

**CERTIFIED COPY
BRAZORIA COUNTY COMMISSIONERS' COURT**

ORDER NO. 7.N.1

**RE: COUNTY TREASURER'S MONTHLY CASH
AND INVESTMENT REPORT FOR TOLL
ROAD AUTHORITY FUNDS FOR JUNE AND
JULY 2017**

County Treasurer's Monthly Cash and Investment Report for Toll Road Authority Funds for June and July 2017. 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

CERTIFIED COPY - COMMISSIONERS' COURT AUGUST 22, 2017

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. 7.N.1

**RE: COUNTY TREASURER'S MONTHLY CASH
AND INVESTMENT REPORT FOR TOLL
ROAD AUTHORITY FUNDS FOR JUNE AND
JULY 2017**

as passed by the Commissioners' Court on the 22nd day of AUGUST, A.D., 2017, Special Meeting 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 22nd DAY OF
AUGUST, A. D., 2017.**

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

By: 
T. Reynolds, Deputy

August 22, 2017

**THE COMMISSIONERS' COURT OF BRAZORIA COUNTY
SPECIAL MEETING**

ORDER NO.

RE: County Treasurer's Monthly Cash and Investment Report for Toll Road
Authority Funds for June and July 2017

County Treasurer's Monthly Cash and Investment Report for Toll Road Authority
Funds for June and July 2017. It is further requested a certified copy of this order be
returned to the 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 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 **JULY 2017** and reflects total cash and other assets in the custody of the County Treasurer to be **\$104,022,010.45.**

The report contains:

Investment Portfolio Report
Bank Account Activity and Interest Report
Texas Class Investment Pool Report
TexPool Investment Pool Report
Pledged Securities Management Report

"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
Portfolio Report
July 2017

Current Date: 7/31/2017

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		0.971				66,080,141.79	100.000	66,080,141.79	66,080,141.79	100.00	66,080,141.79	1	0.971	60,245.27
998	Texas Class	LGIP		1.180				30,019,529.74	100.000	30,019,529.74	30,019,529.74	100.00	30,019,529.74	1	1.180	19,529.74
999	Depository	Cash		0.770				7,922,338.92	100.000	7,922,338.92	7,922,338.92	100.00	7,922,338.92	1	0.770	7,390.82
								104,022,010.45		104,022,010.45	104,022,010.45		104,022,010.45	1	1.016	87,165.83

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

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

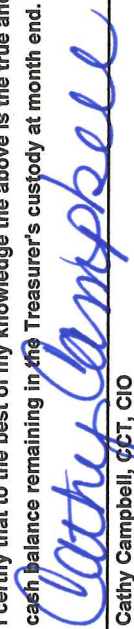
Bank Account Activity and Interest Report For July 2017

Account	Ending Bank Balance 06/30/2017	Deposits and Other Credits Received	Checks and Other Debits Disbursed	Ending Bank Balance 07/31/2017	MONTHLY Interest Earned
FIRST NATIONAL BANK OF LAKE JACKSON					
Brazoria County Toll Road Authority	-	0.00	0.00	0.00	0.00
Brazoria County Toll Road Authority-Construction	566,274.88	25,000,360.33	(25,000,000.00)	566,635.21	360.33
Brazoria County Toll Road Authority-FM 518	2,345,489.49	1,492.47		2,346,981.96	1,492.47
Brazoria County Toll Road Authority-Debt	-			0.00	0.00
Brazoria County Toll Road Authority-Contributions	15,003,183.73	5,538.02	(10,000,000.00)	5,008,721.75	5,538.02

First National Bank of Lake Jackson Totals 17,914,948.10 25,007,390.82 (35,000,000.00) 7,922,338.92 7,390.82

TOTAL EOM Account Balances and Interest Earnings **7,922,338.92** **7,390.82**

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, C.T., CIO
Brazoria County Treasurer

