



Florida Cooperative Liquid Assets Securities System



Annual Report

DECEMBER 31, 2018

(REPORT OF INDEPENDENT AUDITORS WITHIN)

FLCLASS Rated AAAm by Standard & Poor's

Standard & Poor's Ratings in no way guarantee favorable performance results and should not be construed as safety in an investment.



Chairman's Letter

December 31, 2018

To the Participants of FLCLASS:

On behalf of the FLCLASS Board of Trustees and Public Trust Advisors, LLC (Public Trust), the pool administrator and investment advisor, we are pleased to present the audited financials for the period ending December 31, 2018.

The FLCLASS Audited Financial Statements offer us an opportunity to reflect on the past year of operations as we begin 2019. As expected, the U.S. economy continued to gain momentum, and the Federal Reserve target rate increased from 1.50% to 2.50% over the course of the previous year. For FLCLASS, assets under management grew year-over-year by approximately \$850 million, representing a 40% increase since December 31, 2017 while 30 new local governments joined FLCLASS in 2018, bringing the total number of Participants to 83. FLCLASS remains committed to providing its Participants with an exceptional investment experience designed to maximize the safety of the public's funds while providing daily liquidity, competitive earnings, transparency, and exceptional customer service.

Safety: The safety of the public's funds under our management will always be our top priority. As such, several FLCLASS marketing initiatives in the past year focused on providing Participants with the information necessary to ensure the ongoing security of their accounts. If you missed any of these important newsletters, they are available on the FLCLASS website.

Liquidity: The investment and operations departments at Public Trust have a well-developed understanding of the cash flow cycles related to the various participating entity types. This allows the teams to customize the portfolio to maximize yields without compromising Participant access to daily liquidity. In 2018, FLCLASS Participants requested 1,417 withdrawals totaling nearly \$3 billion! With average daily yields of 2.06%, FLCLASS accumulated an equally as impressive grand total of \$42 million interest earned in 2018!

Involvement: The FLCLASS team knows the importance of strong customer relations. To that end, our representatives make significant efforts to work alongside the Participants who put their trust in us each day. Whether it be at an educational seminar on public funds, a regional luncheon, or one of the dozens of conferences and events our staff attends each year, please know that we are always available to you.

It is a pleasure and an honor to represent the FLCLASS 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 FLCLASS Participants are in fact our greatest asset.

Respectfully,



Ken Burke, CPA

Chairman, Board of Trustees



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAAconnect.com

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of Florida Cooperative Liquid Assets Securities System (FLCLASS), which comprise the statement of net assets as of December 31, 2018, and the related statements of operations and changes in net assets for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Trustees
Florida Cooperative Liquid Assets Securities System

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of FLCLASS as of December 31, 2018, the results of its operations and the changes in nets assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The statement of changes in net assets of FLCLASS for the year ended December 31, 2017, and the amounts included in Notes 6 and 7 for the years ended December 31, 2015 through 2017, were audited by other auditors whose report dated March 9, 2018, expressed an unmodified opinion on that statement and related footnotes.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Chairman's letter, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.



