



CENTRAL TEXAS REGIONAL  
**MOBILITY AUTHORITY**

## February 26, 2025 AGENDA ITEM #5

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Accept the unaudited financial  
statements for January 2025

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 January 2025.

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

**Financing:** N/A

**Action requested/Staff Recommendation:** Accept the unaudited financial statements for January 2025.

**Backup provided:** Draft Resolution  
Draft unaudited financial statements for January 2025

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

**RESOLUTION NO. 25-0XX**

**ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR JANUARY 2025**

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 January 2025 and has caused the unaudited 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 unaudited financial statements for January 2025, attached hereto as Exhibit A.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 26<sup>th</sup> day of February 2025.

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 January 31, 2025**

	Budget Amount FY 2025	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>REVENUE</b>				
<b>Operating Revenue</b>				
Toll Revenue	178,100,000	101,156,122	56.80%	90,915,619
Video Tolls	67,500,000	36,568,024	54.17%	33,898,583
Fee Revenue	13,200,000	8,781,094	66.52%	7,396,112
<b>Total Operating Revenue</b>	<b>258,800,000</b>	<b>146,505,240</b>	<b>56.61%</b>	<b>132,210,314</b>
<b>Other Revenue</b>				
Interest Income	43,025,800	27,060,508	62.89%	28,267,905
Grant Revenue	595,467	595,467	100.00%	179,310
Misc Revenue	100,000	11,861	11.86%	9,347
Headquarters Rent Revenue	-	51,762	-	-
Gain/Loss on Investments	-	79,742	-	-
Unrealized Gain/Loss	-	123,484	-	-
<b>Total Other Revenue</b>	<b>43,721,267</b>	<b>27,922,824</b>	<b>63.87%</b>	<b>28,456,562</b>
<b>TOTAL REVENUE</b>	<b>302,521,267</b>	<b>174,428,064</b>	<b>57.66%</b>	<b>160,666,876</b>
<b>EXPENSES</b>				
<b>Salaries and Benefits</b>				
Salary Expense - Regular	4,994,532	2,455,256	49.16%	2,383,807
Salary Reserve	80,000	-	-	-
TCDRS	1,142,301	683,890	59.87%	1,139,615
FICA	257,234	107,827	41.92%	102,496
FICA MED	72,421	35,173	48.57%	34,529
Health Insurance Expense	586,073	291,751	49.78%	267,780
Life Insurance Expense	3,249	1,578	48.57%	1,928
Auto Allowance Expense	10,200	5,695	55.83%	5,695
Other Benefits	204,671	85,150	41.60%	75,106
Unemployment Taxes	5,760	3,042	52.82%	-
<b>Total Salaries and Benefits</b>	<b>7,356,441</b>	<b>3,669,362</b>	<b>49.88%</b>	<b>4,010,955</b>
<b>Administrative</b>				
<b>Administrative and Office Expenses</b>				
Accounting	9,500	5,584	58.78%	5,046
Auditing	270,000	195,713	72.49%	133,467
Financial Advisors	200,000	93,600	46.80%	97,200
Human Resources	100,000	9,012	9.01%	1,199
Legal	60,000	19,287	32.15%	8,437
IT Services	365,000	239,848	65.71%	107,470
Software Licenses	1,573,150	1,393,328	88.57%	980,142
Cell Phones	34,900	12,336	35.35%	16,476
Local Telephone Service	2,200	1,501	68.22%	1,273

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending January 31, 2025**

	Budget Amount FY 2025	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
Overnight Delivery Services	200	17	8.65%	-
Copy Machine	15,300	8,904	58.20%	8,904
Repair & Maintenance-General	10,000	-	-	10,339
Meeting Facilities	2,500	-	-	-
Community Meeting / Events	-	-	-	5,050
Meeting Expense	13,750	6,934	50.43%	5,017
Toll Tag Expense	3,000	500	16.67%	300
Parking / Local Ride Share	2,500	227	9.07%	88
Mileage Reimbursement	4,600	509	11.06%	539
Insurance Expense	1,301,000	566,114	43.51%	376,865
Rent Expense	992,200	435,486	43.89%	301,884
Building Parking	3,500	1,057	30.19%	432
Total Legal Services	458,000	78,700	17.18%	252,988
<b>Total Administrative and Office Expenses</b>	<b>5,421,300</b>	<b>3,068,658</b>	<b>56.60%</b>	<b>2,313,115</b>
<b>Office Supplies</b>				
Books & Publications	5,250	2,086	39.73%	2,237
Office Supplies	5,250	1,024	19.51%	431
Misc Office Equipment	4,500	-	-	989
Computer Supplies	201,850	13,890	6.88%	57,193
Copy Supplies	750	-	-	-
Other Reports - Printing	500	-	-	43
Office Supplies - Printed	3,500	2,394	68.39%	1,922
Postage Expense	900	297	33.01%	597
<b>Total Office Supplies</b>	<b>222,500</b>	<b>19,691</b>	<b>8.85%</b>	<b>63,412</b>
<b>Communications and Public Relations</b>				
Print Production	75,000	-	-	-
Website Maintenance	240,000	41,881	17.45%	269,656
Research Services	210,000	11,900	5.67%	-
Communications and Marketing	500,000	182,775	36.56%	28,990
Media Planning and Placement	1,225,000	690,896	56.40%	182,260
Direct Mail Production	60,000	-	-	-
TV and Video Production	250,000	59,695	23.88%	-
Photography	25,000	850	3.40%	885
Radio Production	50,000	-	-	-
Other Public Relations	20,000	13,421	67.11%	5,000
Promotional Items	20,000	2,248	11.24%	2,867
Printing	80,000	-	-	-
Other Communication Expenses	15,000	32,119	214.12%	-
<b>Total Communications and Public Relations</b>	<b>2,770,000</b>	<b>1,035,784</b>	<b>37.39%</b>	<b>489,658</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending January 31, 2025**

