City of Colleyville
Audit Committee
Agenda

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

Wednesday, March 2, 2022
6:15 p.m.

City Manager's Conference Room
Third Floor – City Hall

1. **CALL TO ORDER**

2. **APPROVAL OF MINUTES**
December 7, 2021

3. **REGULAR AGENDA ITEMS**
3a Discussion of the draft FY21 audit and SAS 114 letter

4. **REPORTS**
4a Presentation of the Quarterly Investment Report for the quarter ended December 31, 2021.

5. **ADJOURNMENT**

I hereby certify this agenda was posted on City Hall bulletin boards Friday, February 25, 2022, 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 817.503.1133, 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, December 7, 2021 | City Manager's Conference Room
5:00 p.m. | Third Floor – City Hall

1. CALL TO ORDER

City Secretary Christine Loven called the meeting to order at 5:00 p.m.

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

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

2. APPROVAL OF MINUTES
August 3, 2021

The minutes were motioned for approval by Member Dodson, seconded by Member Kelley and passed unanimously.

3. REGULAR AGENDA ITEMS

3a Approval of the annual review and updates to the City of Colleyville Investment Policy

Finance Director Kyle Lester stated the Public Funds Investment Act requires the City, as the governing body of a public entity, review the investment strategy and adopt a written instrument by resolution stating it has reviewed the investment policy and investment strategies. Director Lester stated no changes are recommended.

There was brief discussion regarding the commercial and paper notes.

Member Dodson made a motion to recommend to changes to the Investment Policy, seconded by Member Lindamood and passed unanimously.

3b Quarterly Investment Report for the quarter ended September 30,2021

Finance Director Kyle Lester reviewed the quarterly investment report and noted rates are still very low. There was general discussion regarding the sweep accounts, investments in CD's, and pools and concern for the low interest rates.

3c Update from the City's auditors

Kristen Derryberry, Senior Manager, Weaver and Tidwell, the City's auditors, provided an update on the audit. Ms. Derryberry thanked Finance Director Kyle Lester and Account Manager Karen Hines, and the Finance Department staff for consistently working with them efficiently and effectively.

Ms. Derryberry stated the draft preliminary audit would be presented to the Audit Committee in March 2022.

4. ADJOURNMENT

The meeting was adjourned at 5:18 p.m.

MINUTES APPROVED THIS 2ND DAY OF MARCH 2022.

Minutes taken and prepared by:

Christine Loven

Christine Loven, TRMC
City Secretary

City of Colleyville
Audit Committee
Agenda Briefing

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

Agenda Number 3a **Agenda Date** 3/2/2022 **Number**
Type Regular Agenda Items
Department Finance

Title
Discussion of the draft FY21 audit and SAS 114 letter

Explanation
This item provides for an update from 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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www.colleyville.com

Agenda Number 4a **Agenda Date** 3/2/2022 **Number**
Type Report
Department Finance

Title
Presentation of the Quarterly Investment Report for the quarter ended December 31, 2021.

Explanation
Cash and Cash Equivalents (local government investment pools) totaled $46,170,832. Colleyville's complete portfolio was valued at $64,022,836, and was allocated as follows:

Instrument	Current as of 12/31/2021	Last Quarter as of 9/30/2021
Cash	$ 16,476,222	$ 12,868,976
LOGIC (CP Permissible)	$ 2,496,508	$ 2,496,277
Other Governmental Pools	$ 27,307,582	$ 30,805,579
CD's	$ 12,242,273	$ 13,262,044
CDARS	$ -	$ -
Agencies	$ 5,500,250	$ 3,500,000
Total Cash & Investments	$ 64,022,836	$ 62,932,876

Instrument	Yield this quarter
LOGIC (CP Permissible)	0.05 %
Other Governmental Pools	0.03 %
CD's	0.41 %
CDARS	0.00 %
Agencies	0.39 %
Total Consolidated Yield	0.17 %

Benchmark Yield: 0.05%

Interest earnings for the quarter were $17,073 compared to $15,943 in the previous quarter. This is reflective of a more optimistic market, anticipated Federal Reserve action, and a few 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. December 2021 Presentation
2. Investment Report - Dec 2021