CliftonLarsonAllen LLP

Denver, Colorado
March 13, 2019

STATEMENT OF NET ASSETS – DECEMBER 31, 2018

INVESTMENTS, AT VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Market Value
Repurchase Agreements (4%)*					
JP Morgan Tri-Party (1%)* (Collateralized by U.S. Agency Obligations with coupon rates of 3.50% and maturing between 08/01/2047 and 01/01/2048.) Market value plus accrued interest: \$25,500,186	\$25,000,000	3.00%	01/07/19	3.00%	\$25,000,000
RBC Tri-Party (3%)* (Collateralized by U.S. Agency Obligations with coupon rates between 2.50% and 5.00% and maturing between 07/01/2027 and 10/20/2064.) Market value plus accrued interest: \$99,324,831	97,377,286	2.85	01/02/19	2.85	97,377,286
Cost of (\$122,377,286)					122,377,286
Certificates of Deposit (1%)*					
Standard Chartered Bank Cost of (\$25,000,000)	25,000,000	2.67 - Var.	03/19/19	2.67	25,000,000 25,000,000
Commercial Paper (86%)*					
Svenska Handelsbanken AB	43,500,000	Disc**	01/04/19	2.44	43,488,064
CDPPIB Capital Inc.	25,000,000	Disc**	01/07/19	2.32	24,988,868
Kells Funding LLC	15,000,000	Disc**	01/07/19	2.38	14,993,175
LMA Americas LLC	23,000,000	Disc**	01/07/19	2.40	22,989,445
Nieuw Amsterdam Rec. Corp.	40,000,000	Disc**	01/09/19	2.55	39,974,900
Antalis SA	17,440,000	Disc**	01/10/19	2.51	17,428,034
CDPPIB Capital Inc.	25,000,000	Disc**	01/10/19	2.54	24,982,640
Gotham Funding Corp.	35,000,000	Disc**	01/10/19	2.59	34,975,210
La Fayette Asset Securitization LLC	25,000,000	Disc**	01/10/19	2.54	24,982,918
NRW. Bank	25,000,000	Disc**	01/11/19	2.60	24,980,445
DBS Bank Ltd.	20,000,000	Disc**	01/14/19	2.42	19,981,488
Erste Abwicklungsanstalt	24,000,000	Disc**	01/15/19	2.44	23,976,000
PSP Capital Inc.	25,000,000	Disc**	01/15/19	2.49	24,974,480
DBS Bank Ltd.	25,000,000	Disc**	01/17/19	2.41	24,972,020
Concord Minuteman Cap Co.	11,268,000	Disc**	01/18/19	2.64	11,253,352
Bedford Row Funding Corp.	21,000,000	2.77 - Var.	01/22/19	2.77	21,000,000
JP Morgan Securities	25,000,000	Disc**	01/28/19	2.56	24,951,000
Manhattan Asset Funding Co.	25,000,000	Disc**	01/28/19	2.75	24,947,500
Toyota Motor Credit Corp.	25,000,000	2.51 - Var.	01/28/19	2.68	25,000,000
Bennington Stark Capital Co.	25,000,000	Disc**	01/31/19	2.75	24,941,875
Halkin Finance LLC	25,000,000	Disc**	01/31/19	2.67	24,943,383
Atlantic Asset Securitization LLC	24,000,000	Disc**	02/01/19	2.51	23,947,306
Atlantic Asset Securitization LLC	24,500,000	2.53 - Var.	02/04/19	2.69	24,500,000
Caisse des Depot et Consignations	25,000,000	Disc**	02/04/19	2.46	24,941,180
Gotham Funding Corp.	26,600,000	Disc**	02/04/19	2.73	26,530,691
Mizuho Bank Ltd.	25,000,000	Disc**	02/05/19	2.68	24,934,125
NRW. Bank	30,000,000	Disc**	02/05/19	2.74	29,919,300
Sumitomo Mitsui Banking	25,000,000	Disc**	02/05/19	2.64	24,935,000

* Denotes percentage of net assets ** Denotes securities purchased at a discount from par
The accompanying notes are an integral part of these financial statements