	Budget Amount FY 2025	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Employee Development</b>				
Subscriptions	1,250	139	11.12%	139
Agency Memberships	88,300	50,394	57.07%	48,327
Continuing Education	14,800	2,475	16.72%	500
Professional Development	21,400	3,450	16.12%	2,289
Other Licenses	2,000	537	26.85%	197
Seminars and Conferences	70,300	6,780	9.64%	5,570
Travel	107,000	26,628	24.89%	27,317
<b>Total Employee Development</b>	<b>305,050</b>	<b>90,403</b>	<b>29.64%</b>	<b>84,338</b>
<b>Financing and Banking Fees</b>				
Trustee Fees	75,000	38,000	50.67%	39,500
Bank Fee Expense	6,500	3,802	58.49%	3,786
Continuing Disclosure	10,000	2,700	27.00%	9,903
Arbitrage Rebate Calculation	16,500	15,400	93.33%	16,105
Rating Agency Expense	50,000	46,000	92.00%	45,000
<b>Total Financing and Banking Fees</b>	<b>158,000</b>	<b>105,902</b>	<b>67.03%</b>	<b>114,293</b>
<b>Total Administrative</b>	<b>8,876,850</b>	<b>4,320,437</b>	<b>48.67%</b>	<b>3,064,817</b>
<b>Operations and Maintenance</b>				
<b>Operations and Maintenance Consulting</b>				
GEC-Trust Indenture Support	1,568,659	536,029	34.17%	413,167
GEC-Financial Planning Support	300,000	160,433	53.48%	156,112
GEC-Toll Ops Support	1,142,136	1,176,311	102.99%	451,435
GEC-Roadway Ops Support	1,515,000	609,391	40.22%	435,430
GEC-Technology Support	804,962	365,478	45.40%	496,701
GEC-Public Information Support	200,000	126,522	63.26%	106,637
GEC-General Support	2,226,000	821,840	36.92%	619,971
General System Consultant	2,307,274	1,083,925	46.98%	516,790
Traffic Modeling	125,000	-	-	-
Traffic and Revenue Consultant	1,200,000	440,926	36.74%	264,793
<b>Total Operations and Maintenance Consulting</b>	<b>11,389,031</b>	<b>5,320,855</b>	<b>46.72%</b>	<b>3,461,035</b>
<b>Roadway Operations and Maintenance</b>				
Roadway Maintenance	4,169,031	1,762,926	42.29%	1,848,357
Landscape Maintenance	3,249,260	1,368,035	42.10%	1,616,353
Signal & Illumination Maint	25,000	-	-	-
Maintenance Supplies-Roadway	400,000	34,445	8.61%	48,337
Tools & Equipment Expense	-	1,260	-	20
Gasoline	30,000	8,147	27.16%	10,463
Repair & Maintenance - Vehicles	10,000	6,772	67.72%	3,262

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending January 31, 2025**

	Budget Amount FY 2025	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
Natural Gas	7,500	5,813	77.51%	10,204
Electricity - Roadways	300,000	167,904	55.97%	158,219
<b>Total Roadway Operations and Maintenance</b>	<b>8,190,791</b>	<b>3,355,302</b>	<b>40.96%</b>	<b>3,695,216</b>
<b>Toll Processing and Collection Expense</b>				
Image Processing	3,300,000	1,240,579	37.59%	1,571,570
Tag Collection Fees	12,675,000	6,826,748	53.86%	6,301,038
Court Enforcement Costs	160,000	-	-	-
PBM Incentive	500,000	-	-	-
<b>Total Processing and Collection Expense</b>	<b>16,635,000</b>	<b>8,067,327</b>	<b>48.50%</b>	<b>7,872,608</b>
<b>Toll Operations Expense Generator</b>				
Fuel	3,000	523	17.44%	1,072
Fire & Burglar Alarm	500	288	57.57%	288
Refuse	2,360	1,213	51.39%	1,163
Telecommunications	100,000	103,812	103.81%	83,942
Water - Irrigation	7,500	5,358	71.44%	5,522
Electricity	750	379	50.51%	452
ETC Spare Parts Expense	150,000	148,815	99.21%	118,576
Repair & Maintenance Toll Equip	100,000	-	-	65,066
Law Enforcement	725,000	278,757	38.45%	273,786
ETC Maintenance Contract	6,450,000	2,541,468	39.40%	3,295,833
Transaction Processing Maintenance Contract	2,000,000	1,065,000	53.25%	1,022,480
ETC Toll Management Center System Operation	1,338,822	424,511	31.71%	481,038
ETC Development	456,000	46,900	10.29%	79,241
ETC Testing	50,000	-	-	-
<b>Total Toll Operations Expense</b>	<b>11,383,932</b>	<b>4,617,024</b>	<b>40.56%</b>	<b>5,428,461</b>
<b>Total Operations and Maintenance</b>	<b>47,598,754</b>	<b>21,360,508</b>	<b>44.88%</b>	<b>20,457,320</b>
<b>Other Expenses</b>				
<b>Special Projects and Contingencies</b>				
HERO	711,621	86,001	12.09%	93,439
Special Projects	50,000	-	-	-
Disbursement Other Government - Travis County	-	274,254	-	-
71 Express Interest Expense	6,750,000	1,007,591	14.93%	1,107,067
Customer Relations	10,000	-	-	-
Technology Initiatives	100,000	-	-	-
Other Contractual Svcs	390,000	103,500	26.54%	104,500
Contingency	200,000	-	-	-
<b>Total Special Projects and Contingencies</b>	<b>8,211,621</b>	<b>1,471,347</b>	<b>17.92%</b>	<b>1,305,006</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>72,043,666</b>	<b>30,821,654</b>	<b>42.78%</b>	<b>28,838,098</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending January 31, 2025**

	Budget Amount FY 2025	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Non Cash Expenses</b>				
<b>Amortization Expense</b>				
Amortization Expense - Intangible Software	13,000,000	852,416	6.56%	-
Amortization Expense - Software	-	-	-	8,466
Amortization Expense - Right to Use Asset - Lea	515,000	300,272	58.31%	128,688
Amortization Expense - Refundings	6,600,000	3,885,218	58.87%	3,621,195
<b>Subtotal Amortization Expense</b>	<b>20,115,000</b>	<b>5,037,906</b>	<b>25.05%</b>	<b>3,758,349</b>
<b>Depreciation Expense</b>				
Dep Expense - Equipment	-	-	-	363,245
Dep Expense - Autos & Trucks	31,000	16,472	53.13%	17,739
Dep Expense - Building & Toll Facility	180,000	103,103	57.28%	103,103
Dep Expense - Highways & Bridges	53,500,000	30,638,460	57.27%	30,145,409
Dep Expense - Toll Equipment	13,640,000	1,978,779	14.51%	1,771,822
Dep Expense - Signs	1,830,000	566,235	30.94%	705,223
Dep Expense - Land Improvements	545,000	316,355	58.05%	343,937
Undevelopable Projects	-	-	-	(1,570)
<b>Subtotal Depreciation Expense</b>	<b>69,726,000</b>	<b>33,619,405</b>	<b>48.22%</b>	<b>33,448,907</b>
<b>Total Non Cash Expenses</b>	<b>89,841,000</b>	<b>38,657,311</b>	<b>43.03%</b>	<b>37,207,256</b>
<b>Non Operating Expenses</b>				
Interest Expense - Debt Obligations	109,112,756	55,819,560	51.16%	46,573,892
CAMPO RIF Payment	10,000,000	10,000,000	100.00%	6,000,000
Headquarters Expenses	-	4,185	-	-
Community Initiatives	600,000	186,791	31.13%	5,000
<b>Total Non Operating Expenses</b>	<b>119,712,756</b>	<b>66,010,536</b>	<b>55.14%</b>	<b>52,578,892</b>
<b>TOTAL EXPENSES</b>	<b>281,597,422</b>	<b>135,489,501</b>	<b>48.11%</b>	<b>118,624,245</b>
<b>Net Income</b>	<b>20,923,845</b>	<b>38,938,563</b>		<b>42,042,630</b>



