City of Colleyville
Audit Committee
Agenda

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

Tuesday, August 3, 2021 — City Manager's Conference Room
5:00 p.m. — Third Floor – City Hall

1. CALL TO ORDER

2. APPROVAL OF MINUTES

April 20, 2021

3. REGULAR AGENDA ITEMS

3a Discussion of the Fiscal Year September 30, 2021, audit which will be conducted by the City's audit firm Weaver and Tidwell

3b Presentation of the third quarter FY21 investment report

4. ADJOURNMENT

I hereby certify this agenda was posted on City Hall bulletin boards Friday, July 30, 2021, by 5:00 p.m.

Christine Loven, TRMC
City Secretary

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

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

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

City of Colleyville
Audit Committee
Minutes

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

Tuesday, April 20, 2021 — City Manager's Conference Room
5:00 p.m. — Third Floor – City Hall

1. CALL TO ORDER

City Secretary Christine Loven called the Audit Committee to order at 5:00 p.m. on April 20, 2021.

ROLL CALL: Committee members present George Dodson, Bobby Lindamood, and Chuck Kelley.

Also Present: Finance Director Kyle Lester, City Manager Jerry Ducay, Assistant City Manager Mark Wood, and City Secretary Christine Loven

2. APPROVAL OF MINUTES

February 2, 2021

The minutes were approved as presented.

3. REPORTS

Quarterly Investment Report for the quarter ended March 31, 2021

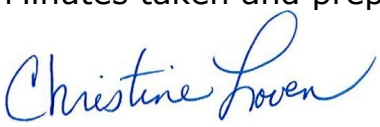
Finance Director Kyle Lester reviewed the quarterly investment report and noted rates are still falling due to the pandemic, but the City is stilling doing well. There was general discussion regarding the sweep accounts, investments in CD's, and pools. Interest earnings for the quarter were $29,774 compared to $39,784 in the previous quarter. This decrease is reflective of a declining interest rate market. Staff will continue to examine cash-flow needs and place our resources in instruments with an emphasis on keeping these funds safe while earning as strong a yield as possible.

There was discussion of the Hotel Tax Fund use and of the value earned from the bond payoff. The Finance Director will add a new table to indicate the savings overall due to the bond payoff.

4. ADJOURNMENT

The meeting was adjourned at 5:20 p.m.

Minutes taken and prepared by:



Christine Loven, TRMC
City Secretary

City of Colleyville
Audit Committee
Agenda Briefing

City Hall
100 Main Street
Colleyville, Texas 76034
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Agenda Number 3a **Agenda Date** 8/3/2021 **Number**
Type Regular Agenda Items
Department Finance

Title
Discussion of the Fiscal Year September 30, 2021, audit which will be conducted by the City's audit firm Weaver and Tidwell

Explanation
Discuss the Fiscal Year September 30, 2021 audit which will be conducted by the City's audit firm Weaver and Tidwell

Attachments

City of Colleyville
Audit Committee
Agenda Briefing

City Hall
100 Main Street
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Agenda Number 3b **Agenda Date** 8/3/2021 **Number**
Type Regular Agenda Items
Department Finance

Title
Presentation of the third quarter FY21 investment report

Explanation
Cash and Cash Equivalents (local government investment pools) totaled $52,912,874. Colleyville's complete portfolio was valued at $71,024,713 and was allocated as follows:

Instrument	Current as of 6/30/2021	Last Quarter as of 3/31/2021
Cash	$ 10,862,280	$ 12,001,929
LOGIC (CP Permissible)	$ 2,496,085	$ 2,495,425
Other Governmental Pools	$ 39,554,510	$ 43,550,959
CD's	$ 13,007,641	$ 12,751,375
CDARS	$ 1,604,198	$ 1,604,198
Agencies	$ 3,500,000	$ 3,500,000
Total Cash & Investments	$ 71,024,713	$ 75,903,887

Instrument	Yield this quarter
LOGIC (CP Permissible)	0.07 %
Other Governmental Pools	0.05 %
CD's	0.49 %
CDARS	0.50 %
Agencies	0.18 %
Total Consolidated Yield	0.15 %

Benchmark Yield: 0.02%

Interest earnings for the quarter were $21,941 compared to $29,774 in the previous quarter. This decrease is reflective of a declining interest rate market as well as several maturities coming due in the last quarter. Staff will continue to examine cash-flow needs and place our resources in instruments with an emphasis on keeping these funds safe while earning as strong a yield as possible.

Attachments
1. Investment Report - June 2021
2. June 2021

City of Colleyville, TX

Quarterly Investment Report

6/30/2021

Where is Colleyville's cash?		3/31/2021	6/30/2021	Change	Weighted Maturity
Cash/ Equivalents	Cash	$ 12,001,929	$ 10,862,280	$ (1,139,649)	Liquid
	Sweep Account	$ -	$ -	$ -	Liquid
	LOGIC (CP Permiss.)	$ 2,495,425	$ 2,496,085	$ 660	Liquid
	Other Gov't Pools	$ 43,550,959	$ 39,554,510	$ (3,996,450)	Liquid
	Subtotal	**$ 58,048,313**	**$ 52,912,874**	**$ (5,135,439)**	
Bonds/CDs/Agencies	CD's	$ 12,751,375	$ 13,007,641	$ 256,266	338 days
	CDARS	$ 1,604,198	$ 1,604,198	$ -	71 days
	Agencies	$ 3,500,000	$ 3,500,000	$ -	491 days
	Subtotal	**$ 17,855,573**	**$ 18,111,839**	**$ 256,266**	**344 days**
	Total Resources	**$ 75,903,887**	**$ 71,024,713**	**$ (4,879,173)**	

