



INVESTMENT PORTFOLIO SUMMARY
For the First Quarter Ended
December 31, 2025

The following report is submitted in accordance with the Public Funds Investment Act (Chapter 2256). The report also offers supplemental information not required by the Act in order to fully inform the governing body of the City of Grapevine of the position and activity within the Grapevine portfolio of investments. The Grapevine portfolio is managed in full compliance with the Public Funds Investment Act, the Investment Policy and Strategy Statement of Grapevine, and under the strictest safety parameters as set by the governing body.

Prepared by:

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Amber Karkauskas, Treasurer

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Bruno Rumbelow, City Manager

SUMMARY OF QUARTER END RESULTS BY INVESTMENT CATEGORY:

Asset Type	September 30, 2025			December 31, 2025			Avg. Yield
	Book Value	Market Value	% of Portfolio	Book Value	Market Value	% of Portfolio	
Cash	\$ 5,256,669	\$ 5,256,669	2.75%	\$ 5,030,919	\$ 5,030,919	2.48%	0.00%
Money Market Accounts	51,257,870	51,257,870	26.80%	51,802,480	51,802,480	25.57%	4.15%
Local Government Investment Pools	93,509,227	93,509,227	48.90%	104,097,201	104,097,201	51.39%	4.10%
Certificates of Deposit	41,203,650	41,203,650	21.55%	41,644,936	41,644,936	20.56%	4.22%
Total Portfolio	\$ 191,227,416	\$ 191,227,416	100.00%	\$ 202,575,536	\$ 202,575,536	100.00%	4.14%

Average Yields:

City of Grapevine

Current Quarter Average Yield	4.14%
Prior Quarter Average Yield	4.40%
Fiscal YTD Average Yield	4.14%
TexPool Governmental	3.99%

Weighted Average Maturity	33 Days
Quarterly Interest Earnings	\$ 2,017,809
FYTD Interest Earnings	\$ 2,017,809

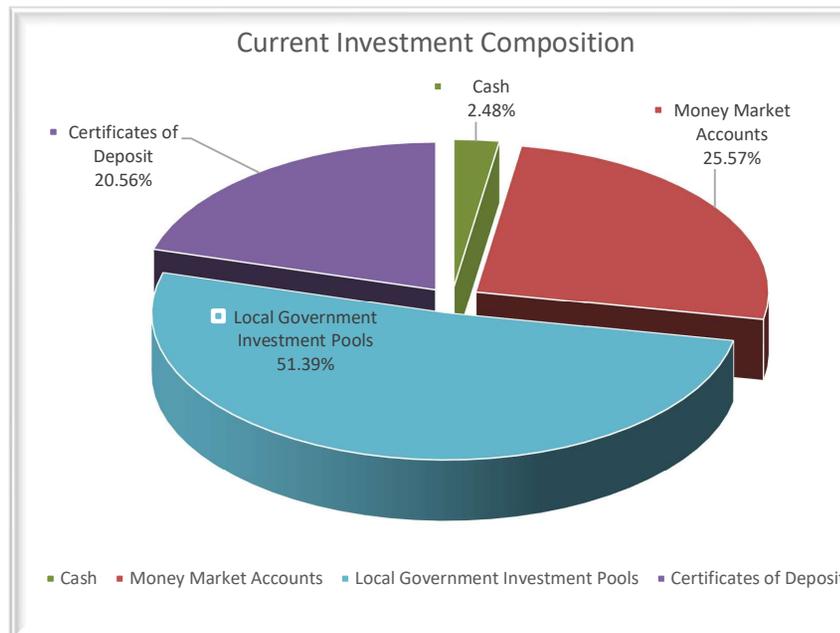
Current yield compared to Treasury performance ^(A):

Rolling Three Month Treasury ^(B)	3.59%
Rolling Six Month Treasury ^(C)	3.50%
Rolling One Year Treasury ^(D)	3.35%
Rolling Two Year Treasury	3.47%
Federal Funds	3.72%

(A) Key:

- Comparison rate falling under current quarter average yield, >10 basis points.
- Comparison rate falling under current quarter average yield, +/- 10 basis points.
- Comparison rate earning over current quarter average yield.