**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of January 31, 2025**

		as of 01/31/2025	as of 01/31/2024
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Cash</b>			
Regions Operating Account		85,521	15,998
Cash in TexStar		4,643,467	889,514
Regions Payroll Account		116,803	109,426
<b>Restricted Cash</b>			
Goldman Sachs FSGF 465		440,030,047	374,481,474
Restricted Cash - TexSTAR		28,069,790	59,343,177
Treasury SLGS		173,895,702	-
<b>Non-System Cash</b>			
Headquarters Operating Account		3,357	-
Headquarters Security Deposits		45,802	-
Headquarters Property Management		46,263	-
<b>Total Cash and Cash Equivalents</b>		<b>646,936,752</b>	<b>434,839,589</b>
<b>Accounts Receivables</b>			
Accounts Receivable - Net		6,978,995	5,125,449
Due From Other Agencies		586,235	360,522
Due From TTA		-	560,488
Due From NTTA		1,834,759	1,528,427
Due From HCTRA		10,612,654	2,275,284
Due From TxDOT		991,233	1,467,763
Due From Other Funds		1,511,224	-
Interest Receivable		814,390	576,951
<b>Total Receivables</b>		<b>23,329,489</b>	<b>11,894,884</b>
<b>Short Term Investments</b>			
Treasuries		11,882,736	224,312,531
Agencies		119,639,927	339,998,036
<b>Total Short Term Investments</b>		<b>131,522,663</b>	<b>564,310,567</b>
<b>Total Current Assets</b>		<b>801,788,904</b>	<b>1,011,045,040</b>
<b>Construction in Progress</b>			
		<b>596,920,540</b>	<b>446,304,567</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of January 31, 2025**

	as of 01/31/2025	as of 01/31/2024
<b>Capital Assets (Net of Depreciation and Amortization)</b>		
<b>Depreciable Assets</b>		
Equipment	-	1,037,843
Autos and Trucks	61,699	29,142
Buildings and Toll Facilities	17,289,412	4,126,858
Highways and Bridges	1,650,358,728	1,696,024,645
Toll Equipment	24,399,219	17,269,840
Signs	10,924,172	11,057,710
Land Improvements	4,428,074	4,970,397
Right of way	88,149,606	88,149,606
<b>Intangible Assets</b>		
Intangible Software	5,123,257	-
<b>Right to Use Assets</b>		
Leases	643,441	1,158,193
<b>Total Fixed Assets</b>	<b>1,801,377,608</b>	<b>1,823,824,236</b>
<b>Other Assets</b>		
Intangible Assets-Net	158,850,156	165,192,538
Prepaid Insurance	658,578	461,980
Prepaid - Headquarters Lease Rent	13,939	-
Deferred Outflows (pension related)	2,384,338	2,738,023
Pension Asset	-	1,046,634
<b>Total Other Assets</b>	<b>161,907,011</b>	<b>169,439,175</b>
<b>Total Assets</b>	<b>3,361,994,063</b>	<b>3,450,613,018</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable	7,871,448	20,899,445
Construction Payable	-	9,713,260
Headquarters Security Deposits Payable	45,802	-
Interest Payable	6,746,151	7,299,949
Due to other Funds	1,511,224	-
TCDRS Payable	90,749	63,663
Due to other Agencies	14,243	7,624
Due to TTA	-	634,852
Due to HCTRA	719,405	153,565
Due to Other Entities	-	118,029
71E TxDOT Obligation - ST	1,715,248	6,544,570
<b>Total Current Liabilities</b>	<b>18,714,270</b>	<b>45,434,958</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of January 31, 2025**

	as of 01/31/2025	as of 01/31/2024
<b>Long Term Liabilities</b>		
Compensated Absences	222,277	222,277
Right to Use Obligations - Lease	949,904	1,286,881
Deferred Inflows (pension related)	1,192,688	1,378,935
Pension Liability	1,971,627	-
<b>Long Term Payables</b>	<b>4,336,496</b>	<b>2,888,093</b>
<b>Bonds Payable</b>		
<b>Senior Lien Revenue Bonds:</b>		
Senior Lien Revenue Bonds 2010	103,015,707	98,592,443
Senior Lien Revenue Bonds 2011	6,942,519	9,542,723
Senior Lien Revenue Bonds 2015	9,000,000	10,000,000
Senior Lien Refunding Revenue Bonds 2016	42,940,000	47,045,000
Senior Lien Revenue Bonds 2018	43,345,000	44,345,000
Senior Lien Revenue Bonds 2020A	50,265,000	50,265,000
Senior Lien Refunding Bonds 2020B	53,610,000	54,305,000
Senior Lien Refunding Bonds 2020C	128,105,000	133,210,000
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	273,125,000	274,150,000
Senior Lien Refunding Bonds 2021E	326,360,000	329,545,000
Senior Lien Premium 2016 Revenue Bonds	5,805,528	6,402,307
Sn Lien Revenue Bond Premium 2018	2,462,779	2,727,717
Senior Lien Revenue Bond Premium 2020A	10,772,256	11,037,139
Senior Lien Refunding Bond Premium 2020B	10,389,378	10,924,453
Senior Lien Revenue Bonds Premium 2020E	21,424,507	23,139,893
Senior Lien Revenue Bonds Premium 2021B	51,969,989	52,579,505
Senior Lien Refunding Bonds Premium 2021D	43,033,175	43,480,371
<b>Total Senior Lien Revenue Bonds</b>	<b>1,604,800,838</b>	<b>1,623,526,552</b>
<b>Sub Lien Revenue Bonds:</b>		
Sub Lien Refunding Bonds 2016	66,285,000	69,055,000
Sub Lien Refunding Bonds 2020D	89,345,000	93,430,000
Subordinated Lien BANs 2020F	-	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	3,837,622	4,542,769
Subordinated Lien BANs 2020F Premium	-	3,669,293
Subordinated Lien Refunding Bonds Premium 2020G	6,124,626	6,528,597
Sub Lien BANS 2021C Premium	14,589,048	22,200,726
<b>Total Sub Lien Revenue Bonds</b>	<b>485,936,296</b>	<b>616,056,385</b>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of January 31, 2025**

as of 01/31/2025   as of 01/31/2024

**Other Obligations**

TIFIA Note 2021 - 183S	322,354,437	322,025,793
TIFIA Note 2021 - 290E	41,088,581	41,046,691
71E TxDOT Obligation - LT	47,253,089	49,167,292
Regions 2022 MoPac Loan	22,490,900	23,765,900

<b>Total Other Obligations</b>	<b>433,187,007</b>	<b>436,005,676</b>
<b>Total Long Term Liabilities</b>	<b>2,528,260,637</b>	<b>2,678,476,706</b>
<b>Total Liabilities</b>	<b>2,546,974,907</b>	<b>2,723,911,663</b>

**NET ASSETS**

Contributed Capital	-	121,462,104
Net Assets Beginning	776,080,594	563,196,620
Current Year Operations	38,938,563	42,042,630
<b>Total Net Assets</b>	<b>815,019,157</b>	<b>726,701,354</b>

<b>Total Liabilities and Net Assets</b>	<b>3,361,994,064</b>	<b>3,450,613,018</b>
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**Central Texas Regional Mobility Authority**  
**Statement of Cash Flow**  
**as of January 2025**

**Cash flows from operating activities:**

Receipts from toll revenues	155,235,732
Receipts from other sources	862,316
Payments to vendors	(72,874,712)
Payments to employees	(3,679,259)
Net cash flows provided by (used in) operating activities	<u>79,544,077</u>

