

Texas Cooperative Liquid Assets Securities System Trust



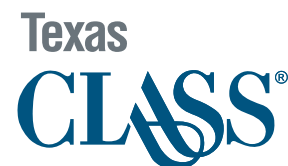
Annual Report

JUNE 30, 2022
(REPORT OF INDEPENDENT AUDITORS WITHIN)

Texas CLASS Rated AAA_m by S&P Global Ratings

Texas CLASS Government Rated AAA_m by S&P Global Ratings

S&P Global Ratings in no way guarantee favorable performance results and should not be construed as safety in an investment.



Chairwoman's Letter

June 30, 2022

To the Participants of Texas CLASS:

On behalf of the Texas CLASS Board of Trustees, Advisory Board, and our administrator and investment advisor, Public Trust Advisors, LLC (Public Trust), I am pleased to present the Texas CLASS Annual Report for the year ended June 30, 2022.

I first want to express my sincere gratitude to the valued Texas CLASS Participants after another unpredictable year; it is due in large part to your continued faith in us that we have been able to successfully navigate these challenging times. It is our mission to provide a reliable, safe, and trustworthy investment resource to local governments around the state, and we are proud to offer services that you can trust so that you can focus on working for your great communities.

The second half of 2021 was very reminiscent of 2020 including the prevailing economic conditions and near-zero interest rate environment. The labor market continued to mend following the complications brought on by the pandemic, and persistent global supply chain disruptions placed upward pressure on inflation. Unfortunately, COVID-19 remained very much a part of everyday life and, in many ways, it still clouds the economic outlook for the remainder of 2022. However, the start of the new year did bring Texas CLASS Participants some good news – in an effort to combat inflation, the Federal Open Market Committee increased rates over the first half of this year at an unprecedented pace. The current target range for the Fed Funds Rate is 2.25-2.50% and it is widely anticipated that the rates will continue to rise through the end of 2022.

As the economy continues to recover from the pandemic, the Fed's more hawkish tone has Texas CLASS Participants well-positioned to take advantage of the rising rate environment, both in the Prime and Government style portfolios. Of course, the safety of your investments under our management has always been and will always be our top priority. To that end, the Board of Trustees, the Advisory Board and our trusted partners at Public Trust Advisors remain steadfastly diligent in the review of the investments made on your behalf.

As Texas CLASS approaches thirty years of operations, the investment and operations teams at Public Trust have a well-developed understanding of the cash flow cycles related to the various participating entity types. This knowledge allows the teams to customize the portfolios to maximize yields without compromising Participant access to daily liquidity. Over the past fiscal year, Texas CLASS Participants requested nearly 13 thousand withdrawals totaling more than \$19.6 billion. Even with persistently low interest rates, the two pools (Prime and Government) were able to provide a grand total of more than \$44.5 million in interest earnings for Participants during the fiscal year!

Lastly, I'd like to personally thank Mr. Steve Williams, who following a decade of extraordinary service as Board Chair, passed the leadership role on to me during the Board's regularly scheduled meeting in May of this year. Mr. Williams is a consummate professional, whose thoughtful leadership has guided the Texas CLASS organization to the all-time highs in participation and asset growth we are experiencing today. Big shoes to fill! I am both excited and grateful for the opportunity to serve the CLASS Participants alongside Steve and our other outstanding Trustees, Advisory members, and Public Trust personnel.

As your Chairwoman, it is a pleasure and an honor to represent the Texas CLASS Board of Trustees. The Board is devoted to providing our Participants with transparent oversight, meeting regularly to monitor the funds and operations on your behalf. Each year reminds us that the Texas CLASS Participants are in fact our greatest asset.

Respectfully,



Cindy Yeatts Brown
Chairwoman, Board of Trustees

Independent Auditors' Report



CliftonLarsonAllen LLP
CLAAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Texas Cooperative Liquid Assets Securities System Trust
C/O Public Trust Advisors
Denver, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Texas Cooperative Liquid Assets Securities System Trust (Texas CLASS), which comprise the statement of net assets as of June 30, 2022, the statement of operations for the year then ended, the related statements of changes in net assets for the years ended June 30, 2022 and 2021, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Texas CLASS as of June 30, 2022, the results of its operations for the year then ended, and the changes in its net assets for the years ended June 30, 2022 and 2021 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Texas CLASS and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Texas CLASS's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Board of Trustees
Texas Cooperative Liquid Assets Securities System

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Texas CLASS's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Texas CLASS's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the Chairwoman's letter and Board of Trustees listing but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



CliftonLarsonAllen LLP

Los Angeles, California
August 19, 2022

STATEMENT OF NET ASSETS (TEXAS CLASS) – JUNE 30, 2022

INVESTMENTS, AT FAIR VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Fair Value
Repurchase Agreements (7%)*					
BofA Securities Inc. Tri-Party (Collateralized by U.S. Government Agency Securities with coupon rates between 1.00% and 5.97% and maturing between 10/01/2028 and 04/01/2059.) Fair value plus accrued interest: \$375,832,902	\$368,463,629	1.49%	07/01/2022	1.49%	\$368,463,629
BofA Securities Inc. Tri-Party (Collateralized by a U.S. Government Treasury Security with a coupon rate of 1.625% and maturing on 05/15/2031.) Fair value plus accrued interest: \$13,392,706	13,130,102	1.49	07/01/2022	1.49	13,130,102
Bank of Montreal Tri-Party (Collateralized by U.S. Government Treasury Securities with coupon rates between 0.00% and 3.25% and maturing between 07/07/2022 and 08/15/2050.) Fair value plus accrued interest: \$42,924,536	42,082,879	1.47	07/01/2022	1.47	42,082,879
Goldman Sachs & Co. Tri-Party (Collateralized by U.S. Government Agency Securities with coupon rates between 2.50% and 3.00% and maturing between 07/20/2047 and 02/20/2051.) Fair value plus accrued interest: \$204,000,001	200,000,000	1.48	07/01/2022	1.48	200,000,000
J.P. Morgan Securities LLC Tri-Party (Collateralized by a U.S. Government Treasury Security with a coupon rate of 2.875% and maturing on 08/15/2045.) Fair value plus accrued interest: \$198,900,019	195,000,000	1.51	07/01/2022	1.51	195,000,000
J.P. Morgan Securities LLC Tri-Party (Collateralized by U.S. Government Agency Securities with coupon rates between 2.00% and 3.96% and maturing between 12/01/2025 and 05/01/2052.) Fair value plus accrued interest: \$204,000,000	200,000,000	1.55	07/01/2022	1.55	200,000,000
Royal Bank of Canada NY Tri-Party (Collateralized by U.S. Government Treasury and Agency Securities with coupon rates between 0.00% and 6.125% and maturing between 10/31/2022 and 12/20/2071.) Fair value plus accrued interest: \$136,713,090	134,032,440	1.45	07/01/2022	1.45	134,032,440
Cost of (\$1,152,709,050)					<u>1,152,709,050</u>
Money Market Funds (2%)*					
Allspring Government Money Market Fund - Select Class	1,558,410	1.26-Var.		1.26	1,558,410
Fidelity Government Portfolio - Institutional Class	6,326,904	1.24-Var.		1.24	6,326,904
RBC U.S. Government Fund - Institutional Class	55,636,153	1.23-Var.		1.23	55,636,153

