



**CERTIFIED COPY
BRAZORIA COUNTY COMMISSIONERS' COURT**

ORDER NO. 6.F.1

**RE: COUNTY TREASURER'S MONTHLY CASH
AND INVESTMENT REPORT FOR TOLL
ROAD AUTHORITY FUNDS FOR
SEPTEMBER 2018 AND THE 4TH
QUARTER AND ANNUAL INVESTMENT
REPORTS FOR FISCAL YEAR 2018**

County Treasurer's Monthly Cash and Investment Report for Toll Road Authority Funds for September 2018 and the 4th Quarter and Annual Investment Reports for Fiscal Year 2018. It is further requested a certified copy of this order be returned to the County Treasurer.

RESULT:	PASSED BY CONSENT VOTE [UNANIMOUS]
MOVER:	Donald "Dude" Payne, Commissioner
SECONDER:	Ryan Cade, Commissioner
AYES:	Judge Sebesta, Commissioner Payne, Commissioner Cade, Commissioner Adams, Commissioner Linder

STATE OF TEXAS §

COUNTY OF BRAZORIA §

I, Joyce Hudman, Clerk County Court and Ex-Officio Clerk of the Commissioners' Court of Brazoria County, Texas, do hereby certify that the foregoing is a true and correct copy of that certain:

ORDER NO. 6.F.1

RE: COUNTY TREASURER'S MONTHLY CASH AND INVESTMENT REPORT FOR TOLL ROAD AUTHORITY FUNDS FOR SEPTEMBER 2018 AND THE 4TH QUARTER AND ANNUAL INVESTMENT REPORTS FOR FISCAL YEAR 2018

as passed by the Commissioners' Court on the 13th day of NOVEMBER, A.D., 2018, Regular Session Term of Commissioners' Court and as the same appear(s) in the Commissioners' Court Records of Brazoria County, Texas.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 13th DAY OF NOVEMBER, A. D., 2018.

JOYCE HUDMAN, Clerk County Court
and Ex-Officio Member of the Commissioners'
Court of Brazoria County, Texas

By:  _____
T. Reynolds, Deputy



CATHY CAMPBELL, CCT, CIO
BRAZORIA COUNTY TREASURER

111 E. Locust, Room 305 Angleton, Texas 77515-4654
979-864-1353 FAX 979-864-1680

Attached is the Monthly Treasurer's Report submitted by Cathy Campbell, Brazoria County Treasurer for funds of the Brazoria County Toll Road Authority, Brazoria County as Agent, for the month of SEPTEMBER 2018 and reflects total cash and other assets in the custody of the County Treasurer at month end to be:


\$78,137,059.84.

The report contains:

Bank Account Activity and Interest Report
Pledged Securities Management Report
Debt Service Bonds Payment Schedules
Investment Portfolio Report
Investment Interest Earned Report
Texas Class Investment Pool Report
TexPool Investment Pool Report

Investment Portfolio Activity Report for 4th Quarter FY 2018
Investment Portfolio Activity Report for Fiscal Year 2018

"I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE THE ATTACHED REPORTS ARE TRUE AND CORRECT."


Cathy Campbell, CCT, CIO
Brazoria County Treasurer

**Brazoria County Toll Road Authority
Brazoria County as Agent**

Bank Account Activity and Interest Report For September 2018

Account	Ending Bank Balance 09/01/2018	Deposits and Other Credits Received	Checks and Other Debits Disbursed	Ending Bank Balance 09/30/2018	MONTHLY Interest Earned	Interest Rate
FIRST NATIONAL BANK OF LAKE JACKSON						
Brazoria County Toll Road Authority	17,124.48	24.93		17,149.41	24.93	1.77
Brazoria County Toll Road Authority-Construction	4,501,474.77	27,839.27	(169,541.81)	4,359,772.23	6,504.17	1.77
Brazoria County Toll Road Authority-FM 518	1,574,825.84	171,256.13	(53,506.43)	1,692,575.54	2,321.55	1.77
Brazoria County Toll Road Authority-Debt	4,633,921.77	9,915.48	(164,012.50)	4,479,824.75	6,613.04	1.77
Brazoria County Toll Road Authority-Contributions	1,034,630.15	1,505.99		1,036,136.14	1,505.99	1.77

First National Bank of Lake Jackson Totals

11,761,977.01 210,541.80 11,585,458.07 16,969.68

TOTAL EOM Account Balances and Interest Earnings

11,585,458.07 16,969.68

I certify that to the best of my knowledge the above is the true and correct cash balance remaining in the Treasurer's custody at month end.



Cathy Campbell, CCT, CIO
Brazoria County Treasurer



CATHY CAMPBELL, CCT, CIO

BRAZORIA COUNTY TREASURER

111 E. Locust, Room 305 Angleton, Texas 77515-4654

979-864-1353 FAX 979-864-1680

Attached is a copy of the management reports for the securities that were pledged to Brazoria County Toll Road Authority, Brazoria County as Agent, by First National Bank of Lake Jackson for the month of SEPTEMBER 2018.

"I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE THE ATTACHED ARE TRUE AND CORRECT."

A handwritten signature in blue ink that reads "Cathy Campbell".

Cathy Campbell, CCT, CIO
Brazoria County Treasurer

Reportfolio

First National Bank of Lake Jackson, Lake Jackson, T
 Published: 9/28/2018 9:29:53 AM

