Long Term Liabilities</b>		
Compensated Absences	222,277	240,954
Right to Use Obligations - Lease	1,286,881	-
Deferred Inflows (pension related)	1,378,935	1,481,361
<b>Long Term Payables</b>	<b>2,888,093</b>	<b>1,722,315</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of March 31, 2024**

as of 03/31/2024 as of 03/31/2023

**Bonds Payable**

**Senior Lien Revenue Bonds:**

Senior Lien Revenue Bonds 2010	99,833,325	92,657,958
Senior Lien Revenue Bonds 2011	9,644,424	15,952,995
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	274,625,000
Senior Lien Refunding Bonds 2021E	329,545,000	332,585,000
Senior Lien Premium 2016 Revenue Bonds	6,285,869	6,685,149
Sn Lien Revenue Bond Premium 2018	2,683,288	2,949,861
Senior Lien Revenue Bond Premium 2020A	10,996,036	11,215,250
Senior Lien Refunding Bond Premium 2020B	10,835,274	11,370,349
Senior Lien Revenue Bonds Premium 2020E	22,853,996	24,569,382
Senior Lien Revenue Bonds Premium 2021B	52,637,524	53,155,956
Senior Lien Refunding Bonds Premium 2021D	43,839,876	44,050,030
<b>Total Senior Lien Revenue Bonds</b>	<b>1,624,209,613</b>	<b>1,649,406,930</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	4,424,190	5,187,829
Subordinated Lien BANs 2020F Premium	3,002,148	7,005,013
Subordinated Lien Refunding Bonds Premium 2020G	6,461,269	6,865,241
Sub Lien BANS 2021C Premium	20,932,113	28,543,790
<b>Total Sub Lien Revenue Bonds</b>	<b>613,934,720</b>	<b>633,106,873</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of March 31, 2024**

**as of 03/31/2024    as of 03/31/2023**

**Other Obligations**

TIFIA Note 2021	363,220,697	357,113,712
71E TxDOT Obligation - LT	49,167,292	51,918,220
Regions 2022 MoPac Loan	23,765,900	24,690,900
<b>Total Other Obligations</b>	<b>436,153,889</b>	<b>433,722,832</b>
<b>Total Long Term Liabilities</b>	<b>2,677,186,315</b>	<b>2,717,958,950</b>
<b>Total Liabilities</b>	<b>2,718,050,919</b>	<b>2,762,249,799</b>

**NET ASSETS**

Contributed Capital	121,462,104	121,462,104
Net Assets Beginning	563,196,173	499,532,451
Current Year Operations	60,530,999	43,800,642
<b>Total Net Assets</b>	<b>745,189,276</b>	<b>664,795,197</b>

<b>Total Liabilities and Net Assets</b>	<b>3,463,240,195</b>	<b>3,427,044,996</b>
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**Central Texas Regional Mobility Authority**  
**Statement of Cash Flow**  
**as of March 2024**

**Cash flows from operating activities:**

Receipts from toll revenues	182,784,243
Receipts from Other Sources	190,630
Payments to vendors	(67,124,972)
Payments to employees	(5,000,361)
Net cash flows provided by (used in) operating activities	110,849,540

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

Payment on Intangible assets	(4,718,219)
Interest Expense	(78,767,270)
Issuance Expense	(3,508,621)
Payments on bonds / loans	(41,802,602)
RIF Contribution	(6,000,000)
Acquisition of capital assets - non project	(6,333,950)
Acquisitions of construction in progress	(96,028,505)
Net cash flows provided by (used in) capital and related financing activities	(237,159,166)

**Cash flows from investing activities:**

Interest income	37,087,858
Purchase of investments	(297,025,942)
Net cash flows provided by (used in) investing activities	(259,938,083)

Net increase (decrease) in cash and cash equivalents	(386,247,709)
Cash and cash equivalents at beginning of period	894,022,611
Cash and cash equivalents at end of period	507,774,902

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

Operating income	60,530,999
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	48,087,779
Changes in assets and liabilities:	
Decrease in accounts receivable	9,360,518
Increase in prepaid expenses and other assets	(199,392)
Decrease in accrued expenses	(30,001,708)
Decrease in Interest expense	59,888,398
Increase in interest receivable	(36,817,054)
Total adjustments	50,318,541
Net cash flows provided by (used in) operating activities	\$ 110,849,540

**Reconciliation of cash and cash equivalents:**

Unrestricted cash and cash equivalents	129,086,001
Restricted cash and cash equivalents	378,688,901
Total	507,774,902