* Denotes percentage of net assets

The accompanying notes are an integral part of these financial statements

STATEMENT OF NET ASSETS (TEXAS CLASS) – JUNE 30, 2022

INVESTMENTS, AT FAIR VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Fair Value
State Street Institutional U.S. Government Fund - Premier Class	\$188,107,251	1.43%-Var.		1.43%	\$188,107,251
Cost of (\$251,628,718)					251,628,718
Commercial Paper (91%)*					
Anglesea Funding LLC	150,000,000	1.75-Var.	07/01/2022	1.75	149,999,700
BofA Securities Inc.	100,000,000	1.73-Var.	07/01/2022	1.73	99,999,800
CDP Financial Inc.	175,000,000	Disc**	07/05/2022	1.58	174,962,058
Royal Bank of Canada New York	100,000,000	Disc**	07/05/2022	1.58	99,978,319
Svenska Handelsbanken AB	98,000,000	Disc**	07/05/2022	1.56	97,979,039
J.P. Morgan Securities LLC	100,000,000	Disc**	07/06/2022	1.63	99,973,233
Nordea Bank Abp	100,000,000	Disc**	07/06/2022	1.59	99,973,900
Nordea Bank Abp	100,000,000	Disc**	07/07/2022	1.59	99,969,472
Skandinaviska Enskilda Banken AB	98,500,000	Disc**	07/07/2022	1.58	98,470,122
BMO Financial Group	125,000,000	Disc**	07/08/2022	1.60	124,956,111
BPCE	100,000,000	Disc**	07/08/2022	1.59	99,965,089
Toyota Motor Credit Corp.	125,000,000	Disc**	07/08/2022	1.60	124,956,084
Thunder Bay Funding LLC	60,000,000	1.68-Var.	07/11/2022	1.68	59,996,880
GTA Funding LLC	25,700,000	Disc**	07/12/2022	1.62	25,686,310
The Toronto-Dominion Bank	150,000,000	1.64-Var.	07/12/2022	1.64	149,992,725
Alinghi Funding Co. LLC	70,000,000	Disc**	07/13/2022	1.65	69,958,772
Collateralized Commercial Paper V Co. LLC	74,750,000	Disc**	07/13/2022	1.62	74,706,784
BMO Financial Group	100,000,000	1.66-Var.	07/14/2022	1.66	99,990,700
BNZ International Funding Ltd. of London	100,000,000	1.02-Var.	07/18/2022	1.02	99,992,500
Caisse d'Amortissement de la Dette Sociale	125,000,000	Disc**	07/19/2022	1.67	124,891,608
Anglesea Funding LLC	119,500,000	1.73-Var.	07/20/2022	1.73	119,491,994
Alinghi Funding Co. LLC	80,000,000	Disc**	07/21/2022	0.59	79,972,936
ING (U.S.) Funding LLC	125,000,000	Disc**	07/26/2022	1.75	124,844,625
Ionic Capital II Trust	56,250,000	1.77-Var.	07/26/2022	1.77	56,252,723
The Toronto-Dominion Bank	75,000,000	Disc**	07/28/2022	1.68	74,903,692
Collateralized Commercial Paper V Co. LLC	98,000,000	Disc**	07/29/2022	1.74	97,865,005
Citigroup Global Markets	98,000,000	Disc**	08/01/2022	1.91	97,836,493
Svenska Handelsbanken AB	100,000,000	1.67-Var.	08/01/2022	1.67	99,985,800
Mackinac Funding Company, LLC	59,100,000	Disc**	08/02/2022	1.81	59,003,189
Westpac Banking Corp.	147,000,000	1.65-Var.	08/02/2022	1.65	146,977,068
PSP Capital Inc.	157,000,000	1.63-Var.	08/03/2022	1.63	157,034,540
LMA Americas LLC	68,500,000	Disc**	08/04/2022	1.79	68,382,456
Mitsubishi UFJ Trust & Banking Corp. Singapore	49,000,000	Disc**	08/04/2022	1.81	48,914,964
Export Development Canada	50,000,000	Disc**	08/05/2022	1.79	49,912,100
Old Line Funding LLC	50,000,000	1.72-Var.	08/08/2022	1.72	49,992,400
Svenska Handelsbanken AB	143,000,000	1.67-Var.	08/08/2022	1.67	142,978,264
United Overseas Bank Ltd.	100,000,000	Disc**	08/08/2022	1.81	99,807,058
Westpac Banking Corp.	80,000,000	1.65-Var.	08/08/2022	1.65	79,989,280
CDP Financial Inc.	100,000,000	Disc**	08/09/2022	1.81	99,802,222
GTA Funding LLC	35,000,000	Disc**	08/09/2022	1.84	34,929,611
Citigroup Global Markets	100,000,000	Disc**	08/10/2022	1.99	99,777,500
Collateralized Commercial Paper V Co. LLC	96,000,000	1.69-Var.	08/11/2022	1.69	95,994,595
Dexia Credit Local SA New York	125,000,000	Disc**	08/11/2022	1.84	124,736,334
Old Line Funding LLC	73,500,000	1.73-Var.	08/11/2022	1.73	73,492,650
PSP Capital Inc.	50,000,000	Disc**	08/11/2022	1.85	49,893,717

* Denotes percentage of net assets ** Denotes securities purchased with a zero coupon rate