STATEMENT OF NET ASSETS – DECEMBER 31, 2018

INVESTMENTS, AT VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Market Value
Australia & New Zealand Banking Group Ltd.	\$15,000,000	Disc**	02/07/19	2.63%	\$14,958,992
Oversea-Chinese Banking Co. Ltd.	25,000,000	Disc**	02/07/19	2.52	24,934,555
Kells Funding LLC	25,000,000	Disc**	02/08/19	2.75	24,926,875
Concord Minuteman Cap Co.	25,000,000	Disc**	02/11/19	2.75	24,921,250
Crown Point Capital Co.	25,000,000	Disc**	02/11/19	2.57	24,926,208
Atlantic Asset Securitization LLC	25,000,000	Disc**	02/12/19	2.67	24,921,765
Concord Minuteman Cap Co.	25,000,000	Disc**	02/12/19	2.72	24,920,270
Kells Funding LLC	22,500,000	Disc**	02/13/19	2.72	22,426,576
CRC Funding LLC	25,000,000	Disc**	02/14/19	2.54	24,921,875
Nordea Bank AB	20,000,000	Disc**	02/14/19	2.67	19,934,500
NRW. Bank	24,950,000	Disc**	02/14/19	2.70	24,867,353
Bedford Row Funding Corp.	25,000,000	2.60 - Var.	02/19/19	2.60	25,000,000
Concord Minuteman Cap Co.	25,000,000	Disc**	02/19/19	2.80	24,904,515
Kells Funding LLC	30,000,000	Disc**	02/19/19	2.70	29,889,582
National Australia Bank Ltd.	25,000,000	Disc**	02/19/19	2.67	24,909,028
Nederlandse Waterschaps	25,000,000	2.59 - Var.	02/19/19	2.59	25,000,000
DZ Bank AG NY	25,000,000	Disc**	02/20/19	2.70	24,906,145
NRW. Bank	20,000,000	Disc**	02/20/19	2.45	19,931,716
Sumitomo Mitsui Banking	26,000,000	Disc**	02/22/19	2.75	25,896,650
Kells Funding LLC	27,000,000	Disc**	02/26/19	2.80	26,882,437
Oversea-Chinese Banking Co. Ltd.	25,000,000	Disc**	02/26/19	2.49	24,903,418
Mizuho Bank Ltd.	30,000,000	Disc**	02/27/19	2.81	29,866,842
Nordea Bank AB	30,000,000	Disc**	02/27/19	2.74	29,872,158
Victory Receivables Corp.	35,000,000	Disc**	02/27/19	2.78	34,846,060
Barton Capital SA	25,000,000	Disc**	03/04/19	2.77	24,881,000
Swedbank	25,000,000	Disc**	03/04/19	2.58	24,889,313
Victory Receivables Corp.	30,000,000	Disc**	03/04/19	2.81	29,855,100
Erste Abwicklungsanstalt	25,000,000	Disc**	03/06/19	2.48	24,892,118
United Overseas Bank Ltd. Singapore	25,000,000	Disc**	03/06/19	2.86	24,873,610
CDP Financial Inc.	28,750,000	Disc**	03/07/19	2.70	28,610,324
Australia & New Zealand Banking Group Ltd.	25,000,000	2.65 - Var.	03/08/19	2.78	25,000,000
Crown Point Capital Co.	20,000,000	2.62 - Var.	03/08/19	2.75	20,000,000
Oversea-Chinese Banking Co. Ltd.	25,000,000	2.52 - Var.	03/08/19	2.65	25,000,000
Collateralized Commercial Paper Co.	15,000,000	2.56 - Var.	03/11/19	2.56	15,000,000
La Fayette Asset Securitization LLC	15,000,000	2.55 - Var.	03/11/19	2.55	14,999,250
LMA Americas LLC	22,000,000	Disc**	03/11/19	2.56	21,892,627
Nordea Bank AB	25,000,000	Disc**	03/11/19	2.80	24,866,563
United Overseas Bank Ltd. Singapore	20,000,000	Disc**	03/11/19	2.52	19,907,056
Toronto Dominion Bank	30,000,000	Disc**	03/14/19	2.82	29,832,099
Crown Point Capital Co.	20,000,000	2.68 - Var.	03/18/19	2.69	20,000,000
DBS Bank Ltd.	18,250,000	Disc**	03/18/19	2.81	18,142,655
Ontario Teachers' Finance Trust	22,550,000	Disc**	03/18/19	2.53	22,430,386
Concord Minuteman Cap Co.	30,000,000	2.93	03/19/19	2.93	29,999,814
Starbird Funding Corp.	29,000,000	Disc**	03/19/19	2.92	28,820,296
United Overseas Bank Ltd. Singapore	30,000,000	Disc**	03/19/19	2.76	29,824,500
Old Line Funding LLC	26,950,000	Disc**	03/20/19	2.82	26,786,772

