



# City of Colleyville Audit Committee Agenda

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

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Tuesday, September 6, 2022  
4:30 p.m.

City Manager's Conference Room  
Third Floor – City Hall

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**1. CALL TO ORDER**

**2. APPROVAL OF MINUTES**

June 7, 2022

**3. REGULAR AGENDA ITEMS**

**3a** Discussion of the Fiscal Year September 30, 2022, audit which will be conducted by the City's audit firm Weaver and Tidwell

**3b** Presentation of the third quarter FY22 investment report

**4. ADJOURNMENT**

I hereby certify this agenda was posted on City Hall bulletin boards Friday, September 2, 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 817.503.1111, and reasonable accommodations will be made to assist you.*



# City of Colleyville Audit Committee Minutes

City Hall  
100 Main Street  
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Tuesday, June 7, 2022  
5:00 p.m.

City Manager's Conference Room  
Third Floor – City Hall

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## 1. CALL TO ORDER

City Secretary Christine Loven called the Audit Committee Meeting to order at 5:00 p.m.

**Present:** Committee Members: Bobby Lindamood, George Dodson, and Chuck Kelley.

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

## 2. APPROVAL OF MINUTES

March 2, 2022

The March 2, 2022, Audit Committee minutes were approved as presented.

## 3. REPORTS

Quarterly Investment Report for the quarter ended March 31, 2022

Finance Director Kyle Lester presented the quarterly investment report. He reviewed the City's investments and cash portfolio, and noted interest earnings for the quarter were \$22,060 compared to \$17,073 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.

Director Lester gave an overview of the City's cash position, noting the pools are lagging behind the treasury, and jumbo CDs are still not advancing. There was general discussion of the liquidity of funds and interfund borrowing.

Mayor Lindamood announced he will be leaving the committee and Committee Brandi Elder will be appointed for a two year term.

## 4. ADJOURNMENT

The meeting was adjourned at 5:11 p.m.

PASSED BY A VOTE OF \_ AYES, \_ NAYS, AND \_ ABSTENTIONS, THIS 6<sup>TH</sup> DAY OF SEPTEMBER 2022.

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  
www.colleyville.com

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**Agenda Number** 3a

**Agenda Date** 9/6/2022

**Number**

**Type** Regular Agenda Items

**Department** Finance

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## **Title**

Discussion of the Fiscal Year September 30, 2022, audit which will be conducted by the City's audit firm Weaver and Tidwell

## **Explanation**

This item provides for the discussion of the Fiscal Year September 30, 2022, audit which will be conducted by the City's audit firm Weaver and Tidwell.

## **Attachments**

1. City of Colleyville Presentation 090622



# Audit Insights

City of Colleyville  
Year Ended September 30, 2022



**weaver**   
Assurance • Tax • Advisory

# Today's Speaker

## Jennifer Ripka, CPA | Partner, Assurance Services



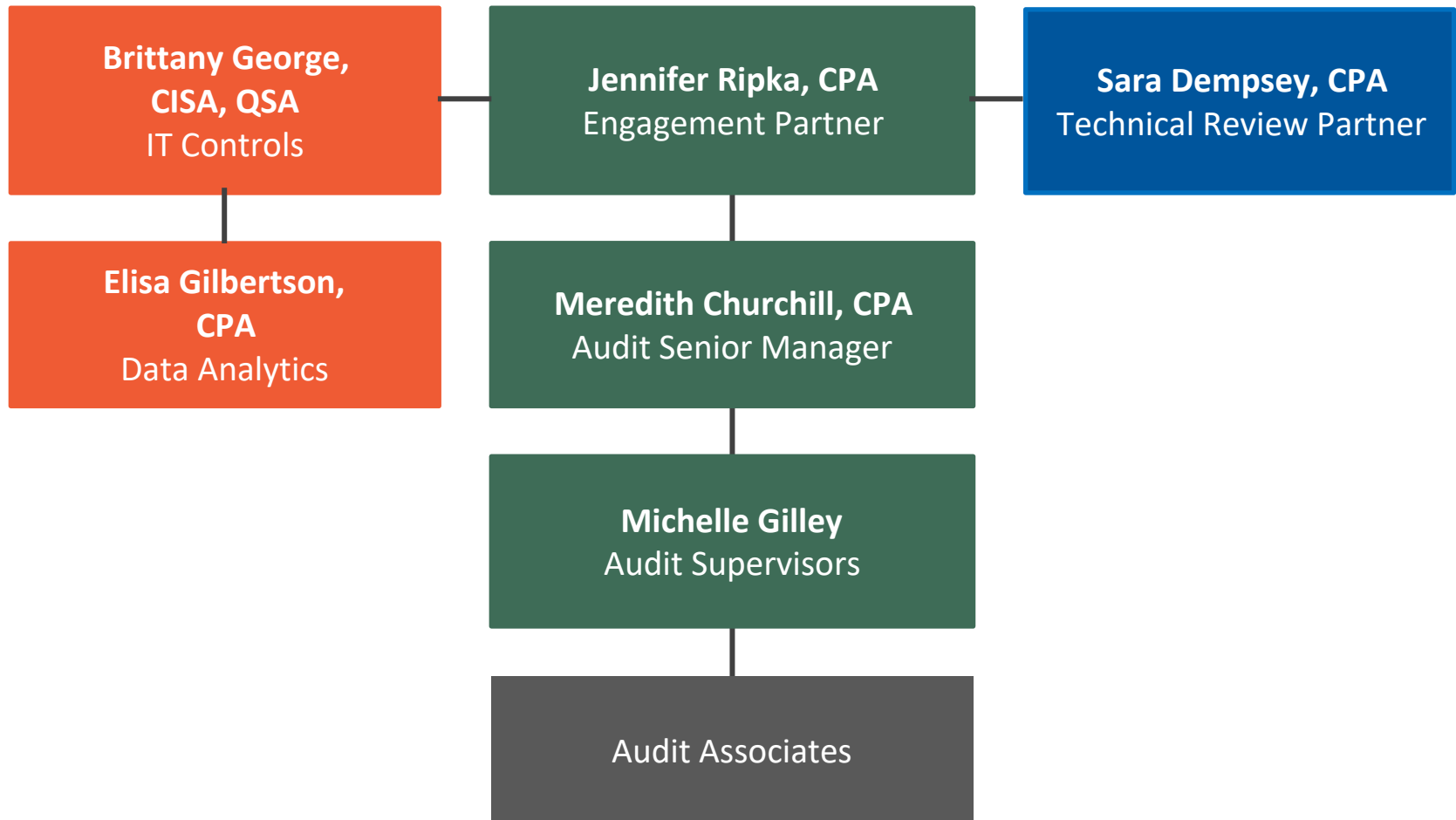
- ④ Audit engagement partner.
- ④ 15 years of public accounting experience.
- ④ Practice emphasis in auditing cities, school districts and special purpose governments.
- ④ Serves as a member of several different organizations including the Government Finance Officers Association (GFOA); GFOA Special Review Committee, Texas Society of Public Accountants, Governmental Accounting and Single Audit Conference Planning Committee, and the Texas Society of Public Accountants, Government Standards Committee.