Management Report

Pledged To: BRAZORIA COUNTY TOLL ROAD AUTHORITY

Date: 30-Sep-18
 Page: 3

Section V-C

Safekeeping Code	Cusip Trans#	Description Maturity	Pretefund	Pool Coupon	Moody Std/Poor	Original Face Pledged Percent	Original Face Value	Pledged Par Value	Pledged Book Value	Pledged Market Value
FHLB	3138ETNJ1	FNMA Pool #AL8492		AL8492		\$2,200,000.00 100.00%	\$2,200,000.00	\$1,121,753.67	\$1,165,718.36	\$1,115,875.68
	445627201609231	1/1/2046		2.524						
FEDERAL HOME LOAN BANK AFS										
1 MBS - Variable Rate										
FHLB	3133X8AS1	FHLB Bullet			Aaa	\$4,500,000.00 100.00%	\$4,500,000.00	\$4,500,000.00	\$4,522,895.44	\$4,599,454.50
	152984200905280	8/15/2019		5.125	AA+					
FEDERAL HOME LOAN BANK AFS										
1 Agency Notes/Bonds - FR										
FHLB	3137AOGD4	FHR 4046 HA				\$1,500,000.00 100.00%	\$1,500,000.00	\$621,414.47	\$623,494.04	\$577,723.63
	274464201205290	10/15/2041		2.000						
FEDERAL HOME LOAN BANK AFS										
FHLB	3137BSK69	FHR 4623 H				\$2,500,000.00 100.00%	\$2,500,000.00	\$2,119,901.40	\$2,128,046.61	\$2,025,254.16
	452990201612200	11/15/2044		2.500						
FEDERAL HOME LOAN BANK AFS										
FHLB	3137BRMP7	FHR 4604 DC				\$2,500,000.00 100.00%	\$2,500,000.00	\$2,108,282.50	\$2,159,212.70	\$2,012,703.51
	442471201608291	1/15/2046		2.500						
FEDERAL HOME LOAN BANK AFS										
FHLB	3137BSTN3	FHR 4629 QG				\$2,500,000.00 100.00%	\$2,500,000.00	\$2,135,287.35	\$2,131,754.92	\$2,020,121.48
	451324201611301	11/15/2046		2.500						
FEDERAL HOME LOAN BANK AFS										
FHLB	3137BWUJ7	FHR 4683 PK				\$2,000,000.00 100.00%	\$2,000,000.00	\$1,756,022.50	\$1,727,039.98	\$1,614,574.89
	456698201706230	3/15/2047		2.000						
FEDERAL HOME LOAN BANK AFS										
FHLB	3136AWBB2	FNR 2017-25 QD				\$2,000,000.00 100.00%	\$2,000,000.00	\$1,692,052.50	\$1,681,952.68	\$1,565,289.00
	461678201704171	4/25/2047		2.250						
FEDERAL HOME LOAN BANK AFS										
FHLB	3137BXZG0	FHR 4682 LC				\$2,000,000.00 100.00%	\$2,000,000.00	\$1,735,408.40	\$1,731,124.57	\$1,656,424.06
	464936201705301	5/15/2047		2.500						
FEDERAL HOME LOAN BANK AFS										
Z CMOs - Fixed Rate										
						\$15,000,000.00	\$15,000,000.00	\$12,168,369.12	\$12,182,625.50	\$11,472,090.73

** If no data is shown, then there are no pledges for the current period.

Reportfolio

First National Bank of Lake Jackson, Lake Jackson, T
 Published: 9/28/2018 9:29:53 AM

Safekeeping

Code	Cusip Trans#	Description Maturity	Prerefund	Pool Coupon	Moody StdPoor	Original Face Pledged Percent	Pledged Par Value	Pledged Book Value	Pledged Market Value
		FAS 115							

Management Report
 Pledged To: BRAZORIA COUNTY TOLL ROAD AUTHORITY

Date: 30-Sep-18
 Page: 4

Section V-C

Total Pledged 9 To: BCTR BRAZORIA COUNTY TOLL ROAD AUTHORITY

\$0.00	Munis with Maturity Under 2 Years	\$4,500,000.00	Other securities with Stated Maturity Under 2 Years
\$0.00	Munis with Maturity Over 2 Years	\$13,290,122.79	Other securities with Stated Maturity Over 2 Years

\$21,700,000.00 **\$17,790,122.79** **\$17,871,239.30** **\$17,187,420.91**

** If no data is shown, then there are no pledges for the current period.

BRAZORIA COUNTY TOLL ROAD AUTHORITY
Limited Contract Tax and Subordinate Lien Toll Road Revenue Bonds
Series 2017A
Payment Schedule

FISCAL YEAR	INTEREST 1-Mar	PRINCIPAL 1-Mar	INTEREST 1-Sep	TOTAL PAYMENT	Estimated Monthly Installment Due to US BANK
2017			294,688.00 *	294,688.00	*294,688.00
2018	768,750.00		768,750.00	1,537,500.00	128,125.00
2019	768,750.00		768,750.00	1,537,500.00	128,125.00
2020	768,750.00		768,750.00	1,537,500.00	128,125.00
2021	768,750.00		768,750.00	1,537,500.00	128,125.00
2022	768,750.00		768,750.00	1,537,500.00	128,125.00
2023	768,750.00		768,750.00	1,537,500.00	128,125.00
2024	768,750.00		768,750.00	1,537,500.00	128,125.00
2025	1,035,750.00		1,035,750.00	2,071,500.00	172,625.00
2026	1,302,750.00		1,302,750.00	2,605,500.00	217,125.00
2027	1,302,750.00		1,302,750.00	2,605,500.00	217,125.00
2028	1,283,375.00	1,550,000.00	1,283,375.00	4,116,750.00	343,062.50
2029	1,243,625.00	1,630,000.00	1,243,625.00	4,117,250.00	343,104.17
2030	1,201,812.50	1,715,000.00	1,201,812.50	4,118,625.00	343,218.75
2031	1,157,875.00	1,800,000.00	1,157,875.00	4,115,750.00	342,979.17
2032	1,111,750.00	1,890,000.00	1,111,750.00	4,113,500.00	342,791.67
2033	1,063,312.50	1,985,000.00	1,063,312.50	4,111,625.00	342,635.42
2034	1,012,437.50	2,085,000.00	1,012,437.50	4,109,875.00	342,489.58
2035	959,000.00	2,190,000.00	959,000.00	4,108,000.00	342,333.33
2036	902,812.50	2,305,000.00	902,812.50	4,110,625.00	342,552.08
2037	1,191,212.50	1,928,275.00	1,191,212.50	4,310,700.00	359,225.00
2038	1,151,649.50	2,005,701.00	1,151,649.50	4,309,000.00	359,083.33
2039	1,110,593.00	2,086,814.00	1,110,593.00	4,308,000.00	359,000.00
2040	1,068,550.00	2,175,301.00	1,068,550.00	4,312,401.00	359,366.75
2041	1,024,106.50	2,263,787.00	1,024,106.50	4,312,000.00	359,333.33
2042	977,869.50	2,355,961.00	977,869.50	4,311,700.00	359,308.33
2043	929,739.00	2,451,822.00	929,739.00	4,311,300.00	359,275.00
2044	879,615.50	2,551,369.00	879,615.50	4,310,600.00	359,216.67
2045	887,558.00	2,934,284.00	687,558.00	4,309,400.00	359,116.67
2046	281,200.00	3,750,000.00	281,200.00	4,312,400.00	359,366.67
2047	204,700.00	3,900,000.00	204,700.00	4,309,400.00	359,116.67
2048	125,100.00	4,060,000.00	125,100.00	4,310,200.00	359,183.33
2049	84,500.00	4,225,000.00		4,309,500.00	718,250.00
<hr/>					
	28,674,893.50	53,838,314.00	28,885,081.50	111,398,289.00	

