



**CITY OF COLLEYVILLE**  
**AUDIT COMMITTEE AGENDA**  
100 Main Street, Colleyville, Texas, 76034  
City Manager's Conference Room - Third Floor

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**TUESDAY, AUGUST 15, 2023 - 5:00 PM**

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**1. CALL TO ORDER**

**2. APPROVAL OF MINUTES**

May 2, 2023

**3. REGULAR AGENDA ITEMS**

**3a** Discussion of the Fiscal Year September 30, 2023, audit which will be conducted by the City's audit firm Weaver and Tidwell

**3b** Presentation of the third quarter FY23 investment report

**4. ADJOURNMENT**

I hereby certify this agenda was posted on City Hall bulletin boards *Friday, August 11, 2023* by 5:00 p.m.

Christine Loven, TRMC  
City Secretary

A quorum of any Colleyville board, commission, or committee may be present at this meeting. Any matter on this agenda may be opened for public comment and discussion at the discretion of the governing body.

If you plan to attend this public meeting and have a disability that requires special accommodations, please advise the City Secretary at least 48 hours in advance at 817.503.1130, 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

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Tuesday, May 2, 2023  
4:30 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 meeting to order at 4:31 p.m. and called the roll.

**PRESENT:** Committee members George Dodson, Brandi Elder, and Chuck Kelley.

**ALSO PRESENT:** Director of Finance Kyle Lester, Accounting Manager Karen Hines, City Manager Jerry Ducay, Assistant City Manager Mark Wood, Human Resources Director Jesse Perez, and City Secretary Christine Loven.

## 2. APPROVAL OF MINUTES

February 21, 2023

The February 21, 2023 minutes were unanimously approved.

## 3. REGULAR AGENDA ITEMS

- 3a** Discussion of the Request for Proposal and selection process for external auditing services for the Fiscal Years ending September 30, 2023 through September 30, 2027

Finance Director Kyle Lester reviewed the Request for Proposal and staff scoring process. He noted there will be two firms which meet all the criteria and deadlines.

- 3b** Interview of audit firms submitting proposals in response to the City's request for proposals for an external audit firm

The Audit Committee heard proposals and interviewed two auditing firms: Forvis and Weaver

- 3c** Review the sealed cost portion of the audit proposals and consider a recommendation to City Council for the selection of an audit firm

Following the interviews the bids were opened and reviewed. The Audit Committee agreed Weaver was a better fit based on experience, locale, and cost.

**4. REPORTS**

Quarterly Investment Report for the quarter ended March 31, 2023

Director Lester reviewed the investment report, discussing the City’s cash position, summarized the quarterly returns and reviewed the Mark-to-Market.

Update on future discussion items and initiatives

Director Lester provided a high-level overview of items and initiatives which are planned for FY23 and will be brought to the committee for discussion.

**5. ADJOURNMENT**

The meeting was adjourned at 5:28 p.m.

PASSED BY A VOTE OF \_ AYES, \_ NAYS, AND \_ ABSTENTIONS, THIS \_\_\_\_ DAY OF \_\_\_\_\_.

Minutes taken and prepared by:

  
Christine Loven, TRMC  
City Secretary





# CITY OF COLLEYVILLE AUDIT COMMITTEE BRIEFING

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**Agenda Number** 3a

**Agenda Date** 8/15/2023

**Number**

**Type** Regular Agenda Items

**Department** Finance

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## **Title**

Discussion of the Fiscal Year September 30, 2023, 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, 2023, audit which will be conducted by the City's audit firm Weaver and Tidwell.

## **Attachments**



## CITY OF COLLEYVILLE AUDIT COMMITTEE BRIEFING

**Agenda Number** 3b  
**Type** Regular Agenda Items  
**Department** Finance

**Agenda Date** 8/15/2023

**Number**

**Title**

Presentation of the third quarter FY23 investment report

**Explanation**

Cash and Cash Equivalents (local government investment pools) totaled \$50,857,955 at the end of June 2023. Colleyville’s complete portfolio was valued at \$74,598,349, and was allocated as follows:

<b>Instrument</b>	<b>Current as of 6/30/2020</b>	<b>Last Quarter as of 3/31/2023</b>
Cash	\$ 13,394,790	\$ 14,474,772
LOGIC (CP Permissible)	\$ 2,638,003	\$ 2,605,037
Other Governmental Pools	\$ 34,825,162	\$ 34,408,838
CD’s	\$ 8,274,681	\$ 8,531,273
CDARS	\$ -	\$ -
Agencies	\$ 15,465,712	\$ 13,965,725
<b>Total Cash &amp; Investments</b>	<b>\$ 74,598,349</b>	<b>\$ 73,985,646</b>

<b>Instrument</b>	<b>Yield this quarter</b>
LOGIC (CP Permissible)	5.15 %
Other Governmental Pools	4.9778 %
CD’s	3.00 %
CDARS	0.00 %
Agencies	3.93 %
<b>Total Consolidated Yield</b>	<b>4.58 %</b>

Benchmark Yield: 5.21%

Interest earnings for the quarter were \$654,679 compared to \$503,530 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 2023 Presentation
2. Investment Report - June 2023



# **Quarterly Investment Report**

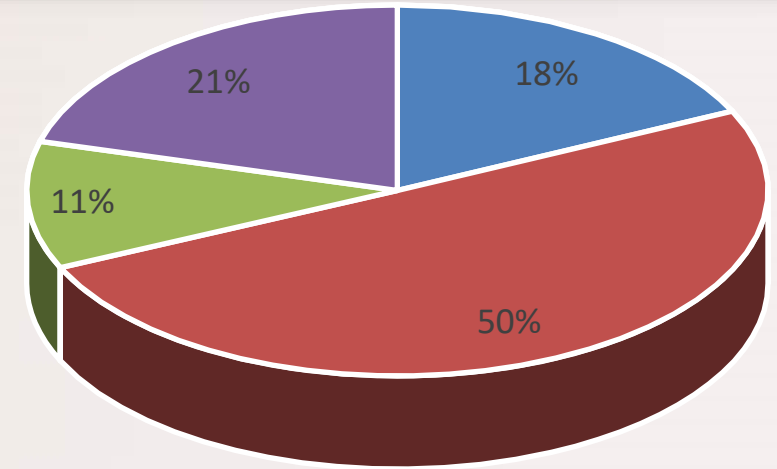
## **3<sup>rd</sup> Q, 2023**

August 15, 2023

# Cash Position Overview



Total	31-Mar	1-Jun	Change
Operating	\$ 39,082,476	\$37,476,104	\$ (1,606,372)
Capital	\$ 28,963,723	\$31,262,601	\$ 2,298,879
Special Revenue	\$ 5,110,739	\$ 5,124,942	\$ 14,204
Debt	\$ 828,708	\$ 734,701	\$ (94,007)
<b>Total</b>	<b>\$ 73,985,646</b>	<b>\$74,598,349</b>	<b>\$ 612,703</b>