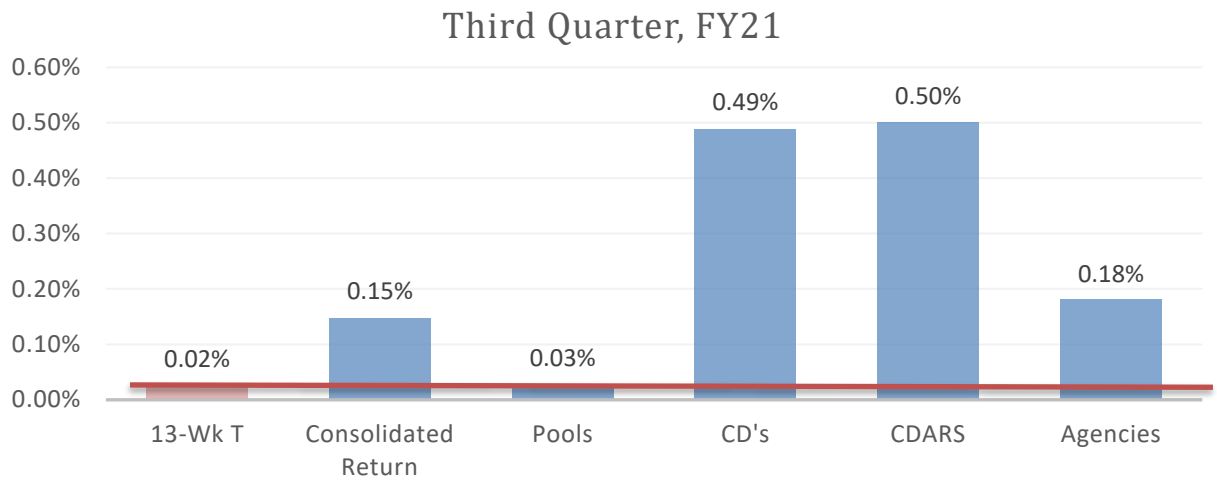
Investments on the move…

Since our last investment report, the City has had three CD's mature, totaling a little over $1.5 million in funds. These CD's had a weighted averagematurity of almost 2.5 years and an average return of 1.83%. In response, staff reinvested all of those proceeds and more in four separate CD's, totaling $1,774,658. Those CD's have a weighted average maturity of over 1.5 years and an average return of 0.24%. As of July, the 13-week treasury is currently sitting at 5 basis points while government pools are averaging less than 2 basis points. Staff will continue to look for opportunities to maximize cash in our reserve funds by moving them away from pools. However, with the City's cash-funded capital improvement program ongoing, the City is expected to transition to higher liquidity, meaning lower balances in investments. The Federal Reserve has indicated their intention to keep borrowing rates low through 2022/2023.

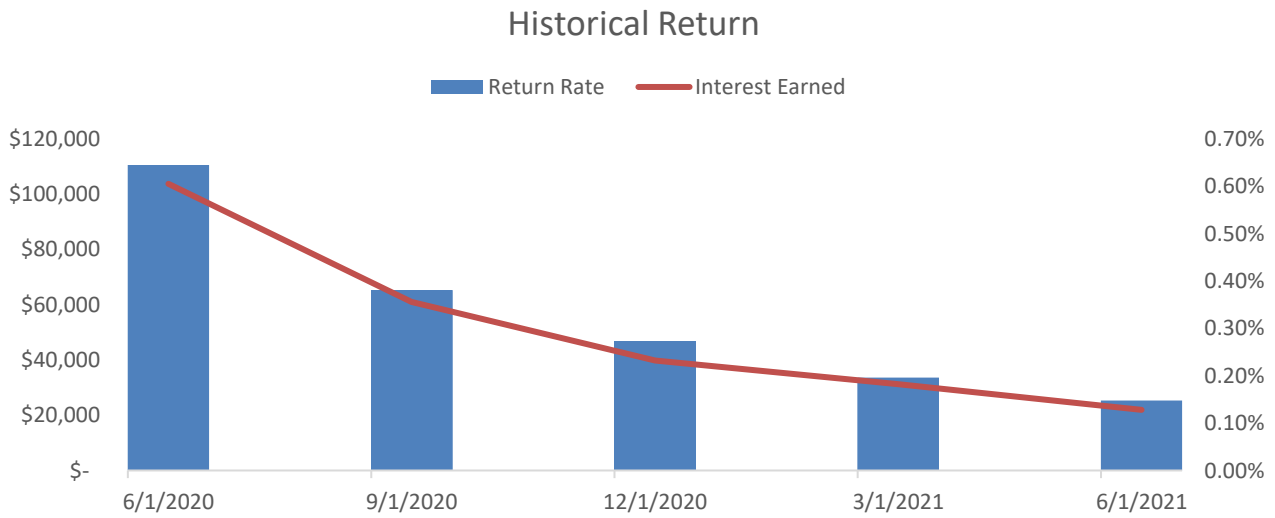
Diversity Snapshot vs. Policy Requirements	Policy Max	3/31/2021	6/30/2021	Criteria Met?
U.S. Treasuries	100%	0%	0%	✓
U.S. Agencies	75%	5%	5%	✓
CD's	75%	17%	18%	✓
Local Gov't Pools	75%	61%	59%	✓
CDARs	75%	2%	2%	✓
Tri-Pty Repurchase	75%	0%	0%	✓
SEC Registered, No-Load Mutual Funds	10%	0%	0%	✓
Cash/Sweep	N/A	16%	15%	✓

How do our returns compare?

Benchmark = 13-Week Treasury



The City's total consolidated return is 0.15% as of June 30, 2021. While this remains low, particularly as older investments mature, this does compare favorably with the 13-week treasury note benchmark listed in Colleyville's investment policy. A major reason for this is the pandemic, which prompted a a rate cut at the Federal Reserve affecting our pool and sweep account rates. Additionally, stock market volatility urged investors to flock to the fixed income markets, which further decreased returns.While currently heavily invested in pools, staff will seek out agencies to diversify our portfolio as liquidity needs allow.



Before the recent downturn Colleyville's investment returns had been climbing steadily since 2016, primary due to to more active investment practices. Although we are in a down-cycle in terms of returns, we've still been able to stay ahead of our 13-week treasury benchmark. Most importantly, Colleyville's funds are safe. While staff will continue to seek a solid yield on the portfolio, the highest value is placed on maintaining a low risk in order to ensure the safety and liquidity of the funds entrusted to us.