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STATEMENT OF NET ASSETS – DECEMBER 31, 2018

INVESTMENTS, AT VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Market Value
United Overseas Bank Ltd. Singapore	\$21,250,000	Disc**	03/20/19	2.83%	\$21,120,830
Manhattan Asset Funding Co.	49,350,000	Disc**	03/21/19	2.88	49,042,934
JP Morgan Securities	25,000,000	2.67 - Var.	03/22/19	2.67	25,000,000
LMA Americas LLC	30,000,000	Disc**	03/27/19	2.93	29,794,317
CDP Financial Inc.	30,000,000	Disc**	04/01/19	2.81	29,791,458
NRW. Bank	25,000,000	Disc**	04/01/19	2.62	24,837,590
Gotham Funding Corp.	25,000,000	Disc**	04/02/19	2.88	24,819,833
Ridgefield Funding Co. LLC	25,000,000	Disc**	04/04/19	2.89	24,815,265
United Overseas Bank Ltd. Singapore	20,000,000	Disc**	04/05/19	2.91	19,849,584
DBS Bank Ltd.	25,000,000	Disc**	04/15/19	2.91	24,792,918
Old Line Funding LLC	20,000,000	2.63 - Var.	04/15/19	2.63	20,000,000
Anglesea Funding LLC	25,000,000	2.83 - Var.	04/24/19	2.83	25,000,000
Collateralized Commercial Paper Co.	25,000,000	2.80 - Var.	04/29/19	2.80	25,000,000
Toronto Dominion Bank	40,000,000	Disc**	05/13/19	2.88	39,585,484
Anglesea Funding LLC	30,000,000	2.84 - Var.	05/15/19	2.84	30,000,000
Starbird Funding Corp.	43,000,000	Disc**	05/20/19	3.04	42,505,023
Toronto Dominion Bank	25,000,000	Disc**	05/20/19	2.92	24,723,403
Old Line Funding LLC	25,000,000	2.79 - Var.	05/28/19	2.79	25,000,000
Crown Point Capital Co.	25,000,000	Disc**	06/07/19	3.08	24,670,833
Antalis SA	20,000,000	Disc**	06/10/19	3.09	19,731,666
Atlantic Asset Securitization LLC	25,000,000	Disc**	06/10/19	3.09	24,664,583
Chariot Funding LLC	25,000,000	Disc**	06/10/19	3.06	24,666,820
Ridgefield Funding Co. LLC	25,000,000	Disc**	06/11/19	3.10	24,661,375
Ridgefield Funding Co. LLC	25,000,000	Disc**	06/12/19	3.09	24,660,418
Societe Generale SA	30,000,000	2.85 - Var.	06/14/19	2.85	30,000,000
Ontario Teachers' Finance Trust	30,000,000	Disc**	06/19/19	2.93	29,596,251
Collateralized Commercial Paper II Co.	25,000,000	Disc**	06/24/19	3.05	24,640,278
Australia & New Zealand Banking Group Ltd.	25,000,000	2.68 - Var.	07/08/19	2.82	25,000,000
Cost of (\$2,596,525,311)					<u>2,596,375,515</u>
Money Market Funds (8%)*					
RBC US Government	72,316,768			2.43	72,316,768
State Street Government Portfolio	154,235,717			2.11	<u>154,235,717</u>
Cost of (\$226,552,485)					<u>226,552,485</u>
Total Investments in Securities					
Cost of (\$2,970,455,082)					<u>2,970,305,286</u>
Deposit Balances in Custodian Banks (1%)*					
Wells Fargo Bank, N.A.	1,009,742	1.30	01/02/19	1.30	<u>1,009,742</u>
					<u>1,009,742</u>

* Denotes percentage of net assets ** Denotes securities purchased at a discount from par
The accompanying notes are an integral part of these financial statements