17,150,000.00	Series 2017A Serial Current Interest Bonds (CIBs)
17,000,000.00	Series 2017A Current Interest Term Bonds (CIBs)
19,688,313.00	Series 2017A Convertible Capital Appreciation Bonds (CABs)
<u>53,838,313.00</u>	

Debt History:

Date of Receipt 22-Jun-17
Amount of Issue \$53,838,313.00

Paying Agent:

U.S. Bank
ABA routing # 091000022
St. Paul, MN 55486-2639
BRAZORI17CIB

Brazoria County Toll Road Authority Limited Contract Tax and Subordinate Lien
Toll Road Revenue Bonds, Series 2017A CIB

*Int due from closing to Sept 2017 debt payment, then monthly installments to US Bank thereafter begin Sept 2017
Int calculations include compounded interest from Series 2017A Convertible CABs.

BRAZORIA COUNTY TOLL ROAD AUTHORITY
Limited Contract Tax and Subordinate Lien Toll Road Revenue Bond Anticipation Notes
Series 2017B BANS
Payment Schedule

FISCAL YEAR	INTEREST 1-Mar	PRINCIPAL 1-Mar	INTEREST 1-Sep	TOTAL PAYMENT	Estimated Monthly Installment Due to US BANK
2017			82,541.00	82,541.00 *	*82,541.00
2018	215,325.00		215,325.00	430,650.00	35,887.50
2019	215,325.00		215,325.00	430,650.00	2,510,887.50
2020	215,325.00	29,700,000.00 **		29,915,325.00	35,887.50
<hr/>					
	645,975.00	29,700,000.00	513,191.00	30,859,166.00	

Debt History:

Date of Receipt 22-Jun-17
Amount of Issue \$29,700,000.00

Paying Agent:

U.S. Bank
ABA routing # 091000022
St. Paul, MN 55486-2639
BRAZORIAS17B

Brazoria County Toll Road Authority Limited Contract Tax and Subordinate Lien
Toll Road Revenue Bond Anticipation Notes, Series 2017B BANS

*Int due from closing to Sept 2017 debt payment, then monthly installments to US Bank thereafter begin Sept 2017
**Principal amount is anticipated to be paid by permanent financing

Brazoria County Toll Road Authority
Brazoria County as Agent
Portfolio Report
September 2018

Current Date: 9/30/2018

Fund	Description	Type	CUSIP	Coupon/ Rate	Settle Date	Maturity Date	Next Call Date	Par Value	Purch Price	Purch Cost	Book Value	Mkt Price	Mkt Value	Days to Mat	YTM	Interest Earned
997	TexPool	LGIP		1.995				33,886,233.43	100.000	33,886,233.43	33,886,233.43	100.00	33,886,233.43	1	1.995	55,481.14
998	Texas Class	LGIP		2.260				32,665,368.34	100.000	32,665,368.34	32,665,368.34	100.00	32,665,368.34	1	2.260	60,741.62
999	Depository	Cash		1.770				11,585,458.07	100.000	11,585,458.07	11,585,458.07	100.00	11,585,458.07	1	1.770	16,969.68
									78,137,059.84	78,137,059.84	78,137,059.84		78,137,059.84	1	2.073	133,192.44

This report is presented in accordance with the Texas Government Code Title 10 Section 2256.023 and complies with the Investment Strategy of Brazoria County's Investment Policy and I certify that to the best of my knowledge the above is true and correct.



Cathy Campbell, CIO
 Brazoria County Treasurer

**Brazoria County Toll Road Authority
Brazoria County as Agent
Monthly Interest Earned for Fiscal Year 2018**

	Oct	Nov	Dec	1st Qtr	Jan	Feb	Mar	2nd Qtr	April	May	June	3rd Qtr	July	August	Sept	4th Qtr	Ann Earned
BANK	9,625.77	10,938.04	9,824.78	30,288.59	8,185.21	11,065.94	18,449.09	37,700.24	16,905.67	17,454.56	21,997.23	56,357.46	16,070.28	36,527.66	16,969.68	69,567.62	193,913.91
TEXPOOL	54,498.14	53,515.11	58,344.28	166,357.53	61,067.79	54,140.47	62,393.05	177,601.31	60,675.75	61,859.63	57,542.02	180,077.40	60,574.83	55,090.96	55,481.14	171,146.93	695,183.17
Texas Class	32,422.19	32,406.44	36,314.73	103,143.36	42,448.41	40,013.76	47,945.70	130,407.87	51,693.14	56,647.98	57,551.51	165,892.63	61,566.28	62,054.02	60,741.62	184,363.92	563,807.78
Total Per Mo.	96,446.10	96,859.59	106,483.79	299,789.48	111,701.41	105,220.17	128,787.84	345,709.42	129,274.56	135,962.17	137,090.76	402,327.49	139,213.39	153,672.64	133,192.44	425,078.47	1,472,904.86

I certify that to the best of my knowledge the above is true and correct.

Cathy Campbell

Cathy Campbell, C.T., CIO
Brazoria County Treasurer

Brazoria County Toll Road Authority
Brazoria County as Agent

Texas Class

Investment Report

09/01/2018 thru 09/30/2018

Fund	Description	09/01/2018 Investments	Credits	Debits	Interest Earned	09/30/2018 Investments	Avg. Mo. Yield	Expected Maturity	Mark to Mkt 09/30/2018
54000	Toll Road Funds-Construction	25,479,855.84	0.00	0.00	47,468.34	25,527,324.18	2.2600	10/1/2018	25,527,324.18
64100	Toll Road Funds-Contributions	7,124,770.88	0.00	0.00	13,273.28	7,138,044.16	2.2600	10/1/2018	7,138,044.16

TEXAS CLASS Totals	32,604,626.72	0.00	0.00	60,741.62	32,665,368.34
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This report is presented in accordance with the Texas Government Code Title 10 Section 2256.023 and complies with the Investment Strategy of Brazoria County's Investment Policy and I certify that to the best of my knowledge the above is true and correct.