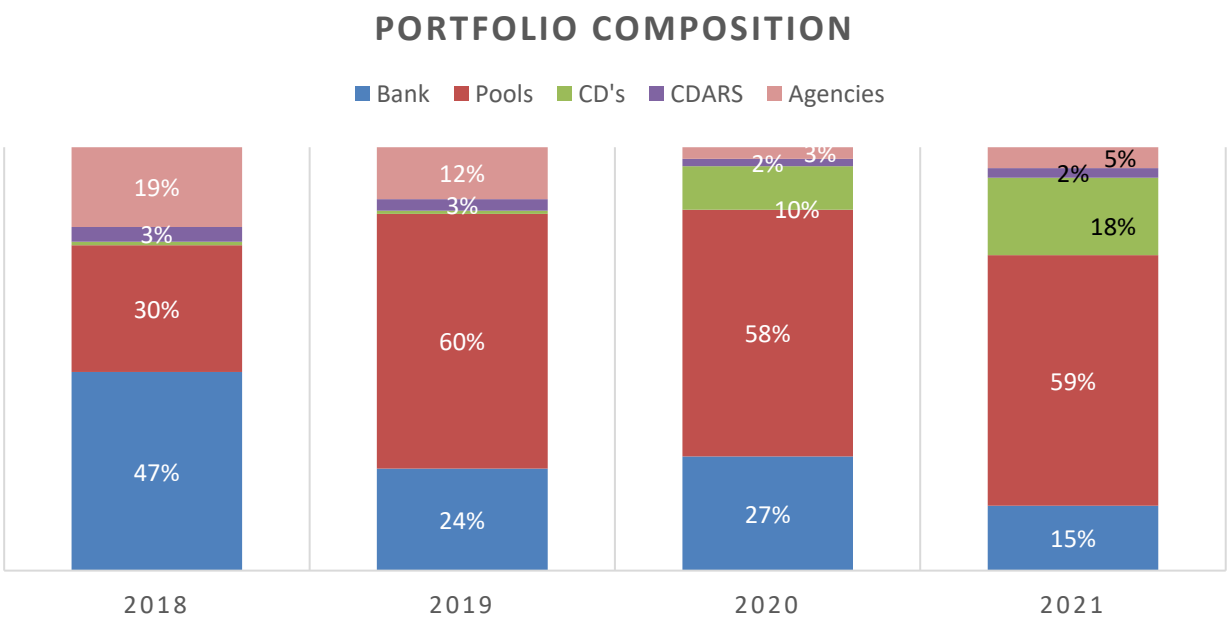
What have we earned the past three months? For the past year?

Current Total	
3/31/2021 Thru 6/30/2021	$21,941; 0.15%

Quarterly Average	
6/30/2020 Thru 6/30/2021	$38,484; 0.25%

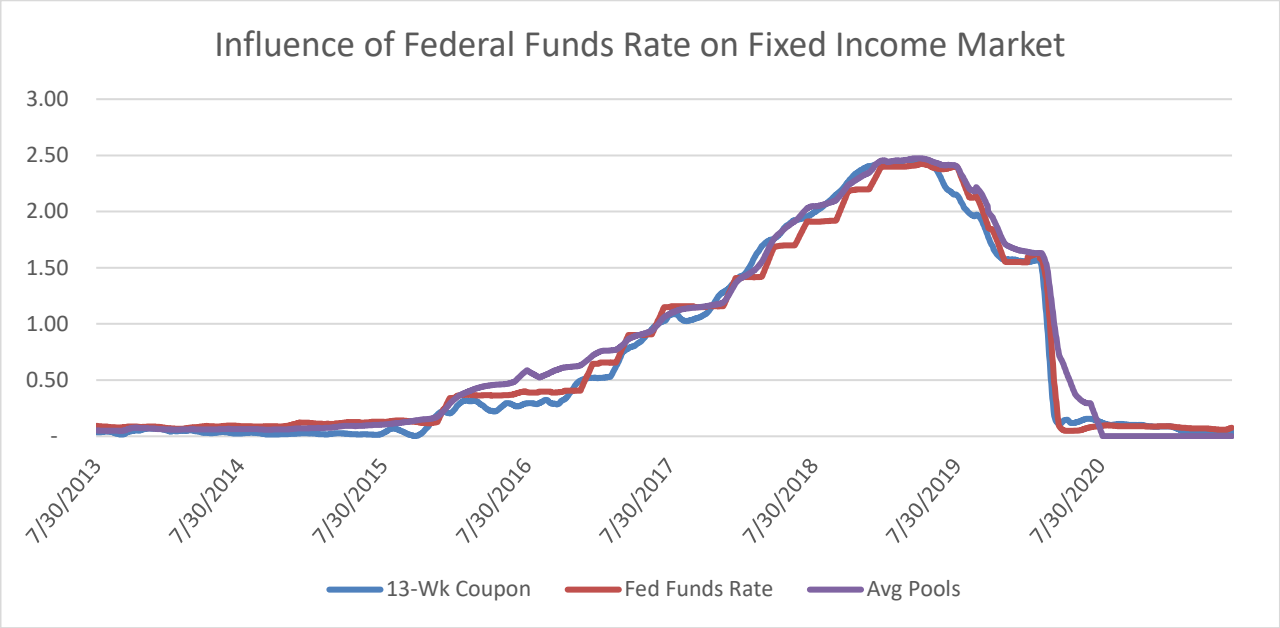
Compared to the average quarterly return for the past 12 months, the most recent quarter is showing a predictable decrease in both the rate of return and actual dollars earned. As noted, fixed-income rates have come down considerably as investors flocked to the fixed income market amidst the global pandemic. Additionally, a robust, 5-year capital improvement plan has begun, necessitating higher liquidity than in previous years. Hopefully we won't see rates dip much lower, although there is no guarantee. Regardless, staff will always monitor the market and manage Colleyville's portfolio with emphasis on diversity and cash-flow needs.

How has our portfolio changed over time?



As the graph above shows, the City had begun moving its investments away from agency securities and more toward local government pools from 2017 through 2019. Money stored in these pools tended to earn a decent return compared to market while also being considered "liquid", as the City can withdraw its funds within 24 hours in most cases. However, as pool rates have plummeted, returns on certificates of deposit and even some agency debt has looked attractive. Additionally, the years in which the cash in our bank was higher is actually indicative of a sweep account we previously held with Wells Fargo, when they served as our depository. Frost Bank offers a similar instrument, but the rates are such that using the instrument would be cost-prohibitive. Staff will reconsider this option as rates rise back up.