- (B) Treasury performance compared to Debt Service portion of portfolio, per Investment Strategy Statement.
- (C) Treasury performance compared to Capital Project funds' portion of portfolio, per Investment Strategy Statement.
- (D) Treasury performance compared to Operating funds' portion of portfolio, per Investment Strategy Statement.



QUARTERLY SUMMARY OF INVESTMENT HOLDINGS

As of December 31, 2025

Investment Description	Ratings	Coupon/ Discount	Settlement Date	Maturity Date	Book Value	Market Price	Market Value	Life (days) ²	Yield ³
Depository Accounts¹									
JP Morgan Chase Bank		0.00%	12/31/25	01/01/26	5,030,894	1.00	5,030,894	1	0.00%
First National Bank		0.00%	12/31/25	01/01/26	25	1.00	25	1	0.00%
Money Market Accounts									
InterBank		4.15%	12/31/25	01/01/26	51,802,480	1.00	51,802,480	1	4.15%
Local Government Investment Pools									
Texpool Local Governmental Pool	AAAm	3.99%	12/31/25	01/01/26	3,461	1.00	3,461	1	3.99%
Texpool Prime	AAAm	4.12%	12/31/25	01/01/26	39,793,863	1.00	39,793,863	1	4.12%
Logic A	AAAm	4.09%	12/31/25	01/01/26	64,299,877	1.00	64,299,877	1	4.09%
Certificates of Deposit									
East West CITY CD #6974		4.23%	05/14/25	02/17/26	5,136,248	100.00	5,136,248	48	4.23%
NBT CITY CD #8740		5.00%	08/18/25	02/18/26	5,092,019	100.00	5,092,019	49	5.00%
East West CITY CD #3402		4.24%	06/03/25	03/03/26	5,124,656	100.00	5,124,656	62	4.24%
East West CITY CD #3047		4.11%	05/14/25	05/14/26	5,132,333	100.00	5,132,333	134	4.11%
East West CITY CD #6581		4.03%	08/15/25	05/15/26	5,077,323	100.00	5,077,323	135	4.03%
East West CITY CD #0087		4.16%	06/03/25	06/03/26	5,122,275	100.00	5,122,275	154	4.16%
American National CITY CD #4854		4.10%	08/28/25	02/25/27	5,071,266	100.00	5,071,266	421	4.10%
First National CITY CD #1666		4.06%	06/20/25	06/17/27	510,745	100.00	510,745	533	4.06%
First National CITY CD #8819		4.06%	06/20/25	06/17/27	1,532,234	100.00	1,532,234	533	4.06%
Prosperity CVB CD #0185		4.00%	09/19/25	01/19/26	359,762	100.00	359,762	19	4.00%
Prosperity CVB CD #0206		4.00%	09/21/25	01/21/26	243,038	100.00	243,038	21	4.00%
Prosperity CVB CD #0207		4.00%	09/21/25	01/21/26	249,329	100.00	249,329	21	4.00%
Prosperity CVB CD #0208		4.00%	09/27/25	01/27/26	237,017	100.00	237,017	27	4.00%
Prosperity CVB CD #0209		4.00%	10/03/25	02/03/26	239,740	100.00	239,740	34	4.00%
Prosperity CVB CD #0191		4.00%	10/07/25	02/07/26	359,653	100.00	359,653	38	4.00%
Prosperity CVB CD #0222		4.00%	10/27/25	02/27/26	236,944	100.00	236,944	58	4.00%
Prosperity CVB CD #0224		4.00%	11/01/25	03/01/26	359,859	100.00	359,859	60	4.00%
Prosperity CVB CD #0223		4.00%	11/01/25	03/01/26	359,859	100.00	359,859	60	4.00%
Prosperity CVB CD #0228		3.75%	11/30/25	03/30/26	356,713	100.00	356,713	89	3.75%
Prosperity CVB CD #0229		3.75%	11/30/25	03/30/26	356,491	100.00	356,491	89	3.75%
Prosperity CVB CD #0198		3.75%	12/09/25	04/09/26	240,822	100.00	240,822	99	3.75%
Prosperity CVB CD #0199		3.75%	12/09/25	04/09/26	246,609	100.00	246,609	99	3.75%
TOTAL PORTFOLIO					202,575,536		202,575,536	33	4.14%