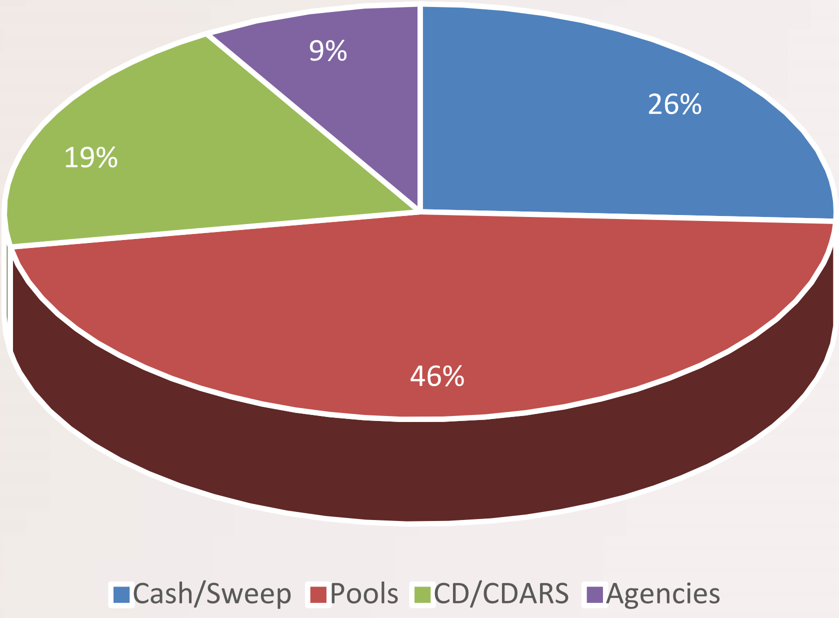
Quarterly Investment Report
1st Q, FY2022

