



**CERTIFIED COPY  
BRAZORIA COUNTY COMMISSIONERS' COURT**

**ORDER NO. 8.M.1**

**RE: COUNTY TREASURER'S MONTHLY CASH  
AND INVESTMENT REPORT FOR TOLL  
ROAD AUTHORITY FUNDS FOR  
FEBRUARY 2018**

County Treasurer's Monthly Cash and Investment Report for Toll Road Authority Funds for February 2018. It is further requested a certified copy of this order be returned to the County Treasurer.

<b>RESULT:</b>	<b>PASSED BY CONSENT VOTE [UNANIMOUS]</b>
<b>MOVER:</b>	Stacy L. Adams, Commissioner
<b>SECONDER:</b>	Ryan Cade, Commissioner
<b>AYES:</b>	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. 8.M.1**

**RE: COUNTY TREASURER'S MONTHLY CASH  
AND INVESTMENT REPORT FOR TOLL  
ROAD AUTHORITY FUNDS FOR  
FEBRUARY 2018**

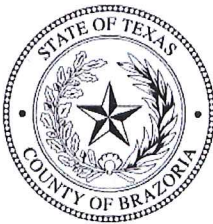
as passed by the Commissioners' Court on the 10th day of APRIL, A.D., 2018, Regular Session Term of Commissioners' Court and as the same appear(s) in the Commissioners' Court Records of Brazoria County, Texas.

**GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 10th DAY OF  
APRIL, A. D., 2018.**

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

By: \_\_\_\_\_

M. Trevino, 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 FEBRUARY 2018 and reflects total cash and other assets in the custody of the County Treasurer at month end to be:

**\$93,901,931.70.**

The report contains:

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

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

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

Cathy Campbell, CCT, CIO  
Brazoria County Treasurer

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

**Bank Account Activity and Interest Report For February 2018**

Account	Ending Bank Balance 01/31/2018	Deposits and Other Credits Received	Checks and Other Debits Disbursed	Ending Bank Balance 02/28/2018	MONTHLY Interest Earned	Interest Rate
<b>FIRST NATIONAL BANK OF LAKE JACKSON</b>						
Brazoria County Toll Road Authority	0.00	0.00	0.00	0.00	0.00	1.38
Brazoria County Toll Road Authority-Construction	1,518,924.33	7,002,919.50	(3,526,016.43)	4,995,827.40	2,919.50	1.38
Brazoria County Toll Road Authority-FM 518	1,297,011.56	659,200.75	(120,347.25)	1,835,865.06	1,576.56	1.38
Brazoria County Toll Road Authority-Debt	5,165,309.99	303,532.69	(164,012.50)	5,304,830.18	5,501.68	1.38
Brazoria County Toll Road Authority-Contributions	1,024,558.72	1,068.20	0.00	1,025,626.92	1,068.20	1.38
<i>First National Bank of Lake Jackson Totals</i>	9,005,804.60	7,966,721.14	(3,810,376.18)	13,162,149.56	11,065.94	

**TOTAL EOM Account Balances and Interest Earnings**

**13,162,149.56**  
**11,065.94**

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*

Cathy Campbell, OCT, 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 FEBRUARY 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: 2/28/2018 12:58:59 PM

