City of Colleyville
Audit Committee
Agenda

City Hall
100 Main Street
Colleyville, Texas 76034
817.503.1000
www.colleyville.com

Tuesday, May 14, 2019 — City Manager's Conference Room
4:30 p.m. — Third Floor – City Hall

1. CALL TO ORDER

2. REPORTS

Quarterly Investment Report for the quarter ended March 31, 2019

3. ADJOURNMENT

I hereby certify this agenda was posted on City Hall bulletin boards Friday, May 3, 2019, by 5:00 p.m.

Christine Loven, TRMC
City Secretary

A quorum of the Colleyville City Council and/or any other Colleyville Board, Commission, or Committee may be in attendance at this meeting.

Any matter on this agenda may, at the discretion of the governing body, be opened for public comment and discussion.

If you plan to attend this public meeting and have a disability that requires special accommodations, please advise Executive Secretary at least 48 hours in advance at 817.503.1111, and reasonable accommodations will be made to assist you.

City of Colleyville
Audit Committee
Agenda Briefing

City Hall
100 Main Street
Colleyville, Texas 76034
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Agenda Number 2 **Agenda Date** 5/14/2019 **Number**
Type Presentation
Department City Manager

Title
Quarterly Investment Report for the quarter ended March 31, 2019

Strategic Plan
1.4 Communicate thoroughly and strategically
1.3 Assure convenient access to public information
2.4 Demonstrate stewardship of public resources

Explanation
Investment Summary for period ending March 31, 2019:

Cash & Cash Equivalents (Local Government Investment Pools) were $77,274,594. The total funds held by the City equaled $93,172,435 and were allocated as follows:

	Current As of 3/31/2019	Last Quarter As of 12/31/2018
Cash	$ 5,209,519	$ 5,660,207
Sweep	15,478,377	13,338,876
Commercial Paper Investment Pool	2,434,595	2,419,045
Government Only Investment Pool	54,152,102	48,848,670
Government Issuances	12,582,619	14,582,431
CDARS	2,571,221	2,571,221
Certificates of Deposit	744,000	744,000
Total Cash & Investments	**$ 93,172,434**	**$ 88,164,452**

Benchmark 2.44%

Investments As of 3/31/2019	
Sweep	2.28%
LOGIC Commercial Paper Investment Pool Average Quarterly Yield	2.60%
TexSTAR Government Only Investment Pool Average Quarterly Yield	2.40%
TexPOOL Government Only Investment Pool Average Quarterly Yield	2.40%
CLASS Government Only Investment Pool Average Quarterly Yield	2.42%
Total Government Only Investment Pool Average Quarterly Yield	2.41%
Average Weighted Yield: Agency	1.57%
Average Weighted Yield: CDARS	1.44%

Average Weighted Yield: CD'S	2.53%

Interest earnings for the quarter were $431,840 versus $331,028 for the prior quarter, an increase of $100,812 or 30% over last quarter. The significant increase is due to the 28% increase in funds invested in Government only investment pools and switching to a higher yielding sweep account.

These percentages are within the guidelines of the City investment policy.

Attachments

1. Quarterly Investment Report - March 2019

QUARTERLY INVESTMENT REPORT

FOR QUARTER ENDING MARCH 31, 2019

THIS REPORT IS IN COMPLIANCE WITH THE PUBLIC FUNDS INVESTMENT ACT
AND ADOPTED INVESTMENT POLICY STRATEGY

Shereen Gendy

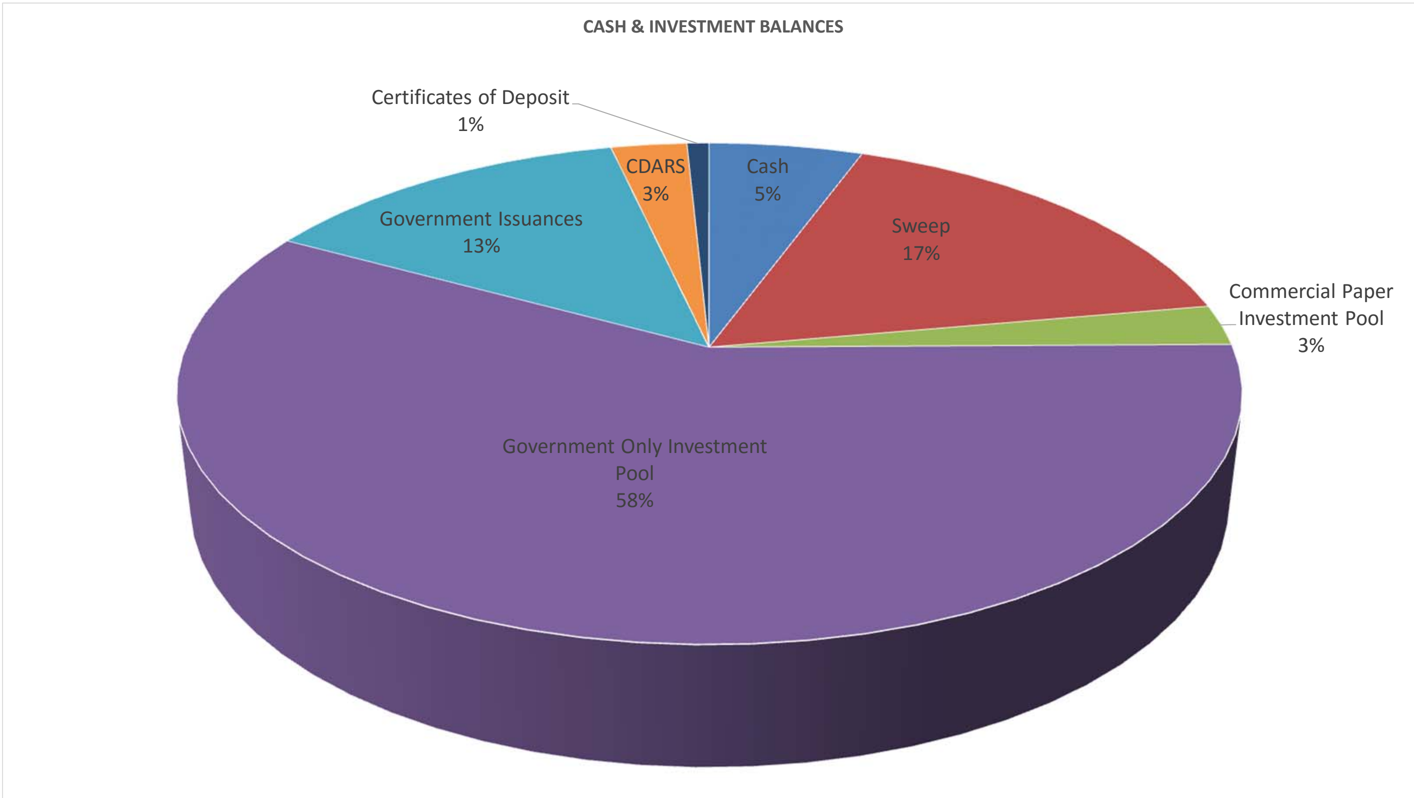
Karen Hines

Portfolio Investment Report
for the Quarter Ending March 31, 2019
CONSOLIDATED INVESTMENT REPORT

Cash and Investment Balances	Current As of 3/31/2019	Last Quarter As of 12/31/2018
Cash	$ 5,209,519	$ 5,660,208
Sweep	$ 15,478,377	$ 13,338,877
Commercial Paper Investment Pool	$ 2,434,595	$ 2,419,045
Government Only Investment Pool	$ 54,152,102	$ 48,848,670
Government Issuances	$ 12,582,619	$ 14,582,431
CDARS	$ 2,571,221	$ 2,571,221
Certificates of Deposit	$ 744,000	$ 744,000
Total Cash & Investments	$ 93,172,434	$ 88,164,452

Investment Yields, Maturities, and Interest	Current As of 3/31/2019	Current As of 12/31/2018
13 Week Treasury Benchmark	2.44%	2.31%
Sweep	2.28%	2.16%
LOGIC Commercial Paper Investment Pool Average Quarterly Yield	2.60%	2.41%
LOGIC Commercial Paper Investment Pool Quarter's Average Weighted Maturity	39	43
TexSTAR Government Only Investment Pool Average Quarterly Yield	2.40%	2.17%
TexSTAR Government Only Investment Pool Quarter's Average Weighted Maturity	41	36
TexPOOL Government Only Investment Pool Average Quarterly Yield	2.40%	2.11%
TexPOOL Government Only Investment Pool Quarter's Average Weighted Maturity	25	31
CLASS Government Only Investment Pool Average Quarterly Yield	2.42%	2.25%
CLASS Government Only Investment Pool Quarter's Average Weighted Maturity	47	38
Total Government Only Investment Pool Average Quarterly Yield	2.41%	2.18%
Total Government Only Investment Pool Quarter's Average Weighted Maturity	38	35
Average Weighted Yield: Agency	1.57%	1.53%
Average Weighted Maturity in Days: Agency	192	252
Average Weighted Yield: CDARS	1.44%	1.44%
Average Weighted Maturity in Days: CDARS	161	250
Average Weighted Yield: CD'S	2.53%	2.53%
Average Weighted Maturity in Days: CD'S	365	455
Interest Earnings - Quarter	$ 431,840	$ 331,028

Portfolio Investment Report
for the Quarter Ending March 31, 2019
CONSOLIDATED INVESTMENT REPORT

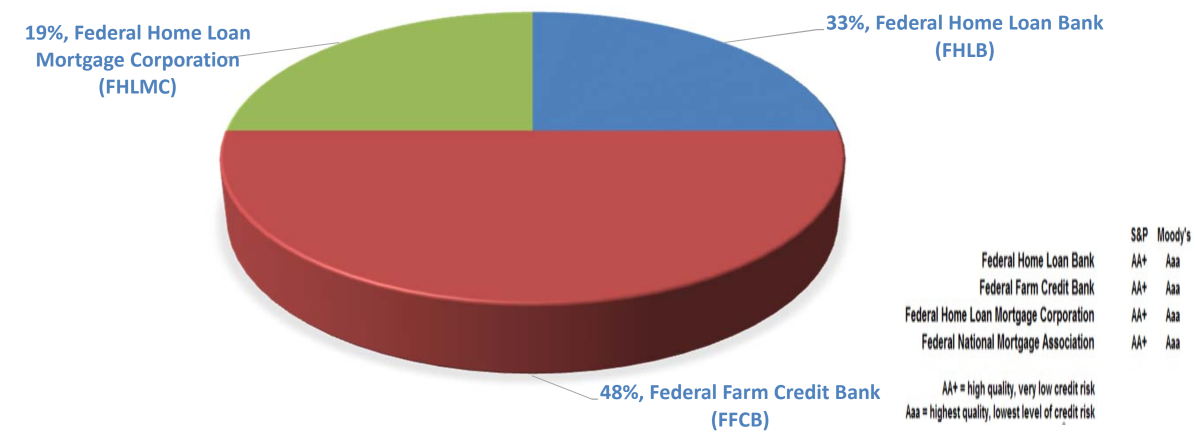


Portfolio Investment Report
for the Quarter Ending March 31, 2019
CONSOLIDATED INVESTMENT REPORT

Outstanding Security Portfolio							
Distribution by Maturity	Number		Purchase Price	Percent (Value)		Market Value
1 to 90 days	1	$	1,000,000	7.95%	$	999,130.87
91 to 180 days	2	$	1,500,000	11.92%	$	1,493,186.27
181 to 365 days	9	$	10,082,619	80.13%	$	10,062,082.97
Over 365 days	0	$	-	0.00%	$	-
Total	12	$	12,582,619	100%	$	12,554,400

Outstanding Security Portfolio						
Distribution by Type of Investment	Number		Purchase Price	Percent (Value)		Market Value
Federal Home Loan Bank (FHLB)	3		$4,197,834	33%		$4,181,649
Federal Farm Credit Bank (FFCB)	6		$5,989,916	48%		$5,986,222
Federal Home Loan Mortgage Corporation (FHLMC)	3		$2,394,870	19%		$2,386,529
Total	12	$	12,582,619	100%	$	12,554,400

INVESTMENT SECURITY DISTRIBUTION BY TYPE



ALL FUNDS CASH & INVESTMENT REPORTS

CITY OF COLLEYVILLE
ALL FUNDS CASH & INVESTMENT REPORT - TOTAL BY FUND

		CASH & SWEEP	CP POOLS	GOV. POOLS*	CASH & INVESTMENT INVESTMENTS	CDARS	CD'S	AS OF MARCH 31, 2019 (Ran 5.8.19)
GOVERNMENTAL FUNDS								
001	GENERAL FUND	140,840	300,000	12,247,574	2,294,835	1,543,297	744,000	17,270,546
036	STRATEGIC INITIATIVE	129,047	-	387,142	-	-	-	516,190
004	DEBT SERVICE FUND	220,718	-	35,373	-	-	-	256,091
003	CAPITAL PROJECTS	9,284,076	821,763	4,720,916	2,289,216	512,577	-	17,628,547
012	PARK LAND DEDICATION	9,473	-	248,678	1,210,000	-	-	1,468,151
032	VEHICLE AND CAPITAL REPLACEMENT	56,669	-	1,187,721	364,300	-	-	1,608,690
034	COLLEYVILLE TOMORROW	634,591	-	1,889,994	-	-	-	2,524,585
035	PARKS TOMORROW	265,704	-	797,112	-	-	-	1,062,816
005	VOLUNTARY PARK FUND	4,605	-	454,045	750,000	-	-	1,208,651
007	DONATIONS FUND	45,329	-	-	-	-	-	45,329
011	VOLUNTARY LIBRARY FUND	114,211	-	338,140	-	-	-	452,350
015	POLICE ASSET FORFEITURE	6,000	-	16,821	-	-	-	22,821
016	GRANTS (ADVANCE PAYMENTS)	7,085	-	-	-	-	-	7,085
018	TREE PRESERVATION	81,690	-	238,900	-	-	-	320,589
019	LIBRARY DONATION	(34,701)	-	-	-	-	-	(34,701)
020	RECREATIONAL EVENT	14,190	-	-	-	-	-	14,190
023	LEOSE	3,629	-	-	-	-	-	3,629
027	CRIME DISTRICT	197,879	-	593,636	-	-	-	791,515
028	KIDSVILLE MAINTENANCE	2,000	-	3,862	-	-	-	5,862
029	COURT TECHNOLOGY	12,078	-	5,999	-	-	-	18,077
030	COURT SECURITY	15,000	-	33,941	-	-	-	48,941
033	PUBLIC ART	2,000	-	5,967	-	-	-	7,967
037	JUVENILE CASE MANAGER	6,662	-	11,595	-	-	-	18,257
038	HOTEL / MOTEL FUND	93,759	-	277,624	-	-	-	371,383
ENTERPRISE FUNDS								
002	UTILITY FUND	802	-	4,956,834	2,704,116	515,348	-	8,177,100
039	UTILITY CAPITAL PROJECTS FUND	2,875,023	480,041	8,185,121	56,793	-	-	11,596,978
017	DRAINAGE FEE	100,024	32,776	330,514	200,000	-	-	663,314
041	DRAINAGE CAPITAL PROJECTS FUND	435,000	-	1,292,517	-	-	-	1,727,517
FIDUCIARY FUNDS								
006	SESQUICENTINIAL FUND	18,009	-	3,256	-	-	-	21,265
008	EMPLOYEE ACTIVITY	2,501	-	-	-	-	-	2,501
040	INSURANCE TRUST FUND (ADV PMNT)	(5,439)	-	-	-	-	-	(5,439)
COMPONENT UNIT								
026	TIF FUND	3,322,114	800,000	15,888,820	1,213,360	-	-	21,224,294
		18,060,567	**2,434,580**	**54,152,102**	**11,082,619**	**2,571,221**	**744,000**	**89,045,090**
COLLEYVILLE ECON DEV CORP								
024	CEDC	2,627,329	16	-	1,500,000	-	-	4,127,345
GRAND TOTAL		**20,687,896**	**2,434,595**	**54,152,102**	**12,582,619**	**2,571,221**	**744,000**	**93,172,435**

COLOR CODE
DEBT SERVICE FUNDS
CAPITAL PROJECT FUNDS
SPECIAL REVENUE FUNDS
ENTERPRISE FUNDS
FIDUCIARY FUNDS

*GOV POOLS ALLOCATION	
TEXPOOL	25,391,241
TEXSTAR	10,572,556
CLASS	18,188,306
TOTAL	54,152,102

CASH/SWEEP ALLOCATION	
CASH	5,209,519
SWEEP	15,478,377
TOTAL	20,687,896

Cash and cash equivalents are just one aspect of the City's overall financial status, and it is necessary to look at the complete financial statements/CAFR for a comprehensive assessment.