March 1, 2021

As required by the Public Funds Investment Act, §2256.023

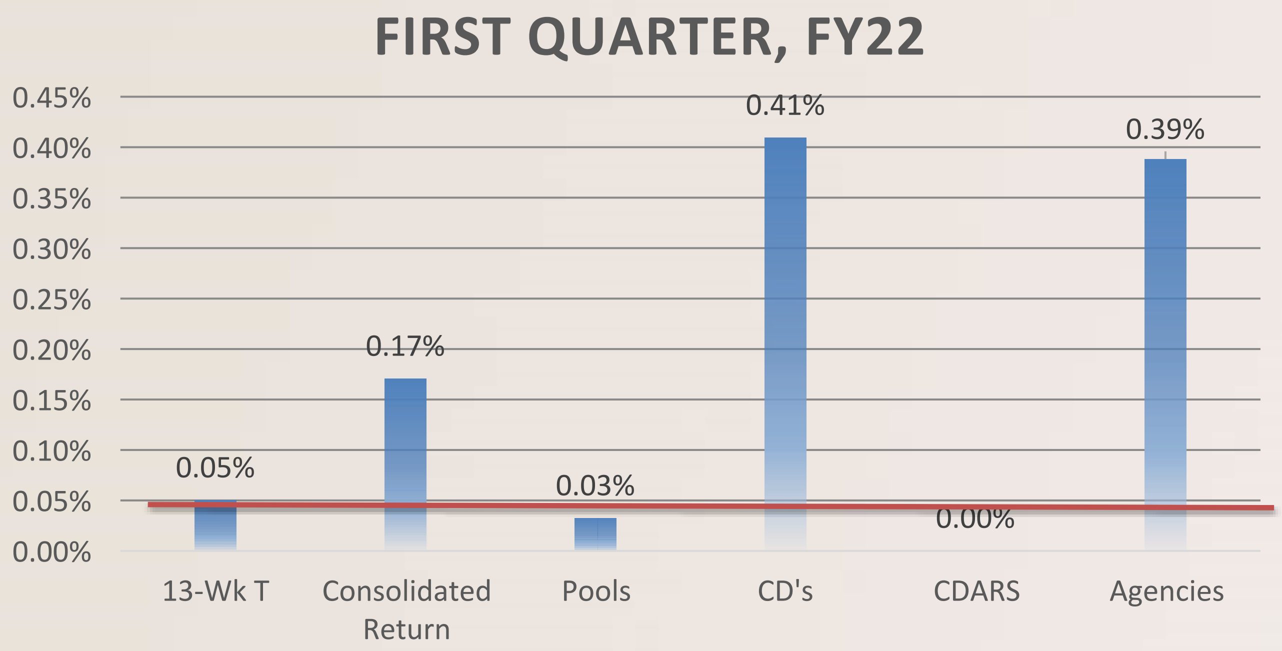
Cash Position Overview

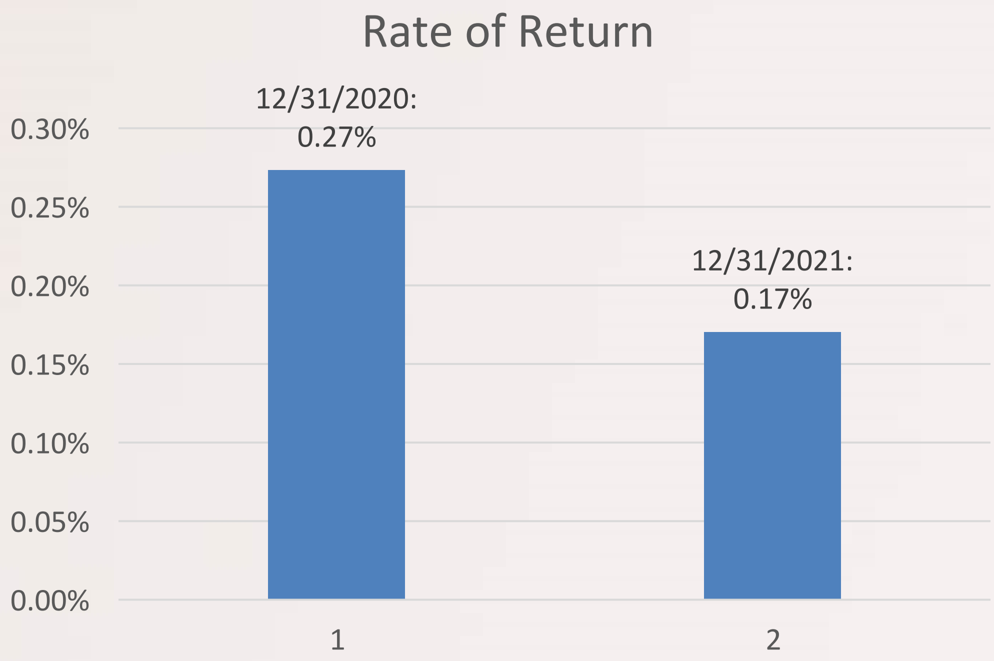
Total	30-Sep	31-Dec	Change
Operating	$ 31,187,660	$ 28,671,524	$ (2,516,136)
Capital	$ 23,533,056	$ 27,038,252	$ 3,505,196
Special Revenue	$ 7,145,527	$ 7,185,693	$ 40,166
Debt	$ 1,066,633	$ 1,127,367	$ 60,734
Total	**$ 62,932,876**	**$ 64,022,836**	**$ 1,089,960**



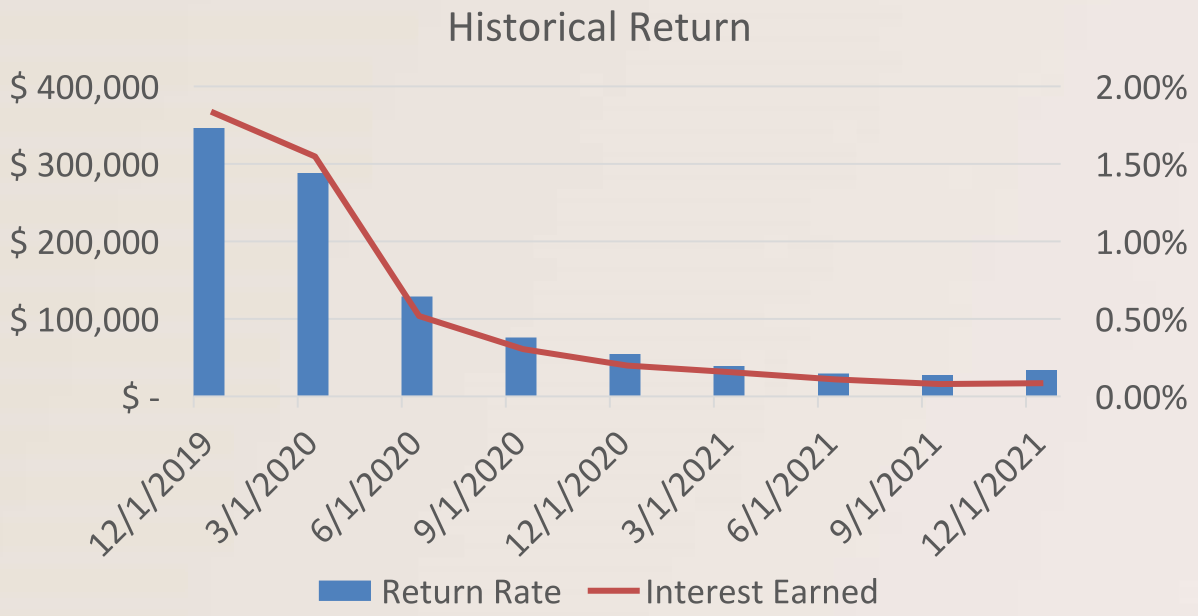
Where is Colleyville's cash?		9/30/2021	12/31/2021	Change
Cash/ Equivalents	Cash	$ 12,868,976	$ 16,476,222	$ 3,607,246
	Sweep Account	$ -	$ -	$ -
	LOGIC (CP Permiss.)	$ 2,496,277	$ 2,496,508	$ 231
	Other Gov't Pools	$ 30,805,579	$ 27,307,582	$ (3,497,997)
	Subtotal	**$ 46,170,832**	**$ 46,280,313**	**$ 109,480**
Bonds/CDs/Agencies	CD's	$ 13,262,044	$ 12,242,273	$ (1,019,770)
	CDARS	$ -	$ -	$ -
	Agencies	$ 3,500,000	$ 5,500,250	$ 2,000,250
	Subtotal	**$ 16,762,044**	**$ 17,742,523**	**$ 980,479**
	Total Resources	**$ 62,932,876**	**$ 64,022,836**	**$ 1,089,960**