Brazoria County Toll Road Authority
Brazoria County as Agent

TexPool
 Investment Report
 07/01/2017 thru 07/31/2017

Fund	Description	06/30/2017 Investments	Credits	Debits	Interest Earned	07/31/2017 Investments	Avg. Mo. Yield	Expected Maturity	Mark to Mkt 07/31/2017
54000	Toll Road Funds-Construction	86,019,896.52	5,000,000.00	30,000,000.00	57,696.28	61,077,592.80	0.9714	8/1/2017	61,077,592.80
64100	Toll Road Funds-Contributions	0.00	5,000,000.00		2,548.99	5,002,548.99	0.9714	8/1/2017	5,002,548.99

TEXPOOL Totals 86,019,896.52 10,000,000.00 30,000,000.00 60,245.27 66,080,141.79

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, CFT, CIO
 Brazoria County Treasurer

Brazoria County Toll Road Authority
Brazoria County as Agent

Texas Class

Investment Report

07/01/2017 thru 07/31/2017

Fund	Description	06/30/2017 Investments	Credits	Debits	Interest Earned	07/31/2017 Investments	Avg. Mo. Yield	Expected Maturity	Mark to Mkt 07/31/2017
54000	Toll Road Funds-Construction	0.00	25,000,000.00	0.00	16,274.79	25,016,274.79	1.1800	8/1/2017	25,016,274.79
64100	Toll Road Funds-Contributions	0.00	5,000,000.00	0.00	3,254.95	5,003,254.95	1.1800	8/1/2017	5,003,254.95

TEXAS CLASS Totals	0.00	30,000,000.00	0.00	19,529.74	30,019,529.74	30,019,529.74
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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, CC / 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 JULY 2017.

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


Cathy Campbell, CCT, CIO
Brazoria County Treasurer

Reportfolio

First National Bank of Lake Jackson, Lake Jackson, T
Published: 7/31/2017 1:54:54 PM

Management Report

Pledged To: BRAZORIA COUNTY TOLL ROAD AUTHORITY

Section V-C

Date: 31-Jul-17
Page: 3

Safekeeping		Description	Prerefund	Pool	Moody	Original Face	Pledged	Pledged	Pledged	Pledged
Code	Cusip									
Location	Trans#	FAS 115								
FHLB	3138ETNJ1	FNMA Pool #AL8492		AL8492		\$2,200,000.00	\$2,200,000.00	\$1,574,045.88	\$1,636,225.40	\$1,610,248.94
FEDERAL HOME LOAN BANK	445627201609231	1/1/2046		2.537		100.00%				
		AFS								
1 MBS - Variable Rate							\$2,200,000.00	\$1,574,045.88	\$1,636,225.40	\$1,610,248.94
FHLB	3133XBAS1	FHLB Bullet		5.125	Aaa	\$4,500,000.00	\$4,500,000.00	\$4,500,000.00	\$4,553,519.92	\$4,837,927.50
FEDERAL HOME LOAN BANK	152984200905280	8/15/2019			AA+	100.00%				
		AFS								
1 Agency Notes/Bonds - FR							\$4,500,000.00	\$4,500,000.00	\$4,553,519.92	\$4,837,927.50
FHLB	3137B2FD7	FHR 4206 DA		2.000		\$2,200,000.00	\$2,200,000.00	\$1,316,961.34	\$1,301,972.24	\$1,298,227.70
FEDERAL HOME LOAN BANK	361755201407160	5/15/2033				100.00%				
		AFS								
FHLB	3137AQGD4	FHR 4046 HA		2.000		\$1,500,000.00	\$1,500,000.00	\$758,400.33	\$761,242.05	\$745,907.05
FEDERAL HOME LOAN BANK	274464201205290	10/15/2041				100.00%				
		AFS								
FHLB	3137AVGA9	FHR 4120 QG		2.500		\$2,000,000.00	\$2,000,000.00	\$1,019,672.36	\$1,046,929.82	\$1,022,009.75
FEDERAL HOME LOAN BANK	285318201210300	10/15/2042				100.00%				
		AFS								
FHLB	3137BSK69	FHR 4623 H		2.500		\$2,500,000.00	\$2,500,000.00	\$2,425,825.68	\$2,436,151.88	\$2,429,532.34
FEDERAL HOME LOAN BANK	452990201612200	11/15/2044				100.00%				
		AFS								
FHLB	3137BRMP7	FHR 4604 DC		2.500		\$2,500,000.00	\$2,500,000.00	\$2,355,987.63	\$2,419,742.20	\$2,349,974.44
FEDERAL HOME LOAN BANK	442471201608291	1/15/2046				100.00%				
		AFS								
FHLB	3137BSTN3	FHR 4629 QG		2.500		\$2,500,000.00	\$2,500,000.00	\$2,404,372.80	\$2,400,109.99	\$2,375,978.36
FEDERAL HOME LOAN BANK	451324201611301	11/15/2046				100.00%				
		AFS								
FHLB	3137BWU77	FHR 4663 PK		2.000		\$2,000,000.00	\$2,000,000.00	\$1,962,031.88	\$1,923,108.91	\$1,903,391.06
FEDERAL HOME LOAN BANK	466698201706230	3/15/2047				100.00%				
		AFS								