This is a management report prepared not in accordance with GASB

CITY OF COLLEYVILLE
ALL FUNDS CASH & INVESTMENT REPORT - RESTRICTIONS BY FUND

		CASH & INVESTMENTS				
		Available Unrestricted	Available for Restricted Purpose	Approved Projects	Restricted Unavailable	AS OF MARCH 31, 2019 Ran 5.8.19
GOVERNMENTAL FUNDS						
001	GENERAL FUND	17,153,085	32,548	-	84,913	**17,270,546**
036	STRATEGIC INITIATIVE	516,190	-	-	-	**516,190**
004	DEBT SERVICE FUND	-	256,091	-	-	**256,091**
003	CAPITAL PROJECTS	8,627,053	7,240,965	1,609,907	150,623	**17,628,547**
012	PARK LAND DEDICATION	-	1,468,151	-	-	**1,468,151**
032	VEHICLE AND CAPITAL REPLACEMENT	-	1,608,690	-	-	**1,608,690**
034	COLLEYVILLE TOMORROW	2,524,585	-	-	-	**2,524,585**
035	PARKS TOMORROW	1,062,816	-	-	-	**1,062,816**
005	VOLUNTARY PARK FUND	-	1,208,651	-	-	**1,208,651**
007	DONATIONS FUND	-	45,329	-	-	**45,329**
011	VOLUNTARY LIBRARY FUND	-	452,350	-	-	**452,350**
015	POLICE ASSET FORFEITURE		22,821			**22,821**
016	GRANTS	-	7,085	-	-	**7,085**
018	TREE PRESERVATION	-	320,589	-	-	**320,589**
019	LIBRARY DONATION	-	(34,701)	-	-	**(34,701)**
020	RECREATIONAL EVENT	-	14,190	-	-	**14,190**
023	LEOSE	-	3,629	-	-	**3,629**
027	CRIME DISTRICT	-	791,515	-	-	**791,515**
028	KIDSVILLE MAINTENANCE	-	5,862	-	-	**5,862**
029	COURT TECHNOLOGY	-	18,077	-	-	**18,077**
030	COURT SECURITY	-	48,941	-	-	**48,941**
033	PUBLIC ART	-	7,967	-	-	**7,967**
037	JUVENILE CASE MANAGER	-	18,257	-	-	**18,257**
038	HOTEL / MOTEL FUND	-	371,383	-	-	**371,383**
ENTERPRISE FUNDS						
002	UTILITY FUND	7,695,430	-	-	481,670	**8,177,100**
039	UTILITY CAPITAL PROJECTS FUND	5,335,305	5,131,297	1,076,638	53,737	**11,596,978**
017	DRAINAGE FEE	630,538	-	-	32,776	**663,314**
041	DRAINAGE CAPITAL PROJECTS FUND	1,360,240	-	367,277	-	**1,727,517**
FIDUCIARY FUNDS						
006	SESQUICENTINIAL FUND	3,256	18,009	-	-	**21,265**
008	EMPLOYEE ACTIVITY	-	-	-	2,501	**2,501**
040	INSURANCE TRUST FUND				(5,439)	**(5,439)**
COMPONENT UNIT						
026	TIF FUND	20,474,294	-	750,000	-	**21,224,294**
		65,382,791	**19,057,695**	**3,803,822**	**800,782**	**89,045,090**
COLLEYVILLE ECON DEV CORP						
024	CEDC	3,893,417.53	-	233,927.00	-	**4,127,344.53**
GRAND TOTAL		**69,276,209**	**19,057,695**	**4,037,749**	**800,782**	**93,172,435**

COLOR CODE
DEBT SERVICE FUNDS
CAPITAL PROJECT FUNDS
SPECIAL REVENUE FUNDS
ENTERPRISE FUNDS
FIDUCIARY FUNDS

Cash and cash equivalents are just one aspect of the City's overall financial status, and it is necessary to look at the complete financial statements/CAFR for a comprehensive assessment.
The approved projects column represents the contracts awarded and approved by council. The department heads provide those numbers on a quarterly basis.
This is a management report prepared not in accordance with GASB

CITY FUNDS - BACKGROUND

GOVERNMENTAL FUNDS	REVENUE SOURCE	PURPOSE/RESTRICTION
001 GENERAL FUND	M&O portion of tax rate, sales tax, charges for service, etc.	General government purposes
036 STRATEGIC INITIATIVES	Transfers from the General Fund	Programs/projects linked to the strategic plan; primarily used on eco. dev. incentives
004 DEBT SERVICE	Debt (I&S) portion of the tax rate	Payments on debt issued
003 CAPITAL PROJECTS	Transfers from the General Fund, street impact fees, escrows	Capital projects; some funding sources have restricted uses
012 PARK LAND DEDICATION	Fees on new residential & commercial development	Acquisition of land for new park sites or improvements/expansions of existing parks (no M&O)
032 VEHICLE AND CAPITAL REPLACEMENT	Transfers from the General Fund	Committed to server, equipment, and vehicle replacements
034 COLLEYVILLE TOMORROW	Gas leases on City property	Capital purchases/at Council discretion
035 PARKS TOMORROW	Gas leases on City park property	Parks capital projects
005 VOLUNTARY PARK FUND	Donations through utility bills	New or existing park capital costs (no M&O)
007 DONATIONS FUND	Donations	Only restricted if specified by donor
011 VOLUNTARY LIBRARY FUND	Donations through utility bills	Library activities- primarily purchase of books and materials (no M&O)
015 POLICE ASSET FORFEITURE	Seizures	Police operations as restricted by law
016 GRANTS	Grants	Track grant actvity
018 TREE PRESERVATION	Tree mitigation fees	Tree replanting on city-owned property
019 LIBRARY DONATION	Donations	Library needs or as specified by donor
020 RECREATIONAL EVENT	Event revenue (like sale of tables)	Special events expenses
023 LEOSE	State of Texas	Police training
027 CRIME DISTRICT (CCCPD)	0.5 cent sales tax	Public safety and crime control activities
028 KIDSVILLE MAINTENANCE	Remaining donations	Kidsville maintenance
029 COURT TECHNOLOGY	Municipal court technology fee	Court technology repairs, replacements, and upgrades
030 COURT SECURITY	Municipal court building security fee	Security-related expenses for the court (Bailiff)
033 PUBLIC ART	2008-9 Transfers from General, Utility, Drainage, CEDC Funds	Public Art
037 JUVENILE CASE MANAGER	Juvenile case manager fee	Staff who handle juvenile defendants and their training
038 HOTEL/MOTEL FUND	Hotel/Motel tax	Attract "heads in beds"; specific uses outlined in state law
ENTERPRISE FUNDS		
002 UTILITY OPERATING FUND	Water and wastewater base rates and volumetric rates	Utility operations and payments to TRA
017 DRAINAGE FEE FUND	Monthly drainage fee	Operations and capital projects related to drainage maintenance and improvement
039 UTILITY CAPITAL PROJECTS FUND	Transfers from Utility Operating Fund, impact fees, CIP base rate	Utility capital projects; water and wastewater impact fees have restricted uses
041 DRAINAGE- CAPITAL PROJECTS FUND	Transfers from Drainage Operating Fund	Drainage capital projects
FIDUCIARY FUNDS		
006 SESQUICENTINIAL FUND	Currently, sale of the Colleyville History book	Created for fund raising for festivities related to 150th anniversary of Texas' independence from Mexico (1986)
008 EMPLOYEE ACTIVITY	Employee contributions	Employee luncheons and other employee activities; governed by by-laws
040 INSURANCE TRUST FUND	Payroll deductions and city's contributions	Pass through trust fund used to account for employee insurance costs. Created cost savings for the city.
COMPONENT UNIT		
026 TIF FUND	Incremental A/V revenue in the TIF District	Projects in the Project Plan approved by all TIF partners
COLLEYVILLE ECON DEV CORP		
024 CEDC	0.5 cent sales tax	For Library, Parks, and Colleyville Center; max. 10% on promotional expenses and special events
025 CEDC - CAPITAL	Bond proceeds	Bond projects: Library, City Park, McPherson Park, Colleyville Center capital projects

COLOR CODE
DEBT SERVICE FUNDS
CAPITAL PROJECT FUNDS
SPECIAL REVENUE FUNDS
ENTERPRISE FUNDS
FIDUCIARY FUNDS

LISTING OF INVESTMENTS

BY TYPE

CDARS CERTIFICATES OF DEPOSIT

FUND ALLOCATION	AMOUNT	PURCHASE DATE	MATURITY DATE	INTEREST RATE	INTEREST EARNED DURING QUARTER
UTILITY FUND	$515,348	7/27/2017	7/25/2019	0.40%	$508
GENERAL FUND	$1,543,297	9/19/2018	9/19/2019	2.08%	$7,909
CAPITAL PROJECTS	$512,577	9/21/2017	9/19/2019	0.58%	$733
PURCHASED DURING THIS QUARTER					
	$0				$0
OUTSTANDING CDARS AT THE END OF THE QUARTER	**$2,571,221**				**$9,150**
MATURED DURING THIS QUARTER					
					$0
CDARS MATURED DURING THE QUARTER	**$0**				**$0**
GRAND TOTAL	**2,571,221**				**9,150**

CD'S - CERTIFICATES OF DEPOSIT

FUND ALLOCATION	AMOUNT	PURCHASE DATE	MATURITY/ SALE DATE	Market Value	INTEREST RATE	INTEREST EARNED DURING QUARTER
GENERAL FUND - CITIBANK	$248,000	3/29/2018	3/30/2020	248,041.85	2.50%	$1,529
GENERAL FUND - GOLDMAN SACHS BANK	$248,000	4/11/2018	4/13/2020	248,172.12	2.55%	$1,559
GENERAL FUND - HOPE BANK	$248,000	9/14/2018	3/16/2020	248,171.03	2.55%	$1,559
PURCHASED DURING THIS QUARTER						
	$0			-		$0
OUTSTANDING CD'S AT THE END OF THE QUARTER	**$744,000**			**$744,385**		**$4,647**
MATURED/SOLD DURING THIS QUARTER						
						$0
CD'S MATURED DURING THE QUARTER	**-**					**-**
GRAND TOTAL	**744,000**					**4,647**

INVESTMENT SECURITIES

CUSIP	SECURITY	PURCHASE DATE	MATURITY DATE	PURCHASE PRICE	PAR VALUE	MARKET VALUE 12/31/2018	LESS MATURITY PROCEEDS	PLUS PERIOD PURCHASES	MARKET VALUE 3/31/2019	YIELD ON INVESTMENT	INTEREST	INTEREST TO MATURITY
3133EHHN6	FFCB NOTE	5/3/2017	5/2/2019	$1,000,000	$1,000,000	$996,310			$999,131	1.350%	$3,329	$26,963
3133EHP98	FFCB NOTE	11/6/2017	11/6/2019	$1,000,000	$1,000,000	$990,968			$995,564	1.600%	$3,945	$32,000
3137EAEH8	FHLMC NOTE	7/31/2017	8/15/2019	$500,000	$500,000	$495,983			$498,063	1.475%	$1,818	$15,053
313380FB8	FHLB NOTE	8/29/2017	9/13/2019	$1,000,000	$1,000,000	$991,312			$995,123	1.375%	$3,390	$28,065
3137EADM8	FHLMC NOTE	9/14/2017	10/2/2019	$998,788	$1,000,000	$911,914			$915,842.05	1.250%	$3,082	$25,616
3137EADM8	FHLMC NOTE	10/13/2017	10/2/2019	$896,082	$900,000	$968,453			$972,624.25	1.475%	$3,273	$26,150
3130ACLS1	FHLB NOTE	10/26/2017	10/11/2019	$2,200,000	$2,200,000	$2,181,049			$2,189,320	1.550%	$8,408	$66,794
3133EHV75	FFCB NOTE	12/8/2017	11/21/2019	$749,711	$750,000	$743,639			$747,028	1.730%	$3,199	$25,346
3133EGJ30	FFCB NOTE	12/29/2017	11/18/2019	$1,238,775	$1,255,000	$1,237,603			$1,245,186	1.100%	$3,404	$26,059
3133EJCN7	FFCB NOTE	2/14/2018	2/14/2020	$1,000,000	$1,000,000	$995,052			$997,245	2.070%	$5,104	$41,400
3130ADN32	FHLB NOTE	3/7/2018	2/11/2020	$997,834	$1,000,000	$995,316			$997,206	2.240%	$5,523	$43,327
3133EJHL6	FFCB NOTE	4/9/2018	3/27/2020	$1,001,430	$1,000,000	$998,150			$1,002,069	2.375%	$5,856	$46,719
PURCHASED DURING THIS QUARTER												
											$0	$0
OUTSTANDING SECURITIES AT THE END OF THE QUARTER				**12,582,619**	**12,605,000**	**12,505,749**	**-**	**-**	**12,554,400**		**50,333**	**403,492**
MATURED DURING THIS QUARTER												
3133EG5Q4	FFCB NOTE	2/1/2017	2/1/2019	$1,000,000	$1,000,000	$999,219				1.300%	$1,140	$26,000
3130AAS41	FHLB NOTE	3/24/2017	2/8/2019	$999,812	$1,000,000	$998,782				1.280%	$1,368	$24,057
SECURITIES MATURED DURING THE QUARTER				**1,999,812**	**2,000,000**	**1,998,001**	**-**		**-**		**2,507**	**50,057**
GRAND TOTAL				**14,582,431**	**14,605,000**	**14,503,750**	**-**	**-**	**12,554,400**		**52,840**	**453,549**