 Cathy Campbell, CFP, CIO
 Brazoria County Treasurer

Brazoria County Toll Road Authority
Brazoria County as Agent

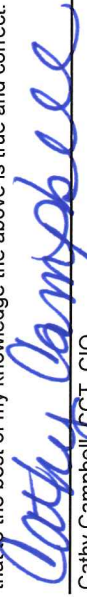
TexPool

Investment Report

09/01/2018 thru 09/30/2018

Fund	Description	09/01/2018 Investments	Credits	Debits	Interest Earned	09/30/2018 Investments	Avg. Mo. Yield	Expected Maturity	Mark to Mkt 09/30/2018
54000	Toll Road Funds-Construction	26,726,314.29	0.00	0.00	43,830.15	26,770,144.44	1.9953	10/1/2018	26,770,144.44
64100	Toll Road Funds-Contributions	7,104,438.00	0.00	0.00	11,650.99	7,116,088.99	1.9953	10/1/2018	7,116,088.99
TEXPOOL Totals		33,830,752.29	0.00	0.00	55,481.14	33,886,233.43			33,886,233.43

This report is presented in accordance with the Texas Government Code Title 10 Section 2256.023 and complies with the Investment Strategy of Brazoria County's Investment Policy and I certify that to the best of my knowledge the above is true and correct.



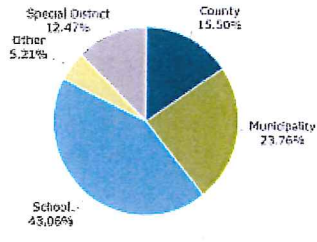
Cathy Campbell, CCT, CIO
 Brazoria County Treasurer

Texas CLASS Portfolio Characteristics

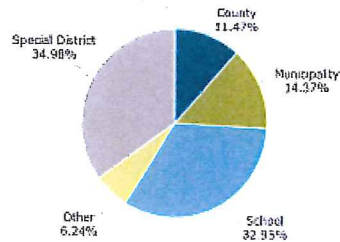
The following information is provided in accordance with Texas State Statute 2256.0016.

Print

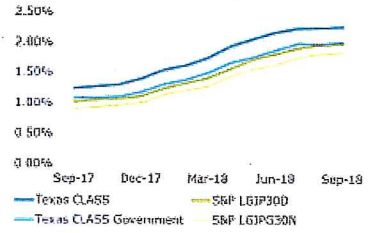
As of September 30, 2018:



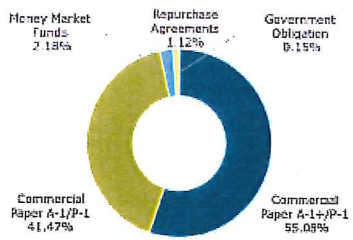
Participant Breakdown by Balance



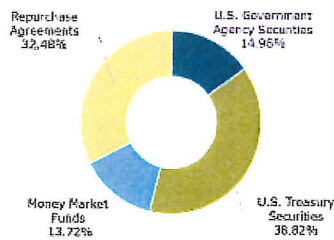
Participant Breakdown by Entity Type



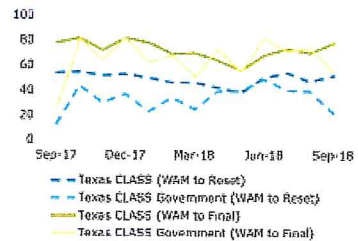
Performance vs. Benchmark S&P AAA/AA GIP* (Average Monthly Yields)



Texas CLASS Portfolio Breakdown



Texas CLASS Government Portfolio Breakdown



Weighted Average Maturity (In Days)

Texas CLASS Prior Month Comparison

Month End	Average Yield**	Month Ending Assets	Share Balance	Market Value	Amortized Cost	NAV	WAM (Reset)***	WAM (Final)***
Jul-18	2.23%	\$7,196,963,396	\$7,195,111,541	\$7,195,500,320	\$7,193,648,465	1.00	54	73
Aug-18	2.24%	\$6,620,351,264	\$6,619,956,122	\$6,619,018,421	\$6,618,623,279	1.00	47	70
Sep-18	2.26%	\$6,571,078,769	\$6,571,228,312	\$6,619,224,519	\$6,619,374,062	1.00	52	78

Average monthly yield *As of the end of the last day of the month

Texas CLASS Government Prior Month Comparison

Month End	Average Yield**	Month Ending Assets	Share Balance	Market Value	Amortized Cost	NAV	WAM (Reset)***	WAM (Final)***
Jul-18	1.98%	\$197,364,508	\$197,371,580	\$197,272,033	\$197,264,961	1.00	40	71
Aug-18	1.97%	\$237,328,905	\$237,361,153	\$237,246,374	\$237,214,126	1.00	39	74
Sep-18	2.01%	\$380,527,493	\$380,571,294	\$380,284,992	\$380,328,792	1.00	22	55

Average monthly yield *As of the end of the last day of the month

Fund Highlights as of September 30, 2018 (Unaudited)

For the month of September 2018, the Program Administrator accrued fees of \$533,467.04 and had average shares outstanding of \$6,545,017,426.27 for Texas CLASS. For Texas CLASS Government, the Program Administrator accrued fees of \$0.00 and had average shares outstanding of \$314,862,664.89. The fees for both Texas CLASS and Texas CLASS Government are accrued on a daily basis by multiplying the investment property value by the applicable fee rate and divided by 365 or 366 days in the event of a leap year. The investment property value shall be based on the current day's shares outstanding. For weekend days and holidays, the shares outstanding for the previous business day will be utilized for the calculation of fees. The applicable fee rate is located in Exhibit F of the Seventh Amended and Restated Trust Agreement. The Program Administrator reserves the right to abate fees listed in the Seventh Amended and Restated Trust Agreement. The monthly fee is the sum of all daily fee accruals for the month of September. The fees are paid monthly upon notification to the custodian bank. As of September 30, 2018, the fee for Texas CLASS was 10 basis points and the fee for Texas CLASS Government was 0.0 basis points.

- Both funds are rated 'AAAm' by S&P Global Ratings.
- Net Asset Value for both funds from September 1 to September 30, 2018 is equal to \$1.00.
- The final maturity dates of all securities were less than one year.
- The custodian bank for Texas CLASS is Wells Fargo Bank, N.A.
- Total number of Participants is 689.
- There are currently no investments that have a stated maturity greater than one year.
- The portfolio managers for Texas CLASS are Randy Palomba, CFA and Neil Waud, CFA.
- All sources of payment are the underlying assets of the local government investment pool at market value.
- The Seventh Amended and Restated Trust Agreement was adopted by the Board of Trustees on August 5, 2016. You can access your copy of the Seventh Amended and Restated Trust Agreement by clicking [here](#).