The accompanying notes are an integral part of these financial statements

STATEMENT OF NET ASSETS (TEXAS CLASS) – JUNE 30, 2022

INVESTMENTS, AT FAIR VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Fair Value
DBS Bank Ltd.	\$150,000,000	Disc**	08/12/2022	1.86%	\$149,672,663
Atlantic Asset Securitization LLC	48,000,000	1.69-Var.	08/15/2022	1.69	47,987,136
Mitsubishi UFJ Trust & Banking Corp. Singapore	50,000,000	Disc**	08/15/2022	1.89	49,881,039
National Australia Bank Ltd.	73,500,000	1.66-Var.	08/15/2022	1.66	73,483,095
Anglesea Funding LLC	50,000,000	1.73-Var.	08/16/2022	1.73	49,990,200
Toyota Motor Credit Corp.	72,000,000	1.69-Var.	08/16/2022	1.69	71,984,952
Chariot Funding LLC	45,000,000	1.70-Var.	08/17/2022	1.70	44,991,000
DBS Bank Ltd.	75,000,000	Disc**	08/17/2022	1.91	74,812,400
Jupiter Securitization Co. LLC	58,000,000	1.70-Var.	08/17/2022	1.70	57,988,400
NRW. Bank	125,000,000	Disc**	08/17/2022	1.93	124,684,334
Matchpoint Finance PLC	75,000,000	1.70-Var.	08/19/2022	1.70	74,985,450
PSP Capital Inc.	85,000,000	Disc**	08/22/2022	1.99	84,755,479
Mitsubishi UFJ Trust & Banking Corp. Singapore	50,000,000	Disc**	08/23/2022	1.95	49,856,150
KFW	150,000,000	Disc**	08/24/2022	1.94	149,563,200
National Australia Bank Ltd.	125,000,000	1.69-Var.	08/24/2022	1.69	124,969,500
Royal Bank of Canada New York	100,000,000	1.69-Var.	08/24/2022	1.69	99,971,000
Commonwealth Bank of Australia	100,000,000	1.69-Var.	08/25/2022	1.69	99,975,200
Westpac Securities NZ Ltd.	75,000,000	Disc**	08/25/2022	1.90	74,781,717
KFW	150,000,000	Disc**	08/26/2022	2.01	149,529,513
KFW	150,000,000	Disc**	08/29/2022	2.13	149,477,250
Canadian Imperial Bank of Commerce	100,000,000	1.68-Var.	08/31/2022	1.68	99,990,000
Canadian Imperial Bank of Commerce	125,000,000	Disc**	09/01/2022	1.82	124,608,219
Skandinaviska Enskilda Banken AB	125,000,000	Disc**	09/01/2022	1.92	124,587,875
Cooperatieve Rabobank U.A.	100,000,000	Disc**	09/02/2022	1.95	99,658,489
Svenska Handelsbanken AB	125,000,000	Disc**	09/02/2022	1.97	124,568,666
Skandinaviska Enskilda Banken AB	100,000,000	Disc**	09/06/2022	1.96	99,636,578
DBS Bank Ltd.	75,000,000	Disc**	09/07/2022	2.14	74,698,269
Swedbank AB	125,000,000	Disc**	09/07/2022	2.02	124,525,625
Alinghi Funding Co. LLC	55,000,000	Disc**	09/08/2022	2.01	54,788,305
Goldman Sachs International	123,000,000	Disc**	09/08/2022	2.12	122,501,816
The Bank of Nova Scotia	125,000,000	Disc**	09/08/2022	2.03	124,514,618
CDP Financial Inc.	123,500,000	Disc**	09/09/2022	2.10	122,996,786
Goldman Sachs International	75,000,000	Disc**	09/09/2022	2.13	74,690,411
The Bank of Nova Scotia	98,000,000	1.68-Var.	09/09/2022	1.68	97,969,506
Svenska Handelsbanken AB	80,000,000	1.68-Var.	09/12/2022	1.68	79,970,480
BNZ International Funding Ltd. of London	44,000,000	Disc**	09/13/2022	2.14	43,807,500
Citigroup Global Markets	100,000,000	Disc**	09/14/2022	2.25	99,532,811
Swedbank AB	100,000,000	Disc**	09/15/2022	2.22	99,533,100
ASB Bank Ltd.	123,000,000	Disc**	09/16/2022	2.17	122,432,888
Goldman Sachs International	100,000,000	Disc**	09/20/2022	2.31	99,484,800
Nordea Bank Abp	113,000,000	Disc**	09/20/2022	1.96	112,504,269
Sumitomo Mitsui Trust Bank, Ltd. Singapore	90,000,000	Disc**	09/20/2022	2.02	89,593,110
Canadian Imperial Bank of Commerce	65,000,000	Disc**	09/21/2022	2.04	64,700,578
Royal Bank of Canada New York	123,000,000	Disc**	09/21/2022	2.34	122,348,325
Westpac Securities NZ Ltd.	73,000,000	Disc**	09/21/2022	2.14	72,646,727
Australia & New Zealand Banking Group Ltd.	113,000,000	Disc**	09/22/2022	2.18	112,436,280
The Toronto-Dominion Bank	123,000,000	1.97-Var.	09/23/2022	1.97	122,987,700
National Australia Bank Ltd.	100,000,000	Disc**	09/26/2022	2.22	99,468,700
Ridgefield Funding Co. LLC	100,000,000	Disc**	09/26/2022	2.43	99,417,200

** Denotes securities purchased with a zero coupon rate

The accompanying notes are an integral part of these financial statements

STATEMENT OF NET ASSETS (TEXAS CLASS) – JUNE 30, 2022

INVESTMENTS, AT FAIR VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Fair Value
Bedford Row Funding Corp.	\$75,000,000	1.93%-Var.	09/27/2022	1.93%	\$75,001,500
BNP Paribas SA	125,000,000	1.89-Var.	10/03/2022	1.89	125,000,000
Charta LLC	50,000,000	Disc**	10/03/2022	2.20	49,714,800
The Bank of Nova Scotia	85,000,000	1.91-Var.	10/03/2022	1.91	85,012,730
The Bank of Nova Scotia	98,000,000	1.88-Var.	10/03/2022	1.88	98,006,910
Starbird Funding Corp.	32,000,000	Disc**	10/04/2022	2.41	31,798,208
LMA Americas LLC	31,000,000	Disc**	10/05/2022	2.61	30,786,586
National Australia Bank Ltd.	75,000,000	Disc**	10/05/2022	2.29	74,545,717
Charta LLC	43,500,000	Disc**	10/06/2022	2.35	43,227,255
The Toronto-Dominion Bank	75,000,000	1.86-Var.	10/06/2022	1.86	75,063,000
United Overseas Bank Ltd.	150,000,000	1.70-Var.	10/07/2022	1.70	149,925,900
Commonwealth Bank of Australia	75,000,000	1.84-Var.	10/12/2022	1.84	74,987,025
Swedbank AB	65,000,000	1.86-Var.	10/13/2022	1.86	64,992,395
The Bank of Nova Scotia	125,000,000	1.85-Var.	10/13/2022	1.85	124,987,500
Fairway Finance Company, LLC	50,000,000	Disc**	10/14/2022	2.50	49,639,453
Oversea-Chinese Banking Corp. Ltd.	125,000,000	1.69-Var.	10/14/2022	1.69	124,926,750
Fairway Finance Company, LLC	39,000,000	Disc**	10/17/2022	2.53	38,707,744
Old Line Funding LLC	32,000,000	1.88-Var.	10/17/2022	1.88	31,997,088
Old Line Funding LLC	71,500,000	Disc**	10/19/2022	2.68	70,922,178
Australia & New Zealand Banking Group Ltd.	75,000,000	Disc**	10/20/2022	2.44	74,442,800
Fairway Finance Company, LLC	50,000,000	Disc**	10/20/2022	2.56	49,610,956
Old Line Funding LLC	41,000,000	1.89-Var.	10/20/2022	1.89	40,996,187
ANZ New Zealand (Int'l) Limited of London	54,425,000	1.86-Var.	10/21/2022	1.86	54,422,224
Bedford Row Funding Corp.	72,000,000	Disc**	10/21/2022	2.52	71,442,684
Westpac Banking Corp.	75,000,000	1.86-Var.	10/25/2022	1.86	74,990,250
Chariot Funding LLC	74,000,000	1.91-Var.	10/26/2022	1.91	73,997,558
Swedbank AB	100,000,000	1.88-Var.	10/26/2022	1.88	99,990,200
United Overseas Bank Ltd.	125,000,000	1.70-Var.	10/26/2022	1.70	124,931,500
J.P. Morgan Securities LLC	114,500,000	1.89-Var.	10/27/2022	1.89	114,484,886
Skandinaviska Enskilda Banken AB	100,000,000	1.91-Var.	10/28/2022	1.91	100,003,000
The Bank of Nova Scotia	50,000,000	1.93-Var.	11/01/2022	1.93	50,001,541
Citigroup Global Markets	125,000,000	Disc**	11/02/2022	2.66	123,870,226
Collateralized Commercial Paper V Co. LLC	100,000,000	1.93-Var.	11/02/2022	1.93	100,019,000
BMO Financial Group	97,000,000	1.91-Var.	11/03/2022	1.91	96,966,147
Canadian Imperial Holdings Inc.	97,000,000	1.90-Var.	11/03/2022	1.90	96,969,542
The Toronto-Dominion Bank	75,000,000	1.93-Var.	11/03/2022	1.93	74,994,675
Citigroup Global Markets	75,000,000	Disc**	11/07/2022	2.70	74,285,271
Oversea-Chinese Banking Corp. Ltd.	58,000,000	1.88-Var.	11/07/2022	1.88	57,981,020
Royal Bank of Canada	100,000,000	1.86-Var.	11/07/2022	1.86	99,964,000
Commonwealth Bank of Australia	100,000,000	1.86-Var.	11/08/2022	1.86	99,974,600
Royal Bank of Canada	50,000,000	1.85-Var.	11/09/2022	1.85	49,979,900
Chariot Funding LLC	125,000,000	1.92-Var.	11/10/2022	1.92	124,990,750
Swedbank AB	100,000,000	1.91-Var.	11/10/2022	1.91	99,992,600
Oversea-Chinese Banking Corp. Ltd.	40,000,000	1.91-Var.	11/14/2022	1.91	39,998,400
Commonwealth Bank of Australia	75,000,000	1.91-Var.	11/28/2022	1.91	74,987,475
Collateralized Commercial Paper V Co. LLC	100,000,000	Disc**	11/29/2022	2.85	98,828,333
National Australia Bank Ltd.	75,000,000	1.92-Var.	12/01/2022	1.92	74,990,400
Skandinaviska Enskilda Banken AB	60,000,000	1.94-Var.	12/01/2022	1.94	60,000,000
Australia & New Zealand Banking Group Ltd.	88,000,000	1.92-Var.	12/02/2022	1.92	88,029,920