STATEMENT OF NET ASSETS – DECEMBER 31, 2018

INVESTMENTS, AT VALUE

	Principal Amount	Coupon Rate	Maturity	Effective Yield	Market Value
Other Assets					
Accrued Interest Receivable					\$ 545,416
Total Assets					<u>2,971,860,444</u>
Less Liabilities					
Administration and Investment Advisory Fees					<u>182,058</u>
Total Liabilities					<u>182,058</u>
Net Assets					<u>\$2,971,678,386</u>
Components of Capital					
Capital (Par Value)					\$2,971,828,182
Unrealized Depreciation on Investments					<u>(149,796)</u>
Net Assets					<u>\$2,971,678,386</u>
Outstanding Participant Shares					<u>2,971,828,182</u>
Net Asset Value per Share					<u>\$1.00</u>

The accompanying notes are an integral part of these financial statements

STATEMENT OF OPERATIONS

(Year Ended December 31, 2018)

Investment Income	\$44,636,096
Expenses:	
Administration and Investment Advisory Fees	\$3,070,746
Administration and Investment Advisory Fees Waived	<u>(790,120)</u>
Administration and Investment Advisory Fees Net	<u>2,280,626</u>
Net Investment Income	<u>42,355,470</u>
Net Realized Gain on Investments	9,431
Change in Net Unrealized Appreciation on Investments	<u>58,151</u>
Net Realized Gain and Unrealized Gain on Investments	<u>67,582</u>
Net Increase in Net Assets Resulting from Operations	<u>\$42,423,052</u>

STATEMENTS OF CHANGES IN NET ASSETS

Years Ended December 31, 2018 and December 31, 2017

	<u>2018</u>	<u>2017</u>
From Investment Activities:		
Net Investment Income	\$ 42,355,470	\$ 15,567,904
Net Change in Unrealized Appreciation/(Depreciation) on Investments	58,151	(334,596)
Realized Gain on Investments	<u>9,431</u>	<u>8,215</u>
Net Increase in Net Assets Resulting from Operations	<u>42,423,052</u>	<u>15,241,523</u>
Distributions to Participants from Net Investment Income	(42,355,470)	(15,567,904)
Distributions to Participants from Net Realized Gain	(9,431)	(8,215)
Net Increase in Net Assets from Share Transactions	<u>849,942,598</u>	<u>448,229,961</u>
Net Increase in Net Assets	850,000,750	447,895,365
Net Assets:		
Beginning of Year	<u>2,121,677,637</u>	<u>1,673,782,272</u>
End of Year	<u>\$2,971,678,386</u>	<u>\$2,121,677,637</u>

The accompanying notes are an integral part of these financial statements

Notes to Financial Statements - December 31, 2018

Note 1. Description of FLCLASS and Significant Accounting Policies

The Florida Cooperative Liquid Assets Securities System Trust ("FLCLASS") is a common law trust established, created and authorized by an Interlocal Agreement by and among participating Florida public agencies. FLCLASS is an authorized investment pool under Section 218.415(16)(a), Florida Statutes, and was established for participating Florida agencies on April 1, 2015 under the Interlocal Agreement and commenced operations on July 15, 2015 (inception). FLCLASS is available for investment by any unit of local government within the State of Florida. The purpose of FLCLASS is to enable such units to cooperate in the investment of their available funds. FLCLASS operates like a money market mutual fund with each share valued at \$1.00.

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 FLCLASS in the preparation of the financial statements.

FLCLASS is rated AAAM by Standard and Poor's.

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 market 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.

Derivative Instruments

FLCLASS's investment policies do not allow for investments in derivatives and, for the year ended December 31, 2018, FLCLASS held no financial instruments which meet the definition of a derivative according to Financial Accounting Standards Board ("FASB") Accounting Standards Topic (ASC) 815 "Derivative Instruments and Hedging Activities".