### **THERE WHEN YOU NEED US.**

Remember: Weaver is your auditor all year; we are always available to answer routine questions.



# The Colleyville Team





# **AUDIT PROCESS AND REQUIRED COMMUNICATIONS**

# Audit Process



**Audit Standards** — Performed the audit in accordance with Generally Accepted Auditing Standards (GAAS) and Generally Accepted Government Auditing Standards (GAGAS).

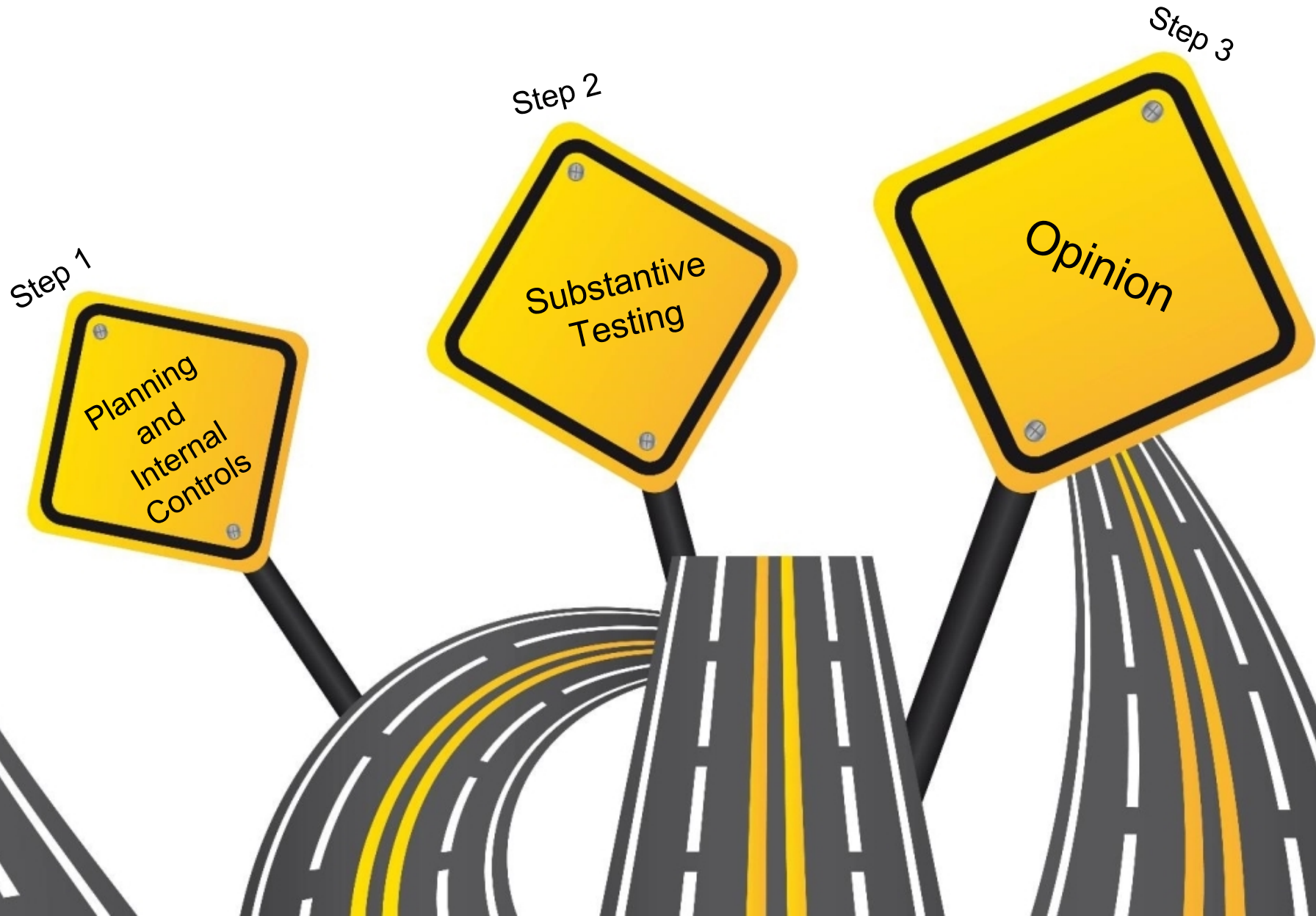


**Single Audit** — Performed the single audit of federal awards in accordance with the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)



**Compliance** — Performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grant agreements.

# Audit Process



# Audit Process

- **Risk-based approach** focused on specific risks:
  - Capital projects, purchasing, and bid procedure compliance
  - Payables, accruals, and expenditures
  - Utility Revenues
  - Federal and state revenues and expenditures, and related compliance requirements
  
- **Walkthroughs** of significant transaction cycles
  - Payroll
  - Cash Receipts
  - Budget/Financial Close Process
  - Cash Disbursements



# Audit Process

- **Testing internal controls** over financial reporting and compliance
  - Cash disbursements
  - Payroll disbursements
  - TMRS Census Data Testing
  - Contract bidding / construction in progress

# Responsibilities under U.S. GAAS, GAGAS, and Uniform Guidance



- As communicated in our engagement letter for the year ended September 30, 2022:
  - Our audits follow GAAS and provide reasonable rather than absolute assurance that the financial statements are free of material misstatement.
  - We will obtain an understanding of internal control over significant transaction cycles and perform testing to determine if controls are operating as designed.
  - We will perform tests of the City’s compliance with certain laws, regulations, contracts, and grants.
    - Noncompliance could have a direct and material effect on the determination of financial statement amounts.
    - Providing an opinion on compliance with these laws, regulations, contracts, and grants will not be an objective of the audit.
  - Financial statements are the responsibility of the City.