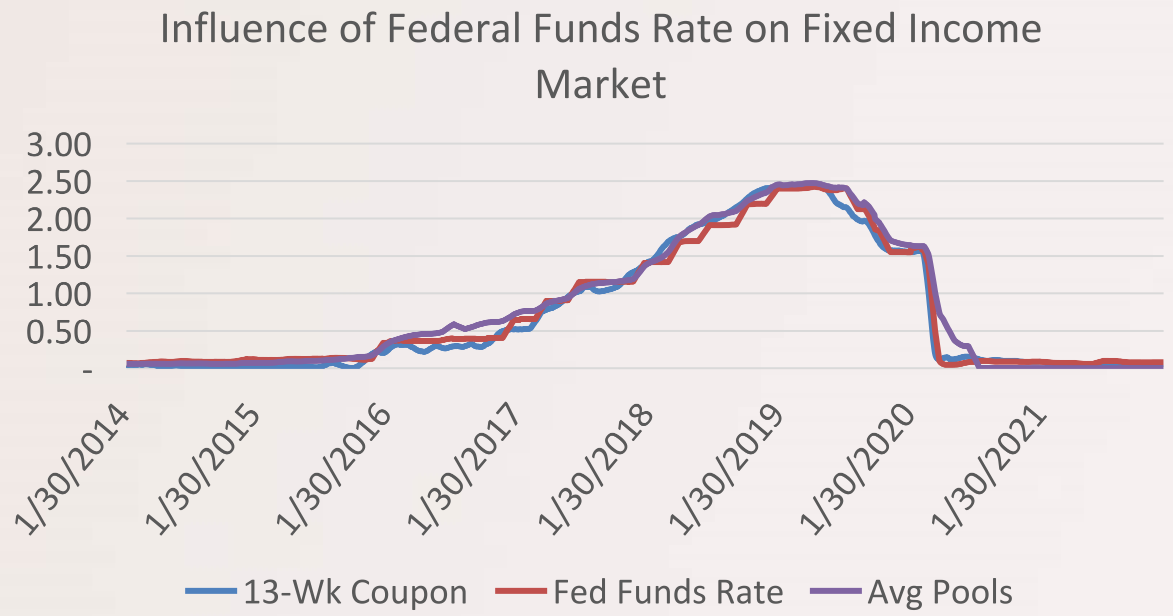
Return Summary





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

Value at Purchase	12/31 Value	Total Gain (loss) on Purchase Price
$ 17,718,741	$ 17,715,038	($ 3,704)

Questions/Comments

City of Colleyville, TX

Quarterly Investment Report

12/31/2021

Where is Colleyville's cash?

		9/30/2021	12/31/2021	Change	Weighted Maturity
Cash/ Equivalents	Cash	$ 12,868,976	$ 16,476,222	$ 3,607,246	Liquid
	Sweep Account	$ -	$ -	$ -	Liquid
	LOGIC (CP Permiss.)	$ 2,496,277	$ 2,496,508	$ 231	Liquid
	Other Gov't Pools	$ 30,805,579	$ 27,307,582	$(3,497,997)	Liquid
	Subtotal	**$ 46,170,832**	**$ 46,280,313**	**$ 109,480**	
Bonds/CDs/Agencies	CD's	$ 13,262,044	$ 12,242,273	$(1,019,770)	256 days
	CDARS	$ -	$ -	$ -	0 days
	Agencies	$ 3,500,000	$ 5,500,250	$ 2,000,250	457 days
	Subtotal	**$ 16,762,044**	**$ 17,742,523**	**$ 980,479**	**318 days**
	Total Resources	**$ 62,932,876**	**$ 64,022,836**	**$ 1,089,960**	