**CTRMA INVESTMENT REPORT**  
**Month Ending March 31, 2024**

	Balance 3/1/2024	Accrued Interest	Additions	Cash Transfers	Withdrawals	Balance 3/31/2024	Rate March
<b>Amount in Trustee TexStar</b>							
2011 Sr Lien Financial Assist Fund	16.61	0.05				16.66	5.30%
2013 Sub Lien Debt Service Reserve	840,566.72	3,782.70				844,349.42	5.30%
General Fund	52,336,568.04	235,525.41				52,572,093.45	5.30%
Trustee Operating Fund	6,741,922.54	18,143.64		(3,000,000.00)		3,760,066.18	5.30%
Renewal and Replacement	8.68	0.01				8.69	5.30%
TxDOT Grant Fund	489,442.97	2,202.58				491,645.55	5.30%
Senior Lien Debt Service Reserve Fund	1,062,243.82	4,780.32				1,067,024.14	5.30%
2015B Sr Ln Project	376,743.58	1,695.44				378,439.02	5.30%
2015C TIFIA Project	748,460.49	3,368.23				751,828.72	5.30%
2018 Sr Lien Project	1,003,220.25	4,514.68				1,007,734.93	5.30%
	63,599,193.70	274,013.06	-	(3,000,000.00)	-	60,873,206.76	

<b>Amount in TexStar Operating Fund</b>	35,959.98	5,310.78		3,000,000.00	2,435,000.00	606,270.76	5.30%
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**Goldman Sachs**

Operating Fund	14,046,913.25	58,702.60	564,967.64	4,000,000.00	3,536.42	18,667,047.07	5.20%
2020A Senior Lien Debt Service	424,372.68	1,098.68		209,437.50		634,908.86	5.20%
2020B Senior Lien Debt Service	562,542.96	1,458.86		276,837.50		840,839.32	5.20%
2020C Senior Lien Debt Service	1,501,112.47	3,906.11		734,488.33		2,239,506.91	5.20%
2020D Sub Lien Debt Service	1,040,230.80	2,710.83		507,698.90		1,550,640.53	5.20%
2020D Sub Debt Service Reserve Fund	871,657.43	3,605.81				875,263.24	5.20%
2020E Sr Lien Project	6,059,990.07	247,298.77			602,327.65	5,704,961.19	5.20%
2020E Sr Ln Project Cap Interest	11,775,568.95	48,718.84				11,824,287.79	5.20%
2020F Sub Lien Debt Service	870,433.52	2,254.84		429,153.94		1,301,842.30	5.20%
2020G Sub Lien Debt Service	400,788.01	1,038.23		197,602.40		599,428.64	5.20%
2020G Sub Debt Service Reserve Fund	1,333,202.73	5,515.65				1,338,718.38	5.20%
2021A Sub Debt Service Reserve Fund	1,413,821.26	5,849.37				1,419,670.63	5.20%
2021A TIFIA Sub Lien Debt Service Acct	2,574,559.95	9,734.08		512,328.41		3,096,622.44	5.20%
2021B Senior Lien Cap I Project Fund	31,152,710.63	119,638.39				31,272,349.02	5.20%
2021B Senior Lien Project	2,968,119.85	90,090.65			2,223.00	3,055,987.50	5.20%
2021B Senior Lien Cap I Debt Service Acct	0.00	9,237.94				9,237.94	5.20%
2021C Sub Lien Cap I Project Fund	1,432.33	5.93				1,438.26	5.20%
2021C Sub Lien Project	48,114,136.31	221,195.83	6,023,839.02		5,985,130.25	48,374,040.91	5.20%
2021C Sub Lien Debt Service	1,838,442.73	4,764.30		905,820.78		2,749,027.81	5.20%
2021D Senior Lien Debt Service	1,975,784.81	5,117.08		974,500.00		2,955,401.89	5.20%
2021E Senior Lien Debt Service	2,184,013.74	5,665.13		1,074,393.20		3,264,072.07	5.20%
2011 Sr Financial Assistance Fund	140.25	0.58				140.83	5.20%
2010 Senior DSF	1,565,112.64	4,122.58		750,000.00		2,319,235.22	5.20%
2011 Senior Lien Debt Service	1,275,637.96	3,328.81		621,250.00		1,900,216.77	5.20%
2013 Senior Lien Debt Service	43,088.45	178.30				43,266.75	5.20%
2013 Sub Debt Service Reserve Fund	132.14	0.55				132.69	5.20%
2013 Subordinate Debt Service	33,911.98	140.32				34,052.30	5.20%
2015A Sr Lien Debt Service	4,366,238.94	17,674.79		125,000.00		4,508,913.73	5.20%
2015B Project	6,715,812.14	28,006.47			202,724.05	6,541,094.56	5.20%
2015C TIFIA Project	10,002,356.64	41,394.96				10,043,751.60	5.20%
2016 Sr Lien Rev Refunding Debt Service	4,115,043.71	11,968.29		1,612,148.96		5,739,160.96	5.20%
2016 Sub Lien Rev Refunding Debt Service	851,625.04	2,215.85		416,820.67		1,270,661.56	5.20%
2016 Sub Lien Rev Refunding DSR	940,133.40	3,890.18				944,023.58	5.20%
2018 Sr Lien Project Cap I	-					-	5.20%
2018 Sr Lien Debt Service	541,074.24	1,397.47		268,104.17		810,575.88	5.20%
2018 Sr Lien Project	13,513,422.58	55,908.75				13,569,331.33	5.20%
TxDOT Grant Fund	10,305,427.01	42,642.87				10,348,069.88	5.20%
Renewal and Replacement	57,078.38	63.98		383,675.00	440,790.80	26.56	5.20%
Revenue Fund	9,314,459.24	55,404.08	19,903,255.94	(18,502,901.11)	98,596.07	10,671,622.08	5.20%
General Fund	34,653,936.79	132,295.17	179,309.93	2,829,338.54	288,964.30	37,505,916.13	5.20%
Senior Lien Debt Service Reserve Fund	9,381,907.29	38,821.43				9,420,728.72	5.20%
71E Revenue Fund	37,048,281.64	151,669.92	590,910.52	706,837.49	6,647,397.61	31,850,301.96	5.20%
MoPac Revenue Fund	1,047,253.94	2,510.26	432,307.46	(1,392,957.47)		89,114.19	5.20%
MoPac General Fund	14,499,483.82	60,010.78		1,220,563.99		15,780,058.59	5.20%
MoPac Operating Fund	1,132,775.35	5,803.08	565,043.20	800,000.00	294,600.20	2,209,021.43	5.20%
MoPac Loan Repayment Fund	809,931.48	3,351.06		339,858.80		1,153,141.34	5.20%
	293,324,099.53	1,510,408.45	28,259,633.71	-	14,566,290.35	308,527,851.34	