** 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: 7/31/2017 1:54:54 PM

Management Report

Pledged To: BRAZORIA COUNTY TOLL ROAD AUTHORITY

Section V-C

Date: 31-Jul-17
Page: 4

Safekeeping		Description	Prerefund	Pool	Moody	Original Face	Pledged	Pledged	Pledged	Pledged
Code	Cusip									
Location	Trans#	FAS 115								
FHLB	3136AWBB2	FNR 2017-25 QD		2.250		\$2,000,000.00	\$2,000,000.00	\$1,948,319.14	\$1,935,367.05	\$1,913,716.99
FEDERAL HOME LOAN BANK	461678201704171	4/25/2047				100.00%				
		AFS								
FHLB	3137BXZG0	FHR 4682 LC		2.500		\$2,000,000.00	\$2,000,000.00	\$1,979,370.62	\$1,973,893.93	\$1,962,578.43
FEDERAL HOME LOAN BANK	464936201705301	5/15/2047				100.00%				
		AFS								
9 CMOs - Fixed Rate							\$19,200,000.00	\$16,170,941.78	\$16,198,518.07	\$16,001,316.12
Total Pledged 11 To: BCTR BRAZORIA COUNTY TOLL ROAD AUTHORITY							\$25,800,000.00	\$22,244,987.66	\$22,388,263.39	\$22,449,492.56
		\$0.00	Munis with Maturity Under 2 Years			\$0.00	Other securities with Stated Maturity Under 2 Years			
		\$0.00	Munis with Maturity Over 2 Years			\$22,244,987.66	Other securities with Stated Maturity Over 2 Years			

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



Monthly Newsletter: August 2017

ANNOUNCEMENTS

We welcome the following entities who joined TexPool in July 2017:

TexPool
Nederland Economic Development Corporation
Frisco ISD

TexPool Prime
Nederland Economic Development Corporation
Frisco ISD
Texas State University
Amenon ED
White Settlement
City of Fort Worth
Ricardo Water Supply Composition
Nueces Water Supply Corporation

Upcoming Events

Aug 23, 2017 - Aug 25
TAC Legislative Conference
Austin

Sep 11, 2017 - Sep 14, 2017
69th Annual County Treasurers of Texas
Annual Conference
Dallas/Addison

Oct 03, 2017 - Oct 06, 2017
TML Conference
Houston

Oct 06, 2017 - Oct 08, 2017
TASA/TASB Annual Conference
Dallas

TexPool Advisory Board Members

Jose Elizondo, Jr.
Vivian Wood
George Sanchez
Jerry Dale
Sharon Matthews
Patrick Krishock
David Landeros
Michele Tuttle

Overseen by the State of Texas Comptroller
of Public Accounts Glenn Hegar.
Operated under the supervision of the
Texas Treasury Safeguarding Trust Company

TexPool Participant Services
1001 Texas Avenue, Suite 1400 • Houston, TX 77002
Phone: 1-866-TEXPOOL (899-7665) • Fax: 1-866-899-9391 • TexPool.com

Economic and Market Commentary: Libor's long goodbye

August 1, 2017

If any field operates better under a deadline, it's the financial industry. That may be the reasoning behind the Financial Conduct Authority's announcement late in July of a time frame for phasing out the London interbank offered rate (Libor). The catch is that the date is so far out (year-end 2021) to be much of an immediate incentive. It points to that other near-given when it comes to the financial sphere: change takes a long time to implement.