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

Payment on Intangible assets	(3,885,218)
Interest Expense	(92,908,102)
Payments on bonds / loans	(146,288,748)
RIF Contribution	(10,000,000)
Acquisition of capital assets - non project	(18,548,868)
Acquisitions of construction in progress	(83,626,734)
Net cash flows provided by (used in) capital and related financing activities	<u>(355,257,671)</u>

**Cash flows from investing activities:**

Interest income	26,795,268
Purchase of investments	101,503,973
Net cash flows provided by (used in) investing activities	<u>128,299,242</u>

Net increase (decrease) in cash and cash equivalents	(147,414,353)
Cash and cash equivalents at beginning of period	<u>817,680,594</u>
Cash and cash equivalents at end of period	<u>670,266,241</u>

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

Operating income	38,938,563
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	38,657,311
Changes in assets and liabilities:	
Decrease in accounts receivable	8,730,492
Increase in prepaid expenses and other assets	(672,517)
Decrease in accrued expenses	(35,055,615)
Decrease in Interest expense	56,006,351
Increase in interest receivable	(27,060,508)
Total adjustments	<u>40,605,514</u>
Net cash flows provided by (used in) operating activities	<u>79,544,077</u>

**Reconciliation of cash and cash equivalents:**

Unrestricted cash and cash equivalents	202,166,404
Restricted cash and cash equivalents	<u>468,099,837</u>
Total	<u>670,266,241</u>

**CTRMA INVESTMENT REPORT**  
**Month Ending January 31, 2025**

	Balance 1/1/2025	Accrued Interest	Additions	Cash Transfers	Withdrawals	Balance 1/31/2025	Rate January '25
<b>Amount in Trustee TexStar</b>							
2011 Sr Lien Financial Assist Fund	-					-	4.39%
2013 Sub Lien Debt Service Reserve	623,781.92	2,325.24				626,107.16	4.39%
General Fund	10,340,198.86	38,544.91				10,378,743.77	4.39%
Trustee Operating Fund	21,317,179.96	69,558.55		(7,500,000.00)		13,886,738.51	4.39%
Renewal and Replacement	8.70					8.70	4.39%
TxDOT Grant Fund	510,822.53	1,904.18				512,726.71	4.39%
Senior Lien Debt Service Reserve Fund	434,169.14	1,618.45				435,787.59	4.39%
2015 Senior Series B Project	393,200.35	1,465.71				394,666.06	4.39%
2015C TIFIA Project acct	781,154.47	2,911.88				784,066.35	4.39%
2018 290E III Senior Project	1,047,042.45	3,903.04				1,050,945.49	4.39%
	35,447,558.38	122,231.96	-	(7,500,000.00)	-	28,069,790.34	
<b>Amount in TexStar Operating Fund</b>							
	1,911,151.09	7,315.59		7,500,000.00	4,775,000.00	4,643,466.68	4.39%
<b>Goldman Sachs</b>							
Operating Fund	5,211,500.45	19,405.95	150,149.37		601.63	5,380,454.14	4.62%
2020A Senior Lien Debt Service Account	1,256,625.00	4,057.26		302,927.96	1,256,625.00	306,985.22	4.62%
2020B Senior Lien Debt Service Fund	2,008,525.00	6,710.14		275,739.98	2,008,525.00	282,450.12	4.62%
2020C Senior Lien Debt Service Fund	6,959,429.99	24,124.24		825,987.02	6,959,429.99	850,111.26	4.62%
2020D Sub Lien Debt Service Fund	5,527,634.29	19,167.20		577,384.03	5,527,634.29	596,551.23	4.62%
2020D Sub Debt Service Reserve Fund	9,119,388.80	10,053.49				9,129,442.29	4.62%
2020E Sr Lien Project	80,519,176.14	307,360.53			4,125,505.82	76,701,030.85	4.62%
2020E Sr Ln Project Cap I	8,487,024.64	32,246.60		(3,718,700.00)		4,800,571.24	4.62%
2020E Sr Lien Debt Service	-			3,718,700.00	3,718,700.00	-	4.62%
2020F Sub Lien Debt Service Fund	113,646,875.00	22,820.44			113,646,875.00	22,820.44	4.62%
2020G Sub Lien Debt Service Acct	1,276,300.00	4,120.04		212,029.99	1,276,300.00	216,150.03	4.62%
2020G Sub Debt Service Reserve Fund	4,474,224.94	4,702.00				4,478,926.94	4.62%
2021A TIFIA Sub Lien Debt Serv Reserve	22,000,117.63	22,100.37				22,022,218.00	4.62%
2021A TIFIA Sub Lien Debt Service Acct 183S	4,548,641.51	2,512.63		498,183.00	4,014,482.23	1,034,854.91	4.62%
2021A TIFIA Sub Lien Debt Service Acct Manor	-			74,710.00		74,710.00	4.62%
2021B Senior Lien Cap I Project Fund	26,497,567.60	100,677.97		(5,866,900.00)		20,731,345.57	4.62%
2021B Senior Lien Project	259,270.77	1,187.37	24,500,000.00		23,683,052.43	1,077,405.71	4.62%
2021B Senior Lien Cap I Debt Service	-			5,866,900.00	5,866,900.00	-	4.62%
2021B Senior Lien Cap I Debt Service Acct	9,589.96	36.43				9,626.39	4.62%
2021C Sub Lien Cap I Project Fund	1,494.15	5.68				1,499.83	4.62%
2021C Sub Lien Project	15,357,478.74	58,351.01		(8,856,641.02)		6,559,188.73	4.62%
2021C Sub Lien Debt Service Fund	6,104,625.00	19,705.82		1,014,153.20	6,104,625.00	1,033,859.02	4.62%
2021D Senior Lien Debt Service Fund	6,109,500.00	19,895.87		971,079.86	6,109,500.00	990,975.73	4.62%
2021E Senior Lien Debt Service Fund	8,038,859.21	26,987.18		1,070,102.03	8,038,859.21	1,097,089.21	4.62%
2010 Senior DSF	9,000,000.00	30,051.18		907,495.74	9,000,000.00	937,546.92	4.62%
2011 Senior Lien Debt Service Acct	7,455,000.00	25,284.98		234,142.92	7,455,000.00	259,427.90	4.62%
2013 Senior Lien Debt Service Fund	44,948.48	170.80				45,119.28	4.62%
2013 Sub Debt Service Reserve Fund	251,124.55	954.27				252,078.82	4.62%
2013 Subordinate Debt Service Fund	35,375.89	134.43				35,510.32	4.62%
2015A Sr Lien Debt Service	3,097,757.07	21,483.26			1,250,000.00	1,869,240.33	4.62%
2015B Project	4,855,518.45	18,490.65			227,644.07	4,646,365.03	4.62%
2015C TIFIA Project	2,098,203.02	5,537.48				2,103,740.50	4.62%
2016 Sr Lien Rev Refunding Debt Service	6,449,781.90	33,703.30		391,196.22	5,052,893.75	1,821,787.67	4.62%
2016 Sub Lien Rev Refunding Debt Service	4,326,631.25	14,865.12		491,669.36	4,326,631.25	506,534.48	4.62%
2016 Sub Lien Rev Refunding DSR	7,858,116.80	8,357.32				7,866,474.12	4.62%
2018 Senior Debt Service Fund 290E III	2,108,625.00	7,132.12		266,498.81	2,108,625.00	273,630.93	4.62%
2018 290E III Senior Project	7,860,825.79	38,506.66			46,778.89	7,852,553.56	4.62%
TxDOT Grant Fund	794,873.38	2,104.11				796,977.49	4.62%
TxDOT Reimb - US 183N 4th GP Lane	-		8,628,165.67	8,856,641.02		17,484,806.69	4.62%
Renewal and Replacement	1.93	0.01		67,500.00	67,497.44	4.50	4.62%
Revenue Fund	4,388,997.00	37,011.05	24,394,988.29	(15,306,663.25)		13,514,333.09	4.62%
General Fund	74,280,109.41	458,341.19	286,004.06	4,321,496.00	547,360.59	78,798,590.07	4.62%
Senior Lien Debt Service Reserve Fund	100,433,685.59	128,497.44				100,562,183.03	4.62%
71E Revenue Fund	12,929,511.79	48,078.80	486,278.97	903,198.14	204,604.11	14,162,463.59	4.62%
MoPac Revenue Fund	124,049.69	2,778.28	581,047.44	(607,735.11)		100,140.30	4.62%
MoPac General Fund	15,199,656.61	55,415.06		1,932,305.44		17,187,377.11	4.62%
MoPac Operating Fund	3,634,528.48	12,525.16	149,992.52	400,000.00	607,561.61	3,589,484.55	4.62%
MoPac Loan Repayment Fund	1,101,204.60	3,702.73		176,598.66	365,552.10	915,953.89	4.62%
	595,742,375.50	1,659,353.62	59,176,626.32	-	223,597,764.41	432,980,591.03	
<b>Amount in Fed Agencies and Treasuries</b>							
Amortized Principal	131,522,662.92					131,522,662.92	
<b>Certificates of Deposit</b>							
<b>Total in Pools - TxStar</b>	37,358,709.47	129,547.55	-	-	4,775,000.00	32,713,257.02	
<b>Total in GS FSGF</b>	595,742,375.50	1,659,353.62	59,176,626.32	-	223,597,764.41	432,980,591.03	
<b>Total in Treasury SLGS</b>	245,000,000.00	5,795,702.18	-	-	76,900,000.00	173,895,702.18	
<b>Total in Fed Agencies and Treasuries</b>	131,522,662.92	-	-	-	-	131,522,662.92	
<b>Total Invested</b>	1,009,623,747.89	7,584,603.35	59,176,626.32	-	305,272,764.41	771,112,213.15	