What influences our rate of return?



Per State law, Colleyville is only permitted to invest in certain fixed income securities, whos performance ties closely with the Federal Funds rate. As the chart above shows, the rates of our 13-week treasury benchmark as well as our pools tend to move in lock-step with the Federal Reserve's rate actions. This rate was cut five times in the past year and now remains at close to 0. How long it will remain there depends on the duration of our decreased economic activity, although we can likely expect very low rates through 2022 and potentially 2023.

This investment report is in compliance with the Public Funds Investment Act as well as the City of Colleyville's investment policy and procedures.

For any questions or comments on this report, please contact
Kyle Lester, CGFO
City of Colleyville, TX
Finance Director 817-503-1014
klester@colleyville.com

Also included:
Maturities/Purchases
Investment Listing
Mark-to-Market

Signed:

APPENDIX

What has matured in the last 12 months?

Investment	Par Amount	Purchase Date	Maturity Date	Yield to Maturity	Total Return
FHLB Note (313383HU8)	$ 500,000	8/16/2019	6/12/2020	1.75%	$ 7,216
Brokered CD (FDIC #32992)	$ 245,000	9/19/2019	9/25/2020	1.80%	$ 4,495
Brokered CD (FDIC #34221)	$ 245,000	9/19/2019	9/25/2020	1.80%	$ 4,495
Brokered CD (FDIC #34775)	$ 245,000	9/19/2019	9/25/2020	1.85%	$ 4,619
Brokered CD (FDIC #16022)	$ 249,675	9/18/2019	9/11/2020	1.75%	$ 4,297
State of Texas Note (882724PY7)	$ 2,515,325	3/23/2020	8/27/2020	2.50%	$ 27,059
CDARS - Worthington	$ 1,575,617	9/18/2019	9/17/2020	1.80%	$ 28,361
FAMCA Note (3130A94N8)	$ 2,000,000	12/4/2019	5/25/2020	1.71%	$ 16,210
Brokered CD (FDIC #628)	$ 248,000	2/11/2020	7/31/2020	1.75%	$ 2,033
Brokered CD (FDIC #16571)	$ 247,000	9/19/2019	10/20/2020	1.80%	$ 4,836
Brokered CD (FDIC #35141)	$ 247,000	9/19/2019	10/27/2020	1.85%	$ 5,058
Brokered CD (FDIC #2270)	$ 247,000	9/19/2019	12/24/2020	1.80%	$ 5,628
Brokered CD (FDIC #58647)	$ 245,000	10/4/2019	10/9/2020	1.75%	$ 4,358
Brokered CD (FDIC #27237)	$ 245,000	10/4/2019	10/9/2020	1.75%	$ 4,358
Brokered CD (FDIC #12855)	$ 245,000	10/4/2019	10/9/2020	1.75%	$ 4,358
Brokered CD (FDIC #58658)	$ 249,000	10/4/2019	10/9/2020	1.75%	$ 4,429
Brokered CD (FDIC #57777)	$ 245,000	10/4/2019	10/16/2020	1.75%	$ 4,440
Spirit of Texas Jumbo CD	$ 1,013,567	12/5/2019	12/5/2020	1.79%	$ 18,193
Brokered CD (FDIC #58243)	$ 250,000	10/4/2019	1/19/2021	1.70%	$ 5,508
Brokered CD (FDIC #26876)	$ 250,000	2/28/2020	3/10/2021	1.40%	$ 3,605
Brokered CD (FDIC #58577)	$ 246,000	2/6/2020	2/12/2021	1.60%	$ 4,011
Brokered CD (FDIC #18503)	$ 246,000	2/6/2020	2/12/2021	1.60%	$ 4,011
Brokered CD (FDIC #3511)	$ 249,000	10/4/2019	4/19/2021	1.90%	$ 7,297
Spirit of Texas Jumbo CD	$ 1,025,023	10/24/2019	4/24/2021	1.85%	$ 28,470
Brokered CD (FDIC #110)	$ 249,000	2/14/2020	5/14/2021	1.65%	$ 5,122
Total Matured	**$ 11,799,184**			**2.14%**	**$ 171,578**

APPENDIX

What have we purchased within the last 12 months?

Investment	Par Amount	Purchase Date	Maturity Date	Yield to Maturity	Total Return
Brokered CD (NCUA #60269)	$ 249,000	8/10/2020	8/18/2022	0.30%	$ 1,510
Brokered CD (FDIC #23623)	$ 250,000	8/24/2020	2/24/2022	0.20%	$ 752
Brokered CD (FDIC #33686)	$ 249,000	8/26/2020	8/26/2022	0.20%	$ 996
Spirit of Texas Jumbo CD	$ 1,502,432	9/9/2020	9/9/2021	0.65%	$ 9,766
CDARS - Worthington	$ 1,604,198	9/9/2020	9/9/2021	0.50%	$ 8,021
Brokered CD (FDIC #16022)	$ 247,000	11/9/2020	11/9/2022	0.20%	$ 988
Brokered CD (FDIC #8120)	$ 247,000	12/23/2020	12/23/2022	0.20%	$ 988
Brokered CD (FDIC #33954)	$ 256,586	12/22/2020	10/12/2022	0.20%	$ 927
Brokered CD (FDIC #4297)	$ 256,481	12/22/2020	10/12/2022	0.20%	$ 926
Brokered CD (FDIC #34953)	$ 249,000	11/16/2020	11/16/2022	0.20%	$ 996
Brokered CD (NCUA #17587)	$ 247,000	10/29/2020	10/28/2022	0.25%	$ 1,233
Brokered CD (FDIC #845)	$ 249,187	11/20/2020	6/27/2022	0.20%	$ 797
Brokered CD (FDIC #35141)	$ 249,000	11/20/2020	11/21/2022	0.20%	$ 997
Spirit of Texas Jumbo CD	$ 1,021,861	12/11/2020	12/10/2021	0.55%	$ 5,605
FFCB Note (3133EMHE5)	$ 1,500,000	12/11/2020	11/30/2022	0.170%	$ 5,023
FFCB Note (3133EMCU4)	$ 2,000,000	10/13/2020	10/13/2022	0.190%	$ 7,600
Brokered CD (FDIC #32992)	$ 244,201	10/1/2020	4/2/2022	0.186%	$ 682
Brokered CD (FDIC #17739)	$ 240,204	8/28/2020	8/29/2022	0.200%	$ 962
Brokered CD (FDIC #148)	$ 245,000	10/14/2020	10/14/2022	0.150%	$ 735
Brokered CD (NCUA #619)	$ 246,000	2/21/2021	2/13/2023	0.15%	$ 730
Brokered CD (FDIC #58979)	$ 246,000	2/19/2021	2/21/2023	0.15%	$ 740
Brokered CD (FDIC #19008)	$ 249,000	3/30/2021	3/30/2023	0.20%	$ 996
Brokered CD (FDIC #57742)	$ 249,000	3/30/2021	3/30/2023	0.20%	$ 996
Brokered CD (FDIC #57873)	$ 249,000	3/31/2021	3/31/2023	0.15%	$ 747
Frost Bank Jumbo CD	$ 1,500,000	2/25/2021	2/25/2022	0.16%	$ 2,400
Brokered CD (#33539)	$ 249,000	6/30/2021	6/30/2023	0.25%	$ 1,245
Brokered CD (#12858)	$ 248,000	6/29/2021	6/29/2023	0.15%	$ 744
Spirit of Texas Bank (LOC 17001	$ 1,028,658	4/29/2021	10/29/2022	0.30%	$ 4,633
Brokered CD (#26876)	$ 249,000	4/8/2021	4/7/2022	0.10%	$ 248
Total Purchased	**$ 13,846,149**			**0.33%**	**$ 49,505**
Weighted Average Maturity		**642 days**			