¹ Accounts with JP Morgan accrue earnings credits to offset service charges and fees; First National account is used for maturities of investments.

No interest revenue is paid to the City for these accounts.

² Weighted average life to maturity is based on an assumed one day maturity for depository and pool balances.

³ Weighted average maturity is based on book value and excludes any potential (un)realized gains/losses other fees.

QUARTERLY DETAIL OF CHANGE IN BOOK & MARKET VALUES

As of December 31, 2025

Investment Description	Yield	Maturity Date	BOOK VALUE				MARKET VALUE		
			As of 09/30/25	Increases	Decreases	As of 12/31/25	As of 09/30/25	Changes in Value	As of 12/31/25
DEPOSITORY ACCOUNTS									
JP Morgan Chase Bank									
JP Morgan Consolidated CC	0.00%	01/01/26	-	9,211,515	(9,211,515)	-	-	-	-
JP Morgan Persimmons	0.00%	01/01/26	17,988	55,771	(57,983)	15,776	17,988	(2,212)	15,776
JP Morgan CVB Vintage RR	0.00%	01/01/26	536,696	4,608,427	(5,008,311)	136,813	536,696	(399,883)	136,813
JP Morgan CVB Festival	0.00%	01/01/26	1,311,417	838,760	(2,011,910)	138,267	1,311,417	(1,173,149)	138,267
JP Morgan CVB Ticketline	0.00%	01/01/26	492,854	8,857,617	(9,108,298)	242,174	492,854	(250,681)	242,174
JP Morgan CVB Sister City	0.00%	01/01/26	31,322	4,571	(6,032)	29,861	31,322	(1,460)	29,861
JP Morgan CVB GWPS CBG	0.00%	01/01/26	8,070	7,217	(1,795)	13,492	8,070	5,422	13,492
JP Morgan Consolidated Cash	0.00%	01/01/26	2,837,887	74,231,300	(72,630,475)	4,438,711	2,837,887	1,600,824	4,438,711
JP Morgan Lockbox	0.00%	01/01/26	-	2,941,978	(2,941,978)	-	-	-	-
JP Morgan Employee Activity Committee	0.00%	01/01/26	20,411	8,198	(12,809)	15,800	20,411	(4,611)	15,800
Subtotal: JP Morgan Chase Bank			5,256,645	100,765,355	(100,991,105)	5,030,894	5,256,645	(225,751)	5,030,894
First National Bank									
Consolidated Cash	0.00%	01/01/26	25	-	-	25	25	-	25
Subtotal: First National Bank			25	-	-	25	25	-	25
MONEY MARKET ACCOUNTS									
InterBank									