Libor is the benchmark for short-term interest rates of most prime cash-management instruments, including many of those held in investment pools such as TexPool Prime (in contrast, the benchmark for TexPool's holdings is the U.S. Treasury yield curve). We have known Libor's time was numbered for some time now. The long time frame until its termination reflects the ongoing debate about what the replacement should be. We expect the solution will come from the same regulator, but others have been pushing for a rate based off Treasury repo and other options. It is now time to cease arguing about pluses and minuses of various replacements and put forth effort to decide on one and work to fine-tune it. As far as cash managers are concerned, the issue mostly concerns floating-rate securities, which use Libor for price or on the spread between Libors of differing maturities.

(continued page 6)

Performance as of July 31, 2017

	TexPool	TexPool Prime
Current Invested Balance	\$16,864,283,002.80	\$4,280,732,870.16
Weighted Average Maturity**	34	51
Weighted Average Life**	93	73
Net Asset Value	1.00	1.00005
Total Number of Participants	2,424	278
Management Fee on Invested Balance	0.0473%	0.0689%
Interest Distributed	\$14,066,347.90	\$4,370,380.81
Management Fee Collected	\$675,676.31	\$193,650.88
Standard & Poor's Current Rating	AAAAm	AAAAm
Month Averages		
Average Invested Balance	\$17,260,988,136.56	\$4,258,650,446.37
Average Monthly Rate*	0.8714%	1.2082%
Average Weighted Average Maturity**	36	47
Average Weighted Average Life**	99	65

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

Managed and
Served by **Federated**
C35854-24 (8/17)

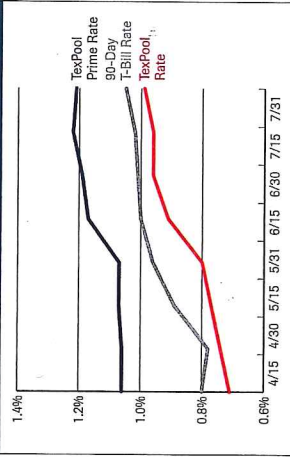


Participant Services
1001 Texas Ave. 14th Floor
Houston, TX 77002



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

TexPool & TexPool Prime vs. 90-Day Treasury Bill



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.

Past performance is no guarantee of future results.

1-month, increasing from 1.06% to 1.23%, 3-month from 1.21% to 1.31% and 6-month from 1.42% to 1.46%. The short end of the Treasury curve also rose, with 1-month and 3-month Treasury yields rising from 0.89% to 0.98% and 1.00% to 1.07%, respectively.

We think the ultimate solution for a replacement will vary according to what will work best for each portion of the market and the types of securities used. The replacements don't all have to be the same. We would caution against using Treasuries as a benchmark, however, because they are flight-to-quality securities often moving due to global developments. You want to use a measure that is mostly dependent on market conditions. Bottom line for us is that our cash products are not immediately affected by the announcement and any adjustment down the line won't be disruptive.

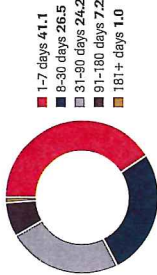
Libor wasn't the only rate making news last month. U.S. policymakers have been telegraphing the imminent wind down of its massive balance sheet, and we think that will start to take place in September, likely pushing the final fed funds hike of 2017 until December. Some market participants at this point actually see 2018 as more probable. It's all a reflection of an economy that has definitely not caught on fire from an economic growth standpoint, yet is performing OK. Also, there appears to be a re-evaluation of inflation goals. Should 2% be the actual neutral rate that the Fed needs to hit, and does it need to get to that level in the next year? Or should that target be lower, with two years to hit it? At the core, changes in the yield curve reflect a market trying to size up how to process expectations from both an inflationary and an economic standpoint.