INVESTMENT

DATE ACQUIRED

MATURITY DATE

26 WEEK T-BILL AUCTION DISCOUNT/WEEK OF PURCHASE

YIELD TO MATURITY

CUSIP#

ACCOUNT	ALLOCATION OF INVESTMENT	INVESTMENT- G/L TOTAL
001-1172	GENERAL FUND OPERATING	2,294,835.42
002-1172	UTILITY FUND OPERATING	2,231,432.70
002-1178	CUSTOMER DEPOSITS	472,683.04
039-1557	THE RESERVE LIFT STATION	56,792.76
003-1121	INV-PERIMETER FEES	1,965,370.14
003-1307	INV-ROAD RECONSTRUCTION	323,845.40
005-1172	VOLUNTARY PARK FUND	750,000.00
012-1172	PARK LAND DEDICATION FUND	1,210,000.00
017-1172	DRAINAGE FUND OPERATING	200,000.00
024-1172	CEDC OPERATING	1,500,000.00
026-1172	TIF OPERATING	1,213,360.00
032-1519	CAPITAL EQUIPMENT RESERVE	364,300.00
034-1172	COLLEYVILLE TOMORROW	-
PER GENERAL LEDGER		12,582,619.46

INVESTMENT		FFCB NOTE	TREASURY NOTE	FHLB NOTE	FHLMC NOTE
DATE ACQUIRED		42,858.00	42,947.00	42,976.00	42,992.00
MATURITY DATE		43,587.00	43,692.00	43,721.00	43,740.00
26 WEEK T-BILL AUCTION DISCOUNT/WEEK (		0.980%	1.110%	1.130%	1.170%
YIELD TO MATURITY		1.350%	1.475%	1.375%	1.250%
CUSIP#		**3133EHHN6**	**3137EAEH8**	**313380FB8**	**3137EADM8**
ACCOUNT	**ALLOCATION OF INVESTMENT**				
001-1172	GENERAL FUND OPERATING				
002-1172	UTILITY FUND OPERATING			7,789.01	
002-1178	CUSTOMER DEPOSITS				
039-1557	THE RESERVE LIFT STATION			56,792.76	
003-1121	INV-PERIMETER FEES			712,932.38	998,788.00
003-1307	INV-ROAD RECONSTRUCTION			222,485.85	
005-1172	VOLUNTARY PARK FUND				
012-1172	PARK LAND DEDICATION FUND				
017-1172	DRAINAGE FUND OPERATING				
024-1172	CEDC OPERATING	1,000,000.00	500,000.00		
026-1172	TIF OPERATING				
032-1519	CAPITAL EQUIPMENT RESERVE				
034-1172	COLLEYVILLE TOMORROW				
PER GENERAL LEDGER		1,000,000.00	500,000.00	1,000,000.00	998,788.00

INVESTMENT		FHLMC NOTE	FHLB	FFCB NOTE	FFCB NOTE
DATE ACQUIRED		43,021.00	43,034.00	43,045.00	43,077.00
MATURITY DATE		43,740.00	43,749.00	43,775.00	43,790.00
26 WEEK T-BILL AUCTION DISCOUNT/WEEK (		1.250%	1.260%	1.280%	1.420%
YIELD TO MATURITY		1.250%	1.550%	1.600%	1.730%
CUSIP#		**3137EADM8**	**3130ACLS1**	**3133EHP98**	**3133EHV75**
ACCOUNT	**ALLOCATION OF INVESTMENT**				
001-1172	GENERAL FUND OPERATING				-
002-1172	UTILITY FUND OPERATING	18,422.28	500,000.00	250,985.36	503,143.19
002-1178	CUSTOMER DEPOSITS			194,005.33	246,567.66
039-1557	THE RESERVE LIFT STATION				
003-1121	INV-PERIMETER FEES			253,649.76	
003-1307	INV-ROAD RECONSTRUCTION			101,359.55	
005-1172	VOLUNTARY PARK FUND		500,000.00		
012-1172	PARK LAND DEDICATION FUND		300,000.00	200,000.00	
017-1172	DRAINAGE FUND OPERATING		200,000.00		
024-1172	CEDC OPERATING				
026-1172	TIF OPERATING	513,360.00	700,000.00		
032-1519	CAPITAL EQUIPMENT RESERVE	364,300.00			
034-1172	COLLEYVILLE TOMORROW				
PER GENERAL LEDGER		896,082.28	2,200,000.00	1,000,000.00	749,710.85

INVESTMENT		FFCB NOTE	FFCB NOTE	FHLB NOTE	FFCB NOTE
DATE ACQUIRED		43,098.00	43,145.00	43,166.00	43,199.00
MATURITY DATE		43,787.00	43,875.00	43,872.00	43,917.00
26 WEEK T-BILL AUCTION DISCOUNT/WEEK (		1.500%	1.770%	1.830%	1.890%
YIELD TO MATURITY		1.100%	2.070%	2.125%	2.300%
CUSIP#		**3133EGJ30**	**3133EJCN7**	**3130ADN32**	**3133EJHL6**
ACCOUNT	**ALLOCATION OF INVESTMENT**				
001-1172	GENERAL FUND OPERATING	255,571.93	1,000,000.00	37,833.62	1,001,429.87
002-1172	UTILITY FUND OPERATING	951,092.86			
002-1178	CUSTOMER DEPOSITS	32,110.05			
039-1557	THE RESERVE LIFT STATION				
003-1121	INV-PERIMETER FEES				
003-1307	INV-ROAD RECONSTRUCTION				
005-1172	VOLUNTARY PARK FUND			250,000.00	
012-1172	PARK LAND DEDICATION FUND			710,000.00	
017-1172	DRAINAGE FUND OPERATING				
024-1172	CEDC OPERATING				
026-1172	TIF OPERATING				
032-1519	CAPITAL EQUIPMENT RESERVE				
034-1172	COLLEYVILLE TOMORROW				
PER GENERAL LEDGER		1,238,774.84	1,000,000.00	997,833.62	1,001,429.87

CITY OF COLLEYVILLE - INVESTMENT POOLS

LOGIC
ACCOUNT ALLOCATION

DESCRIPTION	BALANCE
GENERAL FUND	
LOGIC POOL- OPERATING CASH	300,000.00
UTILITY FUND - CAPITAL PROJECTS	
LOGIC POOL- WATER IMPACT FEES	147,543.75
LOGIC-RES CASH-UTILITY LINE RE	1,274.01
LOGIC - WW IMPACT FEES	331,222.82
CAPITAL PROJECTS FUND	
LOGIC POOL-ROADS SA I CASH	23,531.24
LOGIC-CAPITAL PROJ/STREET RESU	798,231.37
DRAINAGE FUND	
LOGIC- I&S FUND/DRAINAGE	32,776.32
Subtotal	**1,634,579.51**
CEDC Logic Balance	
LOGIC POOL- OPERATING CASH	15.92
CEDC Logic Balance	
LOGIC POOL- OPERATING CASH	800,000.00
Total LOGIC Balance	**2,434,595.43**
INTEREST EARNED	**15,550.24**

TEXPOOL
ACCOUNT ALLOCATION

DESCRIPTION	BALANCE
GENERAL FUND	
TEXPOOL - OPERATING CASH	2,309,907.73
UTILITY FUND	
TEXPOOL - OPERATING CASH	2,135,444.25
UTILITY FUND - CAPITAL PROJECTS	
TEXPOOL - WW IMPACT FEES	690,767.74
TEXPOOL - WATER IMPACT FEE	2,331,575.60
TEXPOOL - OPERATING CASH	2,123,422.65
DEBT SERVICE FUND	
TEXPOOL - OPERATING CASH	35,373.21
DRAINAGE FUND	
TEXPOOL - OPERATING CASH	330,513.77
TIF FUND	
TEXPOOL - OPERATING CASH	10,829,436.59
CCCPD FUND	
TEXPOOL - OPERATING CASH	593,635.95
CAPITAL EQUIPMENT REPLACEMENT FUND	
TEXPOOL - OPERATING CASH	85,513.23
COLLEYVILLE TOMORROW FUND	
TEXPOOL - OPERATING CASH	1,742,307.14
PARKS TOMORROW FUND	
TEXPOOL - OPERATING CASH	797,112.18
STRATEGIC INITIATIVES FUND	
TEXPOOL - OPERATING CASH	387,142.20
DRAINAGE CAPITAL PROJECTS FUND	
TEXPOOL - OPERATING CASH	999,088.76
Total TexPool Balance	**25,391,241.00**
INTEREST EARNED	**149,735.22**

TEXAS CLASS
ACCOUNT ALLOCATION

DESCRIPTION	BALANCE
GENERAL FUND	
TEXAS CLASS	6,375,560.36
CAPITAL PROJECTS FUND	
TEXAS CLASS	4,720,915.79
UTILITY FUND - CAPITAL PROJECTS	
TEXAS CLASS	3,039,355.43
TIF FUND	
TEXAS CLASS	4,052,473.92
Total Texas CLASS Balance	**18,188,305.50**
INTEREST EARNED	**91,333.51**

TEXSTAR
ACCOUNT ALLOCATION

DESCRIPTION	BALANCE
GENERAL FUND	
TEXSTAR - OPERATING CASH	3,562,105.98
UTILITY FUND	
TEXSTAR - OPERATING CASH	2,821,390.18
VOLUNTARY PARK FUND	
TEXSTAR - OPERATING CASH	454,045.40
SESQUICENTINIAL FUND	
TEXSTAR - OPERATING CASH	3,255.94
VOLUNTARY LIBRARY FUND	
TEXSTAR - OPERATING CASH	338,139.67
PARK LAND DEDICATION FUND	
TEXSTAR - OPERATING CASH	248,677.98
POLICE ASSET FORFEITURE FUND	
TEXSTAR - OPERATING CASH	16,820.61
TREE PRESERVATION FUND	
TEXSTAR - OPERATING CASH	238,899.63
TIF FUND	
TEXSTAR - OPERATING CASH	1,006,909.13
KIDSVILLE MAINTENANCE FUND	
TEXSTAR - OPERATING CASH	3,861.80
COURT TECHNOLOGY FUND	
TEXSTAR - OPERATING CASH	5,998.89
COURT SECURITY FUND	
TEXSTAR - OPERATING CASH	33,941.40

VEHICLE AND CAPITAL REPLACEMENT FUND

TEXSTAR - OPERATING CASH	1,102,207.99

PUBLIC ART FUND

TEXSTAR - OPERATING CASH	5,966.83

COLLEYVILLE TOMORROW FUND

TEXSTAR - OPERATING CASH	147,687.10

JUVENILE CASE MANAGER FUND

TEXSTAR - OPERATING CASH	11,595.01

HOTEL/MOTEL FUND FUND

TEXSTAR - OPERATING CASH	277,623.88

DRAINAGE- CAPITAL PROJECTS FUND

TEXSTAR - OPERATING CASH	293,428.52

Total TexSTAR Balance	**10,572,555.94**
INTEREST EARNED	**20,787.90**

LOGIC

LOGIC Newsletter

March 2019

Performance

As of March 31, 2019

Current Invested Balance	**$7,337,871,011.97**
Weighted Average Maturity (1)*	**39 Days**
Weighted Average Maturity (2)*	**70 Days**
Net Asset Value	**1.000010**
Total Number of Participants	**595**
Management Fee on Invested Balance	**0.0975%**
Interest Distributed	**$17,337,245.95**
Management Fee Collected	**$626,932.53**
% of Portfolio Invested Beyond 1 Year	**0.00%**
Standard & Poor's Current Rating	**AAAm**

March Averages:

Average Invested Balance	**$7,563,062,475.94**
Average Monthly Yield, on a simple basis	**2.6015%**
Average Weighted Average Maturity (1)*	**39 Days**
Average Weighted Average Maturity (2)*	**70 Days**

*Definition of Weighted Average Maturity (1) & (2)

(1) This weighted average maturity calculation uses the SEC Rule 2a-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This Rule specifies that a variable rate instrument to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.

(2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

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

News

New Participants

We would like to welcome the following entities who joined the LOGIC program in March:

- ★ International Leadership of Texas
- ★ Town of Horizon City
- ★ City of Rhome
- ★ Rockwall County MUD 7
- ★ Rockwall County MUD 9

Holiday Reminder

In observance of Good Friday, **LOGIC will be closed Friday, April 19, 2019.** All ACH transactions initiated on Thursday, April 18th will settle on Monday, April 22nd.

New LOGIC Advisory Board Members

The LOGIC Governing Board has announced the addition of David Rastellini, Deputy Superintendent for Business & Finance with Northside ISD, and Eric Cannon, Chief Financial Officer with the City of Allen, to the LOGIC Advisory Board. Their experience and reputation within the public sector will be instrumental in providing valuable input and direction to the LOGIC program.

Economic Commentary

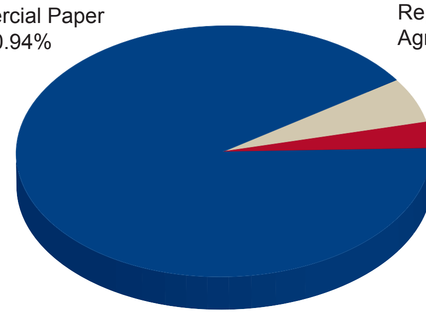
The Fed kept rates unchanged at its March Federal Open Market Committee (FOMC) meeting, a move that was widely anticipated, but turned more dovish than expected by lowering its forecast for rate hikes from two to zero in 2019, and announcing its intention to end balance runoff by the end of September. The Fed still expects to raise rates one more time in 2020. The committee reiterated its intention to exercise patience in the face of muted inflation and global economic uncertainty. The problem with a global growth slowdown is the unknown of whether it ends in a soft landing or recession. With the central banks signaling their unwillingness to risk a monetary policy-led recession, the odds of a soft landing have clearly increased and the late-cycle recovery should extend. Although the data has softened, the U.S. economy is far from recession. The consumer, two-thirds of the U.S. economy, is in fantastic shape—enjoying a strong balance sheet, full employment and wage growth. Any de-escalation of trade tensions between the U.S. and China will only increase business confidence and spending. While we are certainly not expecting the array of global policy stimulus to lead to a GDP surge reminiscent of 2017 and 2018, we also cannot see the onset of recession. The central banks can comfortably sit with rates and balance sheets where they are—under cover of inflation that remains stubbornly below their targets.