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

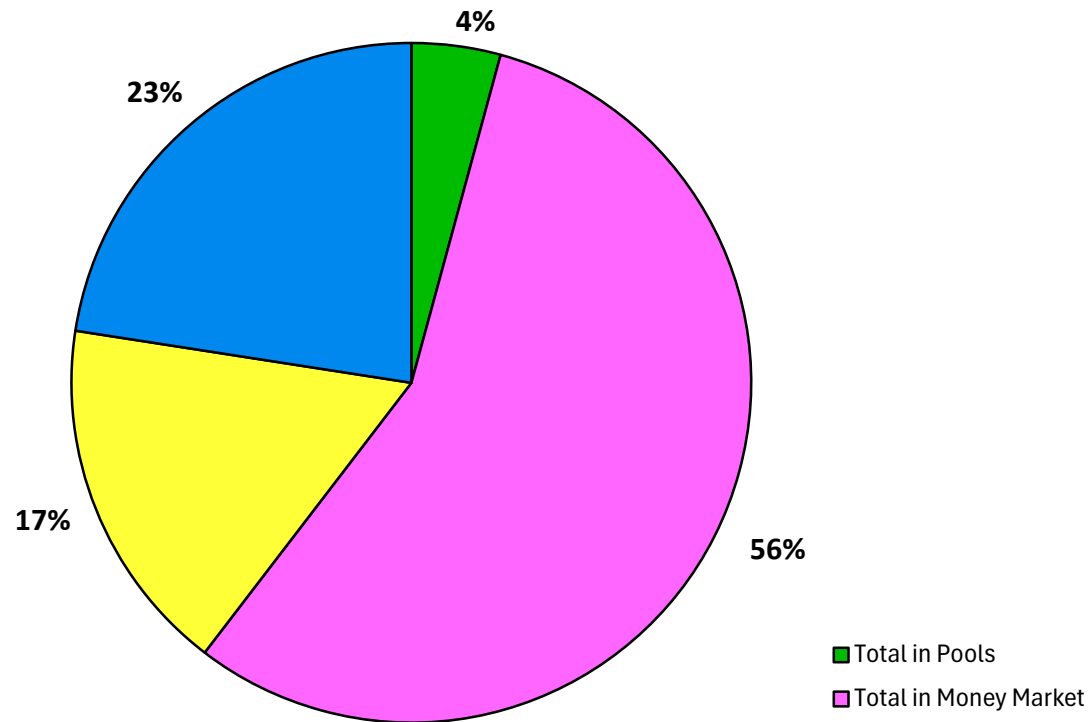
José Hernández, CFO  
Ann Zigmund, Controller

## Investments by Fund

Fund	Agencies / Treasuries /				Balance
	TexSTAR	TexSTAR-Trustee	Goldman Sachs	SLGS	
Renewal and Replacement Fund	8.70		4.50		13.20
Grant Fund	512,726.71		796,977.49	10,000,000.00	11,309,704.20
TxDOT Reimb - US 183N 4th GP Lane			17,484,806.69		17,484,806.69
Senior Debt Service Reserve Fund	435,787.59		100,562,183.03	20,000,000.00	120,997,970.62
2010 Senior Lien Debt Service			937,546.92		937,546.92
2011 Sr Debt Service			259,427.90		259,427.90
2013 Sr Debt Service			45,119.28		45,119.28
2013 Sub Debt Service			35,510.32		35,510.32
2013 Sub Debt Service Reserve Fund	626,107.16		252,078.82		878,185.98
2015 Sr Debt Service			1,869,240.33		1,869,240.33
2016 Sr Lien Rev Refunding Debt Service			1,821,787.67		1,821,787.67
2016 Sub Lien Rev Refunding Debt Service			506,534.48		506,534.48
2016 Sub Lien Rev Refunding DSR			7,866,474.12	-	7,866,474.12
Operating Fund	13,886,738.51	4,643,466.68	5,380,454.14		23,910,659.33
Revenue Fund			13,514,333.09		13,514,333.09
General Fund	10,378,743.77		78,798,590.07	31,882,736.42	121,060,070.26
71E Revenue Fund			14,162,463.59	29,639,926.50	43,802,390.09
MoPac Revenue Fund			100,140.30		100,140.30
MoPac General Fund			17,187,377.11		17,187,377.11
MoPac Operating Fund			3,589,484.55		3,589,484.55
MoPac Loan Repayment Fund			915,953.89		915,953.89
2015B Project	394,666.06		4,646,365.03		5,041,031.09
2015 TIFIA Project	784,066.35		2,103,740.50	40,000,000.00	42,887,806.85
2018 Sr Lien Debt Service			273,630.93		273,630.93
2018 Sr Lien Project	1,050,945.49		7,852,553.56		8,903,499.05
2020A Senior Lien Debt Service			306,985.22		306,985.22
2020B Senior Lien Debt Service			282,450.12		282,450.12
2020C Senior Lien Debt Service			850,111.26		850,111.26
2020D Sub Lien Debt Service			596,551.23		596,551.23
2020D Sub Debt Service Reserve Fund			9,129,442.29	-	9,129,442.29
2020E Senior Lien Project			76,701,030.85		76,701,030.85
2020E Senior Lien Project Cap Interest			4,800,571.24		4,800,571.24
2020F Sub Lien Deb Service			22,820.44		22,820.44
2020G Sub Lien Debt Service			216,150.03		216,150.03
2020G Sub Lien Debt Service Reserve			4,478,926.94	-	4,478,926.94
2021A Sub Lien Debt Service Reserve			22,022,218.00	-	22,022,218.00
2021A Sub Debt Service			1,109,564.91		1,109,564.91
2021B Senior Lien Cap I Project Fund			20,731,345.57		20,731,345.57
2021B Senior Lien Project			1,077,405.71	168,048,377.61	169,125,783.32
2021B Senior Lien Cap I Debt Service Acct			9,626.39		9,626.39
2021C Sub Lien Cap I Project Fund			1,499.83	5,847,324.57	5,848,824.40
2021C Sub Lien Project			6,559,188.73		6,559,188.73
2021C Sub Lien Debt Service			1,033,859.02		1,033,859.02
2021D Senior Lien Debt Service			990,975.73		990,975.73
2021E Senior Lien Debt Service			1,097,089.21		1,097,089.21
<b>Totals</b>	<b>28,069,790.34</b>	<b>4,643,466.68</b>	<b>432,980,591.03</b>	<b>305,418,365.10</b>	<b>771,112,213.15</b>