APPENDIX

Full Investment Listing

Investment	Par Amount	Purchase Date	Maturity Date	Yield to Maturity	Total Return
Brokered CD (FDIC #27389)	$ 249,000	2/11/2020	2/22/2022	1.70%	$ 8,605
Brokered CD (FDIC #57803)	$ 247,000	2/12/2020	1/31/2022	1.70%	$ 8,271
Brokered CD (FDIC #34742)	$ 249,000	2/28/2020	3/21/2022	1.40%	$ 7,182
Brokered CD (FDIC #58665)	$ 249,000	2/28/2020	9/7/2021	1.55%	$ 5,890
Brokered CD (FDIC #35546)	$ 249,000	2/28/2020	3/28/2022	1.55%	$ 8,026
Brokered CD (FDIC #58978)	$ 248,000	3/6/2020	3/28/2022	1.05%	$ 5,365
Brokered CD (FDIC #33555)	$ 248,000	3/6/2020	3/21/2022	0.98%	$ 4,935
Brokered CD (FDIC #57565)	$ 249,000	3/6/2020	3/11/2022	1.00%	$ 5,014
Brokered CD (FDIC #19581)	$ 250,000	3/6/2020	3/21/2022	0.90%	$ 4,592
Brokered CD (NCUA #68712)	$ 249,000	3/10/2020	9/20/2021	1.00%	$ 3,813
Brokered CD (NCUA #60269)	$ 249,000	8/10/2020	8/18/2022	0.30%	$ 1,510
Brokered CD (FDIC #23623)	$ 250,000	8/24/2020	2/24/2022	0.20%	$ 752
Brokered CD (FDIC #33686)	$ 249,000	8/26/2020	8/26/2022	0.20%	$ 996
Brokered CD (FDIC #17739)	$ 240,204	8/28/2020	8/29/2022	0.200%	$ 962
Spirit of Texas Jumbo CD	$ 1,507,308	9/9/2020	9/9/2021	0.65%	$ 9,798
CDARS - Worthington	$ 1,604,198	9/9/2020	9/9/2021	0.50%	$ 8,021
Brokered CD (FDIC #32992)	$ 244,201	10/1/2020	4/2/2022	0.186%	$ 682
FFCB Note (3133EMCU4)	$ 2,000,000	10/13/2020	10/13/2022	0.190%	$ 7,600
Brokered CD (FDIC #148)	$ 245,000	10/14/2020	10/14/2022	0.150%	$ 735
Brokered CD (NCUA #17587)	$ 247,000	10/29/2020	10/28/2022	0.25%	$ 1,233
Brokered CD (FDIC #16022)	$ 247,000	11/9/2020	11/9/2022	0.20%	$ 988
Brokered CD (FDIC #34953)	$ 249,000	11/16/2020	11/16/2022	0.20%	$ 996
Brokered CD (FDIC #845)	$ 249,187	11/20/2020	6/27/2022	0.20%	$ 797
Brokered CD (FDIC #35141)	$ 249,000	11/20/2020	11/21/2022	0.20%	$ 997
Spirit of Texas Jumbo CD	$ 1,020,893	12/11/2020	12/10/2021	0.55%	$ 5,600
FFCB Note (3133EMHE5)	$ 1,500,000	12/11/2020	11/30/2022	0.170%	$ 5,023
Brokered CD (FDIC #33954)	$ 256,586	12/22/2020	10/12/2022	0.20%	$ 927
Brokered CD (FDIC #4297)	$ 256,481	12/22/2020	10/12/2022	0.20%	$ 926
Brokered CD (FDIC #8120)	$ 247,000	12/23/2020	12/23/2022	0.20%	$ 988
Brokered CD (FDIC #58979)	$ 246,000	2/19/2021	2/21/2023	0.150%	$ 740
Brokered CD (NCUA #619)	$ 246,000	2/21/2021	2/13/2023	0.150%	$ 730
Frost Bank Jumbo CD	$ 1,500,000	2/25/2021	2/25/2022	0.160%	$ 2,400
Brokered CD (FDIC #19008)	$ 249,000	3/30/2021	3/30/2023	0.200%	$ 996
Brokered CD (FDIC #57742)	$ 249,000	3/30/2021	3/30/2023	0.200%	$ 996
Brokered CD (FDIC #57873)	$ 249,000	3/31/2021	3/31/2023	0.150%	$ 747
Brokered CD (#33539)	$ 249,000	6/30/2021	6/30/2023	0.25%	$ 1,245
Brokered CD (#12858)	$ 248,000	6/29/2021	6/29/2023	0.15%	$ 744
Spirit of Texas Bank (LOC 17001	$ 1,028,658	4/29/2021	10/29/2022	0.30%	$ 4,633
Brokered CD (#26876)	$ 249,000	4/8/2021	4/7/2022	0.10%	$ 248