It does appear as though the global economy will glide toward a soft landing with growth roughly at trend, perhaps a little bit above or below. The outcome of the U.S.-China trade negotiations and Brexit will surely be important in determining which side of trend growth we will see. We kept the probability of Recession unchanged at 10%. We do believe that the central banks have extended the cycle, and we don't see recession as a 2019 or early 2020 event. Geopolitics are a constant concern but, for now, cooler heads and rational thinking seem to be prevailing. U.S.-China trade negotiations remain at the top of our list of concerns. If the trade battle escalates, the impact on business spending and consumer sentiment will be globally significant, with the potential to lead to a dangerous stagflationary spiral. A hard Brexit would also be a challenge for the eurozone and global economy to absorb. Further out, we have the U.S. 2020 general election. As 2019 progresses, we are likely to hear from a growing chorus of campaigners with less market-friendly views … think an array of higher taxes and greater regulation.

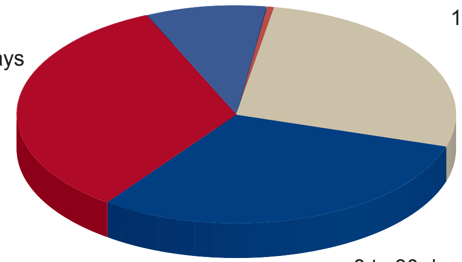
This information is an excerpt from an economic report dated March 2019 provided to LOGIC by JPMorgan Asset Management, Inc., the investment manager of the LOGIC pool.

Information at a Glance

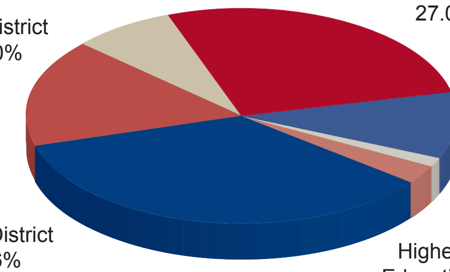
Portfolio by Type of Investment As of March 31, 2019



Portfolio by Maturity As of March 31, 2019



Distribution of Participants by Type As of March 31, 2019



History

Historical Program Information

Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Mar 19	2.6015%	$7,337,871,011.97	$7,337,944,552.70	1.000010	39	70	595
Feb 19	2.6090%	7,628,880,062.17	7,629,799,651.08	1.000120	43	74	590
Jan 19	2.5949%	7,520,879,084.28	7,521,195,255.96	1.000042	36	61	588
Dec 18	2.4805%	6,949,078,936.52	6,948,456,687.31	0.999870	38	62	586
Nov 18	2.4072%	6,560,982,375.72	6,560,576,218.42	0.999938	45	78	583
Oct 18	2.3320%	6,022,652,132.65	6,022,591,550.03	0.999989	46	87	581
Sep 18	2.2112%	6,222,015,405.64	6,222,101,273.25	1.000013	34	69	576
Aug 18	2.1843%	6,457,668,295.78	6,458,782,262.06	1.000073	34	66	574
Jul 18	2.1750%	6,693,358,601.72	6,694,255,228.51	1.000133	30	59	573
Jun 18	2.1078%	6,880,746,236.77	6,881,359,093.55	1.000058	28	64	571
May 18	2.0273%	6,972,924,126.20	6,973,895,573.35	1.000139	30	66	568
Apr 18	1.9293%	6,434,872,331.82	6,434,646,379.96	0.999964	28	66	565

Assets

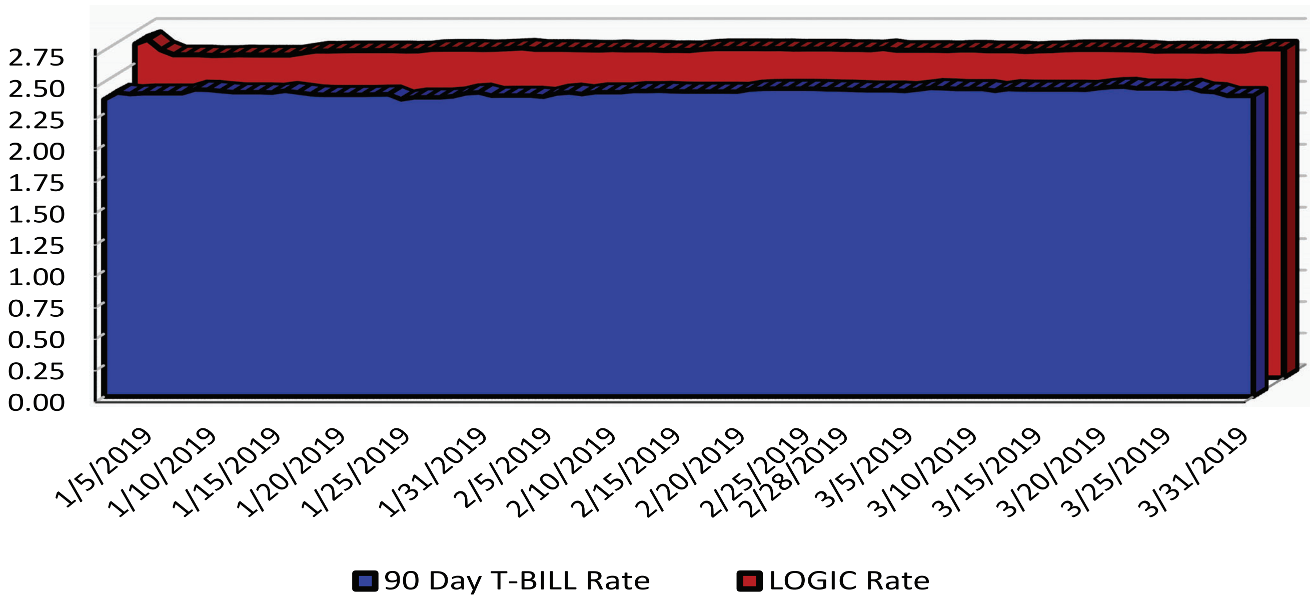
Portfolio Asset Summary as of March 31, 2019

	Book Value	Market Value
Uninvested Balance	$ 454.58	$ 454.58
Accrual of Interest Income	5,958,326.18	5,958,326.18
Interest and Management Fees Payable	(17,390,240.76)	(17,390,240.76)
Payable for Investment Purchased	0.00	0.00
Receivable for Investment Sold	0.00	0.00
Repurchase Agreements	415,945,999.96	415,945,999.96
Commercial Paper	6,683,726,499.23	6,683,795,050.24
Government Securities	249,629,972.78	249,634,962.50
Total	**$7,337,871,011.97**	**$ 7,337,944,552.70**

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by J.P. Morgan Chase & Co. and the assets are safekept in a separate custodial account at the Federal Reserve Bank in the name of LOGIC. The only source of payment to the Participants are the assets of LOGIC. There is no secondary source of payment for the pool such as insurance or guarantee. Should you require a copy of the portfolio, please contact LOGIC Participant Services.

Daily Rates

LOGIC versus 90-Day Treasury Bill



This material is for information purposes only. This information does not represent an offer to buy or sell a security. The above rate information is obtained from sources that are believed to be reliable; however, its accuracy or completeness may be subject to change. The LOGIC management fee may be waived in full or in part at the discretion of the LOGIC co-administrators and the LOGIC rate for the period shown reflects waiver of fees. This table represents historical investment performance/return to the customer, net of fees, and is not an indication of future performance. An investment in the security is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the issuer seeks to preserve the value of an investment at $1.00 per share, it is possible to lose money by investing in the security. Information about these and other program details are in the fund's Information Statement which should be read carefully before investing. The yield on the 90-Day Treasury Bill ("T-Bill Yield") is shown for comparative purposes only. When comparing the investment returns of the LOGIC pool to the T-Bill Yield, you should know that the LOGIC pool consist of allocations of specific diversified securities as detailed in the respective Information Statements. The T-Bill Yield is taken from Bloomberg Finance L.P. and represents the daily closing yield on the then current 90-day T-Bill. The LOGIC yield is calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940 as promulgated from time to time by the federal Securities and Exchange Commission.

Daily Summary

Daily Summary for March 2019

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	LOGIC Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
3/1/2019	2.6018%	0.000071282	$7,637,804,436.15	1.000019	40	72
3/2/2019	2.6018%	0.000071282	$7,637,804,436.15	1.000019	40	72
3/3/2019	2.6018%	0.000071282	$7,637,804,436.15	1.000019	40	72
3/4/2019	2.6013%	0.000071269	$7,622,215,799.19	1.000113	40	71
3/5/2019	2.5994%	0.000071217	$7,624,920,393.37	1.000114	40	72
3/6/2019	2.6041%	0.000071346	$7,588,586,421.70	1.000125	40	71
3/7/2019	2.6040%	0.000071342	$7,556,788,535.91	1.000124	40	71
3/8/2019	2.5983%	0.000071185	$7,620,730,757.87	1.000025	37	67
3/9/2019	2.5983%	0.000071185	$7,620,730,757.87	1.000025	37	67
3/10/2019	2.5983%	0.000071185	$7,620,730,757.87	1.000025	37	67
3/11/2019	2.5922%	0.000071019	$7,713,533,321.80	1.000118	36	66
3/12/2019	2.5975%	0.000071164	$7,651,329,190.45	1.000111	40	72
3/13/2019	2.5991%	0.000071208	$7,648,030,323.50	1.000107	39	70
3/14/2019	2.6054%	0.000071380	$7,649,562,103.12	1.000108	38	72
3/15/2019	2.6082%	0.000071457	$7,527,399,497.28	1.000023	37	71
3/16/2019	2.6082%	0.000071457	$7,527,399,497.28	1.000023	37	71
3/17/2019	2.6082%	0.000071457	$7,527,399,497.28	1.000023	37	71
3/18/2019	2.6071%	0.000071428	$7,538,251,155.03	1.000103	38	72
3/19/2019	2.6057%	0.000071388	$7,516,414,951.59	1.000104	37	71
3/20/2019	2.6029%	0.000071311	$7,575,893,273.08	1.000102	37	69
3/21/2019	2.5951%	0.000071098	$7,584,333,578.27	1.000097	41	70
3/22/2019	2.5962%	0.000071129	$7,564,212,949.92	1.000007	39	68
3/23/2019	2.5962%	0.000071129	$7,564,212,949.92	1.000007	39	68
3/24/2019	2.5962%	0.000071129	$7,564,212,949.92	1.000007	39	68
3/25/2019	2.5950%	0.000071097	$7,541,040,928.97	1.000089	42	72
3/26/2019	2.5966%	0.000071139	$7,539,114,799.62	1.000087	42	72
3/27/2019	2.5942%	0.000071075	$7,532,806,932.17	1.000090	41	71
3/28/2019	2.5964%	0.000071133	$7,508,059,086.86	1.000093	41	71
3/29/2019	2.6126%	0.000071577	$7,337,871,011.97	1.000010	39	70
3/30/2019	2.6126%	0.000071577	$7,337,871,011.97	1.000010	39	70
3/31/2019	2.6126%	0.000071577	$7,337,871,011.97	1.000010	39	70
Average	2.6015%	0.000071274	$7,563,062,475.94		39	70

LOGIC

LOGIC Board

LOGIC Board Members

Philip G. Roberson	Arlington ISD	Governing Board President
Sandra Newby	Tarrant Regional Water District	Governing Board Vice President
Greg Jordan	City of Grapevine	Governing Board Secretary
Erik Felthous	North Texas Municipal Water District	Governing Board Treasurer
David Rastellini	Northside ISD	Advisory Board
Eric Cannon	City of Allen/ Qualified Non-Participant	Advisory Board

Contacts

For more information, please contact
LOGIC Participant Services
1201 Elm Street, Suite 3500
Dallas, Texas 75270
1-800-895-6442
www.logic.org

HilltopSecurities
A Hilltop Holdings Company.

J.P.Morgan
Asset Management

TexSTAR

Monthly Newsletter – March 2019

Performance

As of March 31, 2019

Current Invested Balance	$8,378,300,782.34
Weighted Average Maturity (1)	33 Days
Weighted Average Maturity (2)	108 Days
Net Asset Value	0.999968
Total Number of Participants	893
Management Fee on Invested Balance	0.06%*
Interest Distributed	$18,212,816.31
Management Fee Collected	$442,241.97
% of Portfolio Invested Beyond 1 Year	9.60%
Standard & Poor's Current Rating	AAAm

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

March Averages

Average Invested Balance	$8,678,064,222.85
Average Monthly Yield, on a simple basis	2.4112%
Average Weighted Average Maturity (1)*	41 Days
Average Weighted Average Maturity (2)*	106 Days

Definition of Weighted Average Maturity (1) & (2)

(1) This weighted average maturity calculation uses the SEC Rule 2a-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This Rule specifies that a variable rate instrument to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.

(2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

* The maximum management fee authorized for the TexSTAR Cash Reserve Fund is 12 basis points. This fee may be waived in full or in part in the discretion of the TexSTAR co-administrators at any time as provided for in the TexSTAR Information Statement.

New Participants

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

★ City of Rhome ★ Woodridge MUD

Holiday Reminders

In observance of Good Friday, **TexSTAR will be closed Friday, April 19, 2019.** All ACH transactions initiated on Thursday, April 18th will settle on Monday, April 22nd. Notification of any early transaction deadlines on the business day preceding this holiday will be sent by email to the primary contact on file for all TexSTAR participants. Please plan accordingly for your liquidity needs.

Economic Commentary

The Fed kept rates unchanged at its March Federal Open Market Committee (FOMC) meeting, a move that was widely anticipated, but turned more dovish than expected by lowering its forecast for rate hikes from two to zero in 2019, and announcing its intention to end balance runoff by the end of September. The Fed still expects to raise rates one more time in 2020. The committee reiterated its intention to exercise patience in the face of muted inflation and global economic uncertainty. The problem with a global growth slowdown is the unknown of whether it ends in a soft landing or recession. With the central banks signaling their unwillingness to risk a monetary policy-led recession, the odds of a soft landing have clearly increased and the late-cycle recovery should extend. Although the data has softened, the U.S. economy is far from recession. The consumer, two-thirds of the U.S. economy, is in fantastic shape—enjoying a strong balance sheet, full employment and wage growth. Any de-escalation of trade tensions between the U.S. and China will only increase business confidence and spending. While we are certainly not expecting the array of global policy stimulus to lead to a GDP surge reminiscent of 2017 and 2018, we also cannot see the onset of recession. The central banks can comfortably sit with rates and balance sheets where they are—under cover of inflation that remains stubbornly below their targets.