The weighted average maturities (WAM) of our cash products in July was 30-40 days for government funds and with prime increasing to 40-50 days from 35-45. Returning to Libor, it rose over July, with



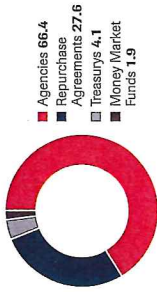
Portfolio by Maturity (%)

As of July 31, 2017



Portfolio by Type of Investment (%)

As of July 31, 2017



Portfolio Asset Summary as of July 31, 2017

	Book Value	Market Value
Uninvested Balance	\$-192.28	\$-192.28
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	5,627,493.54	5,627,493.54
Interest and Management Fees Payable	-14,066,343.77	-14,066,343.77
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-21,261.88	-21,261.88
Repurchase Agreements	4,660,818,000.00	4,660,818,000.00
Mutual Fund Investments	315,022,103.88	315,022,103.88
Government Securities	11,204,857,546.94	11,204,020,105.05
U.S. Treasury Inflation Protected Securities	0.00	0.00
U.S. Treasury Inflation Protected Securities	354,118,295.81	354,101,960.00
US Treasury Bills	338,927,580.76	338,766,860.00
US Treasury Notes		
Total	16,864,283,002.80	16,864,268,724.54

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federal Investment Consulting and the assets are self-kept 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 Service.

Participant Summary

	Number of Participants	Balance
School District	583	\$5,179,032,898.40
Higher Education	57	\$916,621,634.71
Healthcare	81	\$606,213,627.35
Utility District	764	\$2,685,274,600.86
City	456	\$4,243,825,819.09
County	185	\$1,656,445,634.76
Other	288	\$1,696,800,352.47

****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 waived until the next market date. 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 periods 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 refigured.

Daily Summary

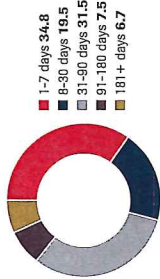
Date	Money Mkt. Fund Equiv. (SEGS Std)	Dividend Factor	TextPool Invested Balance	NAV	WAM Days	WAL Days
7/1	0.9566%	0.000026207	\$17,629,314,686.85	0.99999	38	103
7/2	0.9566%	0.000026207	\$17,629,314,686.85	0.99999	38	103
7/3	0.9566%	0.000026280	\$17,519,213,178.93	0.99997	37	103
7/4	0.9566%	0.000026280	\$17,519,213,178.93	0.99997	37	103
7/5	0.9574%	0.000026229	\$17,572,943,947.93	0.99997	36	101
7/6	0.9569%	0.000026182	\$17,585,684,849.33	0.99997	36	98
7/7	0.9591%	0.000026276	\$17,555,613,526.13	0.99997	37	102
7/8	0.9591%	0.000026276	\$17,555,613,526.13	0.99997	37	102
7/9	0.9605%	0.000026276	\$17,555,613,526.13	0.99997	37	102
7/10	0.9605%	0.000026314	\$17,527,162,664.21	0.99997	35	100
7/11	0.9611%	0.000026332	\$17,525,766,187.02	0.99998	35	97
7/12	0.9618%	0.000026352	\$17,432,685,906.32	0.99998	36	100
7/13	0.9635%	0.000026397	\$17,394,268,346.06	0.99998	37	99
7/14	0.9652%	0.000026171	\$17,377,382,952.92	0.99998	38	101
7/15	0.9652%	0.000026171	\$17,377,382,952.92	0.99998	38	101
7/16	0.9652%	0.000026171	\$17,377,382,952.92	0.99998	38	101
7/17	0.9777%	0.000026785	\$17,013,138,297.38	0.99999	37	101
7/18	0.9779%	0.000026784	\$16,967,398,476.44	0.99998	36	100
7/19	0.9790%	0.000026821	\$16,942,717,464.92	0.99999	36	100
7/20	0.9802%	0.000026855	\$16,914,651,165.96	0.99998	36	99
7/21	0.9812%	0.000026862	\$16,922,147,284.81	0.99998	36	99
7/22	0.9812%	0.000026862	\$16,922,147,284.81	0.99998	36	99
7/23	0.9812%	0.000026862	\$16,922,147,284.81	0.99998	36	99
7/24	0.9872%	0.000027047	\$16,883,285,405.61	0.99998	35	97
7/25	0.9895%	0.000027109	\$17,196,628,907.09	0.99998	35	95
7/26	0.9893%	0.000027215	\$17,189,470,596.82	0.99998	36	94
7/27	0.9900%	0.000027123	\$17,073,236,782.02	0.99999	36	95
7/28	0.9890%	0.000027096	\$17,048,391,154.15	1.00000	36	95
7/29	0.9890%	0.000027096	\$17,048,391,154.15	1.00000	36	95
7/30	0.9890%	0.000027096	\$17,048,391,154.15	1.00000	36	95
7/31	0.9829%	0.000027204	\$16,864,268,002.80	1.00000	34	93
Average:	0.9714%	0.000026613	\$17,260,398,138.56	.99998	36	99