Full Investment Listing (Continued)

Investment	Par Amount	Purchase Date	Maturity Date	Yield to Maturity	Total Return
Total	**$ 18,111,715**			**0.43%**	**$ 124,705**
Weighted Average Maturity			**337 days**		

APPENDIX

Mark-to-Market

Investment	Par Amount	3/31/2021 Market Value	6/30/2021 Market Value	Unrealized Gain/(Loss) since Purchase
Brokered CD (FDIC #34742)	$ 249,000	$ 252,185	$ 251,428	$ 2,428
Brokered CD (FDIC #27389)	$ 249,000	$ 252,611	$ 251,642	$ 2,642
Brokered CD (FDIC #58665)	$ 249,000	$ 250,626	$ 249,695	$ 695
Brokered CD (FDIC #57803)	$ 247,000	$ 250,374	$ 249,386	$ 2,386
Brokered CD (FDIC #35546)	$ 249,000	$ 252,613	$ 251,769	$ 2,769
Brokered CD (FDIC #58978)	$ 248,000	$ 250,386	$ 249,850	$ 1,850
Brokered CD (FDIC #33555)	$ 248,000	$ 250,225	$ 249,711	$ 1,711
Brokered CD (FDIC #57565)	$ 249,000	$ 251,159	$ 250,641	$ 1,641
Brokered CD (NCUA #68712)	$ 249,000	$ 250,113	$ 249,525	$ 525
Brokered CD (FDIC #19581)	$ 250,000	$ 251,979	$ 251,532	$ 1,532
Spirit of Texas Bank CDs (2)	$ 2,528,201	$ 2,523,570	$ 2,528,201	$ -
Brokered CD (NCUA #60269)	$ 249,000	$ 249,630	$ 249,530	$ 530
Brokered CD (FDIC #23623)	$ 250,000	$ 250,273	$ 250,239	$ 239
Brokered CD (FDIC #33686)	$ 249,000	$ 249,463	$ 249,391	$ 391
Spirit of Texas CD (New)	$ 1,028,658	N/A	$ 1,028,658	$ -
CDARS - Worthington	$ 1,604,198	$ 1,604,198	$ 1,604,198	$ -
Brokered CD (FDIC #16022)	$ 247,000	$ 247,269	$ 247,198	$ 198
Brokered CD (FDIC #8120)	$ 247,000	$ 247,091	$ 247,027	$ 27
Brokered CD (FDIC #33954)	$ 256,586	$ 255,410	$ 254,054	$ (2,531)
Brokered CD (FDIC #4297)	$ 256,481	$ 255,410	$ 254,054	$ (2,426)
Brokered CD (FDIC #34953)	$ 249,000	$ 249,271	$ 249,192	$ 192
Brokered CD (NCUA #17587)	$ 247,000	$ 247,042	$ 247,042	$ 42
Brokered CD (FDIC #845)	$ 249,187	$ 249,286	$ 249,264	$ 77
Brokered CD (FDIC #35141)	$ 249,000	$ 249,269	$ 249,189	$ 189
FFCB Note (3133EMHE5)	$ 1,500,000	$ 1,499,655	$ 1,498,560	$ (1,440)
FFCB Note (3133EMCU4)	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ -
Brokered CD (FDIC #32992)	$ 244,201	$ 247,305	$ 242,376	$ (1,825)
Brokered CD (FDIC #17739)	$ 240,204	$ 240,276	$ 240,235	$ 31
Brokered CD (FDIC #148)	$ 245,000	$ 245,086	$ 245,056	$ 56
Brokered CD (FDIC #58979)	$ 246,000	$ 245,995	$ 245,884	$ (116)
Brokered CD (NCUA #619)	$ 246,000	$ 246,002	$ 245,897	$ (103)
Frost Bank Jumbo CD	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ -
Brokered CD (FDIC #19008)	$ 249,000	$ 249,212	$ 249,035	$ 35
Brokered CD (FDIC #57742)	$ 249,000	$ 249,209	$ 249,035	$ 35
Brokered CD (FDIC #57873)	$ 249,000	$ 248,960	$ 248,816	$ (184)
Brokered CD (#33539)	$ 249,000	N/A	$ 249,125	$ 125
Brokered CD (#12858)	$ 248,000	N/A	$ 247,630	$ (370)
Brokered CD (#26876)	$ 249,000	N/A	$ 249,080	$ 80
Total	**$ 18,111,715**	**$ 16,361,154**	**$ 18,123,146**	**$ 11,430**

APPENDIX

Note about mark-to-market: This analysis takes a snapshot look at each of the securities Colleyville holds and values them based on what the market would pay for them today. An unrealized gain in market value would indicate the security's value has gone up since the last mark-to-market, and an unrealized loss would indicate the value has gone down. However, the City of Colleyville's strategy is to buy securities and hold them to maturity to receive the agreed-upon interest payments (known as "buy and hold"). Therefore, any change in market value will not be realized by the City. The primary purpose of this analysis, as required by the Public Funds Investment Act, is to demonstrate the current market value of the City's portfolio should we need to liquidate it in the case of an emergency. This scenario is extremely unlikely, given the prudence Colleyville's leaders have shown in their financial decisions. It is important to remember this when looking at our quarterly mark-to-market analysis.