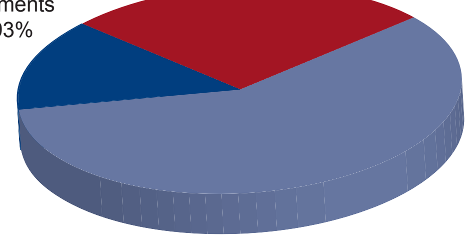
It does appear as though the global economy will glide toward a soft landing with growth roughly at trend, perhaps a little bit above or below. The outcome of the U.S.-China trade negotiations and Brexit will surely be important in determining which side of trend growth we will see. We kept the probability of Recession unchanged at 10%. We do believe that the central banks have extended the cycle, and we don't see recession as a 2019 or early 2020 event. Geopolitics are a constant concern but, for now, cooler heads and rational thinking seem to be prevailing. U.S.-China trade negotiations remain at the top of our list of concerns. If the trade battle escalates, the impact on business spending and consumer sentiment will be globally significant, with the potential to lead to a dangerous stagflationary spiral. A hard Brexit would also be a challenge for the eurozone and global economy to absorb. Further out, we have the U.S. 2020 general election. As 2019 progresses, we are likely to hear from a growing chorus of campaigners with less market-friendly views … think an array of higher taxes and greater regulation.

This information is an excerpt from an economic report dated March 2019 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.

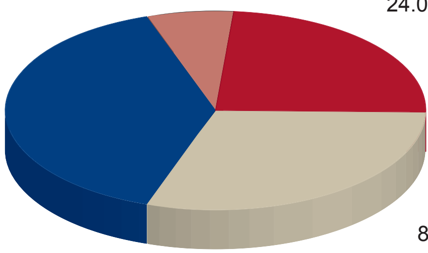
For more information about TexSTAR, please visit our web site at www.texstar.org.

Information at a Glance

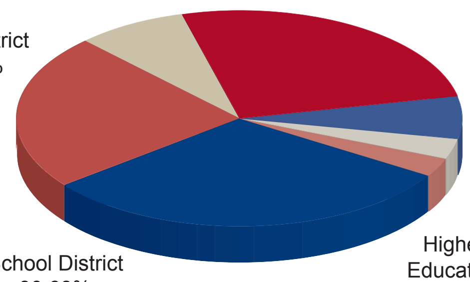
Portfolio by Type of Investment As of March 31, 2019



Portfolio by Maturity As of March 31, 2019



Distribution of Participants by Type As of March 31, 2019



Historical Program Information

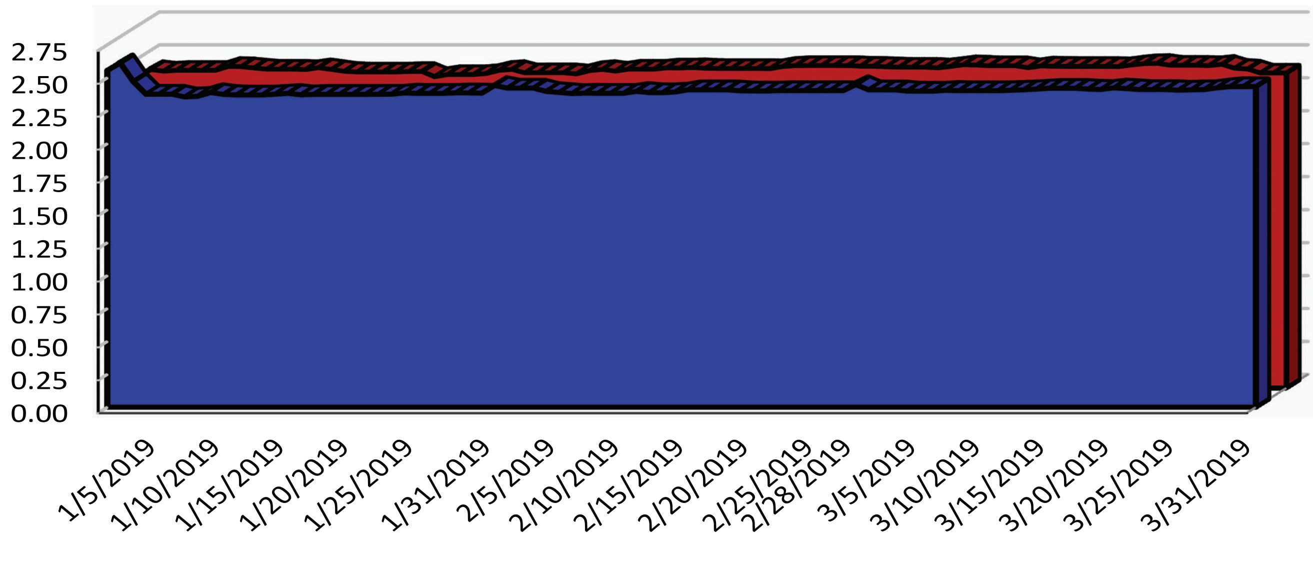
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Mar 19	2.4112%	$8,378,300,782.34	$8,378,032,817.90	0.999968	41	106	893
Feb 19	2.4001%	9,198,012,187.60	9,197,689,206.82	0.999964	45	99	891
Jan 19	2.3937%	8,624,044,987.80	8,623,938,284.28	0.999987	37	82	890
Dec 18	2.3069%	7,738,483,374.11	7,738,245,287.60	0.999940	40	95	888
Nov 18	2.2176%	6,683,233,268.87	6,682,898,473.43	0.999949	41	102	886
Oct 18	2.1615%	6,581,942,899.40	6,581,269,831.00	0.999897	41	101	884
Sep 18	1.9995%	6,458,418,968.50	6,458,002,746.78	0.999935	30	96	883
Aug 18	1.9225%	6,701,017,159.16	6,701,228,119.73	0.999971	24	91	879
Jul 18	1.8965%	6,837,425,331.68	6,837,427,966.67	1.000000	19	84	877
Jun 18	1.8300%	6,250,002,595.51	6,250,027,195.61	0.999991	26	99	874
May 18	1.7258%	6,489,773,533.02	6,489,474,005.73	0.999953	29	106	868
Apr 18	1.6304%	6,358,425,417.53	6,358,101,312.82	0.999949	18	99	861

Portfolio Asset Summary as of March 31, 2019

	Book Value	Market Value
Uninvested Balance	$ 120,750,223.41	$ 120,750,223.41
Accrual of Interest Income	11,093,306.97	11,093,306.97
Interest and Management Fees Payable	(18,295,726.74)	(18,295,726.74)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreement	1,151,457,999.91	1,151,457,999.91
Government Securities	7,113,294,978.79	7,113,027,014.35
Total	**$ 8,378,300,782.34**	**$ 8,378,032,817.90**

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by J.P. Morgan Chase & Co. and the assets are safekept in a separate custodial account at the Federal Reserve Bank in the name of TexSTAR. The only source of payment to the Participants are the assets of TexSTAR. There is no secondary source of payment for the pool such as insurance or guarantee. Should you require a copy of the portfolio, please contact TexSTAR Participant Services.

TexSTAR versus 90-Day Treasury Bill



This material is for information purposes only. This information does not represent an offer to buy or sell a security. The above rate information is obtained from sources that are believed to be reliable; however, its accuracy or completeness may be subject to change. The TexSTAR management fee may be waived in full or in part at the discretion of the TexSTAR co-administrators and the TexSTAR rate for the period shown reflects waiver of fees. This table represents historical investment performance/return to the customer, net of fees, and is not an indication of future performance. An investment in the security is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the issuer seeks to preserve the value of an investment at $1.00 per share, it is possible to lose money by investing in the security. Information about these and other program details are in the fund's Information Statement which should be read carefully before investing. The yield on the 90-Day Treasury Bill ("T-Bill Yield") is shown for comparative purposes only. When comparing the investment returns of the TexSTAR pool to the T-Bill Yield, you should know that the TexSTAR pool consist of allocations of specific diversified securities as detailed in the respective Information Statements. The T-Bill Yield is taken from Bloomberg Finance L.P. and represents the daily closing yield on the then current 90-day T-Bill. The TexSTAR yield is calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940 as promulgated from time to time by the federal Securities and Exchange Commission.

Daily Summary for March 2019

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
3/1/2019	2.4075%	0.000065959	$8,836,094,968.15	0.999972	48	112
3/2/2019	2.4075%	0.000065959	$8,836,094,968.15	0.999972	48	112
3/3/2019	2.4075%	0.000065959	$8,836,094,968.15	0.999972	48	112
3/4/2019	2.3983%	0.000065707	$8,780,550,260.91	0.999955	48	112
3/5/2019	2.3979%	0.000065696	$8,786,016,725.29	0.999953	47	111
3/6/2019	2.3980%	0.000065699	$8,759,174,162.11	0.999955	44	110
3/7/2019	2.4038%	0.000065857	$8,705,228,113.27	0.999966	44	110
3/8/2019	2.4014%	0.000065792	$8,819,730,690.32	0.999965	42	105
3/9/2019	2.4014%	0.000065792	$8,819,730,690.32	0.999965	42	105
3/10/2019	2.4014%	0.000065792	$8,819,730,690.32	0.999965	42	105
3/11/2019	2.4012%	0.000065786	$8,802,412,883.97	0.999966	41	105
3/12/2019	2.4043%	0.000065871	$8,774,804,368.61	0.999965	42	108
3/13/2019	2.4079%	0.000065969	$8,765,515,519.19	0.999958	44	107
3/14/2019	2.4136%	0.000066125	$8,762,395,036.12	0.999960	43	106
3/15/2019	2.4195%	0.000066288	$8,706,680,762.00	0.999959	41	105
3/16/2019	2.4195%	0.000066288	$8,706,680,762.00	0.999959	41	105
3/17/2019	2.4195%	0.000066288	$8,706,680,762.00	0.999959	41	105
3/18/2019	2.4135%	0.000066123	$8,689,346,599.11	0.999962	40	104
3/19/2019	2.4109%	0.000066053	$8,704,550,663.03	0.999959	41	106
3/20/2019	2.4224%	0.000066366	$8,675,903,813.08	0.999953	40	105
3/21/2019	2.4170%	0.000066220	$8,663,450,493.61	0.999952	39	104
3/22/2019	2.4100%	0.000066027	$8,615,082,184.80	0.999933	37	102
3/23/2019	2.4100%	0.000066027	$8,615,082,184.80	0.999933	37	102
3/24/2019	2.4100%	0.000066027	$8,615,082,184.80	0.999933	37	102
3/25/2019	2.4053%	0.000065899	$8,600,853,859.10	0.999936	37	102
3/26/2019	2.4081%	0.000065976	$8,557,950,771.47	0.999943	36	101
3/27/2019	2.4098%	0.000066021	$8,484,628,983.46	0.999958	35	101
3/28/2019	2.4229%	0.000066382	$8,439,540,493.10	0.999967	35	110
3/29/2019	2.4322%	0.000066636	$8,378,300,782.34	0.999968	33	108
3/30/2019	2.4322%	0.000066636	$8,378,300,782.34	0.999968	33	108
3/31/2019	2.4322%	0.000066636	$8,378,300,782.34	0.999968	33	108
Average	2.4112%	0.000066060	$8,678,064,222.85		41	106

TexSTAR Participant Services
1201 Elm Street, Suite 3500
Dallas, TX 75270
1-800-839-7827

HilltopSecurities
A Hilltop Holdings Company.

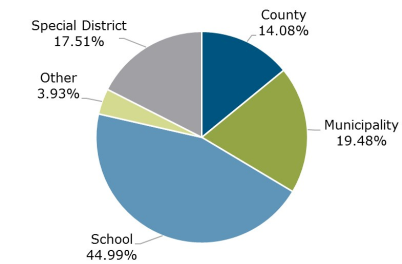
J.P.Morgan
Asset Management

Texas CLASS Portfolio Characteristics

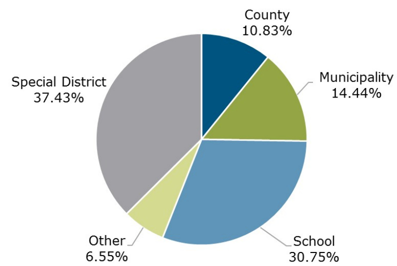
Print

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

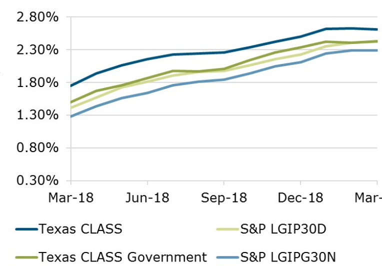
As of March 31, 2019:



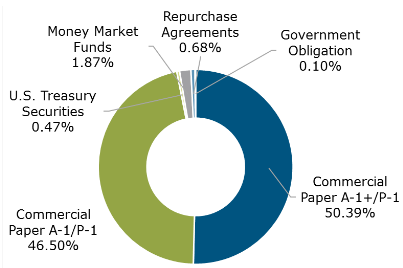
Participant Breakdown by Balance



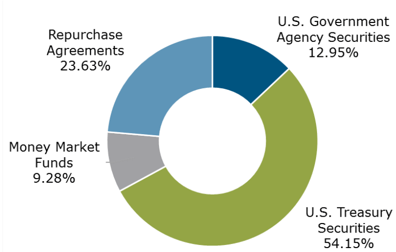
Participant Breakdown by Entity Type



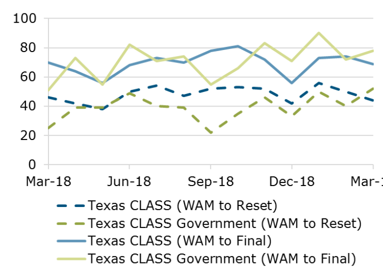
Performance vs. Benchmark S&P AAA/AA GIP* (Average Monthly Yields)



Texas CLASS Portfolio Breakdown



Texas CLASS Government Portfolio Breakdown



Weighted Average Maturity (In Days)

Texas CLASS Government Prior Month Comparison

Month End	**Jan-19**
Average Yield**	2.42%
Month Ending Assets	$495,553,849
Share Balance	$495,581,916
Market Value	$505,254,580
Amortized Cost	$505,282,648
NAV	1.00
WAM (Reset)***	50
WAM (Final)***	90

Month End	**Feb-19**
Average Yield**	2.41%
Month Ending Assets	$535,416,133
Share Balance	$535,426,097
Market Value	$535,128,814
Amortized Cost	$535,138,778
NAV	1.00
WAM (Reset)***	40
WAM (Final)***	72

Month End	**Mar-19**
Average Yield**	2.43%
Month Ending Assets	$578,828,851
Share Balance	$578,861,656
Market Value	$578,556,768
Amortized Cost	$578,589,573
NAV	1.00
WAM (Reset)***	52
WAM (Final)***	78

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

Fund Highlights as of March 31, 2019 (Unaudited)

For the month of March 2019, the Program Administrator accrued fees of $875,858.24 and had average shares outstanding of $10,791,694,047.06 for Texas CLASS. For Texas CLASS Government, the Program Administrator accrued fees of $9914.63 and had average shares outstanding of $562,506,459.94. 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 Eighth Amended and Restated Trust Agreement. The Program Administrator reserves the right to abate fees listed in the Eighth Amended and Restated Trust Agreement. The monthly fee is the sum of all daily fee accruals for the month of March. The fees are paid monthly upon notification to the custodian bank. As of March 31, 2019, the fee for Texas CLASS was 10 basis points and the fee for Texas CLASS Government was 2 basis points.