TEXPOOL PRIME

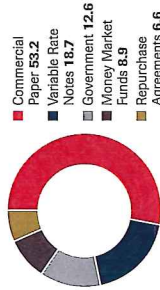
Portfolio by Maturity (%)

As of July 31, 2017



Portfolio by Type of Investment (%)

As of July 31, 2017



Portfolio Asset Summary as of July 31, 2017

	Book Value	Market Value
Uninvested Balance	\$361.50	\$361.50
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	1,260,949.14	1,260,949.14
Interest and Management Fees Payable	-4,370,380.09	-4,370,380.09
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-6,274.03	-6,274.03
Repurchase Agreements	283,368,000.00	283,368,000.00
Mutual Fund Investments	2,279,284,382.80	2,279,320,055.20
Government Securities	0.00	0.00
U.S. Treasury Inflation Protected Securities	382,099,478.89	382,129,013.10
U.S. Treasury Bills	538,888,801.17	538,888,430.00
US Treasury Notes	800,157,571.28	800,362,787.50
Total	4,280,952,870.16	4,280,952,942.32

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Fidelity Investment Company and the assets are off-lease in a separate 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 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	100	\$1,819,305,736.72
Higher Education	14	\$544,007,349.35
Healthcare	11	\$260,556,538.56
Utility District	22	\$254,838,916.19
City	56	\$541,662,361.60
County	31	\$355,213,236.23
Other	44	\$505,137,676.70



TEXPOOL PRIME

Daily Summary

Date	Money (Net) Paid Fund (SEC Study)	Dividend Factor	TexPool Prime Invested Balance	NAV	WAM Days	WAL Days
7/1	1.1860%	0.000032494	\$4,091,205,021.24	1.00005	37	58
7/2	1.1860%	0.000032494	\$4,091,205,021.24	1.00005	37	58
7/3	1.1889%	0.000032569	\$4,079,666,569.99	1.00005	35	55
7/4	1.1889%	0.000032569	\$4,079,666,569.99	1.00005	35	55
7/5	1.1912%	0.000032635	\$4,068,698,297.10	1.00006	36	55
7/6	1.2056%	0.000032975	\$4,095,090,613.00	1.00005	41	59
7/7	1.2011%	0.000032907	\$4,109,088,293.41	0.99999	42	60
7/8	1.2011%	0.000032907	\$4,109,088,293.41	0.99999	42	60
7/9	1.2011%	0.000032907	\$4,130,690,624.95	1.00003	44	62
7/10	1.2090%	0.000033124	\$4,122,451,603.88	1.00003	45	63
7/11	1.2104%	0.000033161	\$4,124,672,166.77	1.00004	48	65
7/12	1.2211%	0.000033455	\$4,081,166,156.00	1.00002	50	67
7/13	1.2239%	0.000033516	\$4,079,639,764.41	1.00000	50	67
7/14	1.2239%	0.000033516	\$4,079,639,764.41	1.00000	50	67
7/15	1.1989%	0.000032845	\$4,509,516,607.10	1.00005	.44	59
7/16	1.2136%	0.000033248	\$4,494,545,998.24	1.00004	48	63
7/17	1.2182%	0.000033374	\$4,463,183,246.28	1.00004	51	65
7/18	1.2209%	0.000033448	\$4,446,744,400.66	0.99999	55	70
7/19	1.2209%	0.000033448	\$4,446,744,400.66	0.99999	55	70
7/20	1.2056%	0.000033124	\$4,444,574,068.11	1.00002	53	71
7/21	1.2056%	0.000033124	\$4,378,330,886.40	1.00003	54	72
7/22	1.2109%	0.000033174	\$4,461,495,176.34	1.00004	52	73
7/23	1.2056%	0.000033136	\$4,503,084,342.13	1.00004	52	72
7/24	1.2056%	0.000033031	\$4,389,222,724.66	1.00001	53	74
7/25	1.2056%	0.000033031	\$4,389,222,724.66	1.00001	53	74
7/26	1.2136%	0.000033254	\$4,280,732,670.16	1.00005	51	73
7/27	1.2082%	0.000033101	\$4,258,650,445.97	1.00002	47	65
7/28						
7/29						
7/30						
7/31						
Average:	1.2082%	0.000033101	\$4,258,650,445.97	1.00002	47	65