Consolidated Cash	4.15%	01/01/26	200,747	2,103	(2,174)	200,676	200,747	(71)	200,676
IntraFi Consolidated Cash	4.25%	01/01/26	51,057,123	544,681	-	51,601,804	51,057,123	544,681	51,601,804
Subtotal: InterBank			51,257,870	546,784	(2,174)	51,802,480	51,257,870	544,611	51,802,480
LOCAL GOVERNMENT INVESTMENT POOLS									
Texpool Local Governmental Pool									
CONSOLIDATED CASH	3.99%	01/01/26	2,838	17,397,141	(17,397,300)	2,679	2,838	(159)	2,679
CRIME CONTROL AND PREVENTION DIST	3.99%	01/01/26	931	5,476,100	(5,476,250)	782	931	(150)	782
Texpool Prime									
TAX INCREM ZONE 2	4.12%	01/01/26	2,682,087	27,938	-	2,710,025	2,682,087	27,938	2,710,025
INDUSTRIAL DEVELOPMENT CORP FUND	4.12%	01/01/26	137,718	1,435	-	139,153	137,718	1,435	139,153
CONSOLIDATED CASH	4.12%	01/01/26	24,607,646	39,739,136	(36,482,000)	27,864,783	24,607,646	3,257,136	27,864,783
CRIME CONTROL AND PREVENTION DIST	4.12%	01/01/26	6,842,426	5,566,480	(3,329,003)	9,079,902	6,842,426	2,237,476	9,079,902
Subtotal: TexPool			34,273,647	68,208,230	(62,684,553)	39,797,323	34,273,647	5,523,676	39,797,323
LOGIC A									
Consolidated Cash	4.09%	01/01/26	18,003,278	454,681	-	18,457,959	18,003,278	454,681	18,457,959
Festival	4.09%	01/01/26	4,012,643	949,472	(215,000)	4,747,115	4,012,643	734,472	4,747,115
GV Vintage Railroad	4.09%	01/01/26	13,890,969	4,167,605	(305,000)	17,753,574	13,890,969	3,862,605	17,753,574
Sister Cities	4.09%	01/01/26	132,188	1,369	-	133,557	132,188	1,369	133,557
Ticketline	4.09%	01/01/26	-	4,214,212	(4,175,000)	39,212	-	39,212	39,212
WPS/CBG	4.09%	01/01/26	30,505	316	-	30,821	30,505	316	30,821
Cert of Oblig Series 2021	4.09%	01/01/26	586,489	5,547	(204,347)	387,689	586,489	(198,800)	387,689
Cert of Oblig Series 2022	4.09%	01/01/26	2,167,865	22,449	-	2,190,314	2,167,865	22,449	2,190,314
Cert of Oblig Series 2024	4.09%	01/01/26	20,411,643	211,208	(63,214)	20,559,637	20,411,643	147,994	20,559,637
Subtotal: LOGIC A			59,235,580	10,026,858	(4,962,560)	64,299,877	59,235,580	5,064,297	64,299,877

