*FINANCE*

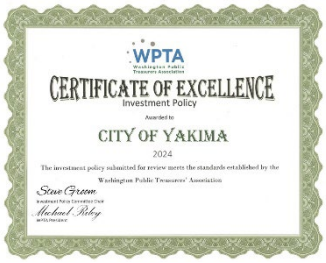
**Date:** July 2, 2026

**To:** Mayor and City Council

**Thru**: Victoria Baker, City Manager

**From:** Craig Warner, Director of Finance and Budget
Kimberly Dominé, Financial Services Manager

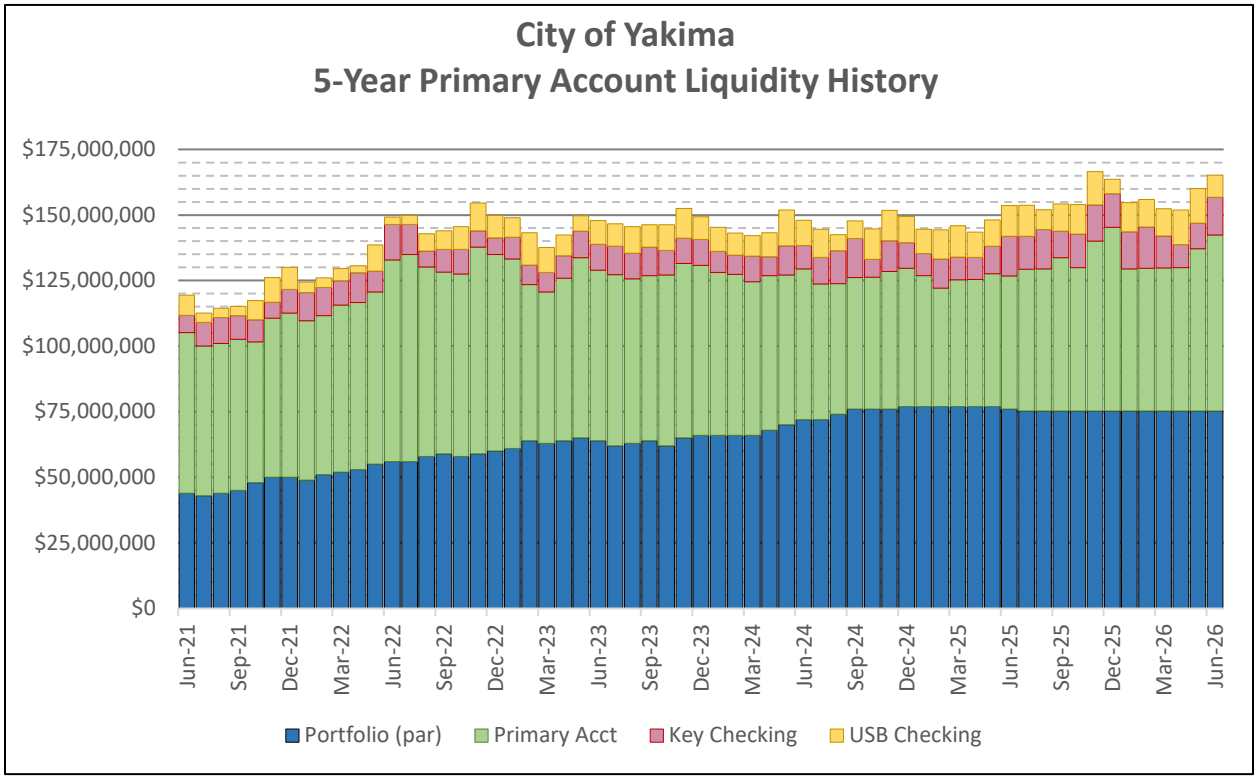
**Re:** 2026 – 2nd Quarter Treasury Report




This report is to transparently report on the City's cash position and investment activity for the quarter just ended. Each investment is in compliance with the City's Investment Policy, State Statues and City Municipal Code. The City's investment policy was reviewed and approved by City Council on March 5, 2019, and adopted by ordinance on February 1, 2022; and the policy received a Certification of Excellence from the Washington Public Treasurer's Association in February 2019 and again in April 2024.

**Total Cash and Investments** at Quarter-end total $167.7 million: $25.4 million in depository banks, $67.1 million in the State Pool, and $75.2 million invested.

The following chart shows the 5-year trend of total cash and investments month by month (showing only permanent accounts comparable year over year).



## The City's Investment Portfolio

The City's investment activities are governed by State regulations and the City of Yakima's Investment Policy. All investments are in full compliance with the City's Investment Policy, State Statues and City Municipal Code.