Management Report  
 Pledged To: BRAZORIA COUNTY TOLL ROAD AUTHORITY

Date: 28-Feb-18  
 Page: 3

Section V-C

## Safetkeeping

Location	Code	Cusip Trans#	Description Maturity	Prerefund	Pool Coupon	Moody StdPoor	Original Face Pledged Percent	Original Face Value	Pledged Par Value	Pledged Book Value	Pledged Market Value
FHLB	3138ETN1	445627201609231	FNMA Pool #AL8492 1/1/2046		AL8492		\$2,200,000.00 100.00%	\$2,200,000.00	\$1,366,086.79	\$1,419,801.61	\$1,383,162.87
FEDERAL HOME LOAN BANK AFS											
1 MBS - Variable Rate											
FHLB	3133X8AS1	152984200905280	FHLB Bullet 8/15/2019			Aaa	\$4,500,000.00 100.00%	\$4,500,000.00	\$4,538,207.68	\$4,538,207.68	\$4,686,255.00
FEDERAL HOME LOAN BANK AFS											
1 Agency Notes/Bonds - FR											
FHLB	3137AQGD4	274464201205290	FHR 4046 HA 10/15/2041		2.000		\$1,500,000.00 100.00%	\$1,500,000.00	\$691,468.85	\$693,885.54	\$684,431.38
FEDERAL HOME LOAN BANK AFS											
FHLB	3137BSK69	452990201612200	FHR 4623 H 11/15/2044		2.500		\$2,500,000.00 100.00%	\$2,500,000.00	\$2,264,225.50	\$2,273,272.09	\$2,192,499.14
FEDERAL HOME LOAN BANK AFS											
FHLB	3137BRMPT	442471201608291	FHR 4604 DC 1/15/2046		2.500		\$2,500,000.00 100.00%	\$2,500,000.00	\$2,231,653.55	\$2,288,421.80	\$2,155,474.49
FEDERAL HOME LOAN BANK AFS											
FHLB	3137BSTN3	451324201611301	FHR 4629 QG 11/15/2046		2.500		\$2,500,000.00 100.00%	\$2,500,000.00	\$2,286,789.18	\$2,282,934.77	\$2,197,796.95
FEDERAL HOME LOAN BANK AFS											
FHLB	3137BWU77	466698201706230	FHR 4663 PK 3/15/2047		2.000		\$2,000,000.00 100.00%	\$2,000,000.00	\$1,870,985.88	\$1,838,788.37	\$1,747,274.42
FEDERAL HOME LOAN BANK AFS											
FHLB	3136AWBB2	461678201704171	FNR 2017-25 QD 4/25/2047		2.250		\$2,000,000.00 100.00%	\$2,000,000.00	\$1,834,012.80	\$1,822,927.22	\$1,724,801.56
FEDERAL HOME LOAN BANK AFS											
FHLB	3137BXZG0	464936201705301	FHR 4682 LC 5/15/2047		2.500		\$2,000,000.00 100.00%	\$2,000,000.00	\$1,885,225.64	\$1,880,455.51	\$1,834,924.24
FEDERAL HOME LOAN BANK AFS											
Z CMOs - Fixed Rate											
								\$15,000,000.00	\$13,064,361.40	\$13,080,685.30	\$12,517,202.18

\*\* 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: 2/28/2018 12:58:59 PM

## Management Report

Pledged To: BRAZORIA COUNTY TOLL ROAD AUTHORITY

Date: 28-Feb-18

Page: 4

Section V-C

Safekeeping Code	Cusip Trans#	Description Maturity	Prerefund	Pool Coupon	Moody StdPoor	Original Face Pledged Percent	Pledged Face Value	Pledged Par Value	Pledged Book Value	Pledged Market Value
		FAS 115								
<b>Total Pledged 9 To: BCIR BRAZORIA COUNTY TOLL ROAD AUTHORITY</b>										
		\$0.00 Munis with Maturity Under 2 Years					\$21,700,000.00	\$18,930,448.19	\$19,038,694.59	\$18,586,620.05
		\$0.00 Munis with Maturity Over 2 Years								
							\$4,500,000.00 Other securities with Stated Maturity Under 2 Years			
							\$14,430,448.19 Other securities with Stated Maturity Over 2 Years			

\*\* 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	827,558.00	2,654,284.00	827,558.00	4,309,400.00	359,116.67
2046	775,200.00	2,760,000.00	775,200.00	4,312,400.00	359,366.67
2047	722,700.00	2,868,000.00	722,700.00	4,309,400.00	359,116.67
2048	670,000.00	2,978,000.00	670,000.00	4,310,200.00	359,183.33
2049	617,500.00	3,090,000.00	617,500.00	4,309,500.00	359,125.00
<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)  


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53,838,313.00

**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**  
**February 2018**

Current Date: 2/28/2018

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		1.344				48,472,616.05	100.000	48,472,616.05	48,472,616.05	100.00	48,472,616.05	1	1.344	54,140.47
998	Texas Class	LGIP		1.620				32,267,166.09	100.000	32,267,166.09	32,267,166.09	100.00	32,267,166.09	1	1.620	40,013.76
999	Depository	Cash		1.380				13,162,149.56	100.000	13,162,149.56	13,162,149.56	100.00	13,162,149.56	1	1.380	11,065.94
								<b>93,901,931.70</b>		<b>93,901,931.70</b>	<b>93,901,931.70</b>		<b>93,901,931.70</b>	<b>1</b>	<b>1.444</b>	<b>105,220.17</b>