**Amount in Fed Agencies and Treasuries**

Amortized Principal	518,905,128.19	-	-	-	-	518,905,128.19	
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**Certificates of Deposit**

<b>Total in Pools - TxStar</b>	63,635,153.68	279,323.84	-	-	2,435,000.00	61,479,477.52	
<b>Total in GS FSGF</b>	293,324,099.53	1,510,408.45	28,259,633.71	-	14,566,290.35	308,527,851.34	
<b>Total in Treasury SLGS</b>	0.00	126,407.28	114,999,000.00	-	-	115,125,407.28	
<b>Total in Fed Agencies and Treasuries</b>	518,905,128.19	-	-	-	-	518,905,128.19	
<b>Total Invested</b>	875,864,381.40	1,916,139.57	143,258,633.71	-	17,001,290.35	1,004,037,864.33	

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

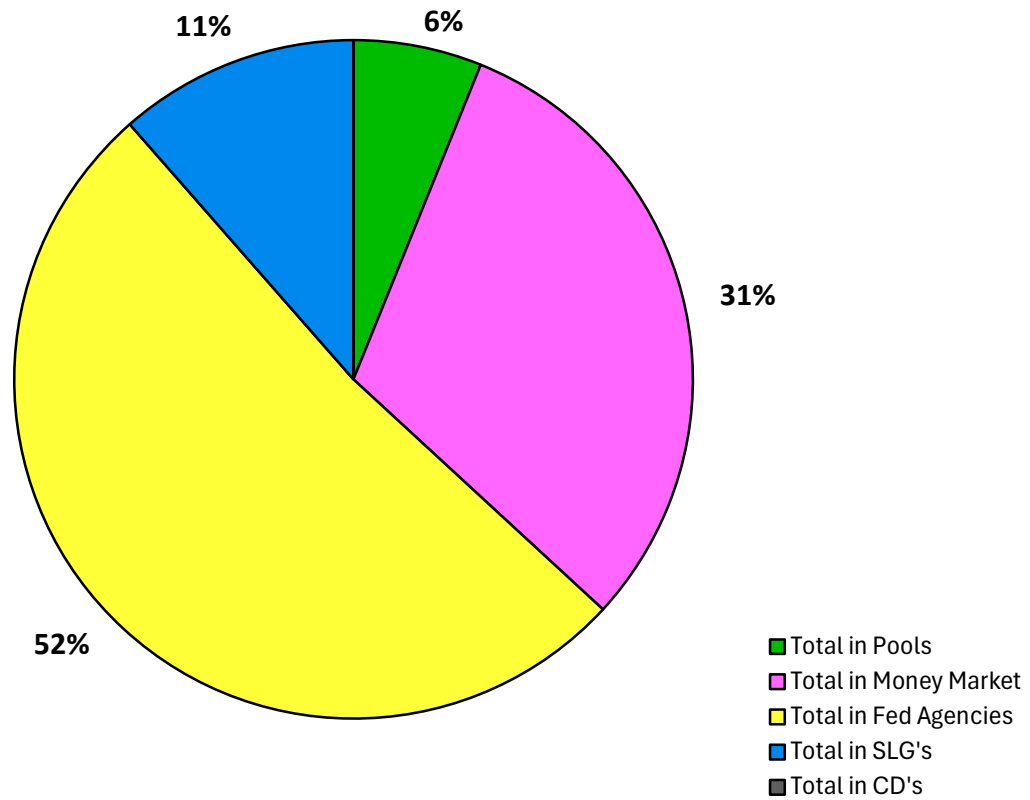
Ann Zigmond, Controller

## Investments by Fund

Fund	TexSTAR	TexSTAR-Trustee	Goldman Sachs	Agencies/ Treasuries	Balance
Renewal and Replacement Fund	8.69		26.56		35.25
Grant Fund	491,645.55		10,348,069.88		10,839,715.43
Senior Debt Service Reserve Fund	1,067,024.14		9,420,728.72	104,521,880.18	115,009,633.04
2010 Senior Lien Debt Service			2,319,235.22		2,319,235.22
2011 Sr Debt Service t			1,900,216.77		1,900,216.77
2013 Sr Debt Service t			43,266.75		43,266.75
2013 Sub Debt Service			34,052.30		34,052.30
2013 Sub Debt Service Reserve Fund	844,349.42		132.69		844,482.11
2015 Sr Debt Service			4,508,913.73		4,508,913.73
2016 Sr Lien Rev Refunding Debt Service			5,739,160.96		5,739,160.96
2016 Sub Lien Rev Refunding Debt Service			1,270,661.56		1,270,661.56
2016 Sub Lien Rev Refunding DSR			944,023.58	6,537,152.75	7,481,176.33
Operating Fund	3,760,066.18	606,270.76	18,667,047.07		23,033,384.01
Revenue Fund			10,671,622.08		10,671,622.08
General Fund	52,572,093.45		37,505,916.13	104,438,059.91	194,516,069.49
71E Revenue Fund			31,850,301.96		31,850,301.96
MoPac Revenue Fund			89,114.19		89,114.19
MoPac General Fund			15,780,058.59		15,780,058.59
MoPac Operating Fund			2,209,021.43		2,209,021.43
MoPac Loan Repayment Fund			1,153,141.34		1,153,141.34
2015B Project	378,439.02		6,541,094.56		6,919,533.58
2015 TIFIA Project	751,828.72		10,043,751.60	30,000,000.00	40,795,580.32
2011 Sr Financial Assistance Fund	16.66		140.83		157.49
2018 Sr Lien Debt Service			810,575.88		810,575.88
2018 Sr Lien Project Cap I			-		-
2018 Sr Lien Project	1,007,734.93		13,569,331.33		14,577,066.26
2020A Senior Lien Debt Service			634,908.86		634,908.86
2020B Senior Lien Debt Service			840,839.32		840,839.32
2020C Senior Lien Debt Service			2,239,506.91		2,239,506.91
2020D Sub Lien Debt Service			1,550,640.53		1,550,640.53
2020D Sub Debt Service Reserve Fund			875,263.24	7,805,555.52	8,680,818.76
2020E Senior Lien Project			5,704,961.19	115,125,407.28	120,830,368.47
2020E Senior Lien Project Cap Interest			11,824,287.79		11,824,287.79
2020F Sub Lien Project			-		-
2020F Sub Lien Deb Service			1,301,842.30		1,301,842.30
2020G Sub Lien Debt Service			599,428.64		599,428.64
2020G Sub Lien Debt Service Reserve			1,338,718.38	2,927,083.32	4,265,801.70
2021A Sub Lien Debt Service Reserve			1,419,670.63	19,497,222.20	20,916,892.83
2021A Sub Debt Service			3,096,622.44		3,096,622.44
2021B Senior Lien Cap I Project Fund			31,272,349.02		31,272,349.02
2021B Senior Lien Project			3,055,987.50	243,178,174.31	246,234,161.81
2021B Senior Lien Cap I Debt Service Acct			9,237.94		9,237.94
2021C Sub Lien Cap I Project Fund			1,438.26		1,438.26
2021C Sub Lien Project			48,374,040.91		48,374,040.91
2021C Sub Lien Debt Service			2,749,027.81		2,749,027.81
2021D Senior Lien Debt Service			2,955,401.89		2,955,401.89
2021E Senior Lien Debt Service			3,264,072.07		3,264,072.07
<b>Totals</b>	<b>60,873,206.76</b>	<b>606,270.76</b>	<b>308,527,851.34</b>	<b>634,030,535.47</b>	<b>1,004,037,864.33</b>