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

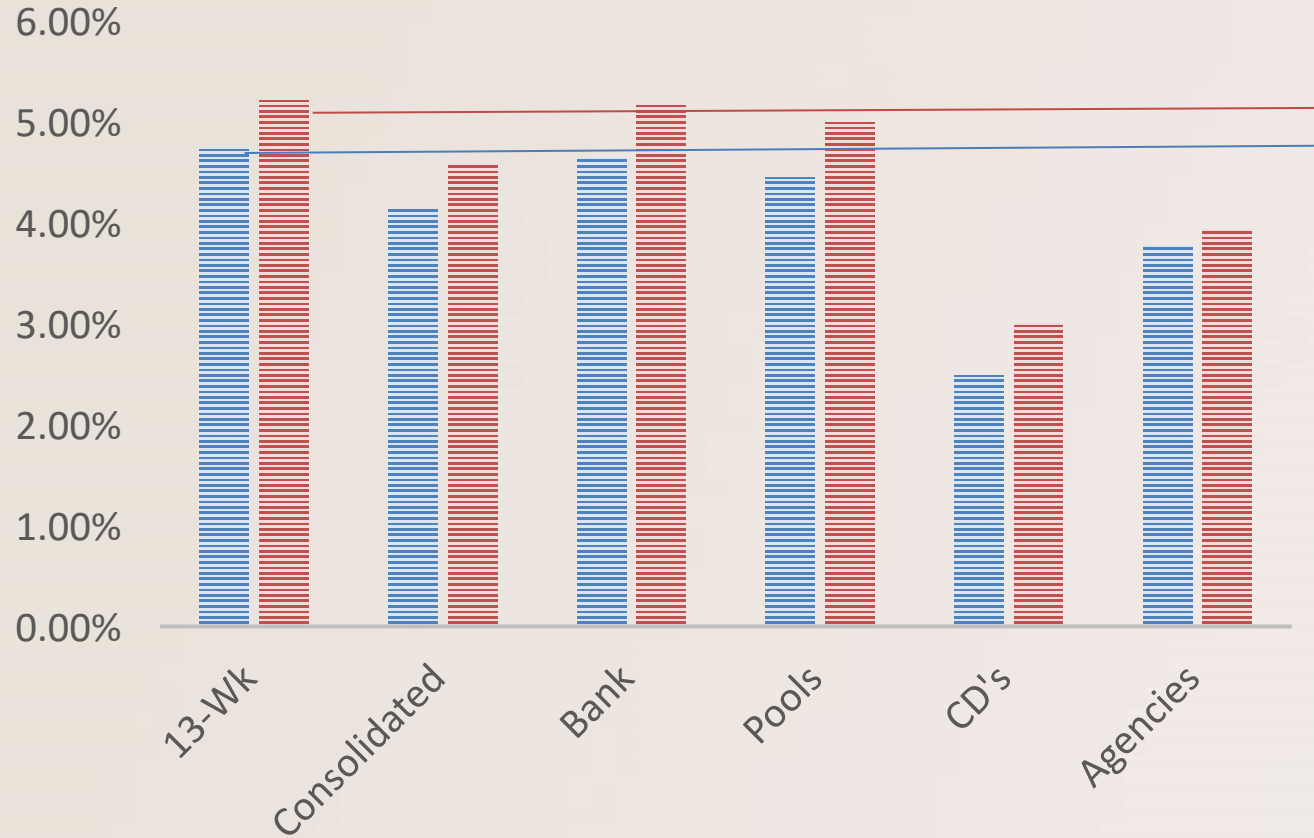
Where is Colleyville's cash?		3/1/2023	6/1/2023	Change	Weighted Maturity
Cash/ Equivalents	Cash	\$ 14,474,772	\$ 13,394,790	\$ (1,079,982)	Liquid
	Sweep Account	\$ -	\$ -	\$ -	Liquid
	LOGIC (CP Permiss.)	\$ 2,605,037	\$ 2,638,003	\$ 32,966	Liquid
	Other Gov't Pools	\$ 34,408,838	\$ 34,825,162	\$ 416,324	Liquid
	<b>Subtotal</b>	<b>\$ 51,488,647</b>	<b>\$ 50,857,955</b>	<b>\$ (630,693)</b>	
Bonds/CDs/Agencies	CD's	\$ 8,531,273	\$ 8,274,681	\$ (256,592)	198 days
	CDARS	\$ -	\$ -	\$ -	0 days
	Agencies	\$ 13,965,725	\$ 15,465,712	\$ 1,499,988	280 days
	<b>Subtotal</b>	<b>\$ 22,496,998</b>	<b>\$ 23,740,394</b>	<b>\$ 1,243,396</b>	<b>251 days</b>
<b>Total Resources</b>		<b>\$ 73,985,646</b>	<b>\$ 74,598,349</b>	<b>\$ 612,703</b>	