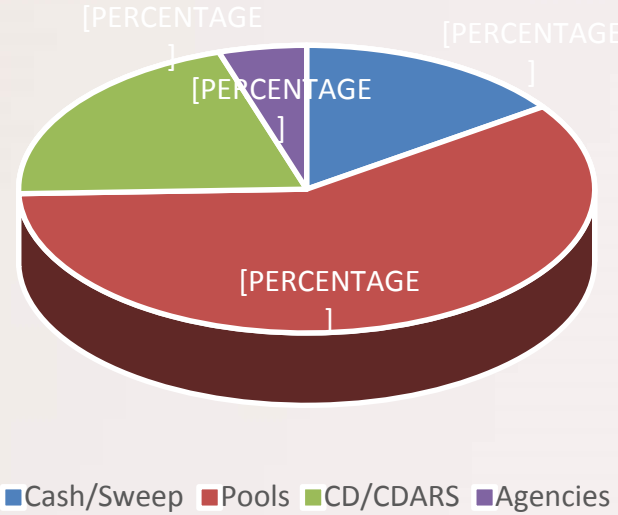
Quarterly Investment Report
3rd Q, FY2021

August 3, 2021

As required by the Public Funds Investment Act, §2256.023

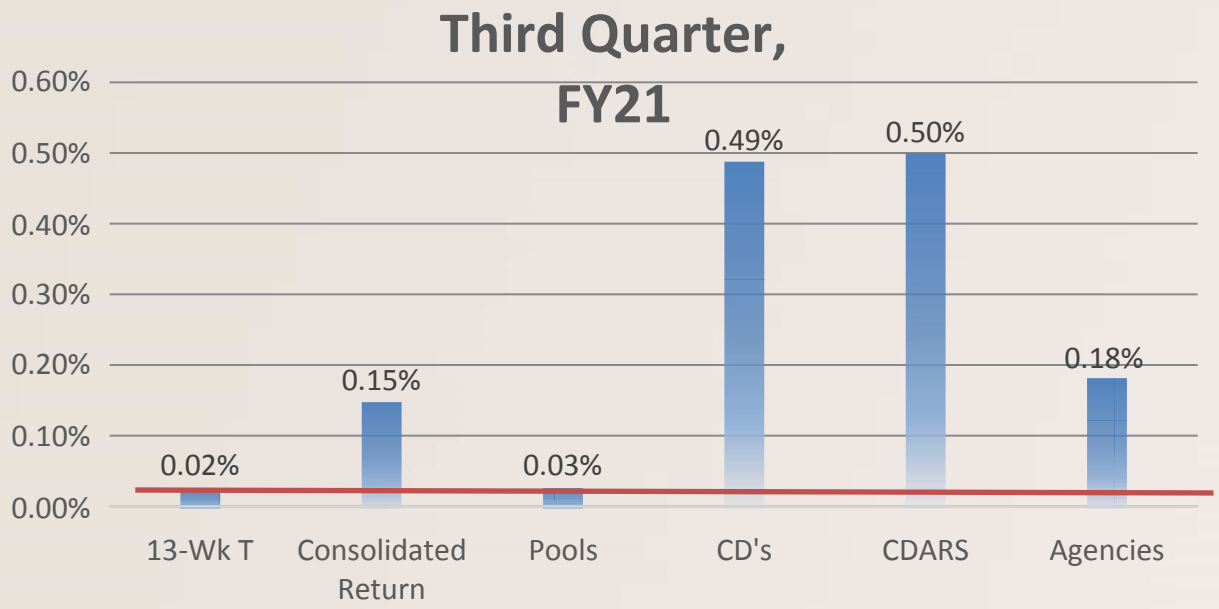
Cash Position Overview

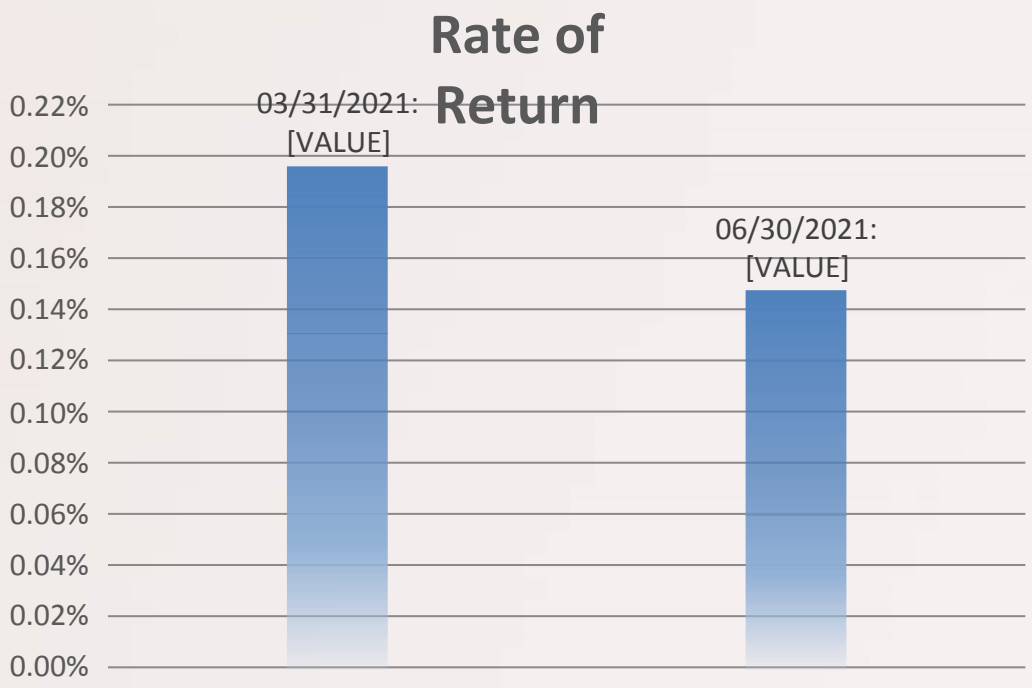
Total	31-Mar	30-Jun	Change
Operating	$ 31,968,487	$ 31,114,043	$ (854,445)
Capital	$ 35,181,780	$ 31,460,481	$ (3,721,299)
Special Revenue	$ 7,516,497	$ 7,356,564	$ (159,933)
Debt	$ 1,237,123	$ 1,093,626	$ (143,497)
Total	**$ 75,903,887**	**$ 71,024,713**	**$ (4,879,173)**