Data unaudited. Charts may not equal 100% due to rounding. Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. All comments and disclosures presented are purely based on opinion and assumptions, not fact. These assumptions may or may not be correct based on known and unknown events. The information presented should not be used in making any investment decision. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consultation, and discussion with an experienced professional engaged for the specific purpose. Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses. A AAAm rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. Ratings are subject to change and do not represent credit risk.

*The benchmark, the S&P US AAA & AA Rated GIP AD 30 Day Net Yield (LGIP30D) is a performance indicator of rated GIPs that maintain a stable net asset value of \$1.00 per share and is an unmanaged market index representative of the LGIP universe. The S&P benchmark utilized in this comparison is a composite of all rated stable net asset value pools. GIPs in the index include only those rated based on S&P's money market criteria. Pools rated 'AAAm' provide excellent safety and a superior capacity to maintain principal value while those rated 'Aaa' offer very good safety and a strong capacity to maintain principal value. (Source: S&P Global Ratings' website). The comparison between this index and the portfolio may differ in holdings, duration, fees, and percentage composition of each holding. Such differences may account for variances in yield.

The benchmark, the S&P AAA & AA Rated GIP Govt 30 Day Net Yield (LGIP30G) is a performance indicator of rated GIPs that maintain a stable net asset value of \$1.00 per share and is an unmanaged market index representative of the LGIP universe. The S&P benchmark utilized in this comparison is a composite of pools that invest in U.S. Government securities, U.S. Treasury securities, Repurchase agreements collateralized by U.S. government and treasury securities or any combination of the above. GIPs in the index include only those rated based on S&P's money market criteria. Pools rated 'AAAm' offer very good safety and a strong capacity to maintain principal value. (Source: S&P Global Ratings' website). The comparison between this index and the portfolio may differ in holdings, duration, fees, and percentage composition of each holding. Such differences may account for variances in yield.

Board of Trustees Advisory Board

Texas CLASS is supervised by a Board of Trustees (the Board) who are elected by the Participants. The Board supervises the Trust and its affairs and acts as the liaison between the Participants, the Custodian, and the Program Administrator. The Board administers the affairs of the Trust and enters into contracts and agreements on behalf of the Trust in order to effectuate the terms of the Trust Agreement. It also selects the consultants for Texas CLASS, including the Program Administrator and the Custodian, subject to the terms of the Trust Agreement.

The Board is selected at the annual meeting of the Participants. Any representative may be nominated as a Trustee. The number of Trustees to be selected shall be determined by the Participants at such meeting and shall be an odd number of three or more. Currently, the Board of Trustees consists of the following members, each serving two-year staggered terms:

Mr. Steve Williams, Chairman

Asst. City Administrator/CFO
City of Conroe
Term Expires 2019

[View Bio](#)

Ms. Monika Arris

Director of Budget & Finance
Coffin County
Term Expires 2020

[View Bio](#)

Ms. Cindy Yeatts Brown

Treasurer
Denton County
Term Expires 2019

[View Bio](#)

Mr. Dave Verghese

Treasurer
Sam Houston State University
Term Expires 2019

[View Bio](#)

Ms. Amy Perez

Director of Financial Management
Harris County
Term Expires 2019

[View Bio](#)

Mr. Mike Hagar

Asst. Supt. of Business & Finance
Alamo Heights ISD
Term Expires 2020

[View Bio](#)

Ms. Heather Hurlbert

Director of Finance
City of San Marcos
Term Expires 2020

[View Bio](#)

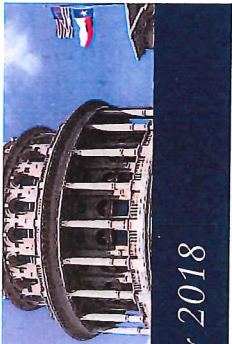
Texas Class Government									
Date	Daily Rate (%)	YTD Yield (%)	7-Day Yield (%)	WAM Days to Reset	WAM Days to Final	Daily Dividend	Net Asset Value (NAV)		
9/30/2018	2.1051	1.7564	2.0359	22	55	0.000057673977	0.99988491		
9/29/2018	2.1051	1.7551	2.0402	22	55	0.000057673977	0.99988491		
9/28/2018	2.1051	1.7558	2.0245	22	55	0.000057673977	0.99988491		
9/27/2018	2.0908	1.7524	2.0088	23	56	0.00005281484	0.99992733		
9/26/2018	1.9951	1.7511	1.9965	23	55	0.000054660285	0.99991707		
9/25/2018	1.9951	1.7502	2.0017	23	56	0.000054660285	0.99992288		
9/24/2018	1.9951	1.7493	2.0017	22	51	0.000054660272	0.99992593		
9/23/2018	1.9951	1.7483	2.0017	23	53	0.000054660276	0.99988413		
9/22/2018	1.9951	1.7474	2.0017	23	53	0.000054660277	0.99988413		
9/21/2018	1.9951	1.7464	2.0017	23	53	0.000054660277	0.99988413		
9/20/2018	2.0051	1.7454	2.0017	24	55	0.000054934248	0.99993182		
9/19/2018	2.0313	1.7444	2.0017	24	55	0.000055651593	0.99993737		
9/18/2018	1.9951	1.7433	1.9995	24	54	0.000054660270	0.99994292		
9/17/2018	1.9951	1.7423	2.0023	24	56	0.000054660277	0.99994287		
9/16/2018	1.9951	1.7413	2.0048	24	56	0.000054660274	0.99990473		
9/15/2018	1.9951	1.7403	2.0062	24	56	0.000054660275	0.99990473		
9/14/2018	1.9951	1.7393	2.0077	24	56	0.000054660275	0.99990473		
9/13/2018	2.0051	1.7383	2.0091	25	56	0.000054934245	0.99990473		
9/12/2018	2.0160	1.7372	2.0091	36	82	0.000055232369	0.99990995		
9/11/2018	2.0144	1.7361	2.0077	36	83	0.000055188112	0.99991529		
9/10/2018	2.0129	1.7350	2.0109	37	73	0.000055148475	1.00003895		
9/9/2018	2.0051	1.7338	2.0055	39	74	0.000054934249	0.99986302		
9/8/2018	2.0051	1.7327	1.9970	39	74	0.000054934249	0.99986302		
9/7/2018	2.0051	1.7316	1.9970	39	74	0.000054934249	0.99986302		
9/6/2018	2.0051	1.7305	1.9927	39	75	0.000054934262	0.99991560		
9/5/2018	2.0061	1.7293	1.9884	36	71	0.000054962651	0.99992639		
9/4/2018	2.0370	1.7282	1.9866	36	72	0.000055809228	0.99993964		
9/3/2018	1.9751	1.7269	1.9808	39	74	0.000054112330	0.99986414		
9/2/2018	1.9751	1.7259	1.9845	39	74	0.000054112330	0.99986414		
9/1/2018	1.9751	1.7248	1.9857	39	74	0.000054112330	0.99986414		