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  
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	9,525.77	10,938.04	9,824.78	30,288.59	8,185.21	11,065.94		19,251.15				0.00				0.00	49,539.74
TEXPOOL	54,498.14	53,515.11	58,344.28	166,357.53	61,067.79	54,140.47		115,208.26				0.00				0.00	281,565.79
Texas Class	32,422.19	32,406.44	38,314.73	103,143.36	42,448.41	40,013.76		82,462.17				0.00				0.00	185,605.53
Agencies	0.00	0.00	0.00	0.00	0.00	0.00		0.00				0.00				0.00	0.00
<b>Total Per Mo.</b>	<b>96,446.10</b>	<b>96,859.59</b>	<b>106,483.79</b>	<b>299,789.48</b>	<b>111,701.41</b>	<b>105,220.17</b>	<b>0.00</b>	<b>216,921.58</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>516,711.06</b>

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

*Cathy Campbell*

Cathy Campbell, CCT, CIO  
Brazoria County Treasurer

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

**TexPool**

Investment Report

02/01/2018 thru 02/28/2018

Fund	Description	02/01/2018 Investments	Credits	Debits	Interest Earned	02/28/2018 Investments	Avg. Mo. Yield	Expected Maturity	Mark to Mkt 02/28/2018
54000	Toll Road Funds-Construction	48,383,782.93	0.00	7,000,000.00	46,888.89	41,430,671.82	1.3440	3/1/2018	41,430,671.82
64100	Toll Road Funds-Contributions	7,034,692.65	0.00	0.00	7,251.58	7,041,944.23	1.3440	3/1/2018	7,041,944.23
<b>TEXPOOL Totals</b>		<b>55,418,475.58</b>	<b>0.00</b>	<b>7,000,000.00</b>	<b>54,140.47</b>	<b>48,472,616.05</b>			<b>48,472,616.05</b>

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

02/01/2018 thru 02/28/2018

Fund	Description	02/01/2018 Investments	Credits	Debits	Interest Earned	02/28/2018 Investments	Avg. Mo. Yield	Expected Maturity	Mark to Mkt 02/28/2018
54000	Toll Road Funds-Construction	25,184,867.27	0.00	0.00	31,269.93	25,216,137.20	1.6200	3/1/2018	25,216,137.20
64100	Toll Road Funds-Contributions	7,042,285.06	0.00	0.00	8,743.83	7,051,028.89	1.6200	3/1/2018	7,051,028.89

TEXAS CLASS Totals

32,227,152.33

0.00

0.00

40,013.76

32,267,166.09

32,267,166.09

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, CCF, CIO  
 Brazoria County Treasurer



# Monthly Newsletter: March 2018

## ANNOUNCEMENTS

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

- TexPool**
- Metz Ranch MUD of Comal County
- Texas County ESD 15
- City of Chamblin
- Montgomery County UD 3
- Grand Prairie Metropolitan Utility and Redevelopment District
- Lamar Improvement District
- Fair Oaks Ranch Municipal Development District

**TexPool Prime**

- City of Whitehouse
- Harris County ESD 6
- City of Cleburne
- Harris County MUD 120
- Wintersboro ISD

### Upcoming Events

- Apr 15, 2018 – Apr 17, 2018, Renaissance Austin
- GFOAT 2018 Spring Conference
- Apr 17, 2018 – Apr 19, 2018, Embassy Suites Hotel, Spa and Convention Center, San Marcos
- 2018 46th Annual County Treasurers Continuing Education

### TexPool Advisory Board Members

- Jose Elizondo, Jr.
- Belinda Weaver
- Jerry Dale
- Patrick Kriehock
- Michele Tuttle
- David Landeros

Oversen 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 (839-7665) • Fax: 1-866-839-3291 • TexPool.com

## Economic and Market Commentary: New Fed chief positive about the economy

March 1, 2018

The Jerome Powell era at the Federal Reserve essentially began this week with the new chairman's high-profile testimony before Congress. You could, for the sake of brevity, summarize the entire event with that sentence. He didn't offer any opinion or statement that was unexpected or materially different than the Fed's outlook under past head Janet Yellen. But the risk markets had a sour reaction to his enthusiasm about the improvement of the U.S. economy since December, which caused a stir. We think it was an overreaction and pin it on the uncertainty that comes with any change in leadership. Powell is no Yellen done, but it will take more than one week to bring the differences to the fore.

It is no surprise, however, that his optimism nudged the fed funds futures market to expect four 25 basis-point moves this year instead of three. Likely many in the faction who shifted were already on the fence and tax reform pushed them over. We, of course, think the tax changes are a positive from a corporate perspective, but are just not as convinced the rewards will be reaped early enough to push up still stubbornly low inflation right off. The Fed's preferred metric of inflation remains below its 2% target.