1/31/2025

## Allocation of Funds







						Interest Income	
Bank	Fund	Cost	Cummulative Amortization	Book Value	Maturity Value	Accrued Interest	Interest Earned
6146001086	71E REVENU	15,000,000.00		15,000,000.00	15,000,000.00		
6146001086	71E REVENU	14,639,926.50		14,639,926.50	14,670,000.00	97,800.00	366,750.00
6180000120	GENERAL	11,882,736.42		11,882,736.42	12,000,000.00	113,036.99	288,340.12
6180000120	GENERAL	20,000,000.00		20,000,000.00	20,000,000.00		954,000.00
6180000059	SENLIENDSR	20,000,000.00		20,000,000.00	20,000,000.00		1,431,000.00
6180005349	2015TIFIAP	10,000,000.00		10,000,000.00	10,000,000.00		361,930.56
6180000157	TXDOTGRANT	10,000,000.00		10,000,000.00	10,000,000.00		361,930.56
6180005349	2015TIFIAP	30,000,000.00		30,000,000.00	30,000,000.00		680,600.00
		131,522,662.92	-	131,522,662.92	131,670,000.00	210,836.99	4,444,551.24

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**Goldman Sachs County Road Escrow Funds**

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	<b>Balance</b>	<b>Accrued</b>			<b>Balance</b>
	<b>1/1/2025</b>	<b>Interest</b>	<b>Additions</b>	<b>Withdrawals</b>	<b>1/31/2025</b>
Travis County Escrow Fund - Elroy Road	3,161,633.83	12,014.31			3,173,648.14
Travis County Escrow Fund - Ross Road	333,322.71	1,279.80		4,673.19	329,929.32
Travis County Escrow Fund - Old San Antonio Road	114,006.84	433.17		13,099.78	101,340.23
Travis County Escrow Fund - Old Lockhart Road	262,649.51	997.94		4,076.94	259,570.51
Travis County Escrow Fund - County Line Road	2,550,908.99	9,780.71		10,259.73	2,550,429.97
Travis County Escrow Fund - South Pleasant Valley Road	249,465.66	953.08		1,245.85	249,172.89
Travis County Escrow Fund - Thaxton Road	197,307.76	751.87		3,848.47	194,211.16
Travis County Escrow Fund - Pearce Lane Road	200,301.74	794.34		9,942.47	191,153.61
	<b>7,069,597.04</b>	<b>27,005.22</b>	<b>-</b>	<b>47,146.43</b>	<b>7,049,455.83</b>

State and Local Government Series as of 1/31/25											
Bank	Fund	Agency	Arbitrage Yield	CUSIP	Yield	Purchased Date	Purchase Value	Beginning	Accrued Interest	Withdrawals	End Value
1001021281	2021CPROJ	State and Local Government Series (SLGS)	1.831%	99SLA1060	4.18%	4/23/2024	35,000,000.00	35,000,000.00	347,324.57	29,500,000.00	5,847,324.57
1001021273	2021BPROJ	State and Local Government Series (SLGS)	1.831%	99SLA1078	4.18%	4/23/2024	210,000,000.00	210,000,000.00	5,448,377.61	47,400,000.00	168,048,377.61
							245,000,000.00	245,000,000.00	5,795,702.18	76,900,000.00	173,895,702.18

# TexSTAR

## MONTHLY NEWSLETTER

### JANUARY 2025



## PERFORMANCE

### As of January 31, 2025

Current Invested Balance	\$ 12,490,576,395.79
Weighted Average Maturity (1)	37 Days
Weighted Average Life (2)	88 Days
Net Asset Value	1.000123
Total Number of Participants	1079
Management Fee on Invested Balance	0.06%*
Interest Distributed	\$ 45,041,440.52
Management Fee Collected	\$ 607,353.60
% of Portfolio Invested Beyond 1 Year	9.10%
Standard & Poor's Current Rating	AAAm

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

### January Averages

Average Invested Balance	\$ 11,919,958,078.87
Average Monthly Yield, on a simple basis	4.3896%
Average Weighted Maturity (1)	38 Days
Average Weighted Life (2)	94 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 January:

\* City of Hackberry \* City of Hamlin \* Potter County \* City of Sachse

## HOLIDAY REMINDER

In observance of Presidents' Day, **TexSTAR will be closed Monday, February 17, 2025.** All ACH transactions initiated on Friday, February 14th will settle on Tuesday, February 18th.

## ECONOMIC COMMENTARY

### Market review

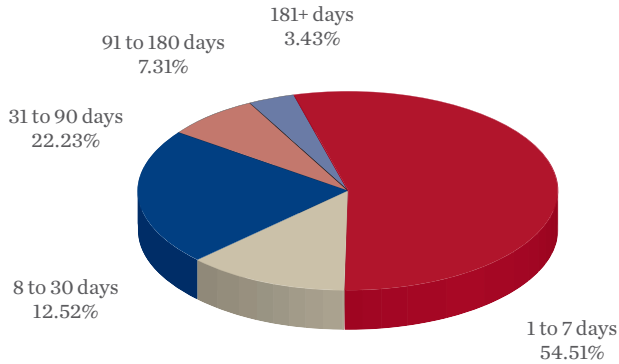
As we step into 2025, the economic landscape continues to show remarkable resilience. Over the past year, the economy has demonstrated its ability to adapt and prosper amid evolving monetary policy, ambiguous fiscal policy, and moderating, yet persistent, inflationary pressures. With consumer spending as a key driver and the labor market maintaining solid momentum, January's economic data sets the stage for a year of sustained strength. In the fourth quarter, the U.S. economy expanded at a solid 2.3% annualized rate, contributing to a robust annual year-over-year growth rate of 2.8% for 2024. Consumer spending was a major force behind this growth, increasing at an impressive 4.2% pace, buoyed by rising household net worth and disposable income. Residential investment also contributed positively, with a 5.3% increase, signaling a recovery in home building. Government spending increased 2.5%, fueled by state and local wage increases and federal defense expenditures. However, business fixed investment saw a decline of 5.6%. Despite this contraction, the overall economic picture remains robust, with strong consumer and government spending offsetting areas of weakness.