Texas Class									
Date	Daily Rate (%)	YTD Yield (%)	7-Day Yield (%)	WAM Days to Reset	WAM Days to Final	Daily Dividend	Net Asset Value (NAV)		
9/30/2018	2.2912	2.0266	2.2852	52	78	0.000062772079	1.00001387		
9/29/2018	2.2912	2.0256	2.2821	52	78	0.000062772080	1.00001387		
9/28/2018	2.2912	2.0246	2.2791	52	78	0.000062772080	1.00001387		
9/27/2018	2.2873	2.0236	2.2760	52	78	0.000062664673	1.00006595		
9/26/2018	2.2775	2.0226	2.2728	49	76	0.000062395943	1.00007842		
9/25/2018	2.2841	2.0216	2.2711	50	78	0.000062395943	1.00008171		
9/24/2018	2.2739	2.0206	2.2681	48	77	0.000062299491	1.00008950		
9/23/2018	2.2698	2.0197	2.2665	49	78	0.000062185874	1.00001387		
9/22/2018	2.2698	2.0187	2.2644	49	78	0.000062185874	1.00001387		
9/21/2018	2.2698	2.0177	2.2623	49	78	0.000062185874	1.00001387		
9/20/2018	2.2651	2.0168	2.2602	47	76	0.000062057534	1.00010770		
9/19/2018	2.2653	2.0158	2.2590	47	75	0.000062057534	1.00010770		
9/18/2018	2.2650	2.0148	2.2581	47	75	0.000062062977	1.0001051		
9/17/2018	2.2624	2.0138	2.2574	47	74	0.000061984397	1.00013482		
9/16/2018	2.2551	2.0128	2.2564	47	73	0.000061783561	1.00006182		
9/15/2018	2.2551	2.0119	2.2567	47	73	0.000061783561	1.00006182		
9/14/2018	2.2551	2.0109	2.2570	47	73	0.000061783561	1.00006182		
9/13/2018	2.2571	2.0099	2.2573	47	72	0.000061839125	1.00014806		
9/12/2018	2.2587	2.0089	2.2571	46	72	0.000061882230	0.03585802		
9/11/2018	2.2582	2.0079	2.2561	45	70	0.000061869063	1.00014773		
9/10/2018	2.2551	2.0069	2.2553	46	69	0.000061783562	1.00015639		
9/9/2018	2.2572	2.0059	2.2546	48	72	0.000061841642	1.00008808		
9/8/2018	2.2572	2.0049	2.2537	48	72	0.000061841642	1.00008808		
9/7/2018	2.2572	2.0039	2.2528	48	72	0.000061841642	1.00008808		
9/6/2018	2.2560	2.0028	2.2519	48	71	0.000061808902	1.00017023		
9/5/2018	2.2520	2.0018	2.2506	48	70	0.000061698919	1.00017598		
9/4/2018	2.2521	2.0007	2.2503	47	69	0.000061700130	1.00017413		
9/3/2018	2.2508	1.9997	2.2498	47	70	0.000061665207	1.00005969		
9/2/2018	2.2508	1.9986	2.2498	47	70	0.000061665207	1.00005969		
9/1/2018	2.2508	1.9976	2.2497	47	70	0.000061665207	1.00005969		

MRS. CATHY CAMPBELL
BRAZORIA COUNTY
111 E. LOCUST ST. STE 305
ANGLETON TX 77515-4677



Participant Services
1001 Texas Ave. 14th Floor
Houston, TX 77002



Monthly Newsletter: October 2018

ANNOUNCEMENTS

We welcome the following entities who joined TexPool in September 2018:

- Town of Lakewood Village
- North San Gabriel MUD 2
- Southeast Williamson County MUD 1
- Williamson County MUD 32
- Richard Special Utility District
- Upton County ESD 1
- TexPool Prime**
- Town of Lakewood Village
- Bluebonnet Bank Community MEMNR Center
- Richard Special Utility District
- Upton County ESD 1

Upcoming Events

- Oct 10, 2018 - Oct 12, 2018
Fort Worth Convention Center, Ft. Worth
2018 Texas Municipal League Conference
- Oct 16, 2018 - Oct 18, 2018
Holiday Inn - San Antonio Riverwalk, San Antonio
73rd Annual IMCA Fall Conference
- Oct 24, 2018 - Oct 26, 2018
Moody Gardens Hotel, Galveston
GFoAT Fall Conference

TexPool Advisory Board Members

- Jose Elizondo, Jr.
- Belinda Weaver
- Patrick Kriabock
- Michele Tuttle
- Overseen by the State of Texas Comptroller of Public Accounts Glenn Hegar.
- Operated under the supervision of the Texas Treasury Subscribing Trust Company

Economic and Market Commentary: Coming around to our way of thinking

October 1, 2018

In recent weeks, we've begun to see a stirring in the financial press about the renewed worthiness of cash and money markets, especially prime institutional. What was once "in the doldrums," "left for dead" and dealt a "fatal blow" is now regaled with statements such as "prime time returns," "cash comes into focus" and having "increasing attractiveness." Hmmm. This all sounds strangely familiar. Might that be because we at Federated—not to mention this column—have been saying this for months and quarters? What a Bloomberg article recently called, "Rising rates lift relative appeal of cash to decade high," we have said in marketing campaigns and presentations for some time. In particular, our mandate has been to focus liquidity clients on the comparisons between banks and prime. It's important to remember that, industry-wide, prime products tend to be more responsive than bank deposits to rising rates because they trade using the London interbank offered rate (Libor), which traditionally traces Fed hikes faster and that money funds provide a market rate, not an administrative one chosen by a bank or similar institution. It's a reason assets are flowing back into prime money funds in general; diversification is another one.