(continued page 6)

### Performance as of February 28, 2018

	TexPool	TexPool Prime
Current Invested Balance	\$20,462,019,597.22	\$5,838,691,104.01
Weighted Average Maturity	27	32
Weighted Average Life	85	69
Net Asset Value	0.998986	0.998989
Total Number of Participants	2,455	303
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$22,106,283.57	\$7,906,495.11
Management Fee Collected	\$686,839.75	\$288,179.98
Standard & Poor's Current Rating	AAA-m	AA-m
<b>Month Averages</b>		
Average Invested Balance	\$21,467,193,103.71	\$6,217,468,883.91
Average Monthly Rate	1.3439%	1.5747%
Average Weighted Average Maturity	26	34
Average Weighted Average Life	82	71

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

**Federated.**  
Managed and Serviced by  
C35884-24 (3/18)



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

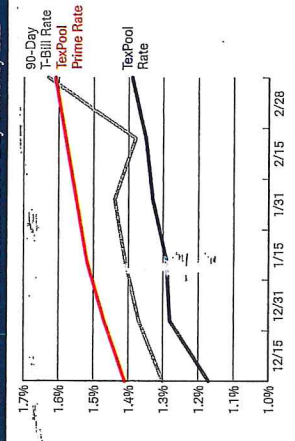
PRSRT STD  
U.S. POSTAGE  
PAID  
AUSTIN, TX  
PERMIT #1264



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

T3 P1

### TexPool & TexPool Prime vs. 90-Day Treasury Bill



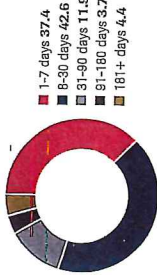
90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.  
Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day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

A lot depends on what companies do with the savings—they are just starting to reveal plans and the effects won't show up right away. Even passing on some of the tax relief to employees through bonuses, raises, increasing 401(k) contributions and the like doesn't mean inflation will flare. We want to see how this plays out a little bit more before changing our house call of three hikes in 2018, which we have held since the fourth quarter of 2017, although we could certainly see four. (By the way, the pace of hikes is at issue here, not the amount—don't expect to see a half-point jump).

In the end, what matters the most from a cash manager perspective is always the next opportunity for a rate increase, and it is a virtual lock now that policymakers will raise the range from 1.25-1.50% to 1.50-1.75% at the Federal Open Market Committee meeting at the end of March. Short rates are higher but the gut of government issuance this month also is playing a role, as the Treasury scrambles to fund the additions to the national debt that tax cuts and budget proposals likely will create. 1-month Treasury yields rose from 1.44% to 1.50% and 3-month yields increased from 1.43% to 1.65%. The London interbank offered rate (Libor) is pricing in the March move, with 1-month rising from 1.57% to 1.67%, 3-month from 1.77% to 2.02% and 6-month from 1.97% to 2.22%. Therefore, nothing has altered our preference for shorter-dated paper and variable-rate instruments as rates rise. The weighted average maturity (WAM) of TexPool was 27 days, less than that of TexPool Prime at 32 days.

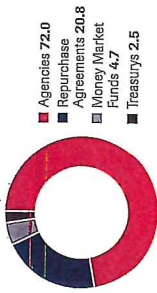
### Portfolio by Maturity (%)

As of February 28, 2018



### Portfolio by Type of Investment (%)

As of February 28, 2018



### Portfolio Asset Summary as of February 28, 2018

	Book Value	Marked Value
Uninvested Balance	\$500,056.66	\$500,056.66
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	7,019,102.00	7,019,102.00
Interest and Management Fees Payable	-22,106,258.87	-22,106,258.87
Payable for Investments Purchased	-328,302,403.01	-328,302,403.01
Accrued Expenses & Taxes	19,708.05	19,708.05
Repurchase Agreements	4,335,693,000.00	4,335,693,000.00
Mutual Fund Investments	976,022,103.88	976,022,103.88
Government Securities	14,985,892,007.92	14,985,892,007.92
U.S. Treasury Inflation Protected Securities	0.00	0.00
US Treasury Bills	228,892,894.97	228,892,894.97
US Treasury Notes	299,719,528.94	299,719,528.94
<b>Total</b>	<b>\$20,482,019,897.22</b>	<b>\$20,479,049,196.75</b>

Market value of collateral supporting the Repurchase Agreements is at least 109% 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. 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	583	\$7,287,482,978.88
Higher Education	57	\$1,081,623,585.89
Healthcare	81	\$941,231,717.85
Utility District	774	\$2,719,090,605.67
City	488	\$4,678,237,941.74
County	185	\$2,276,794,653.25
Other	317	\$1,517,435,200.92

\*\*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 (e) are scheduled to be repaid, (f) would be repaid upon a demand by TexPool, or (g) are scheduled to have their interest rate reduced to the current market rate. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (e) and (f) if their scheduled maturity is 397 days or less, and the later of the two dates set forth in (e) and (f) 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.