# Responsibilities under U.S. GAAS, GAGAS, and Uniform Guidance



- Specifically related to the Single Audit in accordance with Uniform Guidance as communicated in our engagement letter for the year ended September 30, 2022:
  - We will consider internal control over compliance related to compliance requirements for each major program
  - We will test compliance for each direct and material compliance requirement for each major program
  - Although our audit will provide a reasonable basis for our opinion, it does not provide a legal determination of the City’s compliance with those requirements

# New Pronuncements



# New Pronouncements

## 2022

- ▶ GASB 87 – Leases
- ▶ GASB 89 – Accounting for Interest Cost Incurred before the End of a Construction Period
- ▶ GASB 92 – Omnibus 2020 (multiple effective dates)
- ▶ GASB 97 – CCUC and Section 457 Plan
- ▶ GASB 98- The Annual Comprehensive Financial Report
- ▶ Implementation Guide 2019-3 – Leases
- ▶ Implementation Guide 2020-1 – Update 2020

## 2023

- ▶ GASB 91 – Conduit Debt Obligations
- ▶ GASB 94 – Public Private Partnerships
- ▶ GASB 96 – Subscription Based IT Arrangements

## 2024

- ▶ GASB 99 – Omnibus 2022 (multiple effective dates)
- ▶ GASB 100 – Accounting Changes and Errors

# Discussion

- **Points of Concern?**
- **Additional Areas of Risk?**
- **Additional Services Requested?**

## Contact Us



### **Jennifer Ripka**

Partner, Assurance Services

Direct: (972) 448.9268

Email: [jennifer.ripka@weaver.com](mailto:jennifer.ripka@weaver.com)



# City of Colleyville Audit Committee Agenda Briefing

City Hall  
100 Main Street  
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**Agenda Number** 3b

**Agenda Date** 9/6/2022

**Number**

**Type** Regular Agenda Items

**Department** Finance

**Title**

Presentation of the third quarter FY22 investment report

**Explanation**

Cash and Cash Equivalents (local government investment pools) totaled \$48,814,480. Colleyville’s complete portfolio was valued at \$67,546,388, and was allocated as follows:

<b>Instrument</b>	<b>Current as of 06/30/2022</b>	<b>Last Quarter as of 03/31/2022</b>
Cash	\$ 8,436,323	\$ 11,170,734
LOGIC (CP Permissible)	\$ 2,502,593	\$ 2,497,586
Other Governmental Pools	\$ 37,875,564	\$ 39,315,245
CD’s	\$ 10,266,721	\$ 10,756,803
CDARS	\$ -	\$ -
Agencies	\$ 8,465,187	\$ 5,500,250
<b>Total Cash and Investments</b>	<b>\$ 67,546,388</b>	<b>\$ 69,240,618</b>

<b>Instrument</b>	<b>Yield this quarter</b>
LOGIC (CP Permissible)	0.80 %
Other Governmental Pools	0.6245 %
CD’s	0.52 %
CDARS	0.00 %
Agencies	1.24 %
<b>Total Consolidated Yield</b>	<b>0.70 %</b>

Benchmark Yield: 1.09%

Interest earnings for the quarter were \$96,248 compared to \$22,060 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. June 2022
2. Investment Report - Jun 2022



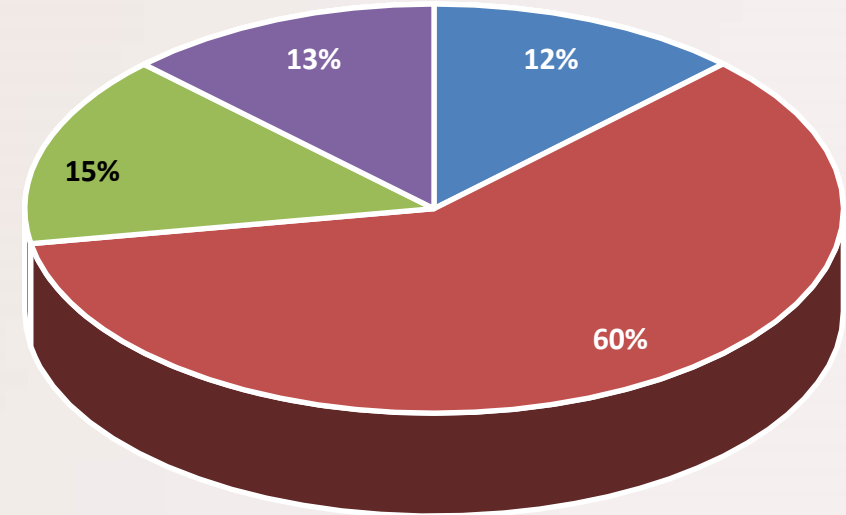
# **Quarterly Investment Report** **3<sup>rd</sup> Q, FY2022**

September 6, 2022

# Cash Position Overview



Total	31-Mar	30-Jun	Change
Operating	\$ 33,067,799	\$31,988,513	\$ (1,079,286)
Capital	\$ 28,127,203	\$27,433,670	\$ (693,533)
Special Revenue	\$ 7,129,625	\$ 7,241,862	\$ 112,237
Debt	\$ 915,991	\$ 882,343	\$ (33,648)
<b>Total</b>	<b>\$ 69,240,618</b>	<b>\$67,546,388</b>	<b>\$ (1,694,230)</b>



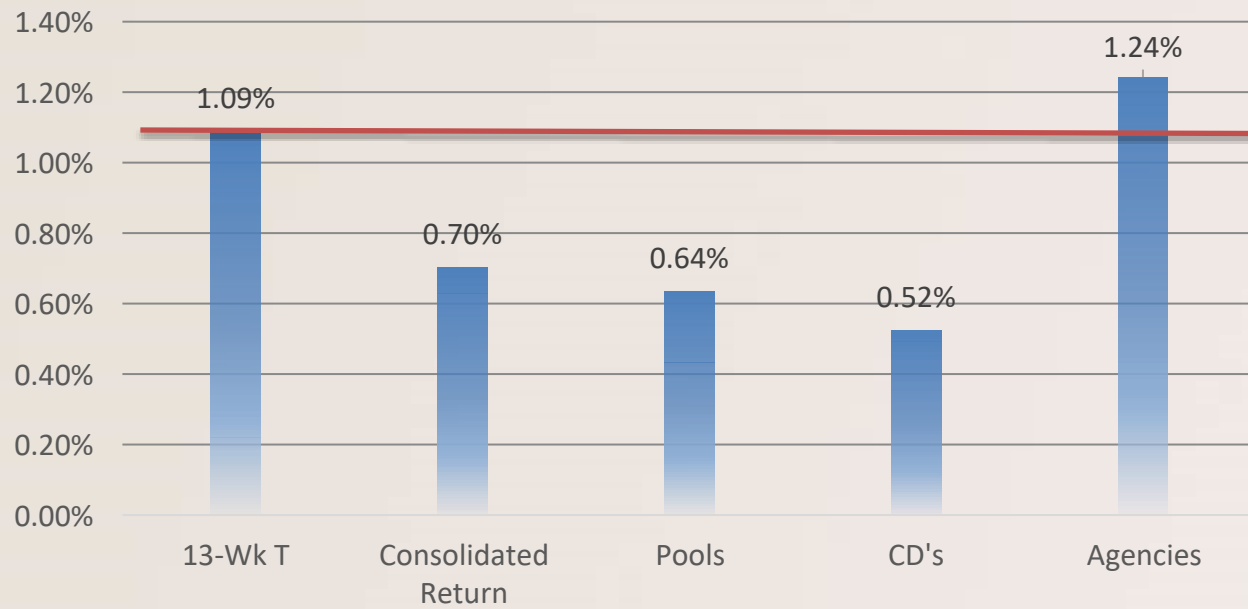
■ Cash/Sweep ■ Pools ■ CD/CDARS ■ Agencies