Distributions to Participants

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

Income Taxes

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

FLCLASS files tax returns annually. FLCLASS 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. FLCLASS' 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, FLCLASS 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 FLCLASS'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 FLCLASS 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 December 31, 2018 to value FLCLASS'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 (as of December 31, 2018)

FLCLASS Portfolio

Investments in Securities at Value*	Valuation Inputs			
	Level 1	Level 2	Level 3	Total
Repurchase Agreements	\$ -	\$ 122,377,286	\$ -	\$ 122,377,286
Money Market Funds	226,552,485	-	-	226,552,485
Certificate of Deposit	-	25,000,000	-	25,000,000
Commercial Paper	-	2,596,375,515	-	2,596,375,515
Total	\$226,552,485	\$2,743,752,801	\$ -	\$2,970,305,286

* For the years ended December 31, 2018 and December 31, 2017, the FLCLASS Portfolio 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

Custodian

Wells Fargo Bank, N.A. serves as the custodian for FLCLASS portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for FLCLASS'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 FLCLASS.

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 FLCLASS.
- 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 FLCLASS's Net Asset Value ("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. This 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.

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

Investments in Securities

Florida Statutes specify that public funds only be invested in a manner that is permitted pursuant to the laws of the State of Florida generally; Florida's Investment of Local Government Surplus Funds Act; Florida Statutes, Chapter 218, Part IV; and the Florida Interlocal Cooperation Act of 1969. The Board of Trustees has adopted an Investment Policy that further limits the investment instruments of FLCLASS. As summarized below, FLCLASS may invest in:

1. Bills, notes and bonds issued by the U.S. Treasury and backed by the full faith and credit of the United States; obligations of any agency or instrumentality of the United States; and obligations issued by entities with liquidity support from the U.S. Government, or its agencies or instrumentalities.
2. Floating-rate and variable-rate debt obligations with interest rates that are periodically adjusted at specified intervals or whenever a benchmark rate or index changes; with maximum final maturity of 13 months (397 days) if rated below AA-, or for sovereign debt with maximum final maturity of two years (762 days) if rated AA- or higher.
3. Repurchase agreements with a termination date of 364 days or less; collateralized by U.S. Treasury obligations, federal agency securities, and federal instrumentality securities; and with a minimum market value, including accrued interest, of 102 percent of the dollar value of the transaction.
4. Commercial paper of corporations organized under the laws of the United States or any state thereof, including paper issued by bank holding

companies and high-quality asset-backed securities, with a maturity of 365 days or less, rated in the two highest ratings categories of either Standard & Poor's, Moody's, or a comparable rating by another nationally recognized statistical rating organization ("NRSRO"), and with not more than 5% with any one issuer.

5. Corporate bonds, notes, and other evidences of indebtedness or obligations issued by corporations organized under the laws of the United States or any state, having a remaining maturity less than or equal to 397 days; rated at least A or better by Standard & Poor's, Moody's, or a comparable rating by another NRSRO; and with not more than 5% with any one issuer.
6. Obligations of banks, including, but not limited to: bank accounts, time deposits, certificates of deposit and banker's acceptances.
7. Asset backed securities that are payable from pools of obligations, most of which involve consumer or commercial debts.
8. Insurance contracts, including guaranteed investment contracts, funding agreements and annuities, and with the issuing company having an insurance financial strength rating of A+ or equivalent by a national recognized rating agency.
9. Collateralized certificates of deposit as permitted by Florida law.
10. FDIC insured certificates of deposit.
11. Municipal obligations of any state of the United States, the District of Columbia, or any territorial possession of the United States or of any political subdivision, institution, department, agency, instrumentality, or authority of any of such governmental entities, rated in one of its two highest rating categories by two or more NRSROs, with maximum exposure per municipal issuer of 5%, and maximum final maturity per municipal investment of 13 months (397 days).
12. Foreign securities issued in U.S. dollars by issuers based outside the United States, rated at least A or better by Standard & Poor's, Moody's, or a comparable rating by another NRSRO, with not more than 5% with any one issuer, and with maximum final maturity per foreign security investment of 13 months (397 days).
13. Mortgage-backed securities with a final maturity not exceeding 397 days from the date of purchase that are collateralized first mortgage obligations or unstructured pass-through securities and rated at least AA, Aa or the equivalent by at least two NRSROs that rate the issue; aggregate investment in mortgage-backed securities not exceeding 25% of the total portfolio; and no more than 5% of the total portfolio invested in any one issuer.
14. No-load money market mutual funds that are registered with and regulated by the Securities and Exchange Commission that include in their investment objectives the maintenance of a stable net asset value of \$1.00, and are rated AAAM or equivalent by at least one NRSRO.