PAL is calculated in the same manner as WAM, but is based solely on the periods of time remaining until the securities held in TexPool (e) are scheduled to be repaid or (f) 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. (SEC Study)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
2/1	1.3172%	0.000036088	\$1,463,184,251.90	0.99994	26	83
2/2	1.3188%	0.000036131	\$1,522,139,248.66	0.99995	27	86
2/3	1.3188%	0.000036131	\$1,522,139,248.66	0.99995	27	86
2/4	1.3188%	0.000036131	\$1,522,139,248.66	0.99995	27	86
2/5	1.3182%	0.000036114	\$1,520,886,143.09	0.99994	24	83
2/6	1.3147%	0.000036019	\$1,908,907,770.11	0.99994	24	82
2/7	1.3136%	0.000035985	\$2,060,884,308.52	0.99994	24	81
2/8	1.3178%	0.000036107	\$2,306,551,025.47	0.99993	24	76
2/9	1.3240%	0.000036274	\$2,341,053,784.25	0.99993	25	80
2/10	1.3240%	0.000036274	\$2,341,053,784.25	0.99993	25	80
2/11	1.3240%	0.000036274	\$2,341,053,784.25	0.99993	25	80
2/12	1.3238%	0.000036270	\$2,265,590,505.28	0.99989	23	78
2/13	1.3281%	0.000036587	\$1,960,667,323.83	0.99994	24	78
2/14	1.3692%	0.000036662	\$1,620,947,808.30	0.99991	25	81
2/15	1.3506%	0.000037004	\$1,449,046,985.31	0.99990	25	80
2/16	1.3610%	0.000037287	\$1,250,316,020.08	0.99989	25	80
2/17	1.3610%	0.000037287	\$1,250,316,020.08	0.99989	27	84
2/18	1.3610%	0.000037287	\$1,250,316,020.08	0.99989	27	84
2/19	1.3610%	0.000037287	\$1,250,316,020.08	0.99989	27	84
2/20	1.3636%	0.000037359	\$1,206,333,602.27	0.99988	26	80
2/21	1.3607%	0.000037279	\$1,179,045,416.65	0.99988	26	83
2/22	1.3635%	0.000037356	\$1,091,193,770.01	0.99987	26	81
2/23	1.3683%	0.000037514	\$20,919,211,171.26	0.99987	26	84
2/24	1.3683%	0.000037514	\$20,919,211,171.26	0.99987	26	84
2/25	1.3683%	0.000037514	\$20,919,211,171.26	0.99987	26	84
2/26	1.3723%	0.000037596	\$20,884,722,498.15	0.99987	26	83
2/27	1.3770%	0.000037726	\$20,793,199,202.05	0.99986	26	83
2/28	1.3856%	0.000037963	\$20,482,019,897.22	0.99986	27	85
Average:	1.3438%	0.000036815	\$21,487,193,103.71	0.99991	26	82