3/31/2024

### Allocation of Funds







Bank	Fund	Cost	Cumulative Amortization	Book Value	Maturity Value	Interest Income		
						Accrued Interest	Amortization	Interest Earned
6180005349	2015TIFIAP	30,000,000.00		30,000,000.00	30,000,000.00			682,500.00
6180000120	GENERAL	44,963,937.40		44,963,937.40	47,150,000.00	3,864.75		62,802.25
6180000059	SENLIENSR	45,000,000.00		45,000,000.00	45,000,000.00			1,192,500.00
1001021273	2021BPROJ	35,000,000.00		35,000,000.00	35,000,000.00			-
6180000120	GENERAL	9,960,128.90		9,960,128.90	10,000,000.00	27,777.78		277,777.78
6180000120	GENERAL	9,960,128.90		9,960,128.90	10,000,000.00	27,777.78		277,777.78
6180000059	SENLIENSR	20,000,000.00		20,000,000.00	20,000,000.00	22,222.22		522,222.22
6180000120	GENERAL	20,000,000.00		20,000,000.00	20,000,000.00			477,000.00
6180000059	SENLIENSR	20,000,000.00		20,000,000.00	20,000,000.00			477,000.00
6180000059	SENLIENSR	19,499,657.96		19,499,657.96	20,000,000.00			
1001021543	2021A DSRF	19,497,222.20		19,497,222.20	20,000,000.00			
6180000120	GENERAL	19,494,444.40		19,494,444.40	20,000,000.00			
1001017484	2020D SUB DSRF	7,805,555.52		7,805,555.52	8,000,000.00			
1001021540	2020G SUB DSRF	2,927,083.32		2,927,083.32	3,000,000.00			
6180006366	2016D SUB DSRF	6,537,152.75		6,537,152.75	6,700,000.00			
1001021273	2021BProj	24,670,333.25		24,670,333.25	25,000,000.00			
1001021273	2021BProj	29,600,950.00		29,600,950.00	30,000,000.00			
1001021273	2021BProj	24,671,704.86		24,671,704.86	25,000,000.00			
1001021273	2021BProj	24,640,625.00		24,640,625.00	25,000,000.00			
1001021273	2021BProj	54,999,783.20		54,999,783.20	55,450,000.00			
1001021273	2021BProj	49,594,778.00		49,594,778.00	50,000,000.00			
		518,823,485.66	-	518,823,485.66	525,300,000.00	81,642.53	-	3,969,580.03

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**Goldman Sachs County Road Escrow Funds**

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	<b>Balance</b>		<b>Accrued</b>		<b>Balance</b>
	<b>3/1/2024</b>	<b>Additions</b>	<b>Interest</b>	<b>Withdrawals</b>	<b>3/31/2024</b>
Travis County Escrow Fund - Elroy Road	3,070,423.90		12,705.12	7,201.69	3,075,927.33
Travis County Escrow Fund - Ross Road	167,806.70		694.26	4,597.72	163,903.24
Travis County Escrow Fund - Old San Antonio Road	9,888.92		55.54		9,944.46
Travis County Escrow Fund - Old Lockhart Road	133,354.83		551.73		133,906.56
Travis County Escrow Fund - County Line Road	5,935,332.04		24,629.65	676,304.22	5,283,657.47
Travis County Escrow Fund - South Pleasant Valley Road	296,093.01		1,225.02	10,773.33	286,544.70
Travis County Escrow Fund - Thaxton Road	93,735.49		387.81	9,035.33	85,087.97
Travis County Escrow Fund - Pearce Lane Road	262,440.87		1,085.79	14,655.92	248,870.74
	<b>9,969,075.76</b>	<b>-</b>	<b>41,334.92</b>	<b>722,568.21</b>	<b>9,287,842.47</b>

**State and Local Government Series as of 3/31/24**

Bank	Fund	Agency	Arbitrage Yield	CUSIP	Yield	Purchased Date	Purchase Value	Beginning	Accrued Interest	Withdrawals	End Value
1001021533	2020E PRJ	State and Local Government Series (SLGS)	2.168%	99SLA0559	4.18%	2/13/2024	59,999,000.00	59,999,000.00	114,064.81	-	60,113,064.81
1001021533	2020E PRJ	State and Local Government Series (SLGS)	2.168%	99SLA0617	4.18%	2/28/2024	55,000,000.00	55,000,000.00	12,342.47	-	55,012,342.47
											-
											-
											-
											-
											-
							<b>114,999,000.00</b>	<b>114,999,000.00</b>	<b>126,407.28</b>	<b>-</b>	<b>115,125,407.28</b>



PERFORMANCE

As of March 31, 2024

Current Invested Balance	\$ 11,373,415,394.49
Weighted Average Maturity (1)	35 Days
Weighted Average Life (2)	66 Days
Net Asset Value	0.999936
Total Number of Participants	1025
Management Fee on Invested Balance	0.06%*
Interest Distributed	\$ 52,823,991.58
Management Fee Collected	\$ 687,423.11
% of Portfolio Invested Beyond 1 Year	5.16%
Standard & Poor's Current Rating	AAAm

March Averages

Average Invested Balance	\$ 11,585,682,041.61
Average Monthly Yield, on a simple basis	5.2986%
Average Weighted Maturity (1)	36 Days
Average Weighted Life (2)	68 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.

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

NEW PARTICIPANTS

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

\* Henderson County Levee Improvement District No. 3

HOLIDAY REMINDER

In observance of **Memorial Day, TexSTAR will be closed on Monday, May 27, 2024.** All ACH transactions initiated on Friday, May 24th will settle on Tuesday, May 28th. Notification of any early transaction deadlines on the business day preceding this holiday will be sent by email to the primary contact on file for all TexSTAR participants. Please plan accordingly for your liquidity needs.