Investments on the move…

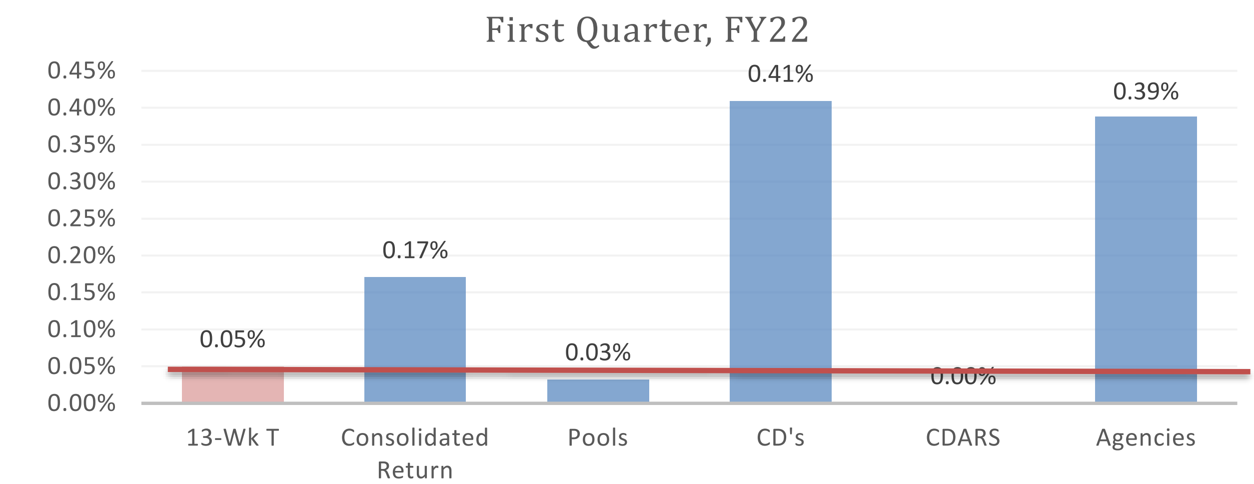
There hasn't been a tremendous amount of change in the City's investment portfolio since September. We did have one jumbo CD mature, totaling a over 1 million in funds. This CD's was with Spirit of Texas Bank and had a maturity of 365 days and a return of 0.55%. In response, staff was able to invest $2m in Utility Funds in a large, 2-year Federal Home Loan Bank note for a return of 0.75%. We're beginning to see rates come up, primarily on agency notes. Most recently I've seen 2.5-3.5 year notes paying above 1.5%, which is nice after a few years of bottomed-out returns. We still need to be mindful of our liquidity and CIP schedule, but staff will continue to look for opportunities to maximize our investments. As of September, the 13-week treasury is currently sitting at 5 basis points while government pools are averaging around 3 basis points.

Diversity Snapshot vs. Policy Requirements

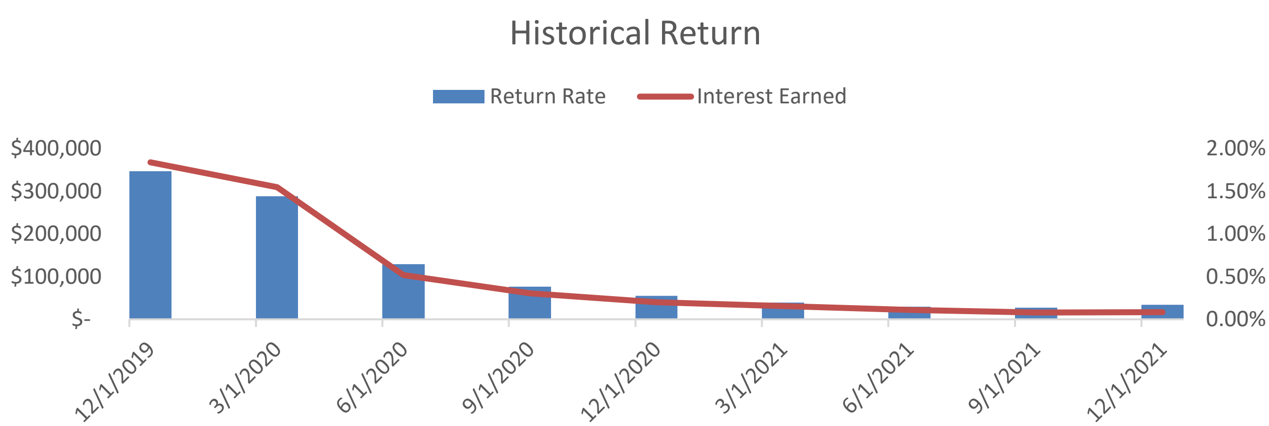
	Policy Max	9/30/2021	12/31/2021	Criteria Met?
U.S. Treasuries	100%	0%	0%	✓
U.S. Agencies	75%	6%	9%	✓
CD's	75%	21%	19%	✓
Local Gov't Pools	75%	53%	47%	✓
CDARs	75%	0%	0%	✓
Tri-Pty Repurchase	75%	0%	0%	✓
SEC Registered, No-Load Mutual Funds	10%	0%	0%	✓
Cash/Sweep	N/A	20%	26%	

How do our returns compare?

Benchmark = 13-Week Treasury



The City's total consolidated return is 0.17% as of December 30, 2021. While this remains low, particularly as older investments mature, this still compares favorably with the 13-week treasury note benchmark listed in Colleyville's investment policy as well as our prevoius quarterly return of 0.14%. Since the start of the pandemic, the Federal Reserve has cut its interbank lending rates to near 0, which tend to work in lock-step with fixed income investments (basically everything we can legally invest in). As mentioned in the previous page, however, news that the Fed will bring this rate back up in 2022 paired with massive infrastructure spending at the federal level have driven national agency debt rates higher.



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. Additionally, for the first time our quarterly return increased compared to the previous report. Most importantly, Colleyville's funds are safe. Our highest value is placed on maintaining a low risk in order to ensure the safety and liquidity of the funds entrusted to us.