** Denotes securities purchased with a zero coupon rate
The accompanying notes are an integral part of these financial statements

STATEMENT OF NET ASSETS (TEXAS CLASS) – JUNE 30, 2022

INVESTMENTS, AT FAIR VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Fair Value
LMA Americas LLC	\$100,000,000	Disc**	12/02/2022	2.94%	\$98,766,458
La Fayette Asset Securitization LLC	43,000,000	1.98-Var.	12/06/2022	1.98	43,003,870
Collateralized Commercial Paper V Co. LLC	30,000,000	Disc**	12/07/2022	2.91	29,621,733
Mackinac Funding Company, LLC	86,000,000	Disc**	12/07/2022	2.90	84,922,248
Old Line Funding LLC	37,750,000	Disc**	12/08/2022	3.10	37,240,313
Starbird Funding Corp.	38,000,000	Disc**	12/08/2022	3.02	37,500,873
Thunder Bay Funding LLC	37,750,000	Disc**	12/08/2022	2.92	37,269,858
Ridgefield Funding Co. LLC	88,000,000	Disc**	12/09/2022	3.01	86,839,720
Fairway Finance Company, LLC	30,000,000	Disc**	12/12/2022	2.85	29,617,890
Atlantic Asset Securitization LLC	38,000,000	1.98-Var.	12/13/2022	1.98	37,991,260
Australia & New Zealand Banking Group Ltd.	100,000,000	Disc**	12/14/2022	2.86	98,707,606
LMA Americas LLC	75,000,000	Disc**	12/14/2022	2.90	74,017,575
Collateralized Commercial Paper V Co. LLC	55,000,000	1.98-Var.	12/19/2022	1.98	55,000,000
Australia & New Zealand Banking Group Ltd.	80,000,000	1.94-Var.	12/20/2022	1.94	80,030,400
Swedbank AB	60,000,000	1.95-Var.	12/20/2022	1.95	59,981,053
Svenska Handelsbanken AB	80,000,000	1.95-Var.	12/22/2022	1.95	80,000,000
Australia & New Zealand Banking Group Ltd.	67,500,000	1.94-Var.	12/23/2022	1.94	67,503,375
National Australia Bank Ltd.	50,000,000	1.99-Var.	12/29/2022	1.99	49,995,000
Westpac Banking Corp.	59,000,000	1.94-Var.	01/05/2023	1.94	59,000,000
Royal Bank of Canada	66,000,000	1.96-Var.	01/17/2023	1.96	65,985,480
Canadian Imperial Holdings Inc.	45,000,000	1.96-Var.	01/18/2023	1.96	44,982,450
Thunder Bay Funding LLC	100,000,000	2.02-Var.	01/27/2023	2.02	99,990,000
The Toronto-Dominion Bank	60,000,000	1.98-Var.	01/30/2023	1.98	60,000,000
Cost of (\$14,336,061,666)					<u>14,326,455,677</u>
Total Investments in Securities					
Cost of (\$15,740,399,434)					<u>15,730,793,445</u>
Deposit Balances In Custody Banks (0%)*					
CBank	15,681,738	1.61-Var.		1.61	15,681,738
UMB Bank N.A.	29,437,240	0.10-Var.		0.10	29,437,240
Cost of (\$45,118,978)					<u>45,118,978</u>
Other Assets					
Accrued Interest Receivable					6,597,205
Receivable for Shares Sold					10,039,049
Receivable for Securities Sold					25,000,000
Total Assets					<u>15,817,548,677</u>
Less Liabilities					
Administration and Investment Advisory Fees					1,242,743
Miscellaneous Payable					54,726
Payable for Shares Redeemed					1,270,176
Total Liabilities					<u>2,567,645</u>
Net Assets					<u>\$15,814,981,032</u>

* Denotes percentage of net assets ** Denotes securities purchased with a zero coupon rate
The accompanying notes are an integral part of these financial statements

STATEMENT OF NET ASSETS (TEXAS CLASS) – JUNE 30, 2022
INVESTMENTS, AT FAIR VALUE

Components of Capital	
Capital (Par Value)	\$15,824,587,021
Unrealized Depreciation on Investments	(9,605,989)
Net Assets	<u>\$15,814,981,032</u>
Outstanding Participant Shares	<u>15,824,587,021</u>
Net Asset Value per Share	<u>\$1.00</u>