Where is Colleyville's cash?		3/31/2022	6/30/2022	Change	Weighted Maturity
Cash/ Equivalents	Cash	\$ 11,170,734	\$ 8,436,323	\$ (2,734,411)	Liquid
	Sweep Account	\$ -	\$ -	\$ -	Liquid
	LOGIC (CP Permiss.)	\$ 2,497,586	\$ 2,502,593	\$ 5,007	Liquid
	Other Gov't Pools	\$ 39,315,245	\$ 37,875,564	\$ (1,439,681)	Liquid
	<b>Subtotal</b>	<b>\$ 52,983,565</b>	<b>\$ 48,814,480</b>	<b>\$ (4,169,086)</b>	
Bonds/CDs/Agencies	CD's	\$ 10,756,803	\$ 10,266,721	\$ (490,082)	261 days
	CDARS	\$ -	\$ -	\$ -	0 days
	Agencies	\$ 5,500,250	\$ 8,465,187	\$ 2,964,938	417 days
	<b>Subtotal</b>	<b>\$ 16,257,052</b>	<b>\$ 18,731,908</b>	<b>\$ 2,474,855</b>	<b>331 days</b>
<b>Total Resources</b>		<b>\$ 69,240,618</b>	<b>\$ 67,546,388</b>	<b>\$ (1,694,230)</b>	

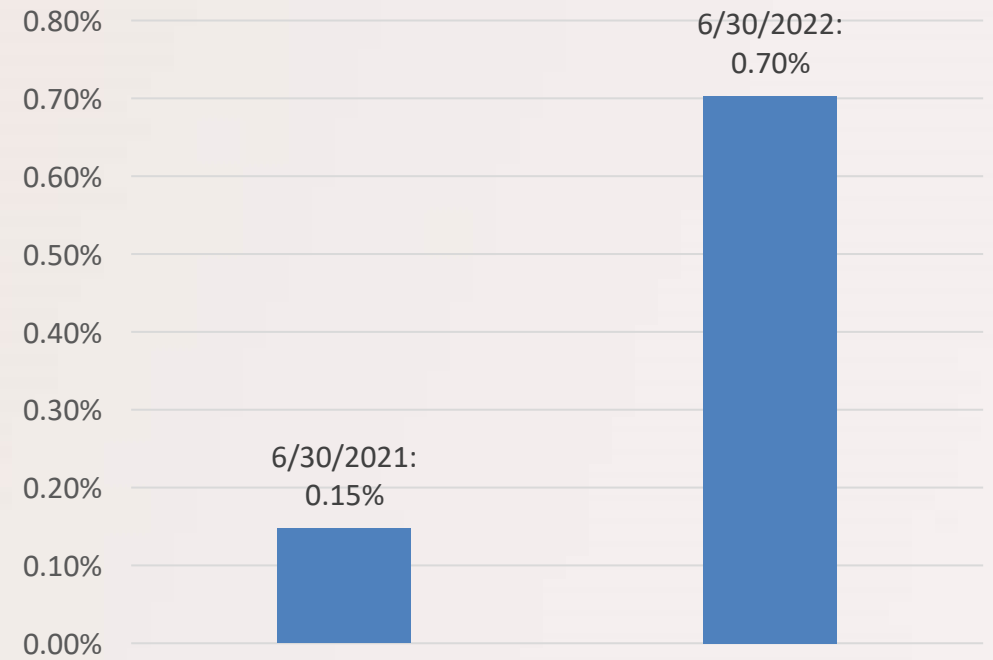
# Return Summary



## THIRD QUARTER, FY22



## Rate of Return



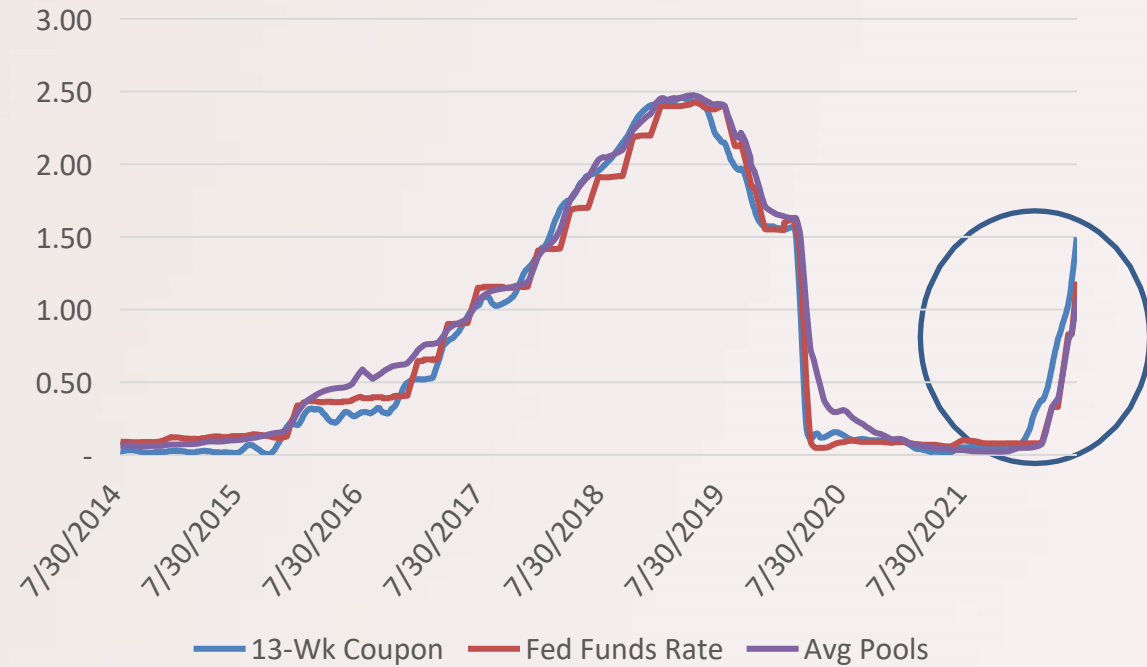
# Return Summary



### Historical Return



### Influence of Federal Funds Rate on Fixed Income Market



# 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
- Higher fixed income yields in market than most of our portfolio makes them difficult to sell as secondary securities