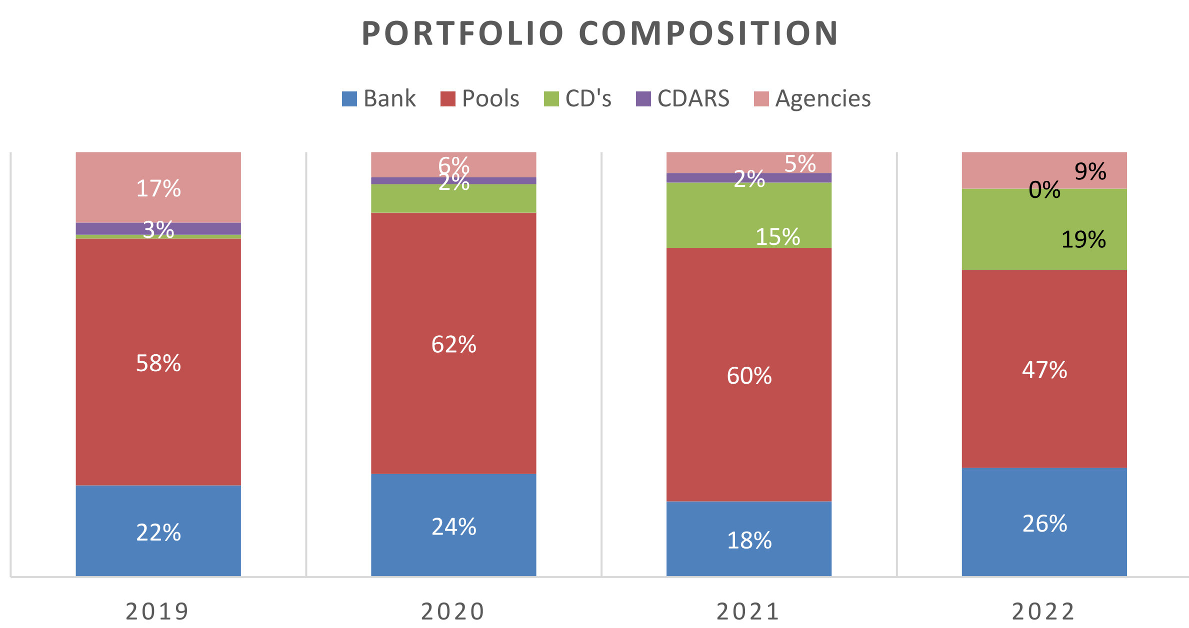
What have we earned the past three months? For the past year?

Current Total	
9/30/2021 Thru 12/31/2021	$17,073; 0.17%

Quarterly Average	
12/31/2020 Thru 12/31/2021	$21,545; 0.16%

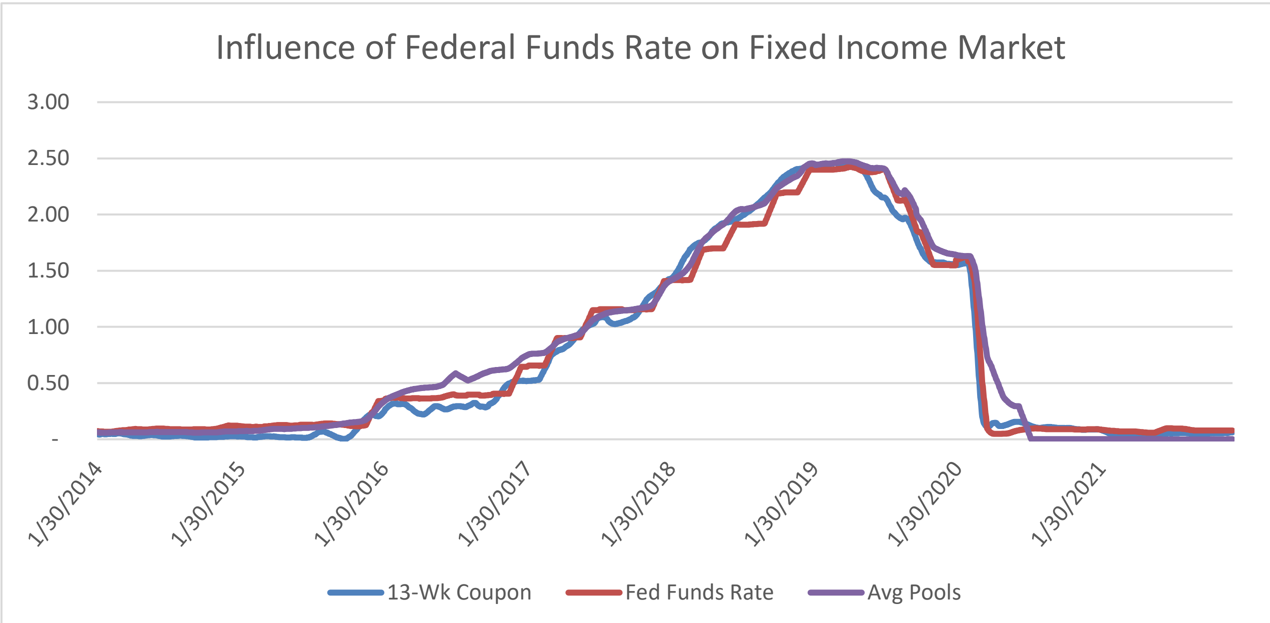
Compared to the average quarterly return for the past 12 months, the most recent quarter is showing a predictable decrease in the rate of return. As noted, fixed-income rates have experienced a considerable decline amidst the global pandemic. Thankfully we are seeing some relief on the horizon, as the Federal Reserve estimated an increase in the inter-bank borrowing rate in 2022. Federal agency debt is already showing stronger returns, although we will need to balance investments with our robust 5-year capital improvement plan, which necessitates higher liquidity than in previous years. 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 2019 through 2020. 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. With the market's recent shift back toward agency debt, we should see a more diverse portfolio in the future. Also, the City's cash-in-bank showed a significant increase of $3.6 million due to property taxes beginning to come in. Staff has made the decision to park portions of that in our governmental pools for the time being due to cash-flow concerns, so our next report will likely show an increase in those balances.