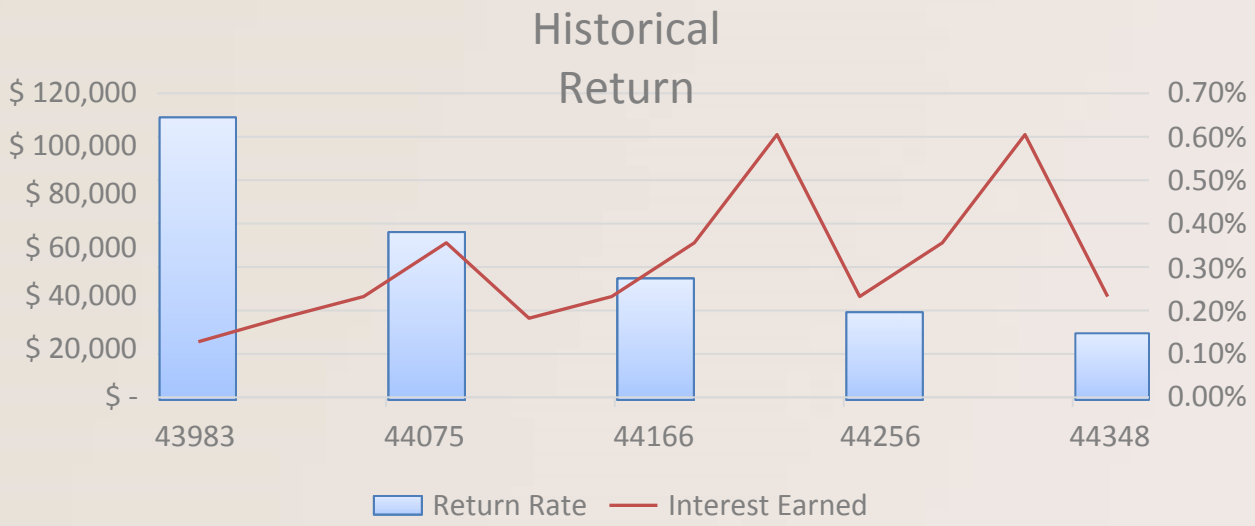
Where is Colleyville's cash?		3/31/2021	6/30/2021	Change	Weighted Maturity
Cash/ Equivalents	Cash	$ 12,001,929	$ 10,862,280	$ (1,139,649)	Liquid
	Sweep Account	$ -	$ -	$ -	Liquid
	LOGIC (CP Permiss.)	$ 2,495,425	$ 2,496,085	$ 660	Liquid
	Other Gov't Pools	$ 43,550,959	$ 39,554,510	$ (3,996,450)	Liquid
	Subtotal	**$ 58,048,313**	**$ 52,912,874**	**$ (5,135,439)**	
Bonds/CDs/Agencies	CD's	$ 12,751,375	$ 13,007,641	$ 256,266	338 days
	CDARS	$ 1,604,198	$ 1,604,198	$ -	71 days
	Agencies	$ 3,500,000	$ 3,500,000	$ -	491 days
	Subtotal	**$ 17,855,573**	**$ 18,111,839**	**$ 256,266**	**344 days**
	Total Resources	**$ 75,903,887**	**$ 71,024,713**	**$ (4,879,173)**	

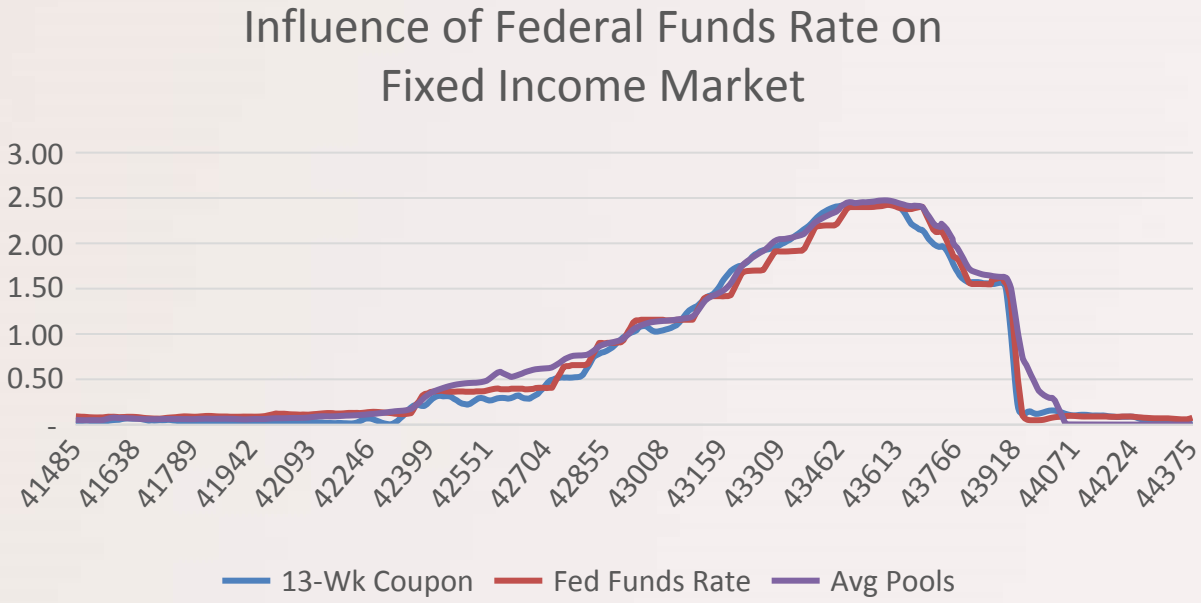
Return Summary





Return Summary





Mark-to-Market

Public Funds Investment Act Requirement

Mark-to-Market: A snapshot of what our investments would sell at compared to what we purchased them for.

- Purpose is to show our overall portfolio value
- We hold our investments until maturity ("buy and hold" strategy)
- Gains and losses shown in this analysis are unrealized

Par Value	03/31 Value	Total Gain (loss) on Purchase Price
$ 18,111,715	$ 18,123,146	$ 11,430

CEDC Payoff

December 2020: Paid off $4.775m in CEDC Bond principle.

- **Total interest saved through 2027 = $645,000 (2.88% interest)**
  - **$117,000 was to be paid in FY21**
- **Currently earning 0.15% aggregate ~ $7,100 in interest earning potential**
- **Would have been a net FY21 loss of $109,900 ($117,000 - $7,100 in earning potential)**
- **If we count the interest we would have paid as a net benefit to the City, our aggregate return rate would actually be closer to 0.25%.**

Questions/Comments