Value at Purchase	03/31 Value	Total Gain (loss) on Purchase Price
\$ 18,731,970	\$ 18,524,651	(\$ 201,226)

# Questions/Comments

# City of Colleyville, TX

Quarterly Investment Report

6/30/2022



<b>Where is Colleyville's cash?</b>		<b>3/31/2022</b>	<b>6/30/2022</b>	<b>Change</b>	<b>Weighted Maturity</b>
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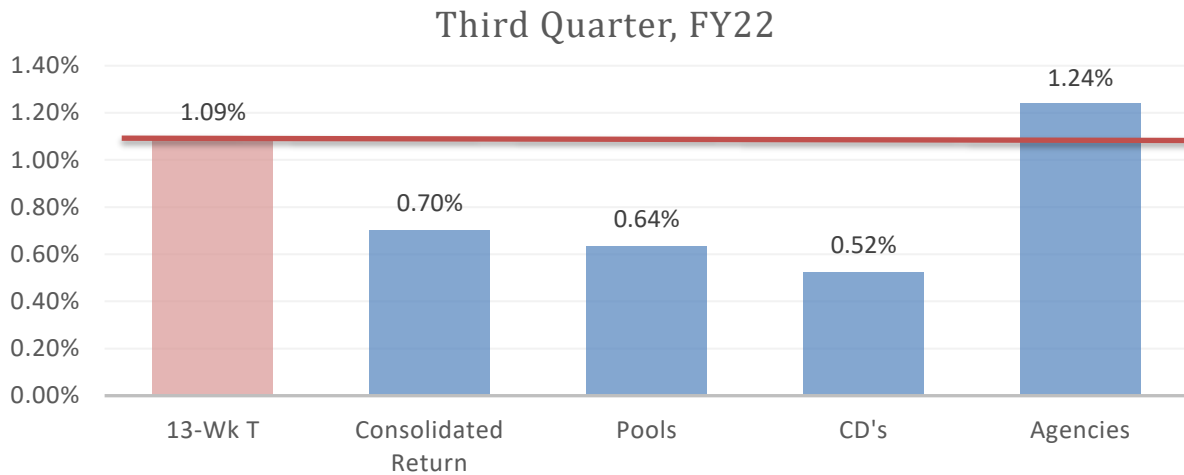
**Investments on the move...**

The third quarter of FY22 showed a moderate cash reduction from March, with the majority of the City's revenues having been received in the second quarter. This period has also seen a continued a transition in the market, as the Federal Reserve's moves to increase the interbank borrowing rate galvanizing market interest. The City's benchmark target of the 13-week treasury bill rose rapidly at that time, ascending almost 50 basis points, and it has continued its ascension. Unfortunately, our investment pools continue to lag significantly behind, lowering Colleyville's overall consolidated return. However, yields on agency debt and certificates of deposit have risen exponentially, and staff has been able to capitalize on those higher yields by reinvesting cash when available. After approximately \$750,000 in CD's matured this quarter, staff purchased almost \$3 million in Federal agency notes with a total consolidated return of 2.83%.

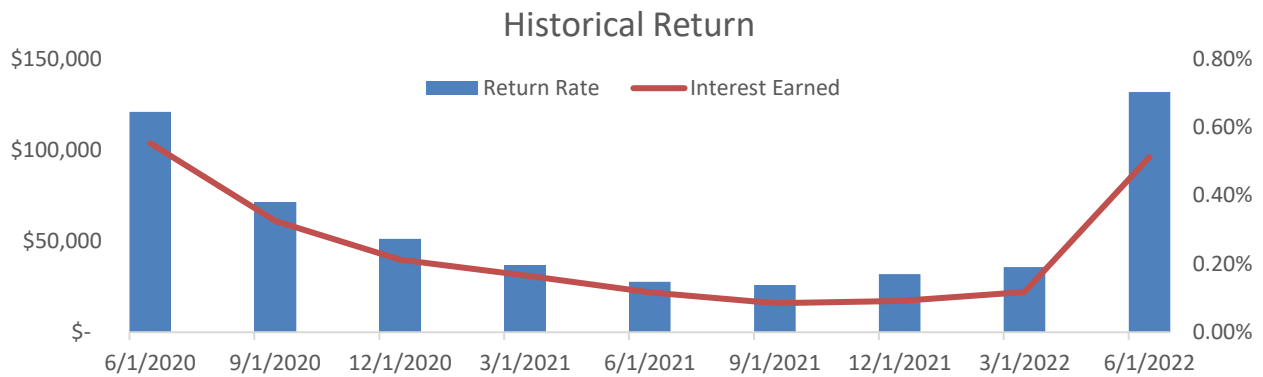
<b>Diversity Snapshot vs. Policy Requirements</b>				Criteria Met?
	<b>Policy Max</b>	<b>3/31/2022</b>	<b>6/30/2022</b>	
U.S. Treasuries	100%	0%	0%	✔
U.S. Agencies	75%	8%	13%	✔
CD's	75%	16%	15%	✔
Local Gov't Pools	75%	60%	60%	✔
CDARS	75%	0%	0%	✔
Tri-Pty Repurchase	75%	0%	0%	✔
SEC Registered, No-Load Mutual Funds	10%	0%	0%	✔
Cash/Sweep	N/A	16%	12%	

## How do our returns compare?

Benchmark = 13-Week Treasury



The City's total consolidated return was 0.70% as of June 30, 2022. As noted on the previous page, this is the first time our total return lags behind our benchmark of the 13-week treasury note. This is due to the rapid increase in yield on treasuries paired with a slower market increase in returns on governmental pools. Since January, the Federal Reserve Bank has committed to increasing its interbank borrowing rate to counter inflationary pressures, which in turn has increased fixed income yields. As of the date of this report, it is not uncommon to see shorter-term securities (1.5 - 3 years) pushing 400 basis points. However, Colleyville is currently at a lower point in its annual cash cycle, meaning the City needs to maintain its liquidity for ongoing operations and capital costs. Staff will continue to evaluate the possibility of further investments in the coming months.



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, until recently we've still been able to stay ahead of our 13-week treasury benchmark. We will continue to see the City's returns increase in subsequent reports. 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.