ECONOMIC COMMENTARY

Market review

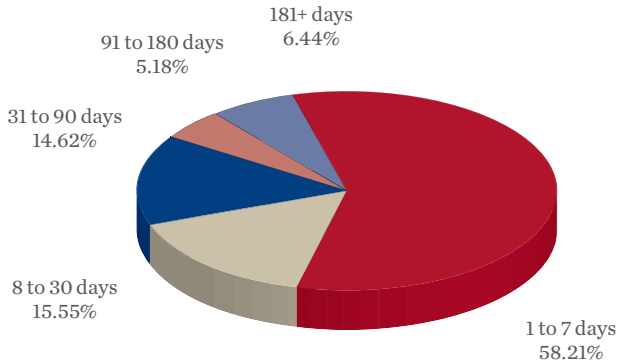
The market narrative changed considerably since the start of the year. First quarter data so far appeared to show strong growth, resilient labor markets and sticky inflation, which thwarted expectations for aggressive rate cuts and increased investor confidence in the Federal Reserve's (Fed's) ability to sustain the ongoing expansion. Yet, at its March meeting, the Federal Open Market Committee (FOMC) maintained its expectation for rate cuts this year. Data since the end of January were mixed, showing a continued, very gradual, cooling in economic growth and the labor market, but somewhat stronger than expected inflation. The Atlanta Fed's GDPNOW forecast for first quarter GDP growth slipped from 3.0% early in the quarter to 2.3% and most recently was upgraded to 2.8%. Consumer spending shifted into lower gear from last year but has remained solid thus far. Retail sales rose a healthy 0.6% month-over-month (m/m) in February after edging down 1.1% in January. February's non-farm payrolls (NFP) revisions in the Employment report lent credence to the idea that the strong January figures were probably distorted by seasonal factors, both across wages and job gains. Nevertheless, the headline payroll growth numbers for February were still solid at 275K, beating consensus expectations, with the three-month moving average hovering around 260K. Altogether, the data suggests that labor market dynamics are continuing to rebalance, albeit at a slow pace. Elsewhere, employment in the household survey fell, contributing to a rise in the unemployment rate from 3.7% to 3.9%, its highest print in more than two years. Wage growth moderated to 0.1% m/m after jumping in January.

How has the economy created so many jobs while the unemployment rate has ticked up? While the two measures are derived from two different surveys, the answer appears to be immigration. The recent surge in immigration may have potentially addressed the labor shortage caused by early retirements throughout the pandemic.