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QUARTERLY DETAIL OF CHANGE IN BOOK & MARKET VALUES

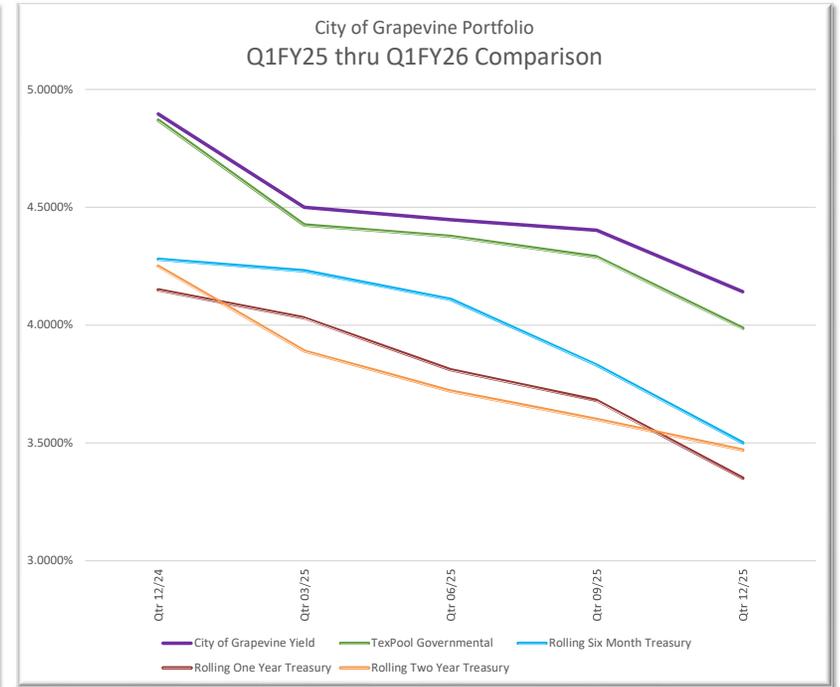
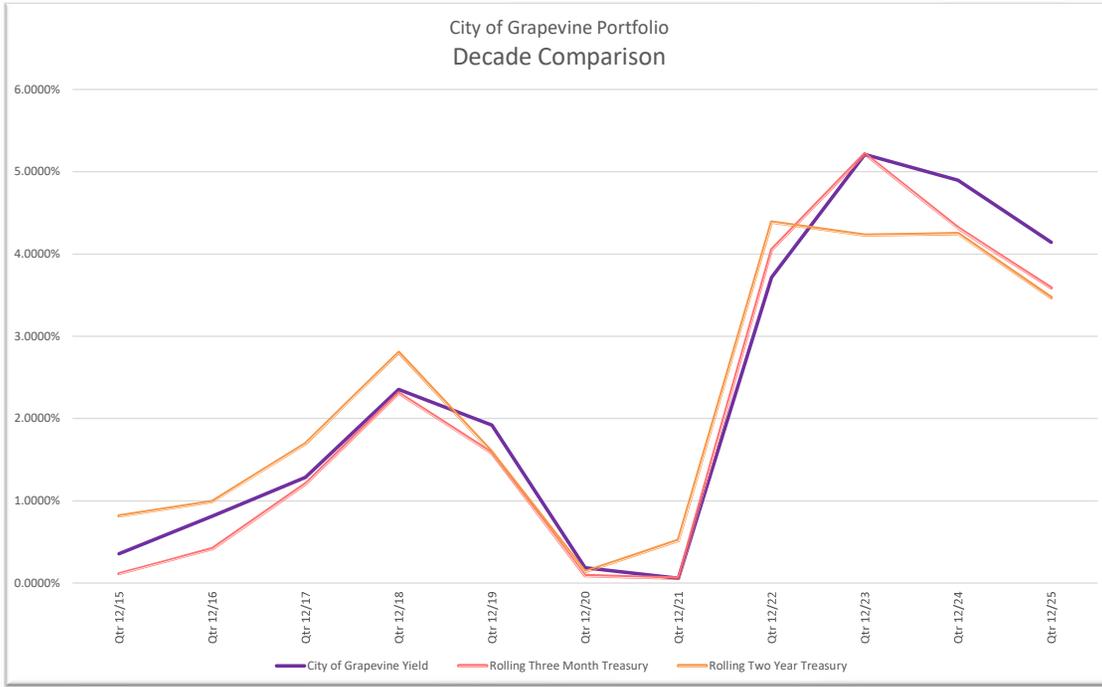
As of December 31, 2025