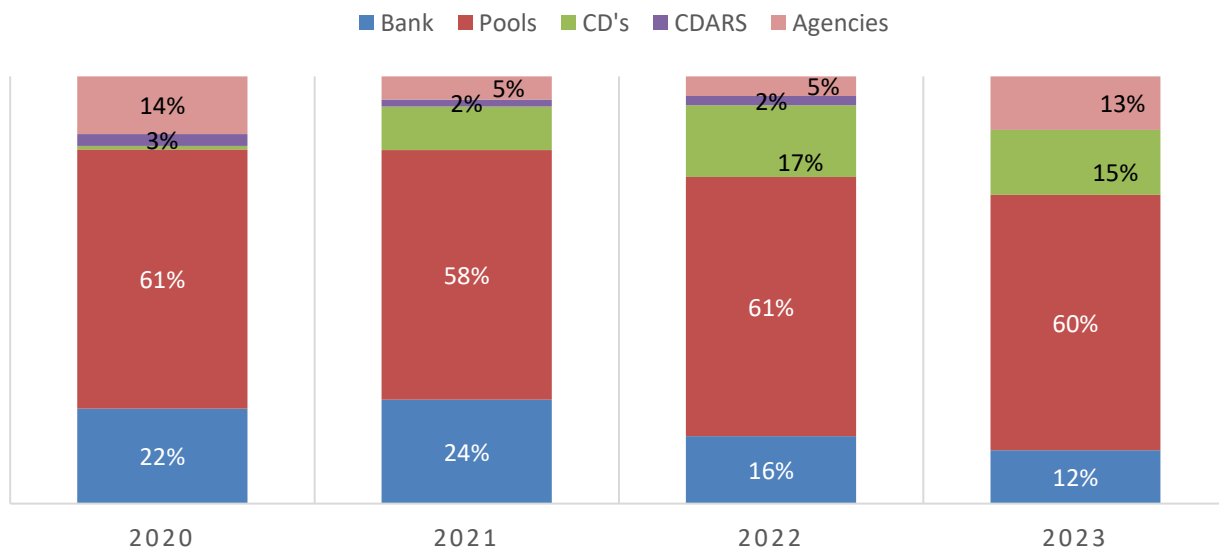
### What have we earned the past three months? For the past year?

Current Total		Quarterly Average	
3/31/2022	<b>\$96,248; 0.70%</b>	6/30/2021	<b>\$37,831; 0.30%</b>
Thru		Thru	
6/30/2022		6/30/2022	

Compared to the average quarterly return for the past 12 months, the most recent quarter is showing a slight increase in the rate of return. As noted, fixed-income rates have begun to climb amidst the actions from the Federal Reserve. As noted previously, staff has been able to capitalize on these higher yields, although the City's liquidity needs to remain relatively high at this time. Federal agency debt has been particularly attractive as of late. As always, 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.

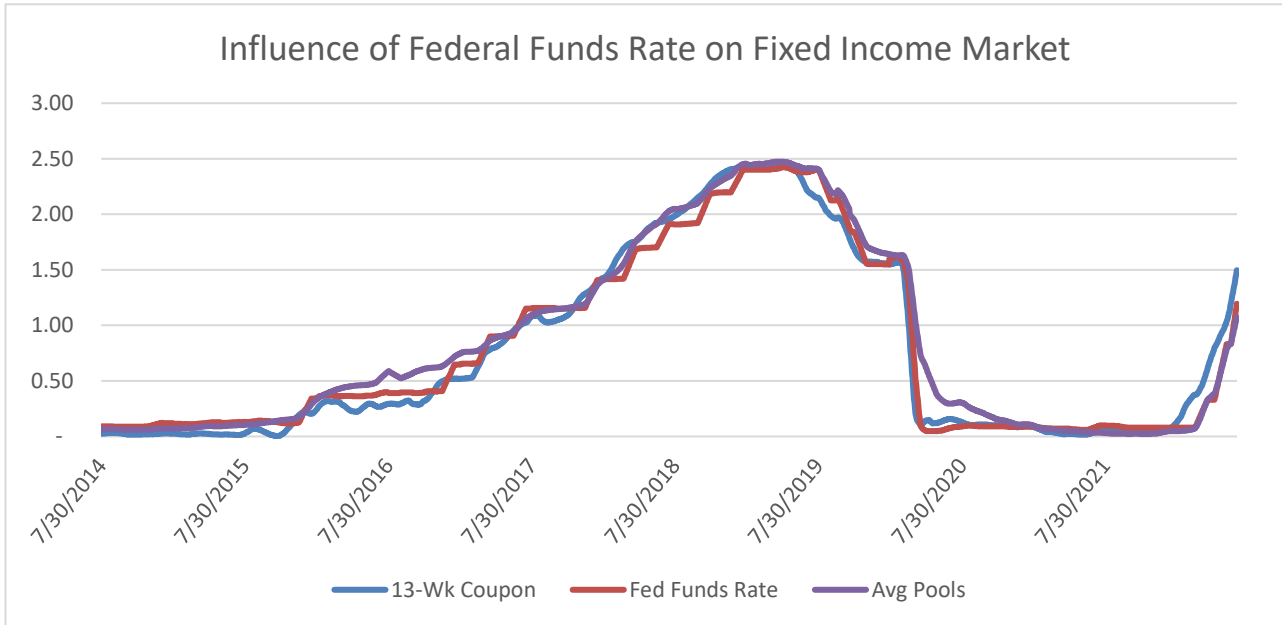
### How has our portfolio changed over time?

#### PORTFOLIO COMPOSITION



As the graph above shows, the City's portfolio makeup has remained fairly static over the years. However, our change in depository banks led staff to shy away from the sweep account instrument that had been heavily used with Wells Fargo. As a result, cash has been moved from our bank and into other instruments more frequently. Money stored in government 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.

## What influences our rate of return?



Per State law, Colleyville is only permitted to invest in certain fixed income securities, whose 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 since the beginning of the pandemic but inflation and recessionary fears have prompted the Federal Reserve to drastically increase it to between 2.25% and 2.5%. With three Federal Reserve Board Meetings slated for this year, further rate hikes are likely, although they aren't anticipated to be in the same magnitude as we saw in early 2022. Regardless, it is possible for the interbank borrowing rate to reach a height not seen since 2008.