### TexPool PRIME

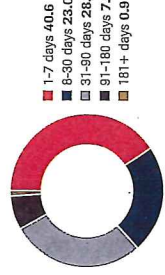
#### Daily Summary

Date	Money Wtd. Bond Equiv. (SEC Stds)	Dividend Factor	TexPool Prime Invested Balance	NAV	WAM Days	WAL Days
2/1	1.5533%	0.000042084	\$6,235,275,961.16	.99995	32	72
2/2	1.5452%	0.000042335	\$6,249,461,699.83	.99991	35	74
2/3	1.5452%	0.000042335	\$6,249,461,699.83	.99991	35	74
2/4	1.5452%	0.000042335	\$6,249,461,699.83	.99991	35	74
2/5	1.5473%	0.000042393	\$6,416,629,697.54	.99994	32	70
2/6	1.5440%	0.000042301	\$6,500,209,509.40	.99993	32	69
2/7	1.5425%	0.000042259	\$6,467,676,460.72	.99994	32	69
2/8	1.5519%	0.000042517	\$6,476,239,523.45	.99994	32	68
2/9	1.5497%	0.000042457	\$6,514,223,910.30	.99990	33	70
2/10	1.5497%	0.000042457	\$6,514,223,910.30	.99990	33	70
2/11	1.5497%	0.000042457	\$6,514,223,910.30	.99990	33	70
2/12	1.5589%	0.000042729	\$6,577,214,943.84	.99994	32	68
2/13	1.5539%	0.000042573	\$6,554,179,338.13	.99993	33	68
2/14	1.5613%	0.000042775	\$6,356,408,450.54	.99990	34	69
2/15	1.5834%	0.000043392	\$6,160,620,023.20	.99990	34	71
2/16	1.5842%	0.000043676	\$6,198,316,248.05	.99984	36	74
2/17	1.5842%	0.000043676	\$6,198,316,248.05	.99984	36	74
2/18	1.5842%	0.000043676	\$6,198,316,248.05	.99984	36	74
2/19	1.5842%	0.000043676	\$6,198,316,248.05	.99984	36	74
2/20	1.5800%	0.000043553	\$6,290,628,338.01	.99990	34	70
2/21	1.5981%	0.000043784	\$6,009,937,672.03	.99991	34	72
2/22	1.6047%	0.000043965	\$5,927,674,772.87	.99991	34	72
2/23	1.6100%	0.000044110	\$5,855,149,501.62	.99987	34	73
2/24	1.6100%	0.000044110	\$5,835,149,501.62	.99987	34	73
2/25	1.6100%	0.000044110	\$5,855,149,501.62	.99987	34	73
2/26	1.6095%	0.000044096	\$5,824,313,658.78	.99991	33	70
2/27	1.6041%	0.000043947	\$5,892,586,752.10	.99991	32	68
2/28	1.6135%	0.000044217	\$5,838,691,104.01	.99999	32	69
Average:	1.5747%	0.000043142	\$6,217,466,883.91	.99990	34	71

### TexPool PRIME

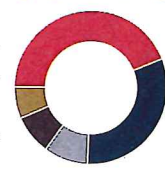
#### Portfolio by Maturity (%)

As of February 28, 2018



#### Portfolio by Type of Investment (%)

As of February 28, 2018



#### Portfolio Asset Summary as of February 28, 2018

	Book Value	Marked Value
Uninvested Balance	\$862.31	\$862.31
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	2,295,914.52	2,295,914.52
Interest and Management Fees Payable	-7,605,439.09	-7,605,439.09
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-18,349.20	-18,349.20
Repurchase Agreements	553,759,000.00	553,759,000.00
Commercial Paper	2,566,421,409.17	2,566,421,409.17
Bank Instruments	0.00	0.00
Mutual Fund Investments	497,099,999.95	497,099,999.95
Government Securities	373,945,999.93	373,945,999.93
Variable Rate Notes	1,852,691,717.42	1,852,691,717.42
Total	\$5,838,691,104.01	\$5,838,691,104.01

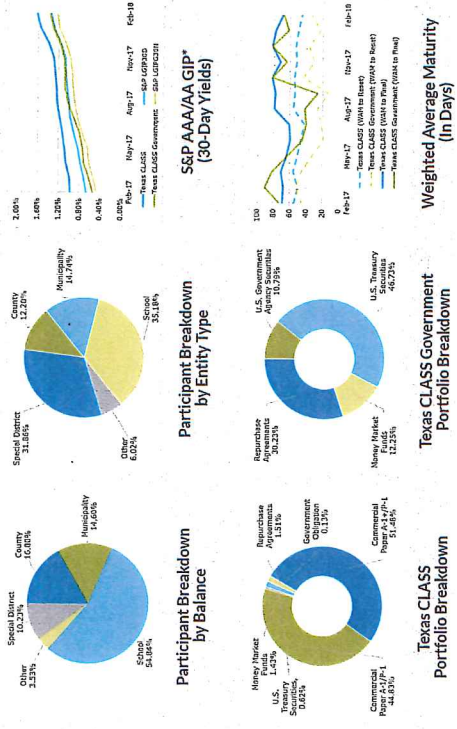
Market value of collateral supporting the Repurchase Agreements is at least 109% of the Book Value. The portfolio is managed by Federal Investment Consulting and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of 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	104	\$2,616,897,316.41
Higher Education	15	\$947,117,891.32
Healthcare	11	\$331,064,665.32
Utility District	25	\$398,173,309.24
City	62	\$567,991,569.39
County	34	\$892,066,902.55
Other	52	\$554,418,562.57