# Return Summary

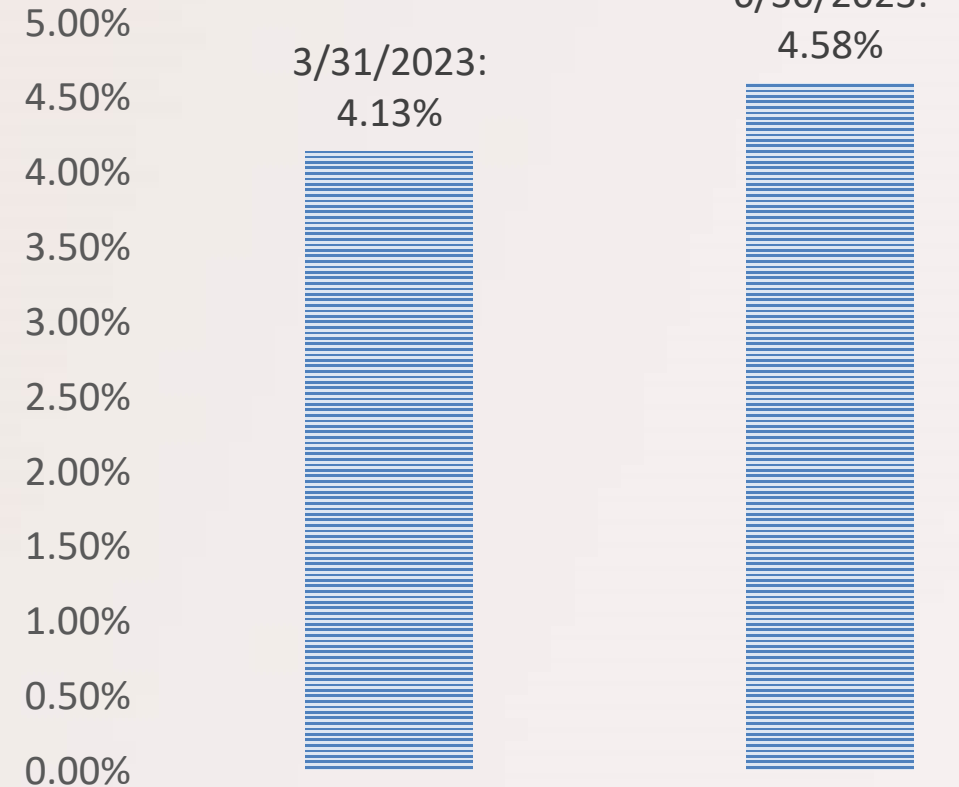


## RETURN COMPARISON

3/31/2023 6/30/2023



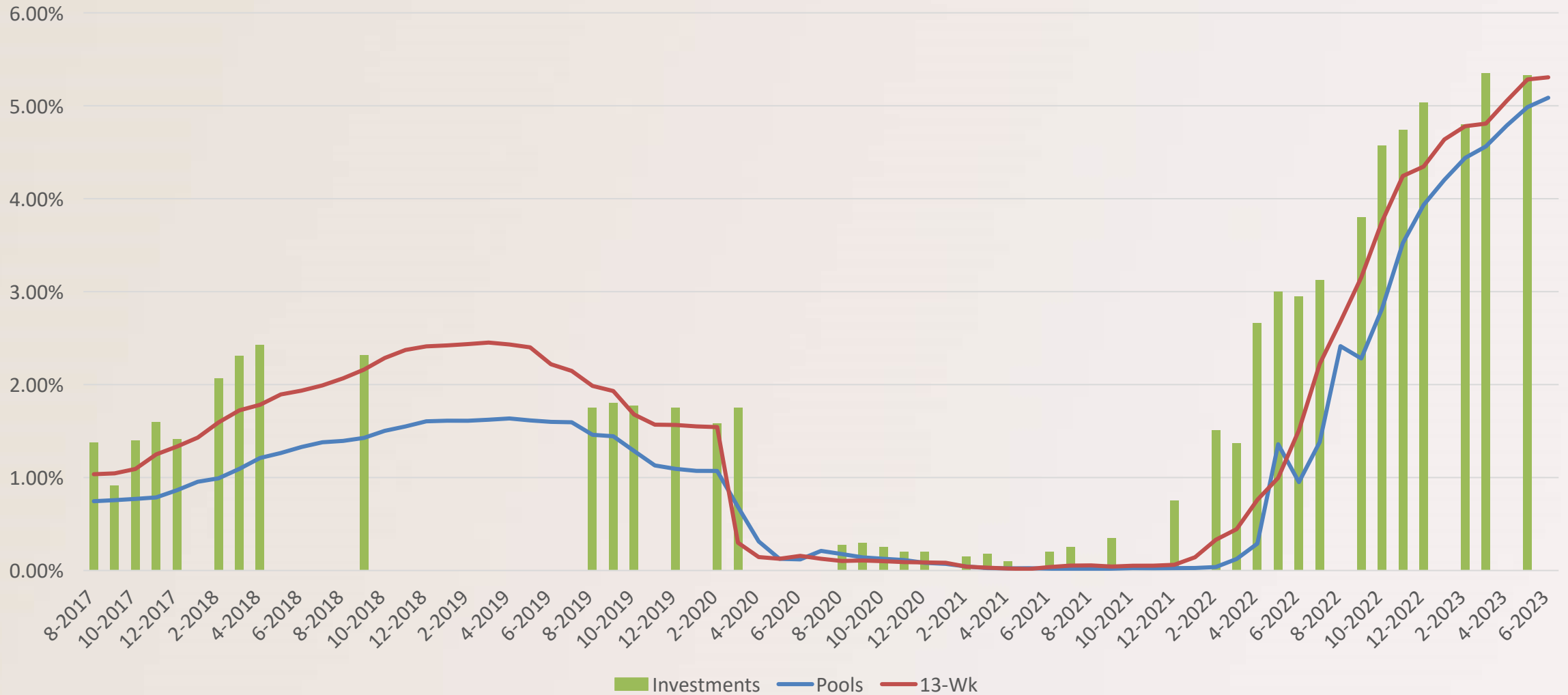
## Rate of Return



# Return Summary



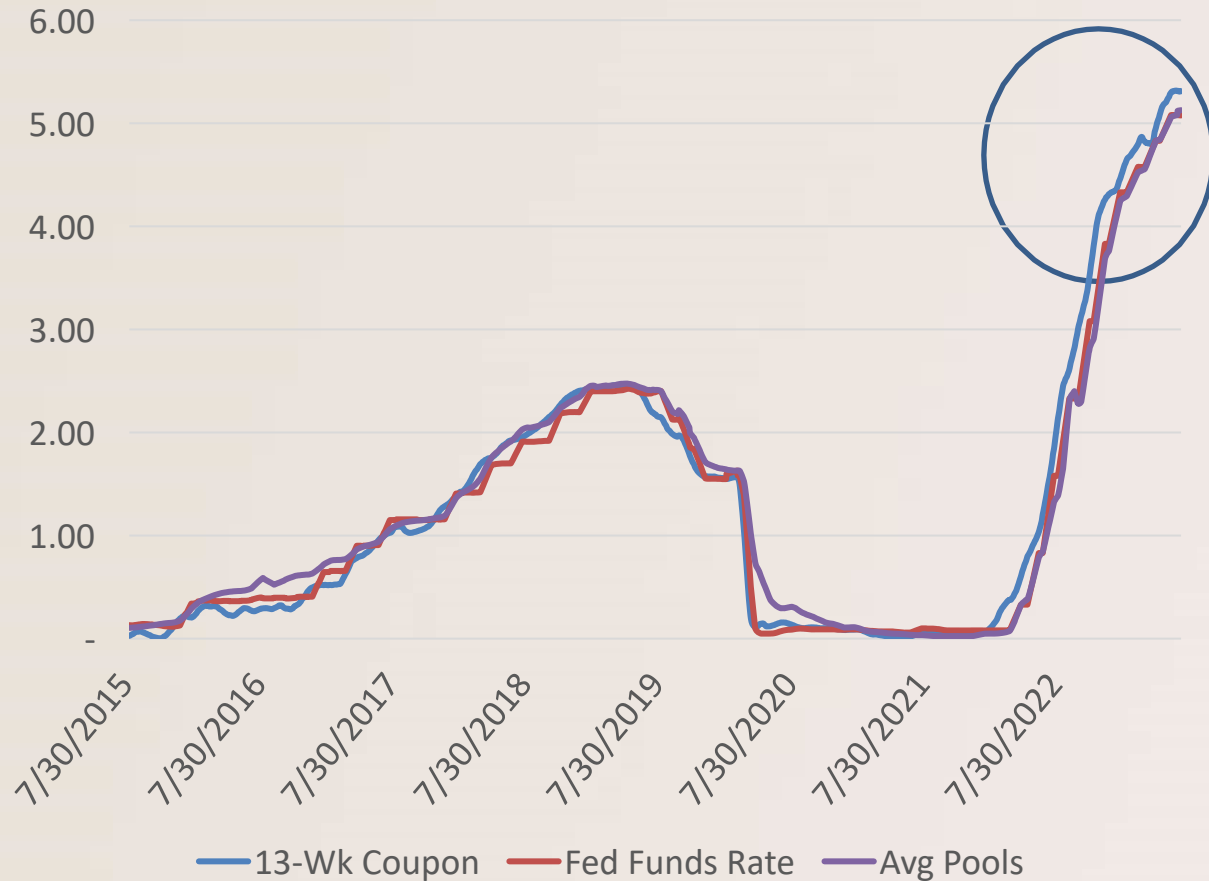
Pools vs. Benchmark vs. Investment Decisions



# Return Summary



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



### Historical Return



# Mark-to-Market – What is our portfolio worth?



**Shows portfolio value vs. initial investment**

**However...**

- **We hold our investments until maturity (“buy and hold” strategy)**
- **Gains and losses shown are unrealized**

Valuation Period	Value at Purchase	Revised Value	Total Gain (loss) on Purchase Price
9/30/2022	\$ 20,226,953	\$ 19,943,146	(\$ 283,807)
12/31/2022	\$ 19,225,992	\$ 18,953,072	(\$ 272,920)
3/31/2023	\$ 22,496,998	\$ 22,301,979	(\$195,019)
6/30/2023	\$ 23,740,756	\$ 23,536,813	(\$203,943)

**MARK TO MARKET VS. MARKET INCREASES**



# Questions/Comments

# City of Colleyville, TX

Quarterly Investment Report

6/1/2023



<b>Where is Colleyville's cash?</b>		<b>3/1/2023</b>	<b>6/1/2023</b>	<b>Change</b>	<b>Weighted Maturity</b>