This economic strength was mirrored in the labor market, as the December jobs report highlighted solid hiring momentum. Nonfarm payrolls rose by 256,000, significantly surpassing expectations of 165,000, with only minor revisions to the prior two months. Growth was primarily driven by the services sector, with health care and social assistance adding 70,000 jobs. Retail trade and leisure and hospitality also saw solid job gains. The unemployment rate unexpectedly fell to 4.1%, largely due to a 243,000 increase in the labor force, while wage growth eased to 0.3% month-over-month (m/m) and 3.9% year-over-year (y/y). Overall, the labor market closed the year on a strong note, reflecting the broader economic strength seen throughout 2024.

(continued page 4)

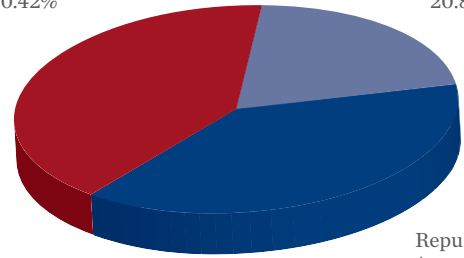
## INFORMATION AT A GLANCE

### PORTFOLIO BY TYPE OF INVESTMENT AS OF JANUARY 31, 2025



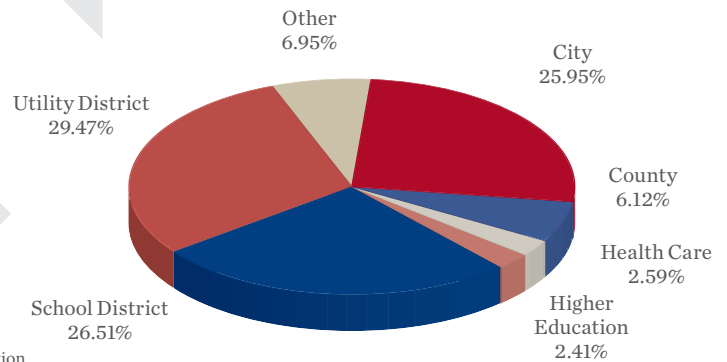
Treasuries  
40.42%

Agencies  
20.88%



Repurchase  
Agreements  
38.70%

### PORTFOLIO BY MATURITY AS OF JANUARY 31, 2025 (1)



### DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF JANUARY 31, 2025

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

## HISTORICAL PROGRAM INFORMATION

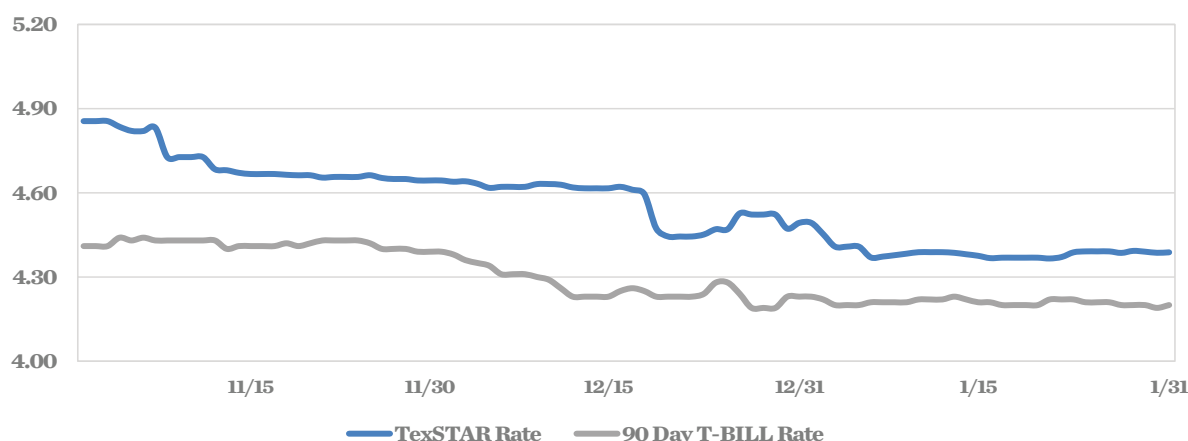
MONTH	AVERAGE RATE	BOOK VALUE	MARKET VALUE	NET ASSET VALUE	WAM (1)	WAL (2)	NUMBER OF PARTICIPANTS
Jan 25	4.3896%	\$12,490,576,395.79	\$12,493,366,838.19	1.000123	38	94	1079
Dec 24	4.5642%	11,011,396,681.51	11,014,513,690.84	1.000229	36	93	1075
Nov 24	4.7112%	10,166,178,873.71	10,168,700,798.41	1.000189	29	89	1071
Oct 24	4.8722%	10,685,059,311.14	10,687,382,798.75	1.000217	26	70	1063
Sep 24	5.1324%	10,713,994,849.49	10,717,808,636.16	1.000355	26	66	1056
Aug 24	5.2939%	10,960,587,143.65	10,963,170,866.05	1.000150	31	61	1048
Jul 24	5.3131%	11,614,008,231.39	11,614,697,399.72	1.000059	33	64	1043
Jun 24	5.3126%	10,696,510,063.51	10,695,858,054.79	0.999939	36	66	1040
May 24	5.3078%	10,946,135,253.27	10,946,064,280.53	0.999895	37	67	1037
Apr 24	5.3057%	11,388,285,240.44	11,386,977,182.36	0.999885	35	65	1031
Mar 24	5.2986%	11,373,415,394.49	11,372,687,872.41	0.999936	36	68	1025
Feb 24	5.3035%	11,928,691,803.89	11,927,911,436.19	0.999934	36	69	1024

## PORTFOLIO ASSET SUMMARY AS OF JANUARY 31, 2025

	BOOK VALUE	MARKET VALUE
Uninvested Balance	\$ 633.07	\$ 633.07
Accrual of Interest Income	10,598,718.49	10,598,718.49
Interest and Management Fees Payable	(45,064,074.43)	(45,064,074.43)
Payable for Investment Purchased	(192,843,299.40)	(192,843,299.40)
Repurchase Agreement	4,921,767,000.00	4,921,767,000.00
Government Securities	7,796,117,418.06	7,798,907,860.46
<b>TOTAL</b>	<b>\$ 12,490,576,395.79</b>	<b>\$ 12,493,366,838.19</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 JANUARY 2025