- Both funds are rated 'AAAm' by S&P Global Ratings.
- Net Asset Value for both funds from March 1 to March 31, 2019 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 748.
- 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 Eighth Amended and Restated Trust Agreement was adopted by the Board of Trustees on April 8, 2019. You can access your copy of the Eighth Amended and Restated Trust Agreement by clicking here (https://www.texasclass.com/wp-

content/uploads/2019/04/Eighth-Amended-and-Restated-Texas-CLASS-Trust-Agreement-Website.pdf).

To view the current members of the Texas CLASS Board of Trustees and Advisory Board, please click here (https://www.texasclass.com/boards/).

Prior Months' Portfolio Characteristics

February 28, 2019

View (https://www.texasclass.com/february-2019-portfolio-characteristics/)

January 31, 2019

View (https://www.texasclass.com/january-2019-portfolio-characteristics/)

December 31, 2018

View (https://www.texasclass.com/december-2018-portfolio-characteristics/)

November 30, 2018

View (https://www.texasclass.com/november-2018-portfolio-characteristics/)

October 31, 2018

View (https://www.texasclass.com/october-2018-portfolio-characteristics/)

September 30, 2018

View (https://www.texasclass.com/september-2018-portfolio-characteristics/)

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 discussion presented are purely based on opinion and assumptions, not fact. These assumptions may or may not be correct based on foreseen and unforeseen events. The information presented should not be used in making any investment decisions. 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, consideration, and involvement 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 remove credit risk.

***The benchmark, the S&P US AAA & AA Rated GIP All 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 'AAm' 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 (LGIPG30N) 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 comprised 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' provide excellent safety and a superior capacity to maintain principal value while those rated 'AAm' 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.**

TEXPOOL
AN INVESTMENT SERVICE FOR PUBLIC FUNDS

Monthly Newsletter: March 2019

ANNOUNCEMENTS

We welcome the following entities who joined TexPool in February 2019:

TexPool
Carroll Water Supply Corporation
Williamson County MUD 21
Denton County MHMR Center
Caldwell Hays ESD 1

TexPool *Prime*
Denton County MHMR Center

Upcoming Events

Mar 5, 2019 - Mar 6, 2019,
San Antonio
TASBO Annual Conference

TexPool Advisory Board Members

Overseen by the State of Texas Comptroller of Public Accounts Glenn Hegar.

Operated under the supervision of the Texas Treasury Safekeeping Trust Company

Economic and Market Commentary:
Stopping the pendulum's swing

March 1, 2019

"Patience." Federal Reserve Chair Jerome Powell has been using this word lately as if trying to quiet kids in the back seat of a car who are repeatedly asking, "Are we there yet?"

But his mantra is really more about him than investors—an attempt to check the market volatility he largely created by vacillating in the fourth quarter of 2018. While inconsistency can spook investors, swinging like a pendulum from hawkish to dovish is actually worse because it suggests a reversal is coming. We think Powell wants to let time pass to calm the markets before making the next hike, which we still think will come later in 2019.

Our reasoning is that economic and political uncertainties likely will resolve positively. Don't let the fourth-quarter slowdown in GDP growth fool you. Consumer spending was still solid, and business investment accelerated. This year, housing is showing signs of improvement and the job market remains robust, so much so it has the potential to (finally) push up wages and become inflationary. With trade talks with China proceeding well, recession fears receding and Brexit soon to be behind us one way or another, upside surprises are possible, if not probable.

(continued page 6)

Performance as of February 28, 2019

	TexPool	TexPool *Prime*
Current Invested Balance	$23,860,989,392.51	$7,143,234,247.23
Weighted Average Maturity**	24	22
Weighted Average Life**	76	49
Net Asset Value	0.99995	1.00013
Total Number of Participants	2531	370
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	$44,376,661.47	$14,489,024.33
Management Fee Collected	$790,558.85	$331,032.20
Standard & Poor's Current Rating	AAAm	AAAm
Month Averages		
Average Invested Balance	$24,157,750,538.89	$7,344,438,185.11
Average Monthly Rate*	2.40%	2.59%
Average Weighted Average Maturity**	26	25
Average Weighted Average Life**	74	52

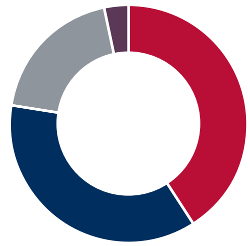
**This average monthly rate for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.*
***See page 2 for definitions.*
Past performance is no guarantee of future results.

Portfolio by Maturity (%)

As of February 28, 2019

Portfolio by Type of Investment (%)

As of February 28, 2019



Portfolio Asset Summary as of February 28, 2019

	Book Value	Market Value
Uninvested Balance	-$1,342,551.79	-$1,342,551.79
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	22,017,617.53	22,017,617.53
Interest and Management Fees Payable	-44,376,636.76	-44,376,636.76
Payable for Investments Purchased	-780,120,455.54	-780,120,455.54
Accrued Expenses & Taxes	-28,250.87	-28,250.87
Repurchase Agreements	9,054,345,000.00	9,054,345,000.00
Mutual Fund Investments	788,218,000.00	788,218,000.00
Government Securities	10,101,277,892.91	10,100,382,997.18
U.S. Treasury Inflation Protected Securities	793,995,000.55	793,900,880.81
US Treasury Bills	2,788,542,111.06	2,788,406,004.65
US Treasury Notes	1,138,461,665.42	1,138,339,900.77
Total	**$23,860,989,392.51**	**$23,859,742,505.98**

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. 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	591	$8,686,440,752.46
Higher Education	58	$1,104,830,522.60
Healthcare	84	$1,050,257,853.78
Utility District	803	$2,854,432,601.09
City	467	$5,418,089,150.65
County	186	$2,523,909,855.17
Other	342	$2,223,734,739.37

****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 readjusted to reflect 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 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 readjusted.

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
2/1	2.4082%	0.000065977	$23,948,747,757.79	0.99996	24	70
2/2	2.4082%	0.000065977	$23,948,747,757.79	0.99996	24	70
2/3	2.4082%	0.000065977	$23,948,747,757.79	0.99996	24	70
2/4	2.3759%	0.000065094	$23,740,916,332.48	0.99996	24	70
2/5	2.3849%	0.000065339	$23,976,902,773.37	0.99996	27	72
2/6	2.3796%	0.000065195	$24,135,161,623.70	0.99996	26	71
2/7	2.3801%	0.000065208	$24,476,824,963.97	0.99996	26	69
2/8	2.3805%	0.000065220	$24,770,779,096.70	0.99997	26	69
2/9	2.3805%	0.000065220	$24,770,779,096.70	0.99997	26	69
2/10	2.3805%	0.000065220	$24,770,779,096.70	0.99997	26	69
2/11	2.3939%	0.000065587	$24,834,743,226.34	0.99996	27	72
2/12	2.3918%	0.000065529	$24,751,418,356.52	0.99996	27	72
2/13	2.3904%	0.000065490	$24,621,261,826.82	0.99996	28	72
2/14	2.3923%	0.000065542	$24,172,991,401.27	0.99996	27	74
2/15	2.4076%	0.000065963	$24,058,369,907.69	0.99996	28	76
2/16	2.4076%	0.000065963	$24,058,369,907.69	0.99996	28	76
2/17	2.4076%	0.000065963	$24,058,369,907.69	0.99996	28	76
2/18	2.4076%	0.000065963	$24,058,369,907.69	0.99996	28	76
2/19	2.4053%	0.000065899	$24,074,105,949.97	0.99997	25	73
2/20	2.3966%	0.000065659	$24,105,886,178.38	0.99996	25	77
2/21	2.3955%	0.000065630	$23,968,259,569.82	0.99996	25	77
2/22	2.3976%	0.000065689	$23,801,470,945.64	0.99996	25	78
2/23	2.3976%	0.000065689	$23,801,470,945.64	0.99996	25	78
2/24	2.3976%	0.000065689	$23,801,470,945.64	0.99996	25	78
2/25	2.3938%	0.000065584	$23,765,715,006.98	0.99996	23	76
2/26	2.3949%	0.000065614	$24,097,702,404.21	0.99996	23	75
2/27	2.3972%	0.000065677	$24,037,663,051.53	0.99996	23	76
2/28	2.4597%	0.000067390	$23,860,989,392.51	0.99995	24	76
Average:	**2.3972%**	**0.000065677**	**$24,157,750,538.89**	**.99996**	**26**	**74**

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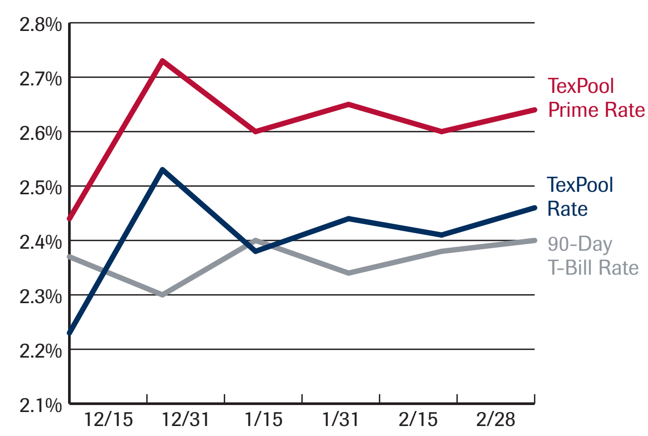
Not that we expect any surprises at the Federal Open Market Committee meeting this month. Powell already has mentioned that clarity on the future of the balance sheet runoff is forthcoming, so that will probably be announced. That's a central part of policymakers' desire to have the federal funds rate be the only policy tool the market considers. (It almost goes without saying that target range is not expected to move from 2.25% to 2.5% at this meeting.)

Cash, then, is in a good place. If volatility returns, liquidity products stand to again reap haven-seeking money. If the economy firms, a potential hike likely would improve return.

Our position is that the flat money market yield curve is bound to steepen, While the suspension of the debt ceiling ends this month, the Treasury Department has the means to operate until July and, if tax receipts are strong, these extraordinary measures could last until autumn, so no worries at this time.

Over the month of February, 1-, 3- and 6-month London interbank offered rates (Libor) slipped, ending at 2.49%, 2.63% and 2.69, respectively. The weighted average maturity (WAM) of TexPool in February was 26 days, slightly higher than that of TexPool Prime which was 25 days.

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.

ECONOMIC HIGHLIGHTS

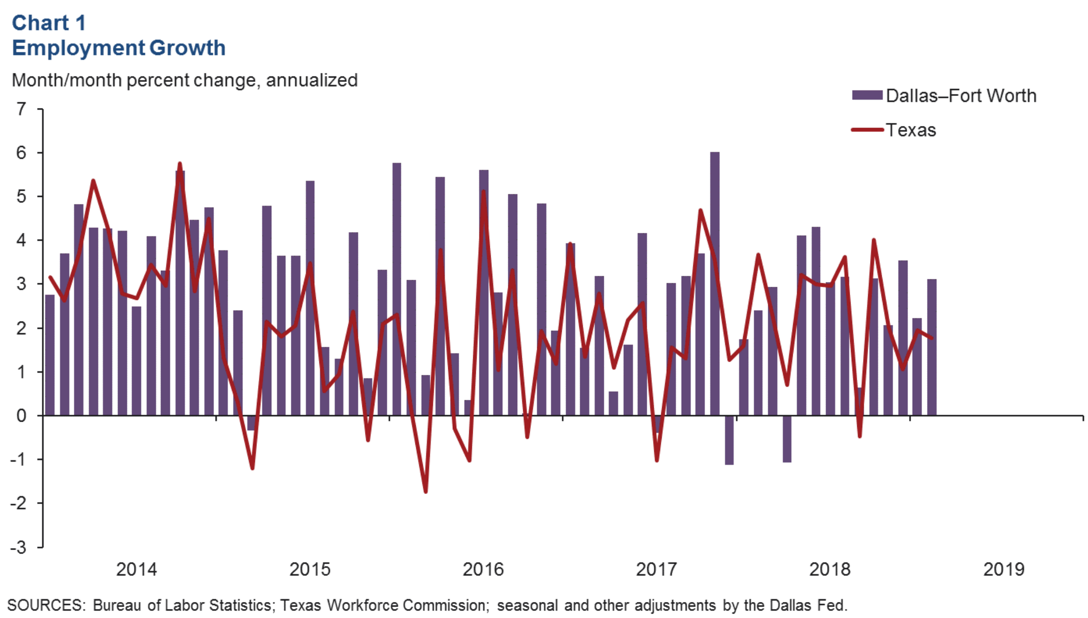
March 27, 2019

Dallas–Fort Worth economic growth continued in February, with payroll employment expanding and unemployment staying low. Looking at the two-month period, employment performance has been healthy—above the metro's long-run average. The Dallas Business-Cycle Index expanded, but the Fort Worth Business-Cycle Index fell for the second straight month. Home sales rose strongly and home inventories remained tight in February.

Labor Market

Payrolls Expand Solidly in Dallas, Decline in Fort Worth

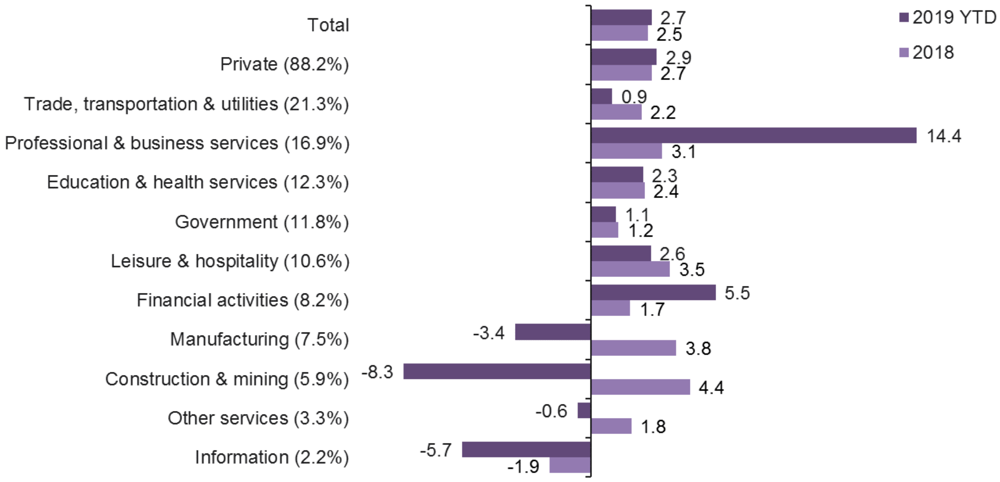
DFW employment continued to post solid growth in February, expanding an annualized 3.1 percent (9,600 jobs) following an upwardly revised 2.2 percent increase (6,900 jobs) in January (*Chart 1*). Payrolls rose by nearly 12,400 jobs in Dallas but fell by 2,800 in Fort Worth last month. In the first two months of the year, payrolls in Dallas increased 4.8 percent, while Fort Worth shed jobs.