(continued page 6)

Performance as of September 30, 2018		
	TexPool	TexPool Prime
Current Invested Balance	\$16,585,746,591.27	\$4,680,947,451.00
Weighted Average Maturity	28	37
Weighted Average Life	104	61
Net Asset Value	0.99991	1.000000
Total Number of Participants	2805	341
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$27,134,867.55	\$8,794,475.31
Management Fee Collected	\$805,613.87	\$229,988.75
Standard & Poor's Current Rating	AA-Am	AA-Am
Month Averages		
Average Invested Balance	\$16,585,746,591.27	\$4,856,373,834.63
Average Monthly Rate	2.00%	2.21%
Average Weighted Average Maturity	28	30
Average Weighted Average Life	105	55

*This average monthly rate for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fee.
**See page 2 for definitions.
†Our performance is no guarantee of future results.

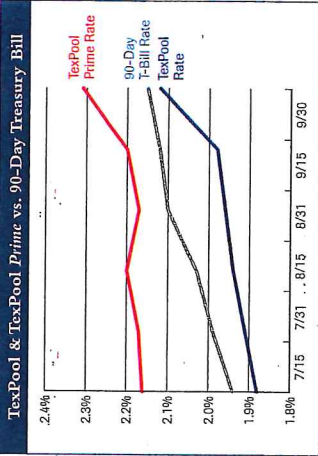
TexPool Participant Services
1001 Texas Avenue, Suite 1400 · Houston, TX 77002
Phone: 1-866-TEXPOOL (839-7666) · Fax: 1-866-839-3591 · TexPool.com

Managed and
Served by
Federated.
G35894-24 (10/18)

Well, better late than never for the popular press, which Reuters colorfully said a few days before the Federal Open Market Committee (FOMC) raised rates in its September meeting: "With the 'anticipated rate action, cash will join the party.'" In addition to a much-expected 25-basis-point hike in the target range to 2-2.25%, the FOMC summary of economic projections indicated it expects one more hike before the end of 2018 and three similar hikes in 2019. The forecast extended to 2021 this time, with a rate of 3.4% implying no additional tightening.

A bit of inside baseball is that the Fed did not choose to further lower the interest paid on excess reserves (IOER) target compared to the upper end of the fed funds rate. Both rose a quarter point, so the difference between them remains 20 basis points.

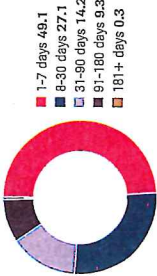
We would expect yields on prime securities to continue to move higher over the fourth quarter and issuance of Treasuries to remain strong. Given the outlook for higher rates, we continue to invest in floating-rate securities and maintain the weighted average maturity (WAM) of our prime funds in a 30-40 day range and 25-35 days for government funds, with our municipal call shifting down five days to 25-35. Labor rose over the month, with 1-month at 2.66%, 3-month at 2.40% and 6-month at 2.60%.



90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.
Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day Treasury Bills.
†Our performance is no guarantee of future results.

Portfolio by Maturity (%)

As of September 30, 2018



Portfolio by Type of Investment (%)

As of September 30, 2018



Portfolio Asset Summary as of September 30, 2018

	Book Value	Market Value
Uninvested Balance	\$-1,411.55	
Receivable for Investments Sold	0.00	
Accrual of Interest Income	12,389,555.74	
Interest and Management Fees Payable	-27,140,026.49	
Payable for Investments Purchased	0.00	
Accrued Expenses & Taxes	-61,666.27	
Repurchase Agreements	5,934,626,000.00	
Mutual Fund Investments	742,506,103.88	
Government Securities	8,287,559,667.75	
U.S. Treasury Inflation Protected Securities	79,994,279.53	
U.S. Treasury Bills	1,457,678,091.94	
US Treasury Notes	67,772,923.33	
Total	\$16,555,661,094.59	\$16,555,104,363.63

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federal Investment Counseling and the assets are safe held in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

Participant Summary

	Number of Participants	Balance
School District	569	\$4,800,772,351.43
Higher Education	57	\$871,550,445.95
Healthcare	83	\$538,676,084.83
Utility District	796	\$2,388,469,325.08
City	461	\$4,065,065,846.52
County	186	\$1,661,379,828.64
Other	333	\$2,428,327,476.73

**Definition of Weighted Average Maturity and Weighted Average Life

WAM is the mean average of the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid, (b) would be repaid upon a demand by TexPool, or (c) are scheduled to have their interest rate adjusted to their current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (b) and (c) if their scheduled maturity is 397 days or less; and the later of the two dates set forth in (b) and (c) if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

WAL is calculated in the same manner as WAM, but is based solely on the period of time remaining until the securities held in TexPool (a) are scheduled to be repaid or (b) would be repaid upon a demand by TexPool, without reference to when interest rates of securities within TexPool are scheduled to be readjusted.