*(continued page 4)*

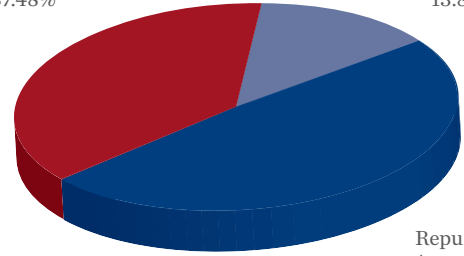
## INFORMATION AT A GLANCE

### PORTFOLIO BY TYPE OF INVESTMENT AS OF MARCH 31, 2024



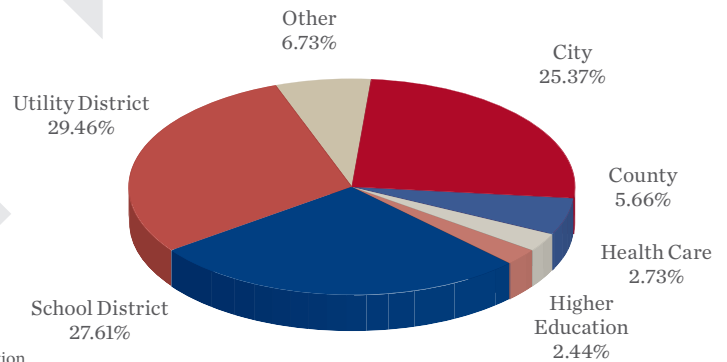
Treasuries  
37.48%

Agencies  
13.84%



Repurchase  
Agreements  
48.68%

### PORTFOLIO BY MATURITY AS OF MARCH 31, 2024 (1)



### DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF MARCH 31, 2024

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

## HISTORICAL PROGRAM INFORMATION

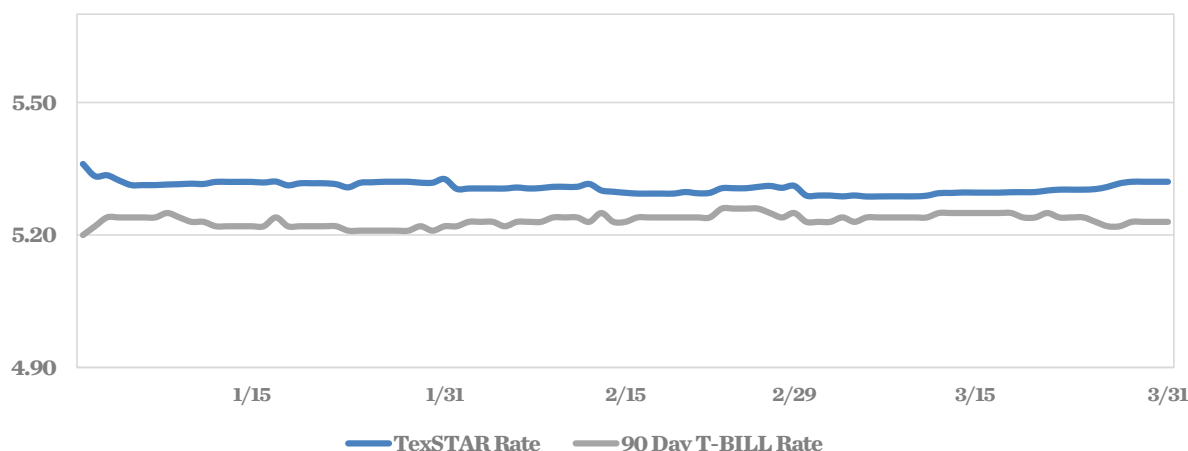
MONTH	AVERAGE RATE	BOOK VALUE	MARKET VALUE	NET ASSET VALUE	WAM (1)	WAL (2)	NUMBER OF PARTICIPANTS
Mar 24	5.2986%	\$11,373,415,394.49	\$11,372,687,872.41	0.999936	36	68	1025
Feb 24	5.3035%	11,928,691,803.89	11,927,911,436.19	0.999934	36	69	1024
Jan 24	5.3200%	11,483,316,119.03	11,483,741,551.85	1.000037	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
Sep 23	5.3105%	9,992,445,950.80	9,990,730,955.61	0.999816	29	56	1028
Aug 23	5.2974%	10,207,693,267.12	10,205,377,223.94	0.999773	26	49	1023
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

## PORTFOLIO ASSET SUMMARY AS OF MARCH 31, 2024

	BOOK VALUE	MARKET VALUE
Uninvested Balance	\$ 456.21	\$ 456.21
Accrual of Interest Income	18,700,692.04	18,700,692.04
Interest and Management Fees Payable	(52,748,386.95)	(52,748,386.95)
Payable for Investment Purchased	(128,933,277.20)	(128,933,277.20)
Repurchase Agreement	5,615,199,999.93	5,615,199,999.93
Government Securities	5,921,195,910.46	5,920,468,388.38
<b>TOTAL</b>	<b>\$ 11,373,415,394.49</b>	<b>\$ 11,372,687,872.41</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 MARCH 2024

DATE	MNY MKT FUND EQUIV. [SEC Std.]	DAILY ALLOCATION FACTOR	INVESTED BALANCE	MARKET VALUE PER SHARE	WAM DAYS (1)	WAL DAYS (2)
3/1/2024	5.2894%	0.000144914	\$11,748,468,933.14	0.999955	37	69
3/2/2024	5.2894%	0.000144914	\$11,748,468,933.14	0.999955	37	69
3/3/2024	5.2894%	0.000144914	\$11,748,468,933.14	0.999955	37	69