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. As of early 2022, however, numerous Fed members indicated an expected four-step increase in 2023, and two increases this year as well. Furthermore, Fitch Ratings forecasts a rate of 1.75% by the end of 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	Maturity Date	Length	Yield to Maturity	Total Return
Spirit of Texas Jumbo CD	$ 1,022,309	12/10/2021	1.00	0.55%	$ 5,607
Brokered CD (FDIC #16571)	$ 247,000	10/20/2020	1.09	1.80%	$ 4,836
Brokered CD (FDIC #35141)	$ 247,000	10/27/2020	1.11	1.85%	$ 5,058
Brokered CD (FDIC #2270)	$ 247,000	12/24/2020	1.27	1.80%	$ 5,628
Brokered CD (FDIC #58647)	$ 245,000	10/9/2020	1.02	1.75%	$ 4,358
Brokered CD (FDIC #27237)	$ 245,000	10/9/2020	1.02	1.75%	$ 4,358
Brokered CD (FDIC #12855)	$ 245,000	10/9/2020	1.02	1.75%	$ 4,358
Brokered CD (FDIC #58658)	$ 249,000	10/9/2020	1.02	1.75%	$ 4,429
Brokered CD (FDIC #57777)	$ 245,000	10/16/2020	1.04	1.75%	$ 4,440
Spirit of Texas Jumbo CD	$ 1,013,567	12/5/2020	1.00	1.79%	$ 18,193
Brokered CD (FDIC #58243)	$ 250,000	1/19/2021	1.30	1.70%	$ 5,508
Brokered CD (FDIC #26876)	$ 250,000	3/10/2021	1.03	1.40%	$ 3,605
Brokered CD (FDIC #58577)	$ 246,000	2/12/2021	1.02	1.60%	$ 4,011
Brokered CD (FDIC #18503)	$ 246,000	2/12/2021	1.02	1.60%	$ 4,011
Brokered CD (FDIC #3511)	$ 249,000	4/19/2021	1.54	1.90%	$ 7,297
Spirit of Texas Jumbo CD	$ 1,025,023	4/24/2021	1.50	1.85%	$ 28,470
Brokered CD (FDIC #110)	$ 249,000	5/14/2021	1.25	1.65%	$ 5,122
Brokered CD (FDIC #110)	$ 249,000	5/14/2021	1.25	1.65%	$ 5,122
Brokered CD (FDIC #58665)	$ 249,000	9/7/2021	1.53	1.55%	$ 5,890
Brokered CD (NCUA #68712)	$ 249,000	9/20/2021	1.53	1.00%	$ 3,813
CDARS (Worthington Bank)	$ 1,604,198	9/9/2021	1.00	0.50%	$ 8,021
Total Matured	**$ 8,872,097**			**1.36%**	**$ 142,135**

APPENDIX

What have we purchased within the last 12 months?

Investment	Par Amount	Purchase Date	Maturity Date	Yield to Maturity	Total Return
Spirit of Texas Jumbo CD	$ 1,509,779	9/9/2021	9/9/2022	0.40%	$ 6,039
FHLB Note (3130AQ3X9)	$ 2,000,250	12/22/2021	12/22/2023	0.75%	$ 30,004
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 #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
Brokered CD (FDIC #33124)	$ 250,000	7/28/2021	7/28/2023	0.25%	$ 1,250
Brokered CD (FDIC #34404)	$ 249,000	9/29/2021	9/29/2023	0.30%	$ 1,494
Brokered CD (NCUA #227)	$ 249,000	9/29/2021	3/29/2024	0.40%	$ 2,489
Total Purchased	**$ 15,784,002**			**0.31%**	**$ 82,253**
Weighted Average Maturity			**613 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 (NCUA #227)	$ 249,000	9/29/2021	3/29/2024	0.40%	$ 2,489
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)	$ 248,124	3/6/2020	3/21/2022	0.98%	$ 4,938
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 (FDIC #33124)	$ 250,000	7/28/2021	7/28/2023	0.25%	$ 1,250
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	$ 1,511,285	9/9/2021	9/9/2022	0.40%	$ 6,045
Brokered CD (FDIC #34404)	$ 249,000	9/29/2021	9/29/2023	0.30%	$ 1,494
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
FHLB Note (3130AQ3X9)	$ 2,000,250	12/22/2021	12/22/2023	0.75%	$ 30,004
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	$ 1,030,206	4/29/2021	10/29/2022	0.30%	$ 4,640
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	**$ 17,742,523**			**0.40%**	**$ 132,875**
Weighted Average Maturity				**317 days**	