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](mailto:klester@colleyville.com)

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

Signed:

## APPENDIX

**What has matured in the last 12 months?**

<b>Investment</b>	<b>Par Amount</b>	<b>Maturity Date</b>	<b>Length</b>	<b>Yield to Maturity</b>	<b>Total Return</b>
Brokered CD (FDIC #58665)	\$ 249,000	9/7/2021	1.53	1.55%	\$ 5,890
CDARS (Worthington Bank)	\$ 1,604,198	9/9/2021	1.00	0.50%	\$ 8,021
Brokered CD (NCUA #68712)	\$ 249,000	9/20/2021	1.53	1.00%	\$ 3,813
Brokered CD (FDIC #57803)	\$ 247,000	1/31/2022	1.97	1.70%	\$ 8,271
Brokered CD (FDIC #27389)	\$ 249,000	2/22/2022	2.03	1.70%	\$ 8,605
Brokered CD (FDIC #23623)	\$ 250,000	2/24/2022	1.50	0.20%	\$ 752
Frost Bank CD	\$ 1,500,000	2/25/2022	1.00	0.16%	\$ 2,400
Brokered CD (FDIC #57565)	\$ 249,000	3/11/2022	2.01	1.00%	\$ 5,014
Brokered CD (FDIC #34742)	\$ 249,000	3/21/2022	2.06	1.40%	\$ 7,182
Brokered CD (FDIC #33555)	\$ 248,000	3/21/2022	2.04	1.00%	\$ 5,062
Brokered CD (FDIC #19581)	\$ 250,000	3/21/2022	2.04	0.90%	\$ 4,592
Brokered CD (FDIC #35546)	\$ 249,000	3/28/2022	2.08	1.55%	\$ 8,026
Brokered CD (FDIC #35546)	\$ 249,000	3/28/2022	2.08	1.55%	\$ 8,026
Brokered CD (FDIC #58978)	\$ 248,000	3/28/2022	2.06	1.05%	\$ 5,365
Brokered CD (FDIC #32992)	\$ 244,201	4/4/2022	1.51	0.19%	\$ 686
Brokered CD (FDIC #26876)	\$ 249,000	4/7/2022	1.00	0.10%	\$ 248

<b>Total Matured</b>	<b>\$ 6,583,399</b>			<b>0.72%</b>	<b>\$ 81,954</b>
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**APPENDIX**

**What have we purchased within the last 12 months?**

<b>Investment</b>	<b>Par Amount</b>	<b>Purchase Date</b>	<b>Maturity Date</b>	<b>Yield to Maturity</b>	<b>Total Return</b>
Brokered CD (#12858)	\$ 248,000	6/29/2021	6/29/2023	0.15%	\$ 744
Brokered CD (#33539)	\$ 249,000	6/30/2021	6/30/2023	0.25%	\$ 1,245
Brokered CD (FDIC #33124)	\$ 250,000	7/28/2021	7/28/2023	0.25%	\$ 1,250
Spirit of Texas Jumbo CD	\$ 1,509,779	9/9/2021	9/9/2022	0.40%	\$ 6,039
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
FHLB Note (3130AQ3X9)	\$ 2,000,250	12/22/2021	12/22/2023	0.75%	\$ 30,004
Frost Bank CD	\$ 1,502,400	2/25/2022	2/25/2024	1.510%	\$ 45,372
Brokered CD (FDIC #27471)	\$ 250,000	3/2/2022	3/4/2024	1.600%	\$ 8,033
Brokered CD (FDIC #32574)	\$ 250,000	3/9/2022	3/6/2024	1.500%	\$ 7,479
Brokered CD (FDIC #628)	\$ 249,000	3/31/2022	3/31/2023	1.00%	\$ 2,490
FHLB Note (3130ARLC3)	\$ 1,000,000	4/25/2022	4/25/2024	2.63%	\$ 52,572
FHLB Note (3130ARP54)	\$ 450,000	4/29/2022	4/29/2024	2.70%	\$ 24,333
FHLB Note (3131ARVT5)	\$ 1,000,000	5/17/2022	5/17/2024	3.00%	\$ 60,082
FHLB Note (3130AR65)	\$ 515,000	5/20/2022	5/17/2024	3.00%	\$ 30,815

<b>Total Purchased</b>	<b>\$ 9,971,429</b>			<b>1.42%</b>	<b>\$ 274,442</b>
<b>Weighted Average Maturity</b>			<b>670 days</b>		

## APPENDIX

## Full Investment Listing

Investment	Par Amount	Purchase	Purchase Date	Yield to Maturity	Total Return
Brokered CD (NCUA #60269)	\$ 249,000	\$ 249,000	8/10/2020	0.30%	\$ 1,510
Brokered CD (FDIC #33686)	\$ 249,000	\$ 249,000	8/26/2020	0.20%	\$ 996
Brokered CD (FDIC #17739)	\$ 240,204	\$ 240,204	8/28/2020	0.200%	\$ 962
FFCB Note (3133EMCU4)	\$ 2,000,000	\$ 2,000,000	10/13/2020	0.190%	\$ 7,600
Brokered CD (FDIC #148)	\$ 245,000	\$ 245,000	10/14/2020	0.150%	\$ 735
Brokered CD (NCUA #17587)	\$ 247,000	\$ 247,000	10/29/2020	0.25%	\$ 1,233
Brokered CD (FDIC #16022)	\$ 247,000	\$ 247,000	11/9/2020	0.20%	\$ 988
Brokered CD (FDIC #34953)	\$ 249,000	\$ 249,000	11/16/2020	0.20%	\$ 996
Brokered CD (FDIC #845)	\$ 249,187	\$ 249,187	11/20/2020	0.20%	\$ 797
Brokered CD (FDIC #35141)	\$ 249,000	\$ 249,000	11/20/2020	0.20%	\$ 997
FFCB Note (3133EMHE5)	\$ 1,500,000	\$ 1,500,000	12/11/2020	0.170%	\$ 5,023
Brokered CD (FDIC #33954)	\$ 256,586	\$ 256,586	12/22/2020	0.20%	\$ 927
Brokered CD (FDIC #4297)	\$ 256,481	\$ 256,481	12/22/2020	0.20%	\$ 926
Brokered CD (FDIC #8120)	\$ 247,000	\$ 247,000	12/23/2020	0.20%	\$ 988
Brokered CD (FDIC #58979)	\$ 246,000	\$ 246,000	2/19/2021	0.150%	\$ 740
Brokered CD (NCUA #619)	\$ 246,000	\$ 246,000	2/21/2021	0.150%	\$ 730
Brokered CD (FDIC #19008)	\$ 249,000	\$ 249,000	3/30/2021	0.200%	\$ 996
Brokered CD (FDIC #57742)	\$ 249,000	\$ 249,000	3/30/2021	0.200%	\$ 996
Brokered CD (FDIC #57873)	\$ 249,000	\$ 249,000	3/31/2021	0.150%	\$ 747
Spirit of Texas Bank (LOC 17001)	\$ 1,032,562	\$ 1,032,562	4/29/2021	0.30%	\$ 4,651
Brokered CD (#12858)	\$ 248,000	\$ 248,000	6/29/2021	0.15%	\$ 744
Brokered CD (#33539)	\$ 249,000	\$ 249,000	6/30/2021	0.25%	\$ 1,245
Brokered CD (FDIC #33124)	\$ 250,000	\$ 250,000	7/28/2021	0.25%	\$ 1,250
Spirit of Texas Jumbo CD	\$ 1,514,302	\$ 1,514,302	9/9/2021	0.40%	\$ 6,057
Brokered CD (NCUA #227)	\$ 249,000	\$ 249,000	9/29/2021	0.40%	\$ 2,489
Brokered CD (FDIC #34404)	\$ 249,000	\$ 249,000	9/29/2021	0.30%	\$ 1,494
FHLB Note (3130AQ3X9)	\$ 2,000,187	\$ 2,000,187	12/22/2021	0.75%	\$ 30,003
Frost Bank Jumbo CD	\$ 1,502,400	\$ 1,502,400	2/25/2022	1.510%	\$ 45,372
Brokered CD (FDIC #27471)	\$ 250,000	\$ 250,000	3/2/2022	1.60%	\$ 8,033
Brokered CD (FDIC #32574)	\$ 250,000	\$ 250,000	3/9/2022	1.50%	\$ 7,479
Brokered CD (FDIC #628)	\$ 249,000	\$ 249,000	3/31/2022	1.00%	\$ 2,490
FHLB Note (3130ARLC3)	\$ 1,000,000	\$ 1,000,000	4/25/2022	2.63%	\$ 52,572
FHLB Note (3130ARP54)	\$ 450,000	\$ 450,000	4/29/2022	2.70%	\$ 24,333
FHLB Note (3131ARVT5)	\$ 1,000,000	\$ 1,000,000	5/17/2022	3.00%	\$ 60,082
FHLB Note (3130AR65)	\$ 515,000	\$ 515,000	5/20/2022	3.00%	\$ 30,815
<b>Total</b>	<b>\$ 18,731,908</b>			<b>0.61%</b>	<b>\$ 307,998</b>
<b>Weighted Average Maturity</b>				<b>330 days</b>	