The accompanying notes are an integral part of these financial statements

STATEMENT OF NET ASSETS (TEXAS GOVERNMENT PORTFOLIO) – JUNE 30, 2022

INVESTMENTS, AT FAIR VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Fair Value
Repurchase Agreements (14%)*					
BofA Securities Inc. Tri-Party (Collateralized by a U.S. Government Agency Security with a coupon rate of 2.50% and maturing on 12/01/2051.) Fair value plus accrued interest: \$38,035,830	\$37,290,029	1.49%	07/01/2022	1.49%	\$37,290,029
J.P. Morgan Securities LLC Tri-Party (5%)* (Collateralized by a U.S. Government Treasury Security with a coupon rate of 0.00% and maturing on 11/15/2050.) Fair value plus accrued interest: \$76,500,020	75,000,000	1.51	07/01/2022	1.51	75,000,000
J.P. Morgan Securities LLC Tri-Party (7%)* (Collateralized by U.S. Government Treasury and Agency Securities with coupon rates between 0.00% and 7.50% and maturing between 07/01/2023 and 06/01/2052.) Fair value plus accrued interest: \$102,000,000	100,000,000	1.55	07/01/2022	1.55	100,000,000
Royal Bank of Canada NY Tri-Party (Collateralized by U.S. Government Treasury and Agency Securities with coupon rates between 0.00% and 4.50% and maturing between 12/29/2022 and 06/01/2052.) Fair value plus accrued interest: \$3,071,487	3,011,251	1.45	07/01/2022	1.45	3,011,251
Cost of (\$215,301,280)					<u>215,301,280</u>
U.S. Government Treasury Securities (32%)*					
U.S. Treasury Bill	15,000,000	Disc.**	07/05/2022	0.95	14,998,058
U.S. Treasury Bill	15,000,000	Disc.**	07/07/2022	0.64	14,998,159
U.S. Treasury Bill	15,000,000	Disc.**	07/12/2022	0.93	14,995,417
U.S. Treasury Bill	30,000,000	Disc.**	07/14/2022	0.96	29,988,923
U.S. Treasury Bill	15,000,000	Disc.**	07/19/2022	1.02	14,992,041
U.S. Treasury Bill	15,000,000	Disc.**	07/21/2022	0.96	14,991,698
U.S. Treasury Bill	15,000,000	Disc.**	07/28/2022	0.94	14,989,144
U.S. Treasury Bill	20,000,000	Disc.**	08/04/2022	1.15	19,977,924
U.S. Treasury Bill	30,000,000	Disc.**	08/11/2022	1.32	29,954,345
U.S. Treasury Bill	15,000,000	Disc.**	08/18/2022	1.33	14,973,300
U.S. Treasury Bill	15,000,000	Disc.**	09/01/2022	1.52	14,960,766
U.S. Treasury Bill	15,000,000	Disc.**	09/06/2022	1.57	14,956,171
U.S. Treasury Bill	30,000,000	Disc.**	09/08/2022	1.55	29,911,067
U.S. Treasury Bill	10,000,000	Disc.**	09/20/2022	1.58	9,964,619
U.S. Treasury Bill	10,000,000	Disc.**	09/27/2022	1.63	9,960,461
U.S. Treasury Bill	10,000,000	Disc.**	10/04/2022	1.77	9,953,608
U.S. Treasury Bill	30,000,000	Disc.**	10/06/2022	1.75	29,859,770
U.S. Treasury Bill	10,000,000	Disc.**	10/11/2022	1.89	9,946,974
U.S. Treasury Bill	15,000,000	Disc.**	10/13/2022	1.87	14,919,888
U.S. Treasury Bill	15,000,000	Disc.**	10/20/2022	1.93	14,911,720
U.S. Treasury Bill	15,000,000	Disc.**	10/27/2022	1.94	14,905,674

* Denotes percentage of net assets ** Denotes securities purchased with a zero coupon rate
The accompanying notes are an integral part of these financial statements

STATEMENT OF NET ASSETS (TEXAS GOVERNMENT PORTFOLIO) – JUNE 30, 2022

INVESTMENTS, AT FAIR VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Fair Value
U.S. Treasury Bill	\$35,000,000	Disc.**	11/03/2022	2.00%	\$34,759,983
U.S. Treasury Bill	15,000,000	Disc.**	11/10/2022	2.04	14,889,106
U.S. Treasury Bill	20,000,000	Disc.**	11/17/2022	2.08	19,841,887
U.S. Treasury Bill	20,000,000	Disc.**	12/01/2022	2.24	19,812,681
U.S. Treasury Bill	10,000,000	Disc.**	12/08/2022	2.29	9,900,167
U.S. Treasury Bill	20,000,000	Disc.**	03/23/2023	2.40	19,656,420
Cost of (\$479,077,935)					<u>477,969,971</u>
U.S. Government Agency Securities (19%)*					
Federal Farm Credit Bank	10,000,000	Disc.**	08/22/2022	1.70	9,975,397
Federal Farm Credit Bank	15,000,000	0.07	08/25/2022	0.07	14,960,656
Federal Farm Credit Bank	15,000,000	Disc.**	09/19/2022	1.91	14,936,740
Federal Farm Credit Bank	20,000,000	Disc.**	11/01/2022	2.42	19,836,607
Federal Farm Credit Bank	10,000,000	Disc.**	11/29/2022	2.43	9,899,799
Federal Farm Credit Bank	10,000,000	Disc.**	01/18/2023	2.68	9,853,761
Federal Farm Credit Bank	10,000,000	Disc.**	02/15/2023	2.73	9,830,865
Federal Farm Credit Bank	20,000,000	Disc.**	03/27/2023	2.79	19,595,452
Federal Farm Credit Bank	5,000,000	1.56-Var.	08/22/2023	1.56	5,001,313
Federal Farm Credit Bank	4,000,000	1.54-Var.	09/27/2023	1.54	3,999,978
Federal Farm Credit Bank	10,000,000	1.56-Var.	09/29/2023	1.56	10,002,461
Federal Farm Credit Bank	5,000,000	1.54-Var.	10/20/2023	1.54	4,997,835
Federal Farm Credit Bank	7,000,000	1.54-Var.	10/27/2023	1.54	6,999,259
Federal Farm Credit Bank	15,000,000	1.54-Var.	10/27/2023	1.54	14,996,588
Federal Farm Credit Bank	8,000,000	1.56-Var.	11/07/2023	1.56	8,002,381
Federal Farm Credit Bank	8,000,000	1.56-Var.	11/09/2023	1.56	8,001,852
Federal Farm Credit Bank	10,000,000	1.57-Var.	11/22/2023	1.57	10,003,470
Federal Farm Credit Bank	7,000,000	1.55-Var.	02/05/2024	1.55	6,998,361
Federal Farm Credit Bank	10,000,000	1.56-Var.	03/11/2024	1.56	10,000,414
Federal Farm Credit Bank	12,000,000	1.55-Var.	03/15/2024	1.55	12,000,365
Federal Farm Credit Bank	7,000,000	1.56-Var.	04/12/2024	1.56	7,003,570
Federal Farm Credit Bank	5,000,000	1.56-Var.	05/09/2024	1.56	5,001,050
Federal Farm Credit Bank	12,000,000	1.55-Var.	05/15/2024	1.55	12,000,120
Federal Farm Credit Bank	4,000,000	1.55-Var.	05/24/2024	1.55	4,000,503
Federal Farm Credit Bank	6,000,000	1.55-Var.	06/03/2024	1.56	5,999,424
Federal Farm Credit Bank	20,000,000	1.56-Var.	06/26/2024	1.56	19,999,820
Federal Home Loan Bank	15,000,000	Disc.**	08/10/2022	1.69	14,971,604
Federal Home Loan Bank	10,000,000	Disc.**	09/28/2022	1.91	9,953,094
Cost of (\$289,321,003)					<u>288,822,739</u>
Money Market Funds (9%)*					
Allspring Government Money Market Fund - Select Class	10,058,790	1.26-Var.		1.26	10,058,790
Federated Government Obligations Fund - Premier Class	3,213,826	1.41-Var.		1.41	3,213,826
Fidelity Government Portfolio - Institutional Class	15,202	1.24-Var.		1.24	15,202

* Denotes percentage of net assets ** Denotes securities purchased with a zero coupon rate
The accompanying notes are an integral part of these financial statements

STATEMENT OF NET ASSETS (TEXAS GOVERNMENT PORTFOLIO) – JUNE 30, 2022

INVESTMENTS, AT FAIR VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Fair Value
State Street Institutional U.S. Government Fund - Premier Class (8%)*	\$119,302,176	1.43%-Var.		1.43%	\$119,302,176
Cost of (\$132,589,994)					132,589,994
Total Investments in Securities					1,114,683,984
Cost of (\$1,116,290,212)					
Deposit Balances In Custody Banks (25%)*					
Centennial Bank (7%)*	100,692,874	1.75-Var.		1.75	100,692,874
Encore Bank (9%)*	140,314,397	1.50-Var.		1.50	140,314,397
Keystone Bank	15,024,874	1.60-Var.		1.60	15,024,874
NexBank (7%)*	110,871,112	1.65-Var.		1.65	110,871,112
UMB Bank N.A.	13,714,952	0.10-Var.		0.10	13,714,952
Cost of (\$380,618,209)					380,618,209
Other Assets					
Accrued Interest Receivable					301,829
Total Assets					1,495,604,022
Less Liabilities					
Administration and Investment Advisory Fees					156,110
Miscellaneous Payable					10,308
Payable for Shares Redeemed					550,000
Total Liabilities					716,418
Net Assets					\$1,494,887,604
Components of Capital					
Capital (Par Value)					\$1,496,493,832
Unrealized Depreciation on Investments					(1,606,228)
Net Assets					\$1,494,887,604
Outstanding Participant Shares					1,496,493,832
Net Asset Value per Share					\$1.00