Texas CLASS Portfolio Characteristics

The following information is provided in accordance with Texas State Statute 2256.0014. As of February 28, 2018:



Texas CLASS Government Prior Month Comparison

Month End	Average Yield**	Month Ending Assets	Share Balance	Market Value	Amortized Cost	NAV	WAM (Reest)**	WAM (Est)**
Dec-17	1.40%	\$5,849,347,157	\$5,850,203,429	\$5,846,908,378	\$5,849,764,650	1.00	53	82
Jan-18	1.55%	\$7,286,236,748	\$7,288,494,929	\$7,386,800,176	\$7,387,059,857	1.00	50	78
Feb-18	1.62%	\$8,038,654,256	\$8,039,442,318	\$8,037,604,827	\$8,038,392,889	1.00	46	69

Texas CLASS Government Prior Month Comparison

Month End	Average Yield**	Month Ending Assets	Share Balance	Market Value	Amortized Cost	NAV	WAM (Reest)**	WAM (Est)**
Dec-17	1.18%	\$126,575,731	\$126,582,817	\$126,566,199	\$126,575,285	1.00	37	82
Jan-18	1.31%	\$134,774,843	\$134,779,201	\$134,766,483	\$134,764,791	1.00	23	62
Feb-18	1.38%	\$138,805,506	\$138,824,304	\$138,766,159	\$138,764,197	1.00	34	68

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

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

For the month of February 2018, the Program Administrator accrued fees of \$388,493.12 and had average shares outstanding of 7,357,142,244.48 for Texas CLASS For Texas CLASS Government. The Program Administrator accrued fees of \$100 and had average shares outstanding of \$137,864,452.85. 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 days 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 fees accruals for the month of November. The fees are paid monthly upon notification to the custodian bank. As of February 28, 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 February 1 to February 28, 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 451.
- There are currently no investments that have a stated maturity greater than one year.
- The portfolio managers for Texas CLASS are Randy Palomba, CPA and Neil Waud, CPA.
- 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](#).

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. Amy Perez**  
Director of Financial Management  
Harris County  
Term Expires 2019  
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**Ms. Monika Arris**  
Director of Budget & Finance  
Collin County  
Term Expires 2018  
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**Mr. Roger Roelker**  
City Manager  
City of Frisco  
Term Expires 2019  
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**Mr. Mike Hagar**  
Asst. Supt. of Business & Finance  
Alamo Heights ISD  
Term Expires 2018  
[View Bio](#)

**Ms. Cindy Yeatts Brown**  
Treasurer  
Denton County  
Term Expires 2019  
[View Bio](#)

**Ms. Heather Hurlbert**  
Director of Finance  
City of San Marcos  
Term Expires 2018  
[View Bio](#)



Texas CLASS Rates February 2018										
Date	Daily Rate (%)	YTD Yield (%)	7-Day Yield (%)	WAM Days to Reset	WAM Days to Final	Daily Dividend	Net Asset Value (NAV)			
2/28/2018	1.64870	1.58310	1.64380	46	69	0.00004517110	0.9999020			
2/27/2018	1.64510	1.58200	1.64210	46	68	0.00004507123	0.9998920			
2/26/2018	1.64510	1.58090	1.63920	46	69	0.00004507123	0.9999081			
2/25/2018	1.64390	1.57970	1.63630	49	72	0.00004503790	0.9998494			
2/24/2018	1.64390	1.57860	1.63370	49	72	0.00004503790	0.9998494			
2/23/2018	1.64390	1.57750	1.63100	49	72	0.00004503790	0.9998494			
2/22/2018	1.63610	1.57610	1.62830	48	71	0.00004482427	0.9998778			
2/21/2018	1.63640	1.57490	1.62560	49	72	0.00004483338	0.9999172			
2/20/2018	1.62510	1.57370	1.62310	48	71	0.00004452329	0.9999259			
2/19/2018	1.62510	1.57270	1.62000	51	74	0.00004452329	0.9998405			
2/18/2018	1.62510	1.57160	1.61950	51	74	0.00004452329	0.9998405			
2/17/2018	1.62510	1.57050	1.61660	51	74	0.00004452329	0.9998405			
2/16/2018	1.62510	1.56940	1.61380	51	74	0.00004452329	0.9998405			
2/15/2018	1.61720	1.56810	1.61090	50	74	0.00004430798	0.9998299			
2/14/2018	1.61870	1.56700	1.60820	51	75	0.00004434842	0.9999537			
2/13/2018	1.61760	1.56590	1.60510	51	76	0.00004431848	0.9999531			
2/12/2018	1.60760	1.56470	1.60340	50	74	0.00004404883	0.9999502			
2/11/2018	1.60510	1.56370	1.60020	52	77	0.00004397534	0.9999036			
2/10/2018	1.60510	1.56260	1.59820	52	77	0.00004397534	0.9999036			
2/9/2018	1.60510	1.56160	1.59620	52	77	0.00004397534	0.9999036			
2/8/2018	1.59850	1.56050	1.59410	51	76	0.00004379414	0.9999036			
2/7/2018	1.59660	1.55950	1.59280	52	77	0.00004374186	0.9999811			
2/6/2018	1.60990	1.55850	1.59110	52	79	0.00004396634	0.9999836			
2/5/2018	1.58510	1.55710	1.58670	50	78	0.00004342740	0.9999758			
2/4/2018	1.59100	1.55630	1.58560	52	82	0.00004358894	0.9999096			
2/3/2018	1.59100	1.55530	1.58560	52	82	0.00004358894	0.9999096			
2/2/2018	1.59100	1.55420	1.58170	52	82	0.00004358894	0.9999096			
2/1/2018	1.58880	1.55310	1.57970	51	80	0.00004352990	0.9999652			