Investment Description	Yield	Maturity Date	BOOK VALUE				MARKET VALUE		
			As of 09/30/25	Increases	Decreases	As of 12/31/25	As of 09/30/25	Changes in Value	As of 12/31/25
CERTIFICATES OF DEPOSIT									
East West CITY CD #6974	4.23%	02/17/26	5,081,780	54,468	-	5,136,248	5,081,780	54,468	5,136,248
NBT CITY CD #8740	5.00%	02/18/26	5,029,452	62,567	-	5,092,019	5,029,452	62,567	5,092,019
East West CITY CD #3402	4.24%	03/03/26	5,070,183	54,473	-	5,124,656	5,070,183	54,473	5,124,656
East West CITY CD #3047	4.11%	05/14/26	5,079,442	52,891	-	5,132,333	5,079,442	52,891	5,132,333
East West CITY CD #6581	4.03%	05/15/26	5,026,013	51,311	-	5,077,323	5,026,013	51,311	5,077,323
East West CITY CD #0087	4.16%	06/03/26	5,068,849	53,426	-	5,122,275	5,068,849	53,426	5,122,275
American National CITY CD #4854	4.10%	02/25/27	5,019,131	52,135	-	5,071,266	5,019,131	52,135	5,071,266
First National CITY CD #1666	4.06%	06/17/27	505,647	5,098	-	510,745	505,647	5,098	510,745
First National CITY CD #8819	4.06%	06/17/27	1,516,941	15,293	-	1,532,234	1,516,941	15,293	1,532,234
Prosperity CVB CD #0185	4.00%	01/19/26	356,282	3,481	-	359,762	356,282	3,481	359,762
Prosperity CVB CD #0206	4.00%	01/21/26	240,686	2,352	-	243,038	240,686	2,352	243,038
Prosperity CVB CD #0207	4.00%	01/21/26	246,917	2,412	-	249,329	246,917	2,412	249,329
Prosperity CVB CD #0208	4.00%	01/27/26	234,724	2,293	-	237,017	234,724	2,293	237,017
Prosperity CVB CD #0209	4.00%	02/03/26	237,385	2,355	-	239,740	237,385	2,355	239,740
Prosperity CVB CD #0191	4.00%	02/07/26	356,117	3,535	-	359,653	356,117	3,535	359,653
Prosperity CVB CD #0222	4.00%	02/27/26	234,634	2,310	-	236,944	234,634	2,310	236,944
Prosperity CVB CD #0223	4.00%	03/01/26	356,337	3,522	-	359,859	356,337	3,522	359,859
Prosperity CVB CD #0224	4.00%	03/01/26	356,337	3,522	-	359,859	356,337	3,522	359,859
Prosperity CVB CD #0228	3.75%	03/30/26	352,162	4,551	-	356,713	352,162	4,551	356,713
Prosperity CVB CD #0229	3.75%	03/30/26	351,943	4,548	-	356,491	351,943	4,548	356,491
Prosperity CVB CD #0198	3.75%	04/09/26	238,479	2,343	-	240,822	238,479	2,343	240,822
Prosperity CVB CD #0199	3.75%	04/09/26	244,210	2,399	-	246,609	244,210	2,399	246,609
Subtotal: CDs			41,203,650	441,286	-	41,644,936	41,203,650	441,286	41,644,936
TOTAL PORTFOLIO			191,227,416	179,988,512	(168,640,393)	202,575,536	191,227,416	11,348,120	202,575,536

The City's cashflow increased by approximately \$11.3m quarter-over-quarter mainly due to incoming ad valorem payments coupled with an overall decrease in expenditures and payroll with no seasonal employees. The portfolio's average yield decreased 26 basis points from the prior quarter compared to the Federal Funds Rate decrease of 50 basis points over the same period. The City's position in CDs during this decline in interest rates helped offset further decreasing interest revenues. In addition, the City has invested in a liquid money market account that performs several basis points above the Fed Rate which also helps buffers changes in the market.

The Fed decreased the Federal Funds Rate by 25 basis points in early December for the last cut of the calendar year and are maintaining a target range of 3.50-3.75%. Currently, the labor market is showing stability, consumer and government spending continues to be strong, and the overall economic forecast shows growth. Fed Chair Powell's term ends in May (*though he could possibly remain as a Governor on the Board until 2028, he has not offered commentary on his intentions to stay on*) and the country looks to the Senate to confirm the next leader who must build consensus with the other voting members and work on policy. No rate changes are anticipated from the Fed until summer 2026.

Bank CDs are currently offering 1-year investments around 3.60% yields which can help preserve fixed income during the upcoming potential decline in interest earnings. Treasuries are offering 3.50% yields at 1-year and 3.57% for 2-year.



Sources:
 Valley View Consulting, LLC
 Hilltop Securities
 Federal Reserve Economic Data (FRED)
 Federated Hermes (TexPool)