APPENDIX

Mark-to-Market

Investment	Initial Value	9/30/2021 Market Value	12/31/2021 Market Value	Unrealized Gain/(Loss) since Purchase
Brokered CD (FDIC #34742)	$ 249,000	$ 250,536	$ 249,645	$ 645
Brokered CD (FDIC #27389)	$ 249,000	$ 250,571	$ 249,520	$ 520
Brokered CD (NCUA #227)	$ 249,000	$ 248,348	$ 247,274	$ (1,726)
Brokered CD (FDIC #57803)	$ 247,000	$ 248,349	$ 247,309	$ 309
Brokered CD (FDIC #35546)	$ 249,000	$ 250,785	$ 249,792	$ 792
Brokered CD (FDIC #58978)	$ 248,000	$ 249,171	$ 248,479	$ 479
Brokered CD (FDIC #33555)	$ 248,000	$ 249,066	$ 248,412	$ 412
Brokered CD (FDIC #57565)	$ 249,000	$ 250,001	$ 249,369	$ 369
Brokered CD (FDIC #33124)	$ 250,000	$ 249,685	$ 248,924	$ (1,076)
Brokered CD (FDIC #19581)	$ 250,000	$ 250,950	$ 250,365	$ 365
Spirit of Texas Bank CDs (2)	$ 2,541,492	$ 2,538,953	$ 2,541,492	$ -
Brokered CD (NCUA #60269)	$ 249,000	$ 249,461	$ 249,035	$ 35
Brokered CD (FDIC #23623)	$ 250,000	$ 250,102	$ 249,981	$ (19)
Brokered CD (FDIC #33686)	$ 249,000	$ 249,356	$ 248,948	$ (52)
FHLB Note (3130AQ3X9)	$ 2,000,250	N/A	$ 1,998,494	$ (1,755)
Brokered CD (FDIC #34404)	$ 249,000	$ 248,684	$ 247,805	$ (1,195)
Brokered CD (FDIC #16022)	$ 247,000	$ 247,178	$ 246,736	$ (264)
Brokered CD (FDIC #8120)	$ 247,000	$ 247,012	$ 246,634	$ (366)
Brokered CD (FDIC #33954)	$ 247,000	$ 252,698	$ 250,942	$ 3,942
Brokered CD (FDIC #4297)	$ 247,000	$ 252,698	$ 250,942	$ 3,942
Brokered CD (FDIC #34953)	$ 249,000	$ 249,169	$ 248,719	$ (281)
Brokered CD (NCUA #17587)	$ 247,000	$ 247,027	$ 246,862	$ (138)
Brokered CD (FDIC #845)	$ 249,000	$ 249,239	$ 248,938	$ (62)
Brokered CD (FDIC #35141)	$ 249,000	$ 249,159	$ 248,706	$ (294)
FFCB Note (3133EMHE5)	$ 1,500,000	$ 1,499,175	$ 1,497,825	$ (2,175)
FFCB Note (3133EMCU4)	$ 2,000,000	$ 1,999,920	$ 1,999,620	$ (380)
Brokered CD (FDIC #32992)	$ 240,000	$ 241,536	$ 240,689	$ 689
Brokered CD (FDIC #17739)	$ 240,000	$ 240,230	$ 239,866	$ (134)
Brokered CD (FDIC #148)	$ 245,000	$ 245,083	$ 244,691	$ (309)
Brokered CD (FDIC #58979)	$ 246,000	$ 245,801	$ 245,304	$ (696)
Brokered CD (NCUA #619)	$ 246,000	$ 245,823	$ 245,336	$ (664)
Frost Bank Jumbo CD	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ -
Brokered CD (FDIC #19008)	$ 249,000	$ 248,871	$ 248,293	$ (707)
Brokered CD (FDIC #57742)	$ 249,000	$ 248,873	$ 248,295	$ (705)
Brokered CD (FDIC #57873)	$ 249,000	$ 248,681	$ 248,133	$ (867)
Brokered CD (#33539)	$ 249,000	$ 248,786	$ 248,064	$ (936)
Brokered CD (#12858)	$ 248,000	$ 247,358	$ 246,700	$ (1,300)
Brokered CD (#26876)	$ 249,000	$ 249,005	$ 248,900	$ (100)
Total	**$ 17,718,741**	**$ 15,737,341**	**$ 17,715,038**	**$ (3,704)**

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.