Note 4. Repurchase Agreements

Funds are released from FLCLASS's portfolio for repurchase agreements only when collateral has been wired to the custodian bank, and during the year ended December 31, 2018, FLCLASS held no uncollateralized repurchase agreements. The custodian bank reports the market value of the collateral securities to FLCLASS at least on a weekly basis. 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 FLCLASS may be limited. FLCLASS may use Bank of America NA, BMO Harris Bank NA, Goldman Sachs & Co, JPM Securities LLC, Merrill Lynch Pierce Fenner & Smith, RBC Capital Markets LLC, UBS Securities LLC and Wells Fargo Securities as a counterparty for repurchase agreements. Interest earned on repurchase agreements as a percentage of total interest earned accounted for 5% for the year ended December 31, 2018.

Note 5. Administration and Investment Advisory Fees

Investment advisory and administration and marketing services are provided by Public Trust Advisors, LLC (Public Trust). Fees are calculated daily and paid monthly in arrears and prorated for any portion of the month in which the investment services agreement with Public Trust is in effect. 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 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 shall be determined monthly on the first business day of each month and shall be at an annual rate up to fifteen (15) basis points.

Fees may be waived or abated at any time, or from time to time, at the sole discretion of Public Trust. Any such waived fees may be restored by the written agreement of the Board of Trustees. Public Trust pays all fees associated with other services as mutually agreed upon with the Board of Trustees.

Note 6. Share Transactions

Transactions in shares during the twelve months ended December 31, 2018 and 2017 for the FLCLASS portfolio were as follows:

	2018	2017
Shares sold	3,766,900,893	2,586,111,608
Shares issued on reinvestment of distributions	42,355,468	15,553,382
Shares redeemed	(2,959,313,763)	(2,153,435,029)
Net increase	<u>849,942,598</u>	<u>448,229,961</u>

At December 31, 2018, five participants held a 5% or greater participation interest in FLCLASS. The holdings of these five participants is approximately 54% of the portfolio at December 31, 2018. Investment activities of these participants could have a material impact on FLCLASS.

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

Financial highlights for the years ended December 31, 2018, December 31, 2017, December 31, 2016 and the period July 15, 2015 (Inception) through December 31, 2015 are presented as follows:

	2018	2017	2016	2015
Per Share Data				
Net Asset Value - Beginning of Period	\$1.00	\$1.00	\$1.00	\$1.00
Net Investment Income Earned and Distributed to Shareholders	\$0.021	\$0.011	\$0.007	\$0.001
Net Asset Value - End of Period	\$1.00	\$1.00	\$1.00	\$1.00
TOTAL RETURN	2.077%	1.142%	0.661%	0.096%
RATIOS				
Net Assets - End of period (\$000 Omitted)	\$2,971,678	\$2,121,678	\$1,673,782	\$190,121
Ratio of Expenses to Average Net Assets Gross	0.150%	0.150%	0.149%	0.078%
Ratio of Expenses to Average Net Assets Waived	0.039%	0.051%	0.066%	0.035%
Ratio of Expenses to Average Net Assets	0.111%	0.099%	0.083%	0.043%
Ratio of Net Investment Income to Average Net Assets	2.069%	0.251%	0.704%	0.114%

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 FLCLASS's financial statements. Management has determined that there were no material events that would require disclosure in FLCLASS's financial statements as of March 13, 2019.

Note 9. Related Parties

All trustees of FLCLASS are officers of participating governments.

BOARD OF TRUSTEES

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Clerk of the Circuit Court and Comptroller, Palm Beach County

Mr. Ken Burke, CPA
Clerk of the Circuit Court and Comptroller, Pinellas County

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