Employment Recedes in Goods Sector, Expands in Services

DFW employment expanded an annualized 2.7 percent in the first two months of 2019 (*Chart 2*). Payrolls in the goods-producing sector contracted following a robust performance in 2018. Gains in the service-providing sector remained broad based, with growth led by professional and business services, which also added the most jobs (14,000) during the two-month period. The financial services, leisure and hospitality, and education and health services industries also experienced healthy gains. Job growth in trade, transportation and utilities—the metro's largest sector—moderated in the first two months of the year.

Chart 2
Employment Growth by Sector

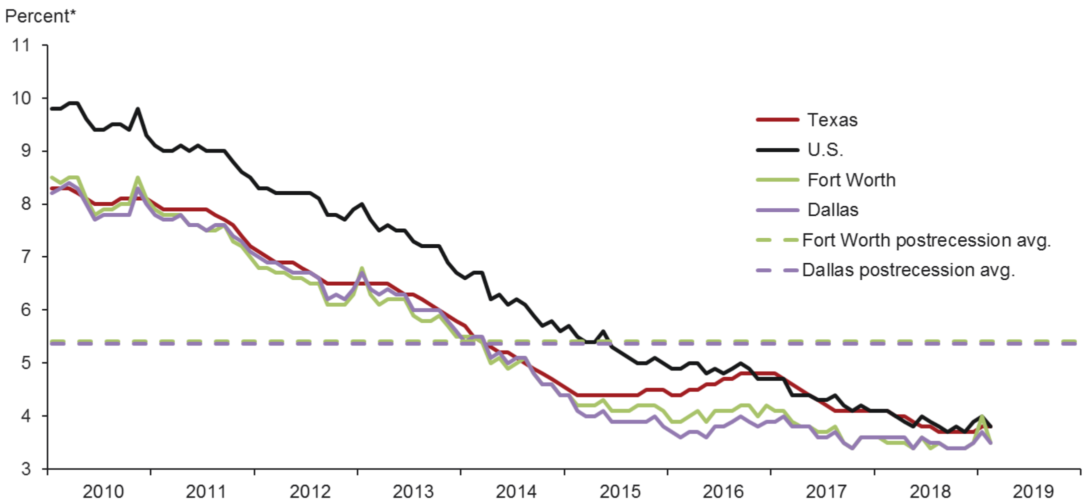


NOTES: Data show seasonally adjusted annualized percentage growth by sector for 2018 and year to date 2019 (December 2018–February 2019). Numbers in parentheses are shares of total Dallas–Fort Worth nonfarm employment in February 2019 and may not sum to 100 due to rounding.
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by the Dallas Fed.

Unemployment Remains Low

The labor market remained tight, with unemployment close to multiyear lows. Unemployment in both Dallas and Fort Worth fell to 3.5 percent in February following an increase in January that was likely due to the partial government shutdown (*Chart 3*). The jobless rate in DFW remained below its postrecession average (January 2010–December 2018) as well as February's 3.8 percent rate in both the state and nation.

Chart 3
Unemployment Rate

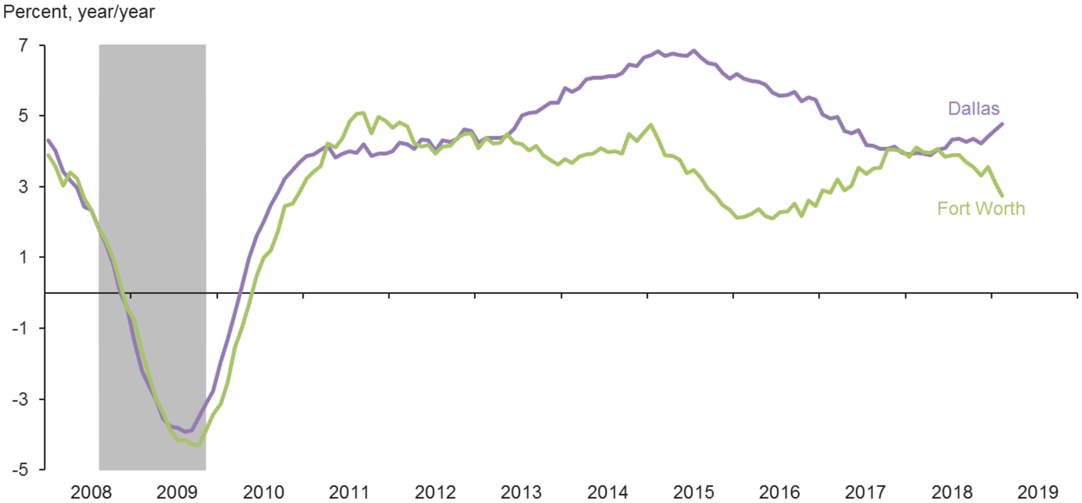


*Seasonally adjusted.
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal adjustments by the Dallas Fed.

Business-Cycle Indexes

The Dallas Business-Cycle Index strengthened in February as job growth improved and unemployment fell (*Chart 4*). The Dallas index rose an annualized 6.7 percent in February, quicker than January's 5.4 percent rate. Due to declining payrolls, the Fort Worth index dipped in February for the second straight month. Before diverging recently, the two metro indexes had tracked each other closely from late 2017 to mid-2018.

Chart 4
Business-Cycle Indexes



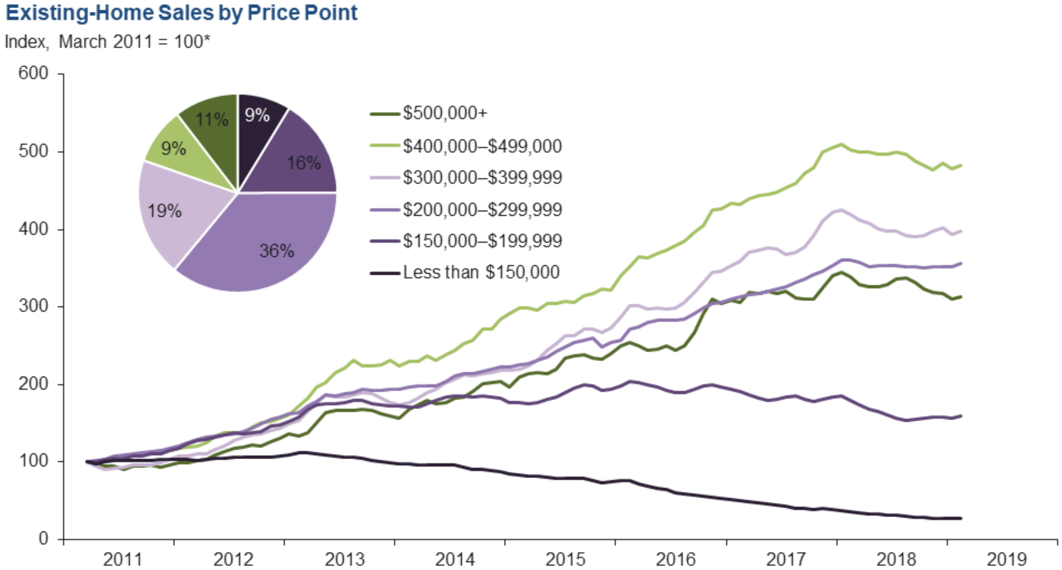
NOTE: Shaded bar indicates Texas recession.
SOURCE: Dallas Fed.

Housing

Home Sales Improve in February

DFW existing-home sales climbed in February following a decline the previous month. The three-month moving averages show broad-based increases across various price categories (*Chart 5*). Business contacts responding to the February Dallas Beige Book also noted an uptick in new-home sales since the start of the year relative to the end of 2018. Through February, total existing-home sales are trailing sales made over the same period in 2018. Sales of homes priced $200,000-plus softened last year after posting double-digit growth in 2012–17. Sales of homes priced below $150,000 have been sliding since mid-2013, and sales of homes priced $150,000–$199,999 dipped during 2017–18 due to lack of inventory.

Chart 5
Existing-Home Sales by Price Point

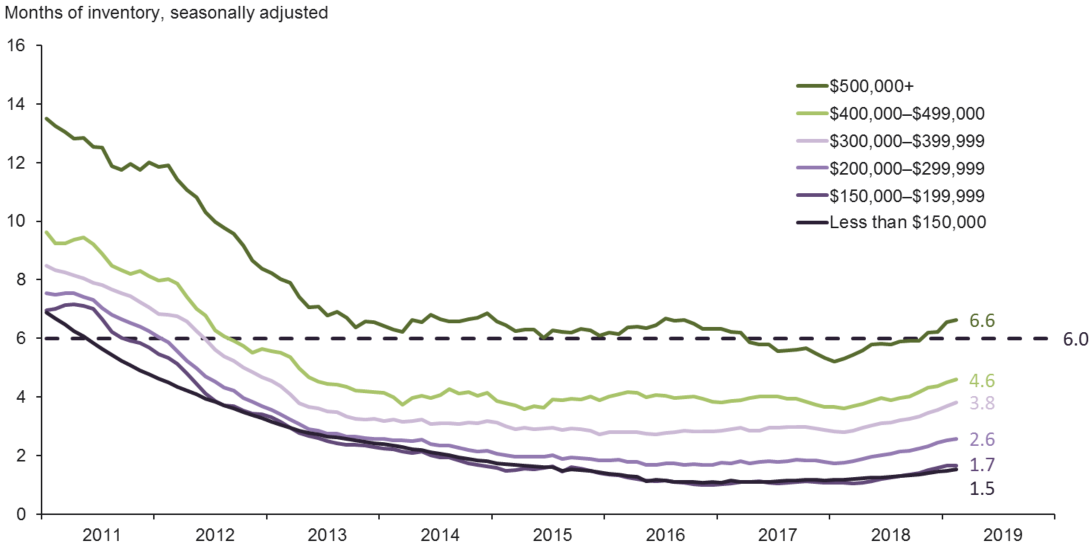


* Three-month moving average, seasonally adjusted.
NOTES: Data are through February 2019. Pie chart data are year to date 2019 and are not seasonally adjusted.
SOURCES: Multiple Listing Service; seasonal and other adjustments by the Dallas Fed.

Inventories Tight at Lower End

DFW existing-home inventories remained tight and well below the six months' supply typically associated with a balanced market. In February, overall inventories were at 3.5 months in Dallas and 2.7 months in Fort Worth. Inventories of entry-level homes (priced below $200,000) were the tightest at just over one month of supply, a level that has changed little over the past three years (*Chart 6*). Inventories of homes priced above $200,000 have been steadily rising since early 2018 and are above the six-month mark for homes priced $500,000 or more.

Chart 6
Existing-Home Inventories



NOTES: Dashed line at six months of inventory indicates balanced level of supply. Data are through February 2019.
SOURCES: Multiple Listing Service; seasonal and other adjustments by the Dallas Fed.

NOTE: Data may not match previously published numbers due to revisions.

About Dallas–Fort Worth Economic Indicators

Questions can be addressed to Laila Assanie at laila.assanie@dal.frb.org. *Dallas–Fort Worth Economic Indicators* is published every month on the Tuesday after state and metro employment data are released.

Texas Economic Indicators

Federal Reserve Bank of Dallas

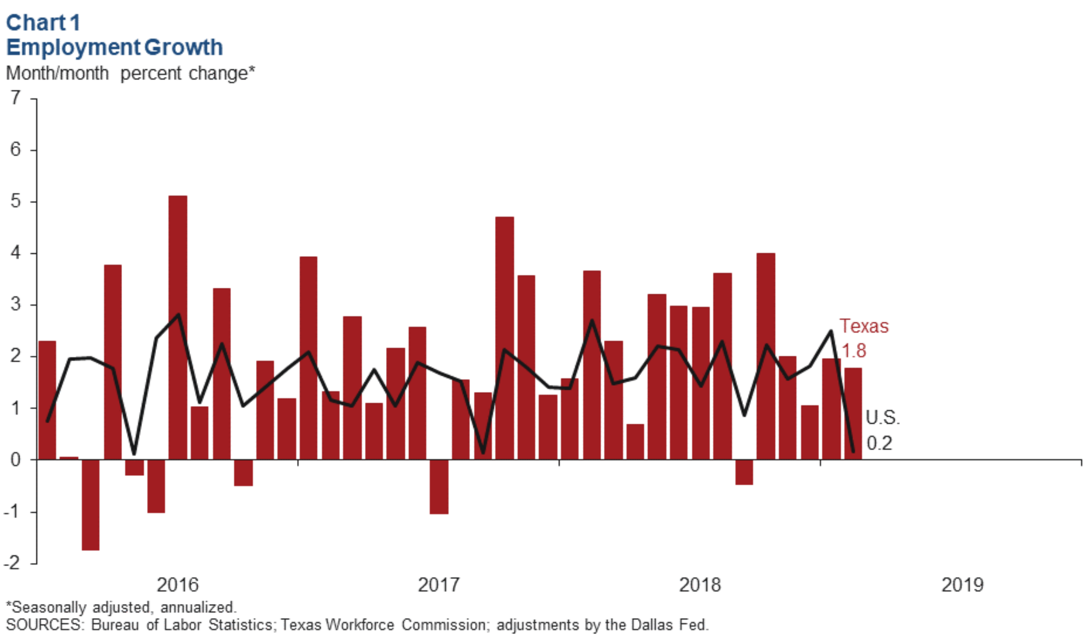
March 25, 2019

Texas economic indicators pointed to moderate economic growth in February. Job growth was near its long-run average, and unemployment remained low. The Texas Leading Index improved. Oil prices have been gradually rising since the beginning of the year, though the rig count has been falling. Construction spending slumped in the month, but existing-home sales improved.

Labor Market

Employment Growth Varied Across Metros, Industries

Texas employment expanded an annualized 1.8 percent in February, following downwardly revised January growth of 2.0 percent (*Chart 1*). Year-to-date employment growth of 1.9 percent slightly trails the state's long-run growth of 2.0 percent. The Dallas Fed's Texas Employment Forecast predicts 1.5 percent job growth in 2019 (December/December), with an 80 percent confidence band of 0.2 percent to 2.8 percent.