3/4/2024	5.2875%	0.000144863	\$11,802,594,683.26	0.999943	36	69
3/5/2024	5.2895%	0.000144918	\$11,777,901,459.54	0.999957	37	69
3/6/2024	5.2872%	0.000144856	\$11,802,815,351.92	0.999953	37	69
3/7/2024	5.2874%	0.000144860	\$11,736,482,583.39	0.999962	38	70
3/8/2024	5.2876%	0.000144866	\$11,665,015,132.04	0.999977	37	69
3/9/2024	5.2876%	0.000144866	\$11,665,015,132.04	0.999977	37	69
3/10/2024	5.2876%	0.000144866	\$11,665,015,132.04	0.999977	37	69
3/11/2024	5.2891%	0.000144906	\$11,746,941,028.46	0.999973	36	68
3/12/2024	5.2948%	0.000145062	\$11,702,319,850.09	0.999951	37	69
3/13/2024	5.2952%	0.000145073	\$11,699,256,534.19	0.999945	36	68
3/14/2024	5.2963%	0.000145104	\$11,763,330,926.97	0.999918	36	68
3/15/2024	5.2960%	0.000145096	\$11,723,991,428.13	0.999916	37	68
3/16/2024	5.2960%	0.000145096	\$11,723,991,428.13	0.999916	37	68
3/17/2024	5.2960%	0.000145096	\$11,723,991,428.13	0.999916	37	68
3/18/2024	5.2969%	0.000145120	\$11,641,066,258.42	0.999922	36	68
3/19/2024	5.2970%	0.000145122	\$11,601,314,734.89	0.999922	37	69
3/20/2024	5.2973%	0.000145132	\$11,590,543,080.79	0.999938	36	68
3/21/2024	5.3007%	0.000145226	\$11,485,857,269.11	0.999929	37	68
3/22/2024	5.3027%	0.000145280	\$11,333,005,052.58	0.999938	36	68
3/23/2024	5.3027%	0.000145280	\$11,333,005,052.58	0.999938	36	68
3/24/2024	5.3027%	0.000145280	\$11,333,005,052.58	0.999938	36	68
3/25/2024	5.3040%	0.000145314	\$11,325,569,795.78	0.999942	36	67
3/26/2024	5.3090%	0.000145451	\$11,313,810,613.59	0.999940	36	68
3/27/2024	5.3168%	0.000145665	\$11,261,235,903.92	0.999954	36	68
3/28/2024	5.3205%	0.000145767	\$11,373,415,394.49	0.999936	35	66
3/29/2024	5.3205%	0.000145767	\$11,373,415,394.49	0.999936	35	66
3/30/2024	5.3205%	0.000145767	\$11,373,415,394.49	0.999936	35	66
3/31/2024	5.3205%	0.000145767	\$11,373,415,394.49	0.999936	35	66
<b>Average</b>	<b>5.2986%</b>	<b>0.000145168</b>	<b>\$11,585,682,041.61</b>		<b>36</b>	<b>68</b>