* Denotes percentage of net assets

The accompanying notes are an integral part of these financial statements

STATEMENT OF OPERATIONS

(YEAR ENDED JUNE 30, 2022)

	Texas CLASS	Texas CLASS Government
Investment Income	\$55,090,634	\$4,189,390
Expenses:		
Administration and Investment Advisory Fees	13,041,078	1,683,934
Administration and Investment Advisory Fees Waived	-	(78,287)
Administration and Investment Advisory Fees Net	13,041,078	1,605,647
Net Investment Income	42,049,556	2,583,743
Net Realized Gain on Investments	4,549	-
Change in Net Unrealized Depreciation on Investments	(10,189,122)	(1,639,058)
Net Realized Gain and Unrealized Depreciation on Investments	(10,184,573)	(1,639,058)
Net Increase in Net Assets Resulting from Operations	\$31,864,983	\$944,685

STATEMENTS OF CHANGES IN NET ASSETS

(YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021)

	Texas CLASS 2022	Texas CLASS 2021	Texas CLASS Government 2022	Texas CLASS Government 2021
From Investment Activities:				
Net Investment Income	\$42,049,556	\$23,538,001	\$2,583,743	\$1,178,244
Net Change in Unrealized Depreciation on Investments	(10,189,122)	(7,733,666)	(1,639,058)	(330,903)
Realized Gain on Investments	4,549	541,918	-	4,196
Net Increase in Net Assets Resulting from Operations	31,864,983	16,346,253	944,685	851,537
Distributions to Participants from Net Investment Income	(42,049,556)	(23,538,001)	(2,583,743)	(1,178,244)
Distributions to Participants from Net Realized Gain	(4,549)	(541,918)	-	(4,196)
Net Increase/(Decrease) in Net Assets from Share Transactions	2,431,358,533	(252,166,071)	136,896,693	116,827,245
Net Increase/(Decrease) in Net Assets	2,421,169,411	(259,899,737)	135,257,635	116,496,342
Net Assets:				
Beginning of Period	13,393,811,621	13,653,711,358	1,359,629,969	1,243,133,627
End of Period	\$15,814,981,032	\$13,393,811,621	\$1,494,887,604	\$1,359,629,969

The accompanying notes are an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS — JUNE 30, 2022

Note 1. Description of Texas CLASS

Texas Cooperative Liquid Assets Securities System Trust ("the Trust") is a Participant controlled trust created in accordance with the Texas Public Funds Investment Act, Section 2256.0017 and was established for participating Texas municipalities on January 1, 1996 under the trust agreement (the "Trust Agreement"). Texas CLASS commenced operations on April 12, 1996 and Texas CLASS Government commenced operations on December 1, 2016. Both portfolios in the Trust are available for investment by Texas municipalities, school districts and public agencies. The purpose of the Trust is to enable such entities to cooperate in the investment of their available funds. The Trust operates like a money market mutual fund with each share valued at \$1.00. The Trust is an investment company and follows the accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946.

Texas CLASS and Texas CLASS Government are both rated AAAM by Standard and Poor's.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The following significant accounting policies are also in conformity with accounting principles generally accepted in the United States of America for investment companies. Such policies are consistently followed by the Trust in the preparation of the financial statements.

Securities Valuation

Securities, other than repurchase agreements, are valued at the most recent market bid price as obtained from one or more market makers for such securities. Repurchase agreements are recorded at cost, which approximates fair value.

Securities Transactions and Investment Income

Securities transactions are accounted for on a trade date basis. Realized gains and losses from securities transactions are recorded on a specific identification basis. Interest income is recognized on the accrual basis and includes amortization of premiums and accretion of discounts. The amortization of premium and accretion of discount accrual method utilized is straight line and it is deemed that there is no significant difference compared to the effective interest method.

Distributions to Participants

Distributions from net investment income are declared and posted to participant accounts daily. The Trust's policy is to distribute net realized capital gains, if any, in a reasonable time frame after the gain is realized.

Income Taxes

The Trust is not subject to federal, state or local income taxes, and accordingly no tax provision has been made.

The Trust files tax returns annually. The Trust is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Trust's federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

Note 2. Fair Value Measurements

In accordance with FASB guidance, the Trust utilizes ASC 820 "Fair Value Measurement and Disclosure" to define fair value, establish a framework for measuring fair value and expand disclosure requirements regarding fair value measurements. ASC 820 does not require new fair value measurements, but is applied to the extent that other accounting pronouncements require or permit fair value measurements. The standard emphasizes that fair value is a market-based measurement that should be determined based on the assumptions that market participants would use in pricing an asset or liability. Various inputs are used in determining the value of the Trust's portfolio investments defined pursuant to this standard.

These inputs are summarized into three broad levels:

- Level 1 – Quoted prices in active markets for identical securities.
- Level 2 – Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others. Debt securities are valued in accordance with the evaluated bid price supplied by the pricing service and are generally categorized as Level 2 in the hierarchy. Securities that are categorized as Level 2 in the hierarchy include, but are not limited to, repurchase agreements, U.S government agency securities, corporate securities and commercial paper.
- Level 3 – Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs are inputs that reflect the reporting entities own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Trust since the beginning of the fiscal year. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of June 30, 2022 to value the Trust's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" and "Level 3 Valuation Reconciliation of Assets" (if applicable) as noted below.

Valuation Inputs Summary (for the fiscal period ended June 30, 2022)

Texas CLASS Portfolio

Investments in Securities at Value*	Valuation Inputs			
	Level 1	Level 2	Level 3	Total
Commercial Paper	\$ -	\$14,326,455,677	\$ -	\$14,326,455,677
Money Market Funds	251,628,718	-	-	251,628,718
Repurchase Agreements	-	1,152,709,050	-	1,152,709,050
Total	<u>\$251,628,718</u>	<u>\$15,479,164,727</u>	<u>\$ -</u>	<u>\$15,730,793,445</u>

Texas CLASS Government Portfolio

Investments in Securities at Value*	Valuation Inputs			
	Level 1	Level 2	Level 3	Total
Money Market Funds	\$132,589,994	\$ -	\$ -	\$ 132,589,994
Repurchase Agreements	-	215,301,280	-	215,301,280
U.S. Government Agency Securities	-	288,822,739	-	288,822,739
U.S. Government Treasury Securities	-	477,969,971	-	477,969,971
Total	<u>\$132,589,994</u>	<u>\$982,093,990</u>	<u>\$ -</u>	<u>\$1,114,683,984</u>

* For the year June 30, 2022, the Texas CLASS and Texas CLASS Government Portfolios did not have significant unobservable inputs (Level 3) used in determining fair value. Thus, a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value is not applicable.