Cash/ Equivalents	Cash	\$ 14,474,772	\$ 13,394,790	\$ (1,079,982)	Liquid
	Sweep Account	\$ -	\$ -	\$ -	Liquid
	LOGIC (CP Permiss.)	\$ 2,605,037	\$ 2,638,003	\$ 32,966	Liquid
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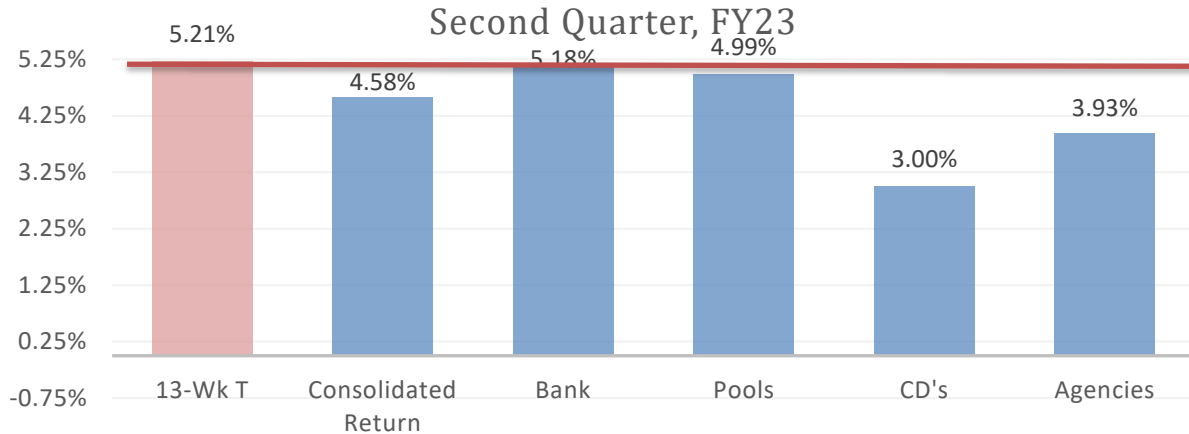
**Investments on the move...**

The third quarter of FY23 showed a slight increase in total resources from March, led by property tax receipts received by the TIF. More importantly, you can note a continued shift from actual cash resources to agency investments as cash resources have allowed. In total, the City had more than \$1.2m in CD's mature with a weighted average maturity of 1.5 years and a low return of 0.86%. These maturities and other available cash enabled staff to invest almost \$2.5m total in four brokered CD's and two lucrative U.S. Government-backed agency notes for an average annual return of 5.33% and a weighted average maturity of a little over 1.7 years. With a total of \$9.5 million maturing in calendar 2023, the City will have ample opportunity to reach back out to the market. These moves will continue to pull the City's consolidated return closer to our benchmark.