DATE	MNY MKT FUND EQUIV. [SEC Std.]	DAILY ALLOCATION FACTOR	INVESTED BALANCE	MARKET VALUE PER SHARE	WAM DAYS (1)	WAL DAYS (2)
1/1/2025	4.4933%	0.000123105	\$11,011,396,681.51	1.000229	35	95
1/2/2025	4.4531%	0.000122003	\$11,100,799,725.70	1.000220	36	96
1/3/2025	4.4085%	0.000120781	\$11,467,786,952.77	1.000189	33	93
1/4/2025	4.4085%	0.000120781	\$11,467,786,952.77	1.000189	33	93
1/5/2025	4.4085%	0.000120781	\$11,467,786,952.77	1.000189	33	93
1/6/2025	4.3701%	0.000119730	\$11,886,009,274.26	1.000205	39	95
1/7/2025	4.3731%	0.000119811	\$11,975,826,093.73	1.000183	39	94
1/8/2025	4.3781%	0.000119949	\$11,993,646,002.82	1.000187	39	95
1/9/2025	4.3835%	0.000120096	\$11,855,851,704.80	1.000207	40	97
1/10/2025	4.3888%	0.000120242	\$11,888,163,834.24	1.000154	38	95
1/11/2025	4.3888%	0.000120242	\$11,888,163,834.24	1.000154	38	95
1/12/2025	4.3888%	0.000120242	\$11,888,163,834.24	1.000154	38	95
1/13/2025	4.3865%	0.000120179	\$11,880,689,709.35	1.000158	40	96
1/14/2025	4.3813%	0.000120035	\$11,866,750,897.65	1.000174	40	96
1/15/2025	4.3759%	0.000119888	\$12,008,899,359.87	1.000175	39	95
1/16/2025	4.3676%	0.000119659	\$12,065,566,101.13	1.000177	39	95
1/17/2025	4.3692%	0.000119705	\$12,072,473,393.94	1.000120	37	93
1/18/2025	4.3692%	0.000119705	\$12,072,473,393.94	1.000120	37	93
1/19/2025	4.3692%	0.000119705	\$12,072,473,393.94	1.000120	37	93
1/20/2025	4.3692%	0.000119705	\$12,072,473,393.94	1.000120	37	93
1/21/2025	4.3663%	0.000119626	\$12,063,796,613.32	1.000141	40	94
1/22/2025	4.3716%	0.000119771	\$12,067,316,854.19	1.000135	40	93
1/23/2025	4.3883%	0.000120228	\$11,944,240,996.04	1.000141	41	96
1/24/2025	4.3916%	0.000120317	\$12,059,991,824.98	1.000134	39	93
1/25/2025	4.3916%	0.000120317	\$12,059,991,824.98	1.000134	39	93
1/26/2025	4.3916%	0.000120317	\$12,059,991,824.98	1.000134	39	93
1/27/2025	4.3862%	0.000120170	\$12,067,076,801.26	1.000160	39	92
1/28/2025	4.3934%	0.000120367	\$12,059,184,315.86	1.000159	39	92
1/29/2025	4.3905%	0.000120289	\$12,301,685,585.41	1.000140	38	90
1/30/2025	4.3866%	0.000120180	\$12,341,665,920.43	1.000150	39	90
1/31/2025	4.3882%	0.000120225	\$12,490,576,395.79	1.000123	37	88
Average	4.3896%	0.000120263	\$11,919,958,078.87		38	94



## *ECONOMIC COMMENTARY (cont.)*

Meanwhile, the December CPI report saw a slight uptick in headline inflation, largely driven by an increase in energy prices. Headline CPI rose 0.4% m/m and 2.9% y/y. However, core CPI, which excludes food and energy, increased at a more modest pace, rising 0.2% m/m and 3.2% y/y, suggesting that underlying inflationary pressures remain well managed. Core goods inflation was a modest 0.1% m/m, with strength in new and used vehicles offset by softness elsewhere. Shelter inflation, which accounts for a significant portion of annual inflation, rose 0.3% m/m and 4.6% y/y. Similarly, December PCE came in as expected, rising 0.3% m/m on the headline figure and 0.2% m/m on the core figure, bringing the annual inflation figures to 2.6% and 2.8%, respectively. Notably, this print brought down the 3-month annualized moving average of Core PCE to 2.17%, with the disinflationary trend appearing to remain intact. As base effects become more favorable, inflation is expected to continue its downward trend. The January 2025 Federal Open Market Committee (FOMC) meeting concluded with the Federal Reserve (Fed) maintaining the federal funds rate in the range of 4.25% to 4.50%, as widely anticipated. This decision marked the end of a three-meeting streak of rate cuts, reflecting the Fed's cautious approach amid solid economic activity, a stable labor market, and somewhat persistent inflationary pressures. The accompanying statement was slightly more hawkish than expected, with adjustments reflecting a more positive view of the labor market while also acknowledging that inflation remains somewhat elevated, removing previous language that suggested progress towards the Fed's 2% inflation target.

Conversely, Chair Powell's press conference leaned towards a more dovish tone, emphasizing patience and data dependency in future policy decisions. He described the changes regarding inflation in the statement as tweaks intended to "clean up" the language rather than a more meaningful signal. Powell avoided politically charged topics, focusing instead on the uncertainties that arise as economic data develops, especially during periods of policy transition. He reiterated that the Fed is monitoring developments in trade, immigration, and deregulation but is not inclined to adjust policy preemptively. Overall, the Fed's stance reflects a balanced approach, maintaining flexibility while closely watching economic indicators. In contrast to the dramatic yield fluctuations observed over the past year, Treasury yields were relatively stable in January. Short-term Treasury bill yields for maturities six months and under remained fairly steady throughout the month, reflecting unchanged monetary policy expectations for the near term. However, longer-term Treasury yields experienced a brief rise following the strong employment report, before returning closer to their starting levels. Three-month Treasury yields declined by 3 basis points (bps) to 4.29%, while six-month yields increased by 3 bps to 4.30%. Meanwhile, one-year Treasury yields edged up by 1 bp to 4.16%, while two-year Treasury yields decreased by 4 bps to 4.20%.

## **Outlook**

With the federal funds rate now 100 bps below its cycle peak, monetary policy, while still restrictive, is approaching a more neutral stance, reducing the urgency for further cuts. Rising economic confidence is likely to sustain consumer spending, supporting growth, while recent labor market data indicates strong hiring momentum as we move into 2025. Although inflation remains above the Fed's 2% target, it is expected to gradually decline as base effects improve. However, fiscal policy uncertainty and political tensions, particularly tariffs recently announced by President Trump, pose risks to this disinflationary trend. Key questions include how tariffs might reduce consumption of imported goods and how much of the import tax will be passed to consumers. The impact on growth and inflation will depend on the duration of tariffs, retaliatory measures, and global conditions. Even if tariffs are lifted, increased policy uncertainty will linger.

Looking ahead, the Fed is likely to remain data-dependent, maintaining its current stance unless significant economic changes occur. With an easing bias, the Fed is expected to hold steady without labor market weakness or renewed inflationary pressures. Recent fiscal policy developments reinforce the Fed's inclination to stay on the sidelines. We anticipate up to two additional rate cuts by year-end, likely in the latter half of the year. However, without notable shifts in economic conditions, the Fed may remain on pause for an extended period.

This information is an excerpt from an economic report dated January 2025 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.





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