Texas Cooperative Liquid Asset Securities System Trust

TheNEWS

Safety in a Rising Rate Environment

As summer heats up, we are pleased to be in the midst of the first rising rate environment in the last decade. We have seen three 25 basis point increases in the Fed Funds Target Rate within the past seven months which has led to a meaningful increase for the Texas CLASS rates. While increasing rates are always welcome, we want to remind our Texas CLASS Participants that the safety of Participants' funds is always our primary objective.

How does Texas CLASS focus on safety?

Texas CLASS has an all-encompassing view on safety. This means that we want your funds to be safe, your information to be secure, and all transactions to be safeguarded. Below are some highlights regarding the safety features of Texas CLASS.

Experience: The portfolio management team responsible for the day-to-day management of Texas CLASS has successfully managed local government investment pools for more than 25 years through multiple interest rate cycles and economic environments.

This team is guided by a proven credit research process approved by both the Texas CLASS Board of Trustees and Advisory Board that features strategic investments based on the time and research devoted to each investment decision. Investments are made via an approved list compiled by our portfolio management professionals who have a wealth of knowledge about the public funds sector, with over 75 combined years of experience.

Rating: Texas CLASS is rated 'AAAm' by S&P Global Ratings, the highest money market rating available. According to S&P*, the world's leading provider of credit ratings, a 'AAAm' rating indicates an "extremely strong capacity to meet financial commitments" and is a direct reflection of the outstanding credit quality of the Texas CLASS portfolio holdings.

State Statutes: Texas CLASS investments are only made in accordance with the Public Funds Investment Act of Texas (PFIA). Under the PFIA established guidelines, Texas CLASS seeks out investments that optimize the opportunity to maximize safety and minimize risk while providing a competitive return.

Additional Oversight: Texas CLASS is governed by a Board of Trustees and an Advisory Board comprised of local government leaders and finance

A Morningstar S&P Global Rating 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 remove market risk. All comments and discussions presented are purely based on opinion and assumptions, not fact. These assumptions may or may not be correct based on forecast and unforeseen events. The information above 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 consulting with an independent professional engaged for the specific purpose. Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.

officials who closely monitor the activities of the program. The individuals on these boards represent the varying units of local government within the state of Texas. This serves as an added level of oversight for investment decisions made on behalf of Texas CLASS and the safety of Participants' funds.

Board of Trustees

Mr. Steve Williams, Chairman

Asst. City Administrator/CFO
City of Conroe

Mr. Roger Roedker

City Manager
City of Friendswood

Ms. Amy Perez

Investment Manager
Harris County

Mr. Mike Hagar

School Business Administrator
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Ms. Cindy Brown

Treasurer
Deaton County

Ms. Monika Arris

Director of Budget & Finance
Collin County

Advisory Board

Mr. Mark Burton

Managing Partner
Municipal Accounts & Consulting, L.P.

Mr. Rodney Rhoades

Qualified Non-Participant
Crane ISD

MYACCESS: Texas CLASS is committed to ensuring a secure online transaction experience through MYACCESS. We have implemented and maintain strong security measures for MYACCESS because we understand the risks associated with retrieving public financial information online. MYACCESS features include multifactor authentication, masked account numbers, and "The Safe Zone" (data secured in a stored environment monitored by a live person who identifies any unauthorized access attempts).