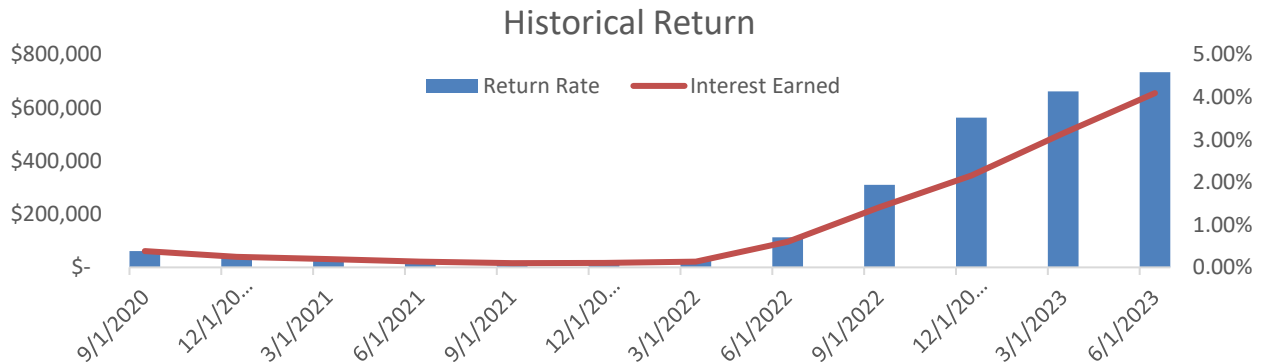
<b>Diversity Snapshot vs. Policy Requirements</b>				Criteria Met?
	<b>Policy Max</b>	<b>3/1/2023</b>	<b>6/1/2023</b>	
U.S. Treasuries	100%	0%	0%	✔
U.S. Agencies	75%	19%	21%	✔
CD's	75%	12%	11%	✔
Local Gov't Pools	75%	50%	50%	✔
CDARs	75%	0%	0%	✔
Tri-Pty Repurchase	75%	0%	0%	✔
SEC Registered, No-Load Mutual Funds	10%	0%	0%	✔
Cash/Sweep	N/A	20%	18%	

### How do our returns compare?

Benchmark = 13-Week Treasury



The City's total consolidated return was 4.58% as of June 30, 2023, representing a significant increase from a consolidated return of 4.13% last quarter. With the Federal Reserve’s continued basis point increase in its interbank borrowing rate this last year, this will be the fifth quarter our return lags behind the 13-week treasury rate, as pool rates are still catching up and the City is allowing it’s older, lower interest-bearing investments to mature. This tends to be a characteristic of a starkly rising rate market for portfolios that hold their investments to maturity. As of the date of this report, it is not uncommon to see shorter-term securities (1 - 3 years) pushing well beyond 500 basis points. As older and weaker investments mature, staff will continue to take advantage of higher market rates. Funds dedicated to capital improvement projects will need to remain readily available while excess operating cash can be invested in shorter-term instruments with favorably returns.



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 coming out of a down-cycle in terms of returns, until the last year 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.

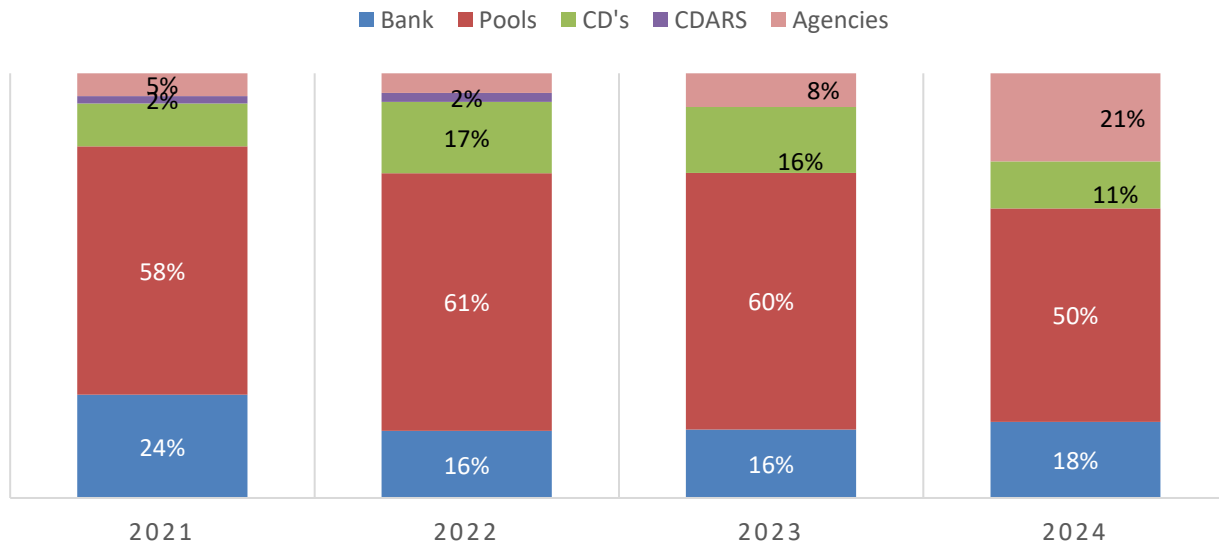
### What have we earned the past three months? For the past year?

Current Total		Quarterly Average	
3/31/2023	\$654,679; 4.58%	6/30/2022	\$432,221; 3.54%
Thru		Thru	
6/30/2023		6/30/2023	

Compared to the average quarterly return for the past 12 months, the most recent quarter is showing a significant increase in the rate of return, led by recent maturities and reinvestments placed in the past few months. As noted, fixed-income rates have climbed amidst the actions from the Federal Reserve and appear to be sitting well above the 500-basis point range pretty consistently. 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. Staff will always monitor the market and manage Colleyville's portfolio with emphasis on diversity and cash-flow needs.