## APPENDIX

Mark-to-Market Investment	Initial Value	3/31/2022	6/30/2022	Unrealized
		Market Value	Market Value	Gain/(Loss) since Purchase
Brokered CD (FDIC #27471)	\$ 250,000	\$ 247,807	\$ 243,653	\$ (6,347)
Brokered CD (FDIC #32574)	\$ 250,000	\$ 247,299	\$ 243,193	\$ (6,807)
Brokered CD (NCUA #227)	\$ 249,000	\$ 240,629	\$ 237,212	\$ (11,788)
Brokered CD (FDIC #33124)	\$ 250,000	\$ 245,676	\$ 243,024	\$ (6,976)
Spirit of Texas Bank CDs (2)	\$ 2,546,864	\$ 2,543,745	\$ 2,546,864	\$ -
Brokered CD (NCUA #60269)	\$ 249,000	\$ 248,639	\$ 248,514	\$ (486)
Brokered CD (FDIC #33686)	\$ 249,000	\$ 248,527	\$ 248,395	\$ (605)
FHLB Note (3130AQ3X9)	\$ 2,000,250	\$ 1,955,905	\$ 1,940,498	\$ (59,752)
Brokered CD (FDIC #34404)	\$ 249,000	\$ 243,771	\$ 240,815	\$ (8,185)
Brokered CD (FDIC #16022)	\$ 247,000	\$ 245,948	\$ 245,439	\$ (1,561)
Brokered CD (FDIC #8120)	\$ 247,000	\$ 245,656	\$ 244,787	\$ (2,213)
Brokered CD (FDIC #33954)	\$ 256,586	\$ 248,934	\$ 247,351	\$ (9,235)
Brokered CD (FDIC #4297)	\$ 256,481	\$ 248,934	\$ 247,351	\$ (9,130)
Brokered CD (FDIC #34953)	\$ 249,000	\$ 247,894	\$ 247,354	\$ (1,646)
Brokered CD (NCUA #17587)	\$ 247,000	\$ 246,089	\$ 245,674	\$ (1,326)
Brokered CD (FDIC #845)	\$ 249,187	\$ 248,851	\$ 247,250	\$ (1,937)
Brokered CD (FDIC #35141)	\$ 249,000	\$ 247,865	\$ 247,250	\$ (1,750)
FFCB Note (3133EMHE5)	\$ 1,500,000	\$ 1,488,285	\$ 1,486,035	\$ (13,965)
FFCB Note (3133EMCU4)	\$ 2,000,000	\$ 1,989,200	\$ 1,988,880	\$ (11,120)
Brokered CD (FDIC #17739)	\$ 240,204	\$ 239,477	\$ 239,371	\$ (833)
Brokered CD (FDIC #148)	\$ 245,000	\$ 244,045	\$ 243,780	\$ (1,220)
Brokered CD (FDIC #58979)	\$ 246,000	\$ 243,798	\$ 242,642	\$ (3,358)
Brokered CD (NCUA #619)	\$ 246,000	\$ 243,914	\$ 242,807	\$ (3,193)
Frost Bank Jumbo CD	\$ 1,502,400	\$ 1,502,400	\$ 1,502,400	\$ -
Brokered CD (FDIC #19008)	\$ 249,000	\$ 246,273	\$ 244,872	\$ (4,128)
Brokered CD (FDIC #57742)	\$ 249,000	\$ 246,288	\$ 244,896	\$ (4,104)
Brokered CD (FDIC #57873)	\$ 249,000	\$ 246,156	\$ 244,767	\$ (4,233)
Brokered CD (#33539)	\$ 249,000	\$ 245,131	\$ 242,588	\$ (6,412)
Brokered CD (#12858)	\$ 248,000	\$ 243,858	\$ 241,383	\$ (6,617)
Brokered CD (FDIC #628)	\$ 249,000	N/A	\$ 246,346	\$ (2,654)
FHLB Note (3130ARLC3)	\$ 1,000,000	N/A	\$ 993,100	\$ (6,900)
FHLB Note (3130ARP54)	\$ 450,000	N/A	\$ 447,255	\$ (2,745)
FHLB Note (3131ARVT5)	\$ 1,000,000	N/A	\$ 995,560	
FHLB Note (3130AR65)	\$ 515,000	N/A	\$ 513,347	
<b>Total</b>	<b>\$ 18,731,970</b>	<b>\$ 15,380,994</b>	<b>\$ 18,524,651</b>	<b>\$ (201,226)</b>

**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.

Predictably, the fixed income market's recent turn upward would lead most of the City's securities, purchased at lower yields, to be uncompetitive and therefore not particularly marketable as secondary securities. This means the City would likely realize a loss in the event any security needs to be liquidated. However, as stated above, this is not a likely scenario.