As rates continue to rise, so does the continued need for safety and security within the management of public funds. Texas CLASS is committed to taking every precaution to best ensure the safekeeping of Participants' public funds. If you have any questions regarding Texas CLASS safety or the current rising rate environment, please feel free to contact our Texas CLASS investment professionals via info@texasclass.com.

*Source: S&P Global Ratings



TheECONOMY

Yield Curve steepens on Central Bank rhetoric; shorter rates also improving

The June labor report was mixed with an increasing pace of hiring contrasting with a slight increase in the unemployment rate. The U.S. added an above forecast 222k jobs in June, up from 138k in May. The pace of job growth increased as seasonal summer job hiring continued into June. By contrast, the unemployment rate increased to 4.40% from 4.30% a month earlier. The underemployment rate also increased by 0.20% to 8.60%. Despite historically low unemployment, broad-based wage growth remains elusive. The labor participation rate also improved to 62.80% from 62.70%. At 2.50%, the growth rate of average hourly earnings remains well below pre-financial crisis levels.

The Federal Reserve raised the Federal Funds rate on June 14, 2017 to the range of 1.00% to 1.25%. Their dot plots and the markets are now anticipating one additional rate hike in 2017. The September probability stands at 22.10% and the December probability is 56.10%. Inflation remains somewhat below the target 2.00% with the Consumer Price Index recorded at 1.90% in May. The lower run rate is labeled as temporary by Chair Yellen. The European Central Bank announced a slowing quantitative easing; this sparked the bond market to push yields higher late in June. The 10-year U.S. Treasury yield ended on June 30, 2017 at 2.31%.

Portfolio Strategy

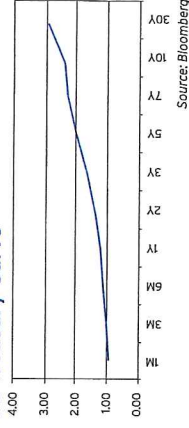
The third reading of Q1 GDP was revised 0.20% higher to 1.40% from the advance estimate of 1.20%. Looking ahead, the Atlanta Fed GDPNow forecast was revised slightly lower for the second quarter to an increase of 2.68% from 3.42%.

The portfolios are well positioned to capture the higher yields that are now available. Looking ahead, future rate increases remain dependent on the actual pace of fed policy normalization.

Texas CLASS and Texas CLASS Government are rated 'AAAm' by S&P Global Ratings

A Morningstar S&P Global Rating 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 remove market risk. All comments and discussions presented are purely based on opinion and assumptions, not fact. These assumptions may or may not be correct based on forecast and unforeseen events. The information above 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 consulting with an independent professional engaged for the specific purpose. Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.

US Treasury Curve



Treasury Yields

MATURITY	7/6/17	6/6/17	CHANGE
3 Month	1.018%	0.971%	0.047%
6 Month	1.132%	1.070%	0.061%
1 Year	1.217%	1.145%	0.072%

Source: Bloomberg

Agency Yields

MATURITY	7/6/17	6/6/17	CHANGE
3 Month	1.060%	0.994%	0.066%
6 Month	1.130%	1.056%	0.074%
1 Year	1.279%	1.188%	0.091%

Source: Bloomberg

Commercial Paper Yields (A-1/P-1)

MATURITY	7/6/17	6/6/17	CHANGE
1 Month	1.190%	1.000%	0.190%
3 Month	1.26%	1.170%	0.090%
6 Month	1.400%	1.330%	0.070%
9 Month	1.480%	1.460%	0.020%

Source: Bloomberg

Current Economic Releases

DATA	PERIOD	VALUE
GDP QoQ	Q1 17	1.40%
US Unemployment	Jun 17	4.40%
ISM Manufacturing	Jun 17	57.80
PPI YoY	May 17	2.60%
CPI YoY	May 17	1.90%
Fed Funds Target	Jul 07 17	1.00% - 1.25%

Source: Bloomberg