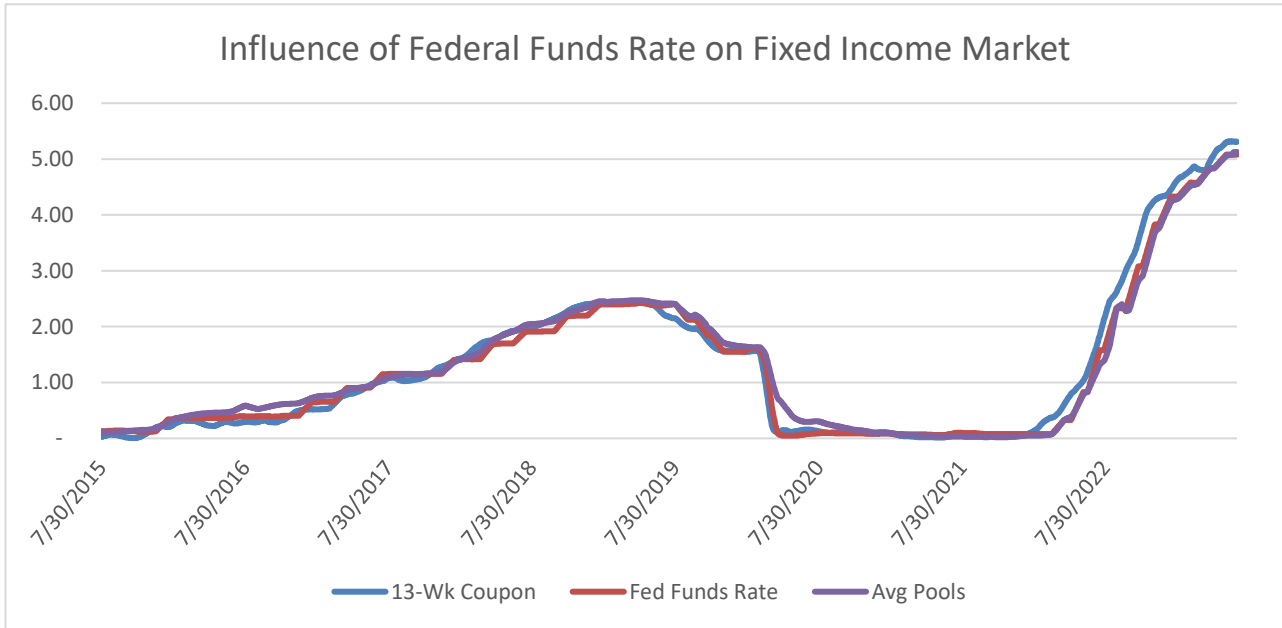
### How has our portfolio changed over time?

#### PORTFOLIO COMPOSITION



As the graph above shows, the City's portfolio makeup has changed substantially over the years. For one, 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. Certificates of Deposit were particularly attractive during the pandemic years, with agencies also resurging within the last twelve months. While money stored in government pools isn't earning as high as our treasury benchmark as of late, it does have the benefit of a decent return market while also being considered "liquid", as the City can withdraw its funds within 24 hours in most cases. Regardless, all recent investments that have been placed recently have well outpaced our 13-week treasury benchmark and mature within 1-2 years.

### 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, most recently by a quarter of a percent to between 5% and 5.25%. With inflationary pressures continuing and a potential (mild) recession coming later in 2023, further rate hikes are decreasing in probability, at least at their previous levels. Regardless, it is possible for the interbank borrowing rate to reach a height not seen since mid-2007.

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?

Investment	Purch Price	Maturity Date	Length	Yield to Maturity	Total Return
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
Brokered CD (FDIC #845)	\$ 249,187	6/27/2022	1.60	0.20%	\$ 797
Brokered CD (NCUA #60269)	\$ 249,000	8/18/2022	2.02	0.30%	\$ 1,510
Brokered CD (FDIC #33686)	\$ 249,000	8/26/2022	2.00	0.25%	\$ 1,245
Brokered CD (FDIC #17739)	\$ 240,204	8/29/2022	1.91	0.20%	\$ 919
Brokered CD (FDIC #33954)	\$ 256,586	10/12/2022	1.81	0.20%	\$ 927
Brokered CD (FDIC #4297)	\$ 256,481	10/12/2022	1.81	0.20%	\$ 926
Brokered CD (NCUA #17587)	\$ 247,000	10/28/2022	2.00	0.25%	\$ 1,233
Brokered CD (FDIC #16022)	\$ 247,000	11/9/2022	2.00	0.20%	\$ 988
Brokered CD (FDIC #34953)	\$ 249,000	11/16/2022	2.00	0.20%	\$ 996
Brokered CD (FDIC #35141)	\$ 249,000	11/21/2022	2.00	0.20%	\$ 997
Brokered CD (FDIC #8120)	\$ 247,000	12/23/2022	2.00	0.20%	\$ 988
Brokered CD (NCUA #619)	\$ 246,000	2/13/2023	1.98	0.15%	\$ 730
Brokered CD (FDIC #58979)	\$ 246,000	2/21/2023	2.01	0.15%	\$ 740
Brokered CD (FDIC #14029)	\$ 250,000	5/15/2023	0.50	4.40%	\$ 5,485
Brokered CD (FDIC #19008)	\$ 249,000	3/30/2023	2.00	0.20%	\$ 996
Brokered CD (FDIC #57742)	\$ 249,000	3/30/2023	2.00	0.20%	\$ 996
Brokered CD (FDIC #57873)	\$ 249,000	3/31/2023	2.00	0.15%	\$ 747
Brokered CD (FDIC #628)	\$ 249,000	3/31/2023	1.00	1.00%	\$ 2,490
<b>Total Matured</b>	<b>\$ 4,970,658</b>			<b>0.45%</b>	<b>\$ 24,645</b>