Texas CLASS Government Rates February 2018										
Date	Daily Rate (%)	YTD Yield (%)	7-Day Yield (%)	WAM Days to Reset	WAM Days to Final	Daily Dividend	Net Asset Value (NAV)			
2/28/2018	1.43940	1.34300	1.41920	34	68	0.00003943689	0.9998644			
2/27/2018	1.42800	1.34140	1.41340	34	68	0.00003912219	0.9998779			
2/26/2018	1.43090	1.33990	1.40880	35	69	0.00003920333	0.9998816			
2/25/2018	1.40970	1.33820	1.40450	36	70	0.00003862081	0.9998561			
2/24/2018	1.40970	1.33690	1.40330	36	70	0.00003862081	0.9998561			
2/23/2018	1.40970	1.33560	1.40200	36	70	0.00003862081	0.9998561			
2/22/2018	1.39900	1.33280	1.40110	37	72	0.00003855394	0.9999106			
2/21/2018	1.39520	1.33150	1.40020	37	72	0.00003832357	0.9998876			
2/20/2018	1.40100	1.33020	1.39750	39	75	0.00003838490	0.9999005			
2/19/2018	1.40100	1.32880	1.39220	39	75	0.00003838490	0.9998483			
2/18/2018	1.40100	1.32730	1.38520	39	75	0.00003838490	0.9998483			
2/17/2018	1.40100	1.32570	1.37810	39	75	0.00003838490	0.9998483			
2/16/2018	1.40940	1.32410	1.37100	40	76	0.00003816421	0.9999298			
2/15/2018	1.39300	1.32220	1.36240	40	77	0.00003816421	0.9999383			
2/14/2018	1.37630	1.32050	1.35370	40	76	0.00003770581	0.9999296			
2/13/2018	1.36380	1.31920	1.34760	33	69	0.00003736414	0.9999613			
2/12/2018	1.35160	1.31820	1.34240	34	70	0.00003703053	0.9999467			
2/11/2018	1.35160	1.31740	1.33840	34	70	0.00003703053	0.9999467			
2/10/2018	1.35160	1.31650	1.33440	34	70	0.00003703053	0.9999467			
2/9/2018	1.34890	1.31560	1.33030	35	71	0.00003695561	0.9999861			
2/8/2018	1.33220	1.31470	1.32680	22	59	0.00003654011	0.9999786			
2/7/2018	1.33370	1.31430	1.32650	22	59	0.00003654011	0.9999786			
2/6/2018	1.32700	1.31370	1.32360	21	59	0.00003635680	0.9999840			
2/5/2018	1.32350	1.31330	1.32380	23	61	0.00003626053	0.9999651			
2/4/2018	1.32350	1.31310	1.32490	23	61	0.00003626053	0.9999651			
2/3/2018	1.32350	1.31270	1.32600	23	61	0.00003626053	0.9999651			
2/2/2018	1.32440	1.31240	1.32710	23	61	0.00003628410	1.0000091			