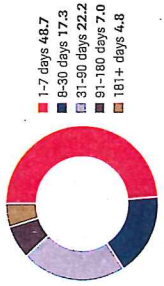
Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Yield)	Dividend Factor	TexPool Invested Balance	NAV	WAM (Days)	WAL (Days)
9/1	1.9641%	0.000053811	\$17,069,457,092.99	1.00002	28	104
9/2	1.9641%	0.000053811	\$17,069,457,092.99	1.00002	28	104
9/3	1.9641%	0.000053811	\$17,069,457,092.99	1.00002	28	104
9/4	1.9625%	0.000054569	\$16,757,851,116.53	0.99995	28	104
9/5	1.9611%	0.000053729	\$16,767,749,101.48	0.99995	28	104
9/6	1.9579%	0.000053524	\$16,689,817,551.18	0.99995	27	105
9/7	1.9591%	0.000053674	\$16,603,768,379.85	0.99994	27	105
9/8	1.9591%	0.000053674	\$16,603,768,379.85	0.99994	27	105
9/9	1.9591%	0.000053674	\$16,603,768,379.85	0.99994	27	105
9/10	1.9614%	0.000053738	\$16,535,619,519.65	0.99994	27	103
9/11	1.9639%	0.000053797	\$16,514,566,772.00	0.99994	26	105
9/12	1.9651%	0.000053639	\$16,508,440,889.61	0.99994	26	105
9/13	1.9725%	0.000054040	\$16,400,854,111.49	0.99994	28	106
9/14	1.9780%	0.000054193	\$16,425,316,113.09	0.99991	29	108
9/15	1.9760%	0.000054189	\$16,425,316,113.09	0.99991	29	108
9/16	1.9760%	0.000054189	\$16,425,316,113.09	0.99991	29	108
9/17	1.9934%	0.000049614	\$16,409,336,063.81	0.99991	26	106
9/18	1.9942%	0.000054363	\$16,391,712,815.22	0.99991	27	105
9/19	1.9800%	0.000054246	\$16,305,425,511.32	0.99991	27	106
9/20	1.9808%	0.000054268	\$16,359,144,458.28	0.99990	28	106
9/21	1.9948%	0.000054372	\$16,272,856,441.30	0.99989	29	107
9/22	1.9948%	0.000054372	\$16,272,856,441.30	0.99989	29	107
9/23	1.9948%	0.000054372	\$16,272,856,441.30	0.99989	29	107
9/24	2.0078%	0.000055009	\$16,199,456,295.12	0.99989	27	105
9/25	1.9934%	0.000054614	\$16,942,000,447.01	0.99990	28	99
9/26	2.0165%	0.000055329	\$16,794,535,441.07	0.99990	28	103
9/27	2.0354%	0.000057409	\$16,611,665,168.82	0.99990	28	103
9/28	2.1244%	0.000058202	\$16,556,661,094.59	0.99991	28	104
9/29	2.1244%	0.000058202	\$16,556,661,094.59	0.99991	28	104
9/30	2.1244%	0.000058202	\$16,556,661,094.59	0.99991	28	104
Average:	1.9953%	0.000054665	\$16,565,748,581.27	.99993	28	105

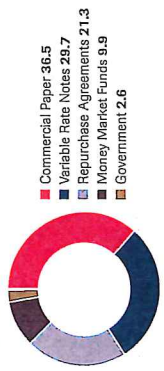


TEXPOOL PRIME

Portfolio by Maturity (%)
As of September 30, 2018



Portfolio by Type of Investment (%)
As of September 30, 2018



Portfolio Asset Summary as of September 30, 2018

	Book Value	Market Value
Uninvested Balance	\$64,247.20	\$64,247.20
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	3,289,274.82	3,289,274.82
Interest and Management Fees Payable	-8,784,466.05	-8,784,466.05
Payable for Investments Purchased	-88,806,419.43	-88,806,419.43
Accrued Expenses & Taxes	-22,027.86	-22,027.86
Repurchase Agreements	1,015,374,000.00	1,015,374,000.00
Commercial Paper	1,744,184,870.73	1,744,184,870.73
Bank Instruments	0.00	0.00
Mutual Fund Investments	472,097,499.35	472,097,499.35
Government Securities	124,541,437.50	124,530,650.75
Variable Rate Notes	1,419,009,935.04	1,419,414,680.00
Total	\$4,680,947,451.50	\$4,680,947,451.55

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payments for the pool assets as insurance or State guarantees. Should you require a copy of the portfolio, please contact TexPool Participant Services.

Participant Summary

	Number of Participants	Balance
School District	116	\$1,594,932,117.91
Higher Education	15	\$698,311,318.86
Healthcare	14	\$252,711,818.78
Utility District	30	\$317,453,012.51
City	86	\$665,081,195.73
County	38	\$435,208,455.49
Other	62	\$777,255,431.49



TEXPOOL PRIME

Daily Summary

Date	Money Mkt. Fund Equip. (SEB SIB)	Dividend Factor	TexPool Prime Invested Balance	NAV	WAM Days	VAM Days
9/1	2.1718%	0.000059502	\$4,972,013,692.36	1.00017	27	54
9/2	2.1718%	0.000059502	\$4,972,013,692.36	1.00017	27	54
9/3	2.1718%	0.000059502	\$4,972,013,692.36	1.00017	27	54
9/4	2.1770%	0.000059643	\$4,980,760,114.76	1.00015	29	53
9/5	2.1887%	0.000059417	\$4,947,421,978.02	1.00014	30	53
9/6	2.1954%	0.000060147	\$4,856,415,795.79	1.00013	30	53
9/7	2.1873%	0.000059925	\$4,859,352,634.27	1.00008	29	54
9/8	2.1873%	0.000059925	\$4,859,352,634.27	1.00008	30	54
9/9	2.1873%	0.000059925	\$4,859,352,634.27	1.00008	30	54
9/10	2.1821%	0.000060057	\$4,861,209,224.81	1.00012	29	51
9/11	2.1873%	0.000059926	\$4,845,098,379.19	1.00012	29	52
9/12	2.1944%	0.000060120	\$4,810,234,862.16	1.00011	30	55
9/13	2.1853%	0.000060255	\$4,809,653,833.48	1.00012	29	56
9/14	2.1857%	0.000060155	\$4,887,484,836.11	1.00006	29	55
9/15	2.1857%	0.000060155	\$4,887,484,836.11	1.00006	29	55
9/16	2.1857%	0.000060155	\$4,887,484,836.11	1.00006	29	55
9/17	2.2072%	0.000060377	\$4,892,311,038.46	1.00011	27	53
9/18	2.2038%	0.000060379	\$4,891,848,477.78	1.00009	28	54
9/19	2.2038%	0.000060379	\$4,891,848,477.78	1.00009	28	54
9/20	2.2119%	0.000060379	\$4,891,848,477.78	1.00009	28	54
9/21	2.2058%	0.000060432	\$4,805,668,791.37	1.00003	30	55
9/22	2.2058%	0.000060432	\$4,805,668,791.37	1.00003	30	55
9/23	2.2058%	0.000060432	\$4,805,668,791.37	1.00003	30	55
9/24	2.2625%	0.000060891	\$4,775,425,166.54	1.00008	32	56
9/25	2.2207%	0.000060841	\$4,888,789,529.22	1.00007	31	55
9/26	2.2075%	0.000060463	\$4,848,803,803.27	1.00007	30	55
9/27	2.2644%	0.000062039	\$4,835,056,393.63	1.00005	33	57
9/28	2.3072%	0.000063211	\$4,680,947,451.30	1.00000	37	61
9/29	2.3072%	0.000063211	\$4,680,947,451.30	1.00000	37	61
Average:	2.2085%	0.000060509	\$4,856,373,834.63	1.00009	30	55