## APPENDIX

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

<b>Investment</b>	<b>Purch Price</b>	<b>Purchase Date</b>	<b>Maturity Date</b>	<b>Yield to Maturity</b>	<b>Total Return</b>
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 (3130ARVT5)	\$ 1,000,000	5/17/2022	5/17/2024	3.00%	\$ 60,082
FHLB Note (3130ARV65)	\$ 515,000	5/20/2022	5/17/2024	3.00%	\$ 30,815
Brokered CD (FDIC #68722)	\$ 250,000	6/29/2022	6/29/2023	2.95%	\$ 7,375
Brokered CD (FDIC #66364)	\$ 250,000	7/13/2022	7/13/2023	3.00%	\$ 7,500
FHLB Note (3130ASHY8)	\$ 500,000	7/14/2022	7/14/2023	3.25%	\$ 16,250
FHLB Note (3130ATE37)	\$ 1,500,000	9/29/2022	9/29/2023	4.15%	\$ 62,250
FHLB Note (3130ATKC0)	\$ 1,000,000	10/3/2022	1/26/2024	4.63%	\$ 60,822
FHLB Note (3130ATK63)	\$ 1,000,000	10/3/2022	7/25/2024	4.88%	\$ 88,284
Brokered CD (FDIC #32992)	\$ 249,000	10/14/2022	10/14/2024	4.40%	\$ 21,942
Brokered CD (FDIC #29546)	\$ 249,000	10/21/2022	10/21/2024	4.40%	\$ 21,942
FFCB Note (3133ENV98)	\$ 500,000	11/4/2022	7/26/2023	4.67%	\$ 16,889
Brokered CD (FDIC #57512)	\$ 250,000	11/14/2022	5/15/2023	4.40%	\$ 5,485
FHLMC Note (3134GX7F5)	\$ 500,000	11/28/2022	5/23/2024	5.15%	\$ 38,237
Brokered CD (NCUA #4584)	\$ 250,000	12/16/2022	12/18/2023	5.10%	\$ 12,820
Brokered CD (FDIC #61800)	\$ 248,000	12/19/2022	10/19/2023	4.85%	\$ 10,018
Brokered CD (NCUA #1040)	\$ 250,000	12/22/2022	12/23/2024	5.20%	\$ 26,071
FNMA Note (3135GADK4)	\$ 1,000,600	12/28/2022	12/27/2023	5.00%	\$ 49,893
Brokered CD (NCUA #857)	\$ 250,000	2/8/2023	2/8/2024	5.00%	\$ 12,500
Brokered CD (FDIC #34395)	\$ 250,000	2/10/2023	8/10/2023	4.70%	\$ 5,827
Brokered CD (FDIC #33849)	\$ 250,000	2/10/2023	8/10/2023	4.70%	\$ 5,827
FHLB Note (3130AURL0)	\$ 1,000,000	2/13/2023	2/13/2024	4.80%	\$ 48,000
FHLB Note (3130AUZ23)	\$ 1,000,000	3/1/2023	3/1/2024	5.25%	\$ 52,644
FHLB Note (3130AV3D2)	\$ 1,000,000	3/6/2023	9/6/2024	5.45%	\$ 82,123
FHLMC Note (3134GYS52)	\$ 500,350	5/22/2023	5/16/2025	5.35%	\$ 53,171
FHLB Note (3130AWAK6)	\$ 1,000,000	5/30/2023	5/28/2025	5.51%	\$ 110,049
Brokered CD (FDIC #66399)	\$ 248,000	5/26/2023	7/26/2024	5.15%	\$ 14,941
Brokered CD (FDIC #24045)	\$ 243,000	5/19/2023	11/19/2024	5.20%	\$ 19,041
Brokered CD (FDIC #26610)	\$ 237,000	5/26/2023	5/24/2024	5.20%	\$ 12,290
Brokered CD (FDIC #24923)	\$ 248,000	5/26/2023	11/26/2024	5.15%	\$ 19,245
<b>Total Purchased</b>	<b>\$ 17,187,950</b>			<b>4.45%</b>	<b>\$ 1,049,239</b>
<b>Weighted Average Maturity</b>			<b>510 days</b>		

## APPENDIX

## Full Investment Listing

Investment	Purch Price	Purchase Date	Maturity Date	Yield to Maturity	Total Return
Brokered CD (#12858)	\$ 248,000	6/30/2021	6/30/2023	0.150%	\$ 744
Brokered CD (#33539)	\$ 249,000	6/30/2021	6/30/2023	0.250%	\$ 1,245
Brokered CD (FDIC #33124)	\$ 250,000	7/28/2021	7/28/2023	0.250%	\$ 1,250
Brokered CD (NCUA #227)	\$ 249,000	9/29/2021	3/29/2024	0.40%	\$ 2,489
Brokered CD (FDIC #34404)	\$ 249,000	9/29/2021	9/29/2023	0.30%	\$ 1,494
FHLB Note (3130AQ3X9)	\$ 2,000,062	12/22/2021	12/22/2023	0.75%	\$ 30,001
Frost Bank Jumbo CD	\$ 1,502,400	2/25/2022	2/25/2024	1.51%	\$ 45,372
Brokered CD (FDIC #27471)	\$ 250,000	3/2/2022	3/4/2024	1.60%	\$ 8,033
Brokered CD (FDIC #32574)	\$ 250,000	3/9/2022	3/6/2024	1.50%	\$ 7,479
FHLB Note (3130ARLC3)	\$ 1,000,000	4/25/2022	4/25/2024	2.625%	\$ 52,572
FHLB Note (3130ARP54)	\$ 450,000	4/29/2022	4/29/2024	2.70%	\$ 24,333
FHLB Note (3130ARVT5)	\$ 1,000,000	5/17/2022	5/17/2024	3.00%	\$ 60,082
FHLB Note (3130ARV65)	\$ 515,000	5/20/2022	5/17/2024	3.00%	\$ 30,815
Brokered CD (FDIC #68722)	\$ 250,000	6/29/2022	6/29/2023	2.95%	\$ 7,375
Brokered CD (FDIC #66364)	\$ 250,000	7/13/2022	7/13/2023	3.00%	\$ 7,500
FHLB Note (3130ASHY8)	\$ 500,000	7/14/2022	7/14/2023	3.25%	\$ 16,250
Spirit of Texas Jumbo CD	\$ 1,555,281	9/9/2022	9/9/2023	3.45%	\$ 53,657
FHLB Note (3130ATE37)	\$ 1,500,000	9/29/2022	9/29/2023	4.15%	\$ 62,250
FHLB Note (3130ATKC0)	\$ 1,000,000	10/3/2022	1/26/2024	4.63%	\$ 60,822
FHLB Note (3130ATK63)	\$ 1,000,000	10/3/2022	7/25/2024	4.88%	\$ 88,284
Brokered CD (FDIC #32992)	\$ 249,000	10/14/2022	10/14/2024	4.40%	\$ 21,942
Brokered CD (FDIC #29546)	\$ 249,000	10/21/2022	10/21/2024	4.40%	\$ 21,942
FFCB Note (3133ENV98)	\$ 500,000	11/4/2022	7/26/2023	4.67%	\$ 16,889
FHLMC Note (3134GX7F5)	\$ 500,000	11/28/2022	5/23/2024	5.15%	\$ 38,237
Brokered CD (NCUA #4584)	\$ 250,000	12/16/2022	12/18/2023	5.10%	\$ 12,820
Brokered CD (FDIC #61800)	\$ 248,000	12/19/2022	10/19/2023	4.85%	\$ 10,018
Brokered CD (NCUA #1040)	\$ 250,000	12/22/2022	12/23/2024	5.20%	\$ 26,071
FNMA Note (3135GADK4)	\$ 1,000,300	12/28/2022	12/27/2023	5.00%	\$ 49,878
Brokered CD (NCUA #857)	\$ 250,000	2/8/2023	2/8/2024	5.00%	\$ 12,500
Brokered CD (FDIC #34395)	\$ 250,000	2/10/2023	8/10/2023	4.70%	\$ 5,827
Brokered CD (FDIC #33849)	\$ 250,000	2/10/2023	8/10/2023	4.70%	\$ 5,827
FHLB Note (3130AURL0)	\$ 1,000,000	2/13/2023	2/13/2024	4.80%	\$ 48,000
FHLB Note (3130AUZ23)	\$ 1,000,000	3/1/2023	3/1/2024	5.25%	\$ 52,644
FHLB Note (3130AV3D2)	\$ 1,000,000	3/6/2023	9/6/2024	5.45%	\$ 82,123
FHLMC Note (3134GYS52)	\$ 500,350	5/22/2023	5/16/2025	5.35%	\$ 53,171
FHLB Note (3130AWAK6)	\$ 1,000,000	5/30/2023	5/28/2025	5.51%	\$ 110,049
Brokered CD (FDIC #66399)	\$ 248,000	5/26/2023	7/26/2024	5.15%	\$ 14,941
Brokered CD (FDIC #24045)	\$ 243,000	5/19/2023	11/19/2024	5.200%	\$ 19,041
Brokered CD (FDIC #26610)	\$ 237,000	5/26/2023	5/24/2024	5.200%	\$ 12,290