Note 3. Investments

Deposits

At June 30, 2022, Texas CLASS portfolio had a cash deposit balance of \$45,118,978 and Texas CLASS Government portfolio had a cash deposit balance of \$380,618,209. As a result, approximately .30% of the total assets held by Texas CLASS were concentrated at two banks and 25% of the total assets held by Texas CLASS Government were concentrated at five banks. Interest earned on the investments as a percentage of total interest earned was 1% for Texas CLASS and 60% for Texas CLASS Government for the year ended June 30, 2022. All deposit balances were fully collateralized by irrevocable letters of credit from the Federal Home Loan Bank or held in FDIC insured deposit accounts.

Custodian

UMB Bank N.A. serves as the custodian for the Trust portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolio and provides services as the depository in connection with direct investment and withdrawals. The custodian's internal records segregate investments owned by the Trust. Texas CLASS and Texas CLASS Government share a deposit account at UMB Bank N.A. to facilitate participant contributions and withdrawals. Transactions for the individual portfolios are documented on separate accounting records and the deposit balance attributable to each is noted therein. The Trust may also use Bank of America N.A., Bank of the West, BMO Harris Bank N.A., Citibank N.A., Citizens Bank N.A., J.P. Morgan Chase Bank N.A., Macquarie Bank Ltd., MUFG Union Bank N.A., U.S. Bank N.A. and Wells Fargo Bank N.A. as a safekeeping agent for overnight deposit balances.

Risk Disclosure

The portfolios are subject to the following risks:

- Counterparty Risk – Counterparty risk is the risk that the counterparty or a third party will not fulfill its obligation to the Trust.
- Interest Rate Risk – Interest rate risk is the risk that the value of fixed-income securities will generally decline as prevailing interest rates rise, which may cause a Trust's NAV to likewise decrease, and vice versa.
- Market Risk – Market risk is the daily potential for an investor to experience losses from fluctuations in securities prices. Market risk cannot be diversified away.
- Credit Risk – Credit Risk is the risk an issuer will be unable to make principal and interest payments when due, or will default on its obligations.

The Trust attempts to minimize its exposure to market and credit risk through the use of various strategies and credit monitoring techniques. The Trust limits its investments in any issuer to the top two ratings issued by nationally recognized statistical rating organizations. The Trust's policy is to limit its exposure to any non-government issuer to 5% of net assets.

Investment in Securities

Texas statutes specify investments meeting defined rating and risk criteria in which local government investment pools may invest as noted in Chapter 2256 (Investment Act), Texas Government Code. The Board of Trustees has further limited investment instruments for the Trust portfolio.

Texas CLASS may invest in:

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including Federal Home Loan Banks, with a maximum maturity of 397 days, except that certain permitted variable rate securities may be purchased with final maturities greater than 397 days, as described in Paragraph 12 (d) below;
2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;
4. Obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
5. Certificates of deposit or share certificates if the certificate is issued by a depository institution that has its main office or a branch office in this state and is: (1) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor; (2) secured by obligations that are described by Section 2256.009(a) of Chapter 2256, Texas Government Code as amended, including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described by Section 2256.009(b), Texas Government Code, as amended; or (3) secured in any other manner and amount provided by law for deposits of the investing entity. In addition, an investment in certificates of deposit is authorized if (1) the funds are invested by an investing entity through (A) a broker that has its main office or a branch office in Texas and is selected from a list adopted by the investing entity, or (B) a depository institution that has its main office or a branch office in Texas and that is selected by the investing entity, (2) the broker or depository institution selected by the investing entity under (1) above arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the investing entity, (3) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (4) the investing entity appoints the depository institution selected by the investing entity under (1) above, an entity described by Section 2257.041(d) or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rules 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity;
6. Repurchase agreements that comply with the Investment Act. No more than 25% of the portfolio shall be invested in term repurchase agreements and no more than 5% of the portfolio may be invested in term repurchase agreements with maturities exceeding 90 days. Repurchase agreements shall be 102% collateralized by obligations of the United States Treasury or its agencies and instrumentalities in accordance with the provisions of the Public Securities Association Master Agreement on file with the Program Administrator pertaining to repurchase agreement operating procedures;
7. A securities lending program where:
 - a. the value of securities loaned under the program is not less than 100 percent collateralized, including accrued income;
 - b. a loan made under the program allows for termination at any time;
 - c. a loan made under the program is secured by: (A) pledged securities described subsection (i) below; (B) pledged irrevocable letters of credit issued by a bank that is: (i) organized and existing under the laws of the United States or any other state; and (ii) continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or (C) cash invested in
 - i. Obligations, including letters of credit, of the United States or its agencies and instrumentalities; (2) direct obligations of this state or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality

of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; and (6) bonds issued, assumed, or guaranteed by the State of Israel.

ii. Commercial Paper pursuant to Number Nine below.

iii. Mutual Funds pursuant to Number 10 below; or

iv. Investment Pools

- d. the terms of a loan made under the program must require that the securities being held as collateral be: (A) pledged to the investing entity; (B) held in the investing entity's name; and (C) deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity;
- e. a loan made under the program must be placed through: (A) a primary government securities dealer, as defined by 5 C.F.R. Section 6801.102(f), as that regulation existed on September 1, 2003; or (B) a financial institution doing business in Texas; and
- f. an agreement to lend securities must have a term of one year or less.

8. Bankers' acceptances that comply with the Investment Act;

9. Commercial paper that complies with the Investment Act; provided that no more than 25% of the assets shall be invested in commercial paper of any one industry, except that the 25% limitation shall not apply to commercial paper of banking and financial institutions;

10. No-load money market mutual funds that comply with the Investment Act;

11. Guaranteed investment contracts that comply with the Investment Act;

12. The following other requirements must also be met:

- a. no investments shall be made in securities denominated in a currency other than dollars of the United States of America.
- b. the weighted average maturity of the fund will not exceed the lesser of the triple-A guidelines of a nationally recognized rating agency, or 90 days.
- c. securities with capped coupons are not permitted.
- d. variable rate instruments issued by United States agencies or instrumentalities with final maturities of greater than 397 days are allowed if the rate resets at least annually and is calculated with reference to a single, established money market index and the instrument can reasonably be expected to reset to or maintain its par value at all reset dates.

13. Bonds issued, assumed or guaranteed by the State of Israel that are also backed by the full faith and credit of the United States of America.

Texas CLASS Government may invest in:

- 1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks, with a maximum maturity of 397 days, except that certain permitted variable rate securities may be purchased with final maturities greater than 397 days, as described in Paragraph 5(d) below;
- 2. Repurchase agreements that comply with the Investment Act. No more than 25% of the portfolio shall be invested in term repurchase agreements and no more than 5% of the portfolio may be invested in term repurchase agreements with maturities exceeding 90 days. Repurchase agreements shall be 102% collateralized by obligations of the United States Treasury or its agencies and instrumentalities in accordance with the provisions of the Public Securities Association Master Agreement on file with the Program Administrator pertaining to repurchase agreement operating procedures;
- 3. Certificates of deposit pursuant to Section 2256.010, Texas Government Code, as amended;
- 4. No-load money market mutual funds that comply with the Investment Act but that do not include commercial paper;
- 5. The following other requirements shall also be met:
 - a. no investments shall be made in securities denominated in a currency other than dollars of the United States of America.
 - b. the weighted average maturity of the fund will not exceed the lesser of the triple-A guidelines of a nationally recognized rating agency, or 120 days.
 - c. securities with capped coupons are not permitted.
 - d. variable rate instruments issued by the United States treasury or agencies or instrumentalities with final maturities of greater than 397 days are allowed if the rate resets at least annually and is calculated with reference to a single, established money market index and the instrument can reasonably be expected to reset to or maintain its par value at all reset dates.
 - e. the maximum maturity for variable rate securities issued by the United States treasury or agencies or instrumentalities is 762 days.