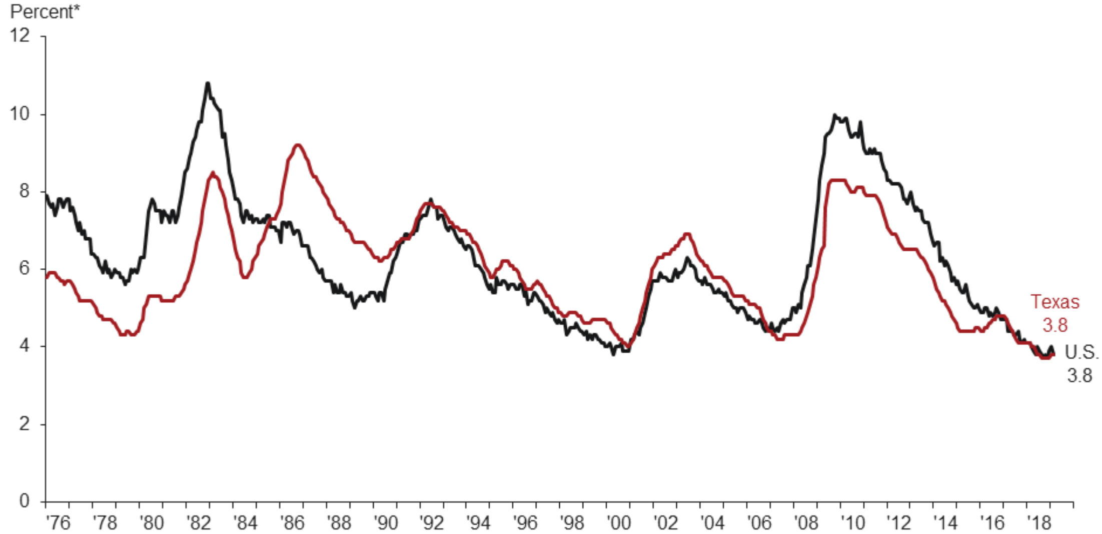
Most major Texas metros added jobs in February. While Fort Worth and El Paso shed jobs, Austin, Dallas and Houston expanded payrolls at a robust pace—6.6 percent, 5.7 percent and 4.3 percent, respectively. San Antonio's employment rose 1.3 percent and McAllen's rose 0.2 percent.

Job growth across major sectors was mixed in February. The oil and gas sector declined the most, shedding 11.6 percent of jobs, while leisure and hospitality saw the fastest growth at 5.7 percent. Overall, service-providing employment rose 2.1 percent in the month, and goods-producing employment inched up 0.2 percent.

Unemployment Rate Remains Near Historical Low

The Texas unemployment rate held steady at 3.8 percent in February, matching the U.S. rate (*Chart 2*). Both are well below their long-run averages, indicating continued labor market tightness. Unemployment rates dipped in all of the state's major metros. McAllen's 6.5 percent unemployment was the highest among the major metros, and Austin's 3.0 percent was the lowest.

Chart 2
Unemployment Rate

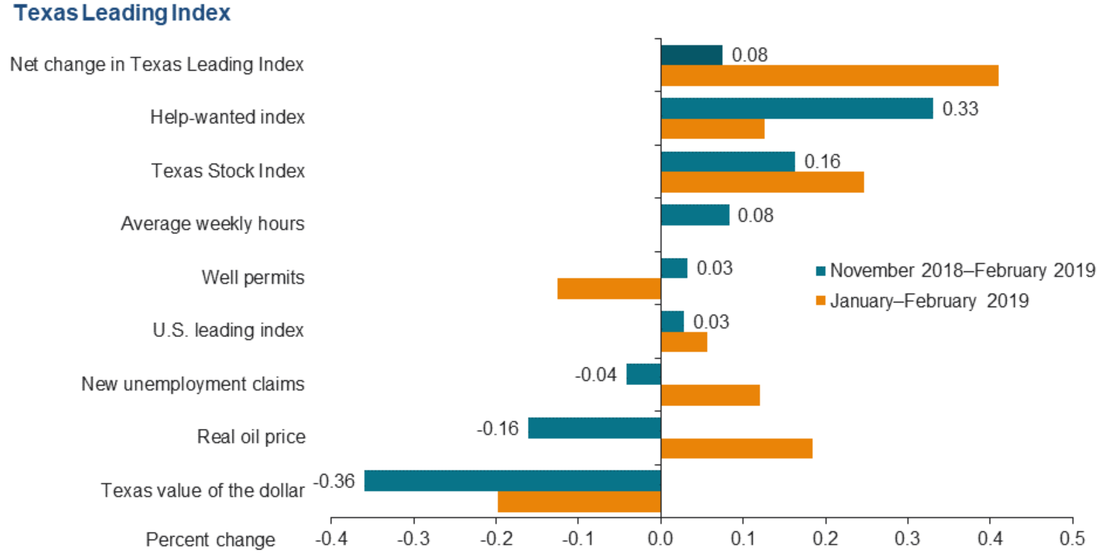


*Seasonally adjusted.
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; adjustments by the Dallas Fed.

Texas Leading Index

The Texas Leading Index, which is used to estimate the Dallas Fed's Texas Employment Forecast, sheds light on the future of the state's economy. The index improved in February, and the three-month change was softer but positive (*Chart 3*). Among the index's components, the Texas value of the dollar, oil prices and initial unemployment claims dampened the index's three-month growth, while the other components contributed positively.

Chart 3
Texas Leading Index

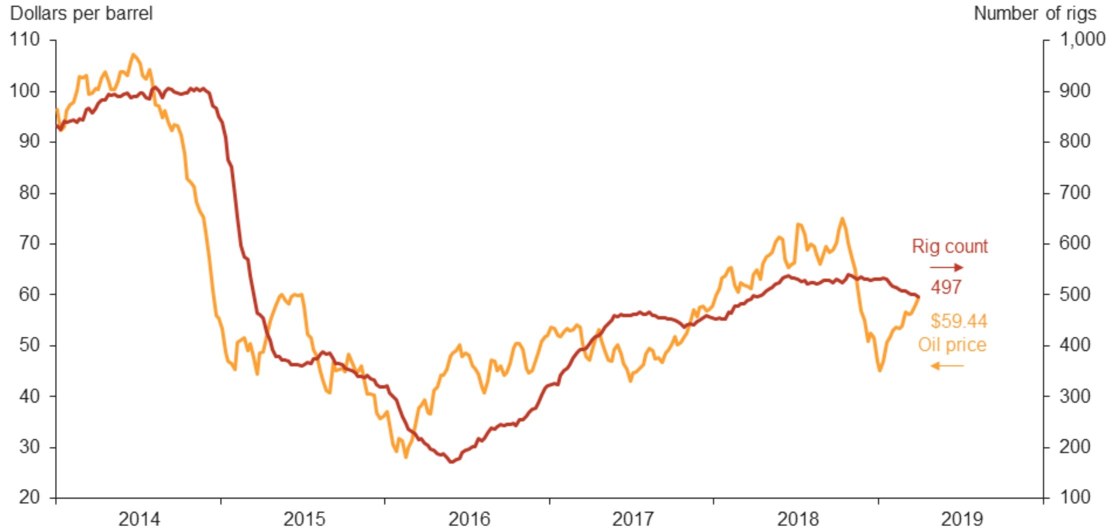


NOTES: Data are seasonally adjusted. Texas value of the dollar is estimated.
SOURCE: Dallas Fed.

Energy

The Texas rig count slid to 497 in the week ending March 22, marking the 11th consecutive week of decline (*Chart* 4). Oil prices edged up to $59.44 per barrel in the week but remained below their 2018 average of $65.02.

Chart 4
Energy Activity



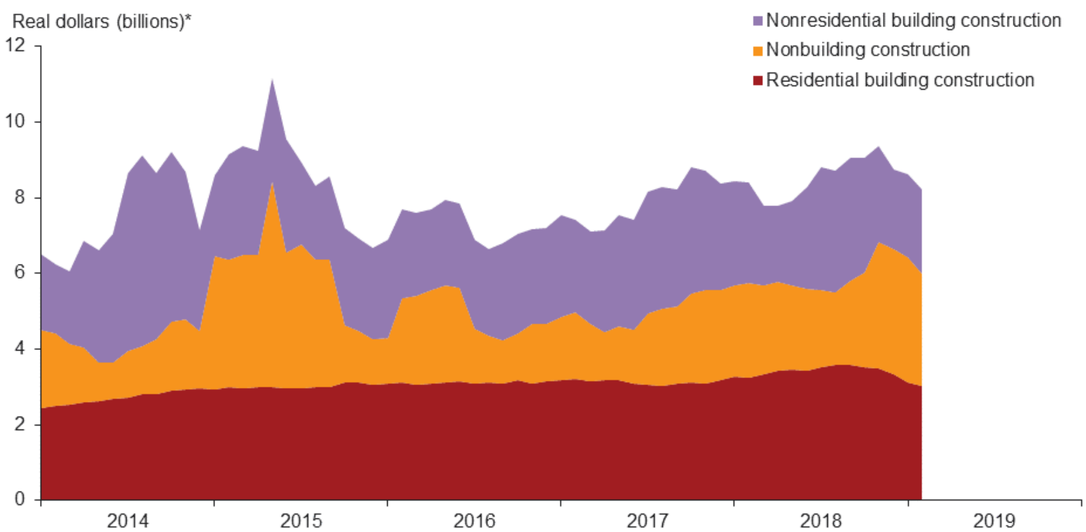
NOTES: Data are through the week ending March 22, 2019. Oil price is for West Texas Intermediate crude oil.
SOURCES: Baker Hughes; Energy Information Administration.

Real Estate

Construction Spending Weakens

Texas construction spending declined 8.6 percent in February, and the five-month moving average dropped 4.6 percent (*Chart* 5). The five-month moving average of nonbuilding construction contracted 10.6 percent, residential construction dipped 2.7 percent, and nonresidential building spending inched up 1.5 percent. Texas construction spending remains 12.4 percent above its long-run (January 2000–December 2018) average.

Chart 5
Construction

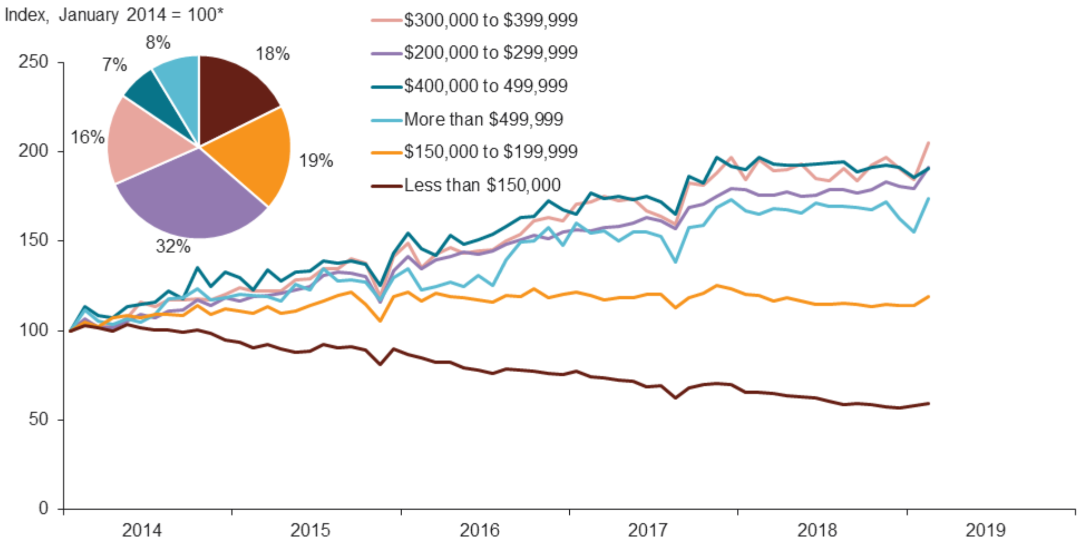


*Five-month moving average; seasonally adjusted.
SOURCE: F.W. Dodge.

Single-Family Home Sales Strengthen Across Price Ranges

Texas single-family existing-home sales increased 7.4 percent in February, and the expansion was widespread across price ranges (*Chart 6*). This growth follows a January decline in home sales, and sales have dipped 1.2 percent year to date compared with the same period in 2018. Sales of homes priced over $499,999 rose 11.9 percent in February—the most among the price points—followed by 10.9 percent growth in homes priced between $300,000 and $399,999. In the first two months of the year, compared with the same period last year, home sales under $150,000 dropped 10.6 percent, and sales between $150,000 and $199,999 and above $400,000 were down as well. Home inventories across most price ranges are below the six months of supply considered a balanced market, and they are tightest for lower-priced homes.

Chart 6
Single-Family Existing-Home Sales by Price Range



*Seasonally adjusted.
NOTES: Data are through February 2019. Pie chart refers to February 2019 share of sales.
SOURCES: Multiple Listing Service; Real Estate Center at Texas A&M University; seasonal and other adjustments by the Dallas Fed.

NOTE: Data may not match previously published numbers due to revisions.

About Texas Economic Indicators

Questions can be addressed to Stephanie Gullo at stephanie.gullo@dal.frb.org. *Texas Economic Indicators* is published every month on the Monday after Texas employment data are released.

March 2019 Economic Review

Texas CLASS Trading Desk (https://www.texasclass.com/author/texas-class-trading-desk/) March 13, 2019

In Like a Lion; Out Like a Lamb?

While growth has slowed, the U.S. economy is not in the lion's den. The U.S. economy cooled with only 2.6% GDP growth in Q4 2018, compared to 3.4% growth in Q3 2018, as the Federal Reserve takes a "patient" approach to interest rates. GDP remains above the average pace of expansion and still supports growth throughout 2019, just at lower levels than the year prior.

Trade tensions between the U.S. and China continue to roar but could be resolved before the end of the month and avoid calamb-ity. Despite the President's goal of reining in the U.S. trade deficit, the deficit continues to grow in light of tariffs as U.S. imports remain above exports according to the March 6 Commerce Department's report. Among the changes the administration is hoping China will make are an increased number of purchases of U.S. goods as well as greater access to China's markets for U.S. companies.

The February employment report released on March 8 stated that only 20,000 new jobs were created in February compared to 311,000 created in January. But low job growth supports continued upward pressure on wages, upholding the expectation for continued solid consumer spending. The unemployment rate declined to 3.8%, lowered in part by previously furloughed federal workers now back on the job. The lower unemployment rate gives the Federal Open Market Committee (FOMC) another reason to be patient about further rate hikes.

On the monetary policy front, the FOMC will vote on the Fed Funds rate target range on March 20, 2019, and the expectation is that the range will remain unchanged at 2.25%-2.50% partly due to little inflationary pressure. The inability of the UK Parliament to agree on a Brexit deal and the volatility in the markets continue to be clouds hanging over the global economy. Weaker growth expectations in the U.S., the Eurozone, and China are likely to lead to a slower pace of monetary policy tightening; however, the timing of the next recession in the world's largest economies remains much longer than two shakes of a lamb's tail.

Treasury Yields

Maturity	3/7/19	2/6/19
3-Month	2.401%	2.412%
6-Month	2.517%	2.494%
1-Year	2.520%	2.549%
2-Year	2.473%	2.524%
3-Year	2.444%	2.497%
5-Year	2.440%	2.503%
10-Year	2.639%	2.695%
30-Year	3.026%	3.033%

Agency Yields

Maturity	3/7/19	2/6/19
3-Month	2.402%	2.384%
6-Month	2.486%	2.472%
1-Year	2.541%	2.540%
2-Year	2.501%	2.558%
3-Year	2.492%	2.562%
5-Year	2.562%	2.658%

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

Maturity	3/7/19	2/6/19
1-Month	2.440%	2.460%
3-Month	2.560%	2.630%
6-Month	2.620%	2.710%