**APPENDIX**

**Full Investment Listing (Continued)**

<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 (FDIC #24923)	\$ 248,000	5/26/2023	11/26/2024	5.150%	\$ 19,245
<b>Total</b>	<b>\$ 23,740,394</b>			<b>3.61%</b>	<b>\$ 1,195,503</b>
<b>Weighted Average Maturity</b>				<b>251 days</b>	

## APPENDIX

Mark-to-Market Investment	Initial Value	12/31/2022	3/31/2023	Unrealized
		Market Value	Market Value	Gain/(Loss) since Purchase
3 Brokered CD's *Matures June 2	\$ 747,000	\$ 739,786	\$ 744,532	\$ (2,468)
Brokered CD (FDIC #33124)	\$ 250,000	\$ 246,113	\$ 249,038	\$ (962)
Brokered CD (NCUA #227)	\$ 249,000	\$ 237,621	\$ 239,986	\$ (9,014)
Brokered CD (FDIC #34404)	\$ 249,000	\$ 243,193	\$ 245,892	\$ (3,108)
FHLB Note (3130AQ3X9)	\$ 2,000,125	\$ 1,940,991	\$ 1,954,821	\$ (45,304)
Frost Bank Jumbo CD	\$ 1,502,400	\$ 1,502,400	\$ 1,502,400	\$ -
Brokered CD (FDIC #27471)	\$ 250,000	\$ 242,050	\$ 243,805	\$ (6,195)
Brokered CD (FDIC #32574)	\$ 250,000	\$ 241,733	\$ 243,536	\$ (6,464)
FHLB Note (3130ARLC3)	\$ 1,000,000	\$ 977,390	\$ 976,320	\$ (23,680)
FHLB Note (3130ARP54)	\$ 450,000	\$ 440,091	\$ 439,488	\$ (10,512)
FHLB Note (3130ARVT5)	\$ 1,000,000	\$ 980,680	\$ 977,940	\$ (22,060)
FHLB Note (3130ARV65)	\$ 515,000	\$ 504,937	\$ 503,634	\$ (11,366)
Brokered CD (FDIC #66364)	\$ 250,000	\$ 248,563	\$ 249,803	\$ (198)
FHLB Note (3130ASHY8)	\$ 500,000	\$ 497,339	\$ 499,627	\$ (373)
Spirit of Texas Jumbo CD	\$ 1,555,281	\$ 1,541,873	\$ 1,555,281	\$ -
FHLB Note (3130ATE37)	\$ 1,500,000	\$ 1,492,605	\$ 1,494,930	\$ (5,070)
FHLB Note (3130ATKC0)	\$ 1,000,000	\$ 995,780	\$ 993,960	\$ (6,040)
FHLB Note (3130ATK63)	\$ 1,000,000	\$ 996,100	\$ 991,550	\$ (8,450)
Brokered CD (FDIC #32992)	\$ 249,000	\$ 246,714	\$ 245,728	\$ (3,272)
Brokered CD (FDIC #29546)	\$ 249,000	\$ 246,702	\$ 245,671	\$ (3,329)
FFCB Note (3133ENV98)	\$ 500,000	\$ 499,190	\$ 499,755	\$ (245)
FHLMC Note (3134GX7F5)	\$ 500,000	\$ 498,870	\$ 496,650	\$ (3,350)
Brokered CD (NCUA #4584)	\$ 250,000	\$ 249,933	\$ 249,770	\$ (230)
Brokered CD (FDIC #61800)	\$ 248,000	\$ 247,720	\$ 247,665	\$ (335)
Brokered CD (NCUA #1040)	\$ 250,000	\$ 250,475	\$ 249,108	\$ (893)
FNMA Note (3135GADK4)	\$ 1,000,600	\$ 998,061	\$ 997,171	\$ (3,429)
Brokered CD (NCUA #857)	\$ 250,000	\$ 249,728	\$ 249,520	\$ (480)
Brokered CD (FDIC #34395)	\$ 250,000	\$ 249,675	\$ 249,822	\$ (178)
Brokered CD (FDIC #33849)	\$ 250,000	\$ 249,675	\$ 249,822	\$ (178)
FHLB Note (3130AURL0)	\$ 1,000,000	\$ 1,000,790	\$ 995,780	\$ (4,220)
FHLB Note (3130AUZ23)	\$ 1,000,000	\$ 1,000,470	\$ 996,750	\$ (3,250)
FHLB Note (3130AV3D2)	\$ 1,000,000	\$ 1,002,160	\$ 994,450	\$ (5,550)
FHLMC Note (3134GYS52)	\$ 500,350	N/A	\$ 496,215	\$ (4,135)
FHLB Note (3130AWAK6)	\$ 1,000,000	N/A	\$ 993,650	\$ (6,350)
Brokered CD (FDIC #66399)	\$ 248,000	N/A	\$ 247,154	\$ (846)
Brokered CD (FDIC #24045)	\$ 243,000	N/A	\$ 242,150	\$ (851)
Brokered CD (FDIC #26610)	\$ 237,000	N/A	\$ 236,467	\$ (533)
Brokered CD (FDIC #24923)	\$ 248,000	N/A	\$ 246,971	\$ (1,029)
<b>Total</b>	<b>\$ 23,740,756</b>	<b>\$ 21,059,408</b>	<b>\$ 23,536,813</b>	<b>\$ (203,943)</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.