Investments may be categorized as follows: (1) insured or registered or for which the securities are held by the Trust or the custodian bank in the Trust's name (2) uninsured and unregistered for which the securities are held by the broker's or dealer's trust department or agent in the Trust's name or (3) uninsured and unregistered for which the securities are held by the broker or dealer or by its trust department or agent but not in the Trust's name.

All investments fall under the categorization of (3) as mentioned in the preceding paragraph.

Note 4. Repurchase Agreements

Transactions involving purchases of securities under agreements to resell are treated as collateralized financing transactions and are recorded at their contracted resell amounts. In addition, interest on both types of transactions is included in interest receivable. The custodian bank reports the market value of the collateral securities to the Trust on at least a weekly basis. Funds are released from the Trust's portfolios for repurchase agreements only when collateral has been wired to the custodian bank, and for the period ended June 30, 2022, the Trust held no uncollateralized repurchase agreements. If the seller of the agreement defaults and the value of the collateral declines, the immediate realization of the full amount of the agreement by the Trust may be limited. At June 30, 2022, securities with a fair value of approximately \$1,175,763,254 were received as collateral for securities purchased under agreements to resell for the Texas CLASS portfolio and \$219,607,337 for the Texas CLASS Government portfolio. Texas CLASS may use Bank of America N.A., Bank of Montreal, BofA Securities Inc., Citigroup Global Markets, Credit Agricole CIB NY, Goldman Sachs & Co., J.P. Morgan Securities LLC, Royal Bank of Canada NY, UBS Securities LLC and Wells Fargo Bank N.A. as a counterparty for repurchase agreements. Interest earned on repurchase agreements as a percentage of total interest earned accounted for 11% on the Texas CLASS portfolio and 18% on the Texas CLASS Government portfolio for the year ending June 30, 2022.

Note 5. Administration and Investment Advisory Fees

Investment advisory services and administration and marketing services are provided by Public Trust Advisors, LLC (PTA). The Trust's fees are calculated daily and paid monthly. The Daily Fee shall be calculated as follows: The Investment Property Value is multiplied by the Applicable Fee Rate and is divided by 365 or 366 days in the event of a leap year to equal the Daily Fee accrual. The Investment Property Value shall be based on the current day's settled shares outstanding. For weekend days and holidays, the settled shares outstanding for the previous business day will be utilized for the calculation of fees. The Applicable Fee Rate shall be determined monthly on the first business day of each month and shall be as follows:

Texas CLASS:

	Current Day's Shares Outstanding Balance	Fee %
First	1,000,000,000	.120%
Next	1,000,000,000	.110%
Next	1,000,000,000	.100%
Over	3,000,000,000	.090%

Texas CLASS Government:

	Current Day's Shares Outstanding Balance	Fee %
First	1,000,000,000	.120%
Next	1,000,000,000	.110%
Next	1,000,000,000	.100%
Over	3,000,000,000	.090%

Fees may be waived or abated at any time, or from time to time, at the sole discretion of the Program Administrator. Any such waived fees may be restored by the written agreement of the Board of Trustees in its sole discretion. For the fiscal year ended June 30, 2022, fees of \$78,287 were waived in Texas CLASS Government. The fees are collected by PTA and used to pay all expenses related to the Trust.

Note 6. Share Transactions

Transactions in shares during the twelve months ended June 30, 2022 and 2021 for the Texas CLASS portfolio were as follows:

	2022	2021
Shares sold	20,742,694,264	16,867,616,593
Shares issued on reinvestment of distributions	42,054,105	24,079,919
Shares redeemed	(18,353,389,836)	(17,143,862,583)
Net increase/(decrease)	2,431,358,533	(252,166,071)

At June 30, 2022, no participants held more than a 5% participation interest in Texas CLASS.

Transactions in shares during the twelve months ended June 30, 2022 and 2021 for Texas CLASS Government were as follows:

	2022	2021
Shares sold	1,425,339,606	1,419,059,941
Shares issued on reinvestment of distributions	2,583,743	1,182,440
Shares redeemed	(1,291,026,656)	(1,303,415,136)
Net increase	136,896,693	116,827,245

At June 30, 2022, five participants held more than a 5% participation interest in the Texas CLASS Government portfolio. The holdings of these five participants is approximately 39% of the portfolio at June 30, 2022. Investment activities of these participants could have a material impact on the Trust.

Note 7. Financial Highlights for a Share Outstanding Throughout Each Period

Texas CLASS

	2022	2021	Years Ended June 30,		
			2020	2019	2018
Per Share Data					
Net Asset Value - Beginning of Period	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Net Investment Income Earned and Distributed to Shareholders	\$0.003	\$0.002	\$0.016	\$0.025	\$0.016
Net Asset Value - End of Period	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
TOTAL RETURN	0.272%	0.172%	1.715%	2.489%	1.569%
RATIOS					
Net Assets-End of period (\$000 Omitted)	\$15,814,981	\$13,393,812	\$13,653,711	\$9,689,836	\$7,391,229
Ratio of Expenses to Average Net Assets	0.094%	0.094%	0.095%	0.970%	0.099%
Ratio of Net Investment Income to Average Net Assets	0.304%	0.171%	1.606%	2.484%	1.611%

Texas CLASS Government

	2022	2021	Years Ended June 30,		
			2020	2019	2018
Per Share Data					
Net Asset Value - Beginning of Period	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Net Investment Income Earned and Distributed to Shareholders	\$0.002	\$0.001	\$0.013	\$0.023	\$0.014
Net Asset Value - Beginning of Period	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
TOTAL RETURN	0.162%	0.103%	1.469%	2.293%	1.328%
RATIOS					
Net Assets-End of period (\$000 Omitted)	\$1,494,888	\$1,359,630	\$1,243,134	\$629,029	\$207,028
Ratio of Expenses to Average Net Assets Gross	0.117%	0.119%	0.119%	0.120%	0.120%
Ratio of Expenses to Average Net Assets Waived	0.005%	0.009%	0.060%	0.112%	0.120%
Ratio of Expenses to Average Net Assets	0.112%	0.110%	0.059%	0.008%	0.000%
Ratio of Net Investment Income to Average Net Assets	0.180%	0.104%	1.268%	2.323%	1.430%

Note 8. Subsequent Events

In accordance with the provisions set forth in ASC 855-10, Subsequent Events, Management has evaluated the possibility of subsequent events existing in the Trust's financial statements. Management has determined that there were no material events that would require disclosure in the Trust's financial statements as of August 19, 2022, which is the date the financial statements were available to be issued.

Note 9. Related Parties

All trustees of the Trust are officers of participating governments.

Board of Trustees

Ms. Carmen Arrieta-Candelaria
Fort Worth ISD

Ms. Monika Arris
Collin County

Ms. Heather Hurlbert
City of Corpus Christi

Ms. Yvonne Johnson
Crosby ISD

Ms. Amy Perez
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Mr. Steve Williams
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Burton Accounting, PLLC

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Slaton ISD

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Qualified Non-Participant