## *ECONOMIC COMMENTARY (cont.)*

According to the Bureau of Labor Statistics, over 60% of new employment last year came from people not born in the United States. Last year, the immigration naturalization service approved more than 2 million initial applications for employment authorization, up from 1.2 million the year before. This influx of immigrants, pursuing their own versions of the American Dream, is helping increase job growth, suppress wage growth, and boost economic output.

The February CPI report showed that inflation is still gradually receding, although there were some areas of strength. Headline CPI rose 0.4% m/m and 3.2% year-over-year (y/y), above 3.1% y/y previously, while core inflation rose 0.4% m/m and 3.8% y/y, declining from 3.9% previously. In the details, owner's equivalent rent (OER) cooled from January's 0.6% but remained elevated at 0.4%. Before the pandemic, OER averaged ~0.25% monthly pace. Core goods prices surprised to the upside, with wide ranging increases. The "supercore" measure of inflation (Core Services Ex-Housing) eased in February at 0.5% m/m after surging 0.8% in January. Similarly, the Personal Consumption Expenditures Price Index (PCE) rose 0.3% m/m and 2.5% y/y, while the core PCE measure rose 0.3% m/m and 2.8% y/y.

As expected, at its March meeting, the FOMC voted to hold rates steady at 5.25%-5.50% for a fifth consecutive meeting. The prepared statement continued to highlight that inflation has eased but remains elevated. The changes to the Summary of Economy Projections (SEP) were mixed with year-end core PCE revised up to 2.6% from 2.4% and 2024 growth revised up to 2.1% from 1.4% in December. The median Fed 'dot' still showed three rate cuts for this year, and one fewer cut for next year for a total of three cuts in 2025 and 2026. During the press conference, Chairman Powell did not seem concerned about the hot inflation prints in January and February. While the FOMC seems intent on starting to cut rates this year to ensure a soft-landing scenario, Powell reaffirmed the Fed's stance that easing will not be appropriate until they have gained greater confidence that inflation is on track to decelerate toward 2%.

In the days leading up to the FOMC meeting, Treasury yields beyond six months inched higher as market expectations for rate cuts continued to erode on stronger than expected payrolls and CPI prints. U.S. two-year Treasury yields hovered near year-to-date highs of 4.75%. However, once the Fed reaffirmed its forecast for three rate cuts this year, yields inched back down, ending essentially where they started the month. The three-month Treasury bill yield modestly declined 1 basis point (bp) to 5.37%, while one-year Treasury yields rose 3 bps to 5.03%. Two-year Treasury yields ended the month unchanged at 4.62%.

### **Outlook**

We have arguably been in a Goldilocks scenario for the economy over the past year, as CPI has gradually cooled from approximately 9% to 3% and economic growth has remained robust. We believe the Fed is likely to achieve a soft landing, where inflation declines, and GDP slows closer to its 2% trend. Furthermore, increased immigration is likely to keep a lid on wage growth and support economic growth. However, it is important to keep in mind that the road from 3% to 2% inflation may be bumpier than the disinflationary pathway we have experienced so far.

Investors have interpreted the rise in interest rates this year as a reflection of resilient economic activity, accompanied by expectations for robust profit growth. The market's confidence was reinforced after the March FOMC meeting, as the committee's updates to its SEP illustrated a rosier economic outlook. The message was that the Fed expects significantly more growth and a bit more inflation than it did in December. Despite the increase in core PCE projections, the committee's policy rate projections continued to signal three rate cuts this year but a downward revised three cuts in 2025 as the economy and labor market are expected to remain healthy. A once in a generation surge in labor supply is fueling higher growth as immigration for 2023 and 2024 is projected to reach levels not seen in quite some time. While labor demand has been robust, the surge in supply has helped rebalance the labor market. In the long run, the labor market and wages drive inflation. The rebalancing in the labor market gives confidence that we are still on the bumpy road to 2% inflation.





*ECONOMIC COMMENTARY (cont.)*

As we ended the first quarter, the market's estimates for the federal funds rate were in line with the Fed's, with the first rate cut expected in June. However, since then, the market has become more skeptical about the pace of Fed easing as US job openings and factor goods orders have been better than expected. There are three more job reports and inflation releases before the June FOMC meeting. While it is likely that we see two to three rate cuts in 2024, starting as early as this summer, the Fed may be biased to keep interest rates high for longer, depending on the data. Once the Fed does begin easing policy, rate cuts are likely to be slow and steady.

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

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