**Calls or Maturities**. During last quarter, the following matured or were called at full value:

- 1583 $2,000,000 FNMA matured 4/24/2026, yield 4.04%
- 1588 $2,000,000 US Treasury matured 5/31/2026, yield 3.80%
- 1589 $2,000,000 FHLB matured 6/12/2026, yield 3.50%

**Purchases**: During the last quarter, the following were purchased:

- 1637 $1,000,000 Home Depot Corp. to mature 6/25/2029, yield 3.96%
- 1638 $1,000,000 IBM Corp. to mature 5/15/2029, yield 4.12%
- 1639 $2,000,000 US Treasury to mature 7/31/29, yield 3.90%
- 1640 $2,000,000 US Treasury to mature 8/31/29, yield 4.00%8

**Portfolio and Benchmark Yield and Maturity:**

| | |
|---|---|
| Avg. weighted yield of **City** investments, excluding LGIP: | 3.49% |
| LGIP State Pool 30-day yield: | 3.69% |
| Weighted average maturity of **City** investments, excluding LGIP: | 314 days |
| Weighted average maturity of LGIP State Pool 30-day yield: | 35 days |

Execution of each investment transaction contemplated ongoing cash flows from city operations, debt obligations, liquid and maturing securities, and contingencies to meet the City's future cash flow requirements.

The City's Investment Portfolio consists of three general tiers which coincide with the primary considerations of prudent investing:

1) The **Safety** portion of the Portfolio consists of funds invested in the Local Government Investment Pool (LGIP, or State Pool) managed by the State Treasurer, available on the same day. This allows for seasonal fluctuations, primarily the April/October inflows of Property Tax and the outflows of debt service and capital projects.
2) The **Liquidity** portion of the Portfolio consists of demand deposit (checking) accounts at banks which are qualified public depositaries, protected above FDIC-insured balances through the actions of the Washington State Public Deposit Protection Commission (PDPC).
3) The **Yield** portion of the Portfolio consists of a diversified portfolio of Agencies, Treasuries and/or other authorized investments with staggered maturities of up to five years. Based on analysis of historical cash reserves and budgetary planning, this segment will not be subject to seasonal spending and continues to be safely invested long-term.

**Current Rates.** As of June 30, 2026, the fixed income market continues to fluctuate with the 1-year treasury earning 3.98%, 30 bases points more than last quarter's rate of 3.68%. The 30-day yield of the State Pool dropped from last quarter from 3.71% to 3.69% with the Weighted Average to maturity decreasing from 44 to 35 days.

**Economic Outlook**. According to Vanguard, the U.S. economy remains resilient, with GDP projected to grow around 2.0% to 2.2% in 2026. Growth is supported by strong AI-related investments and government spending. However, elevated inflation and energy costs are squeezing household purchasing power, resulting in a shift from consumer-led growth to business investment.

**Strategy Notes**. The City of Yakima's investments are not typically actively traded, meaning that no attempt to "buy low and sell high" or "time the market" is made. Investments purchased with the intent of providing investment income are intended to be held to maturity, relying on following a prudent course of action for income rather than predicting market direction.

| | | Actual % | Policy % |
|---|---|---|---|
| LGIP | 67,085,199 | 47% | 100% |
| Treasuries | 33,000,000 | 23% | 100% |
| Agencies | 28,000,000 | 20% | 100% |
| Municipals | 275,000 | 0% | 15% |
| Corporates | 14,000,000 | 10% | 15% |
| | 142,360,199 | 100% | |

## Debt Activity

All debt payments were paid out as scheduled. A comprehensive city-wide debt report is attached with current balances.

## Interfund Borrowings and Investments

Borrowing between funds is temporary in nature, reviewed periodically by staff and Council, amended as circumstances change. Currently there are three Interfund Loans.

The first loan is to help with the Mill Site Project. It was determined that the Mill Site needed more than the original amount loaned so an increase was given with the payment schedule extended to three years and aligned with the LIFT revenues that are received annually. This loan has been retired and a new smaller loan has taken its place. It's essential to keep some debt on the books to ensure LIFT Match eligibility.

The second loan is to help cash flow the Nelson Dam Project. This interfund loan is for three years with monthly payments that started January 2023 and is due to be paid in full September 2025. It was determined that the Nelson Project needed more than the original amount loaned so an increase was given with payment schedule extended out an additional two years.

There was a third emergency cash loan dated May 30th, 2025, to the MLK Pool to help with cash flow due to the timing of donation receipts.

City of Yakima
Cash and Investment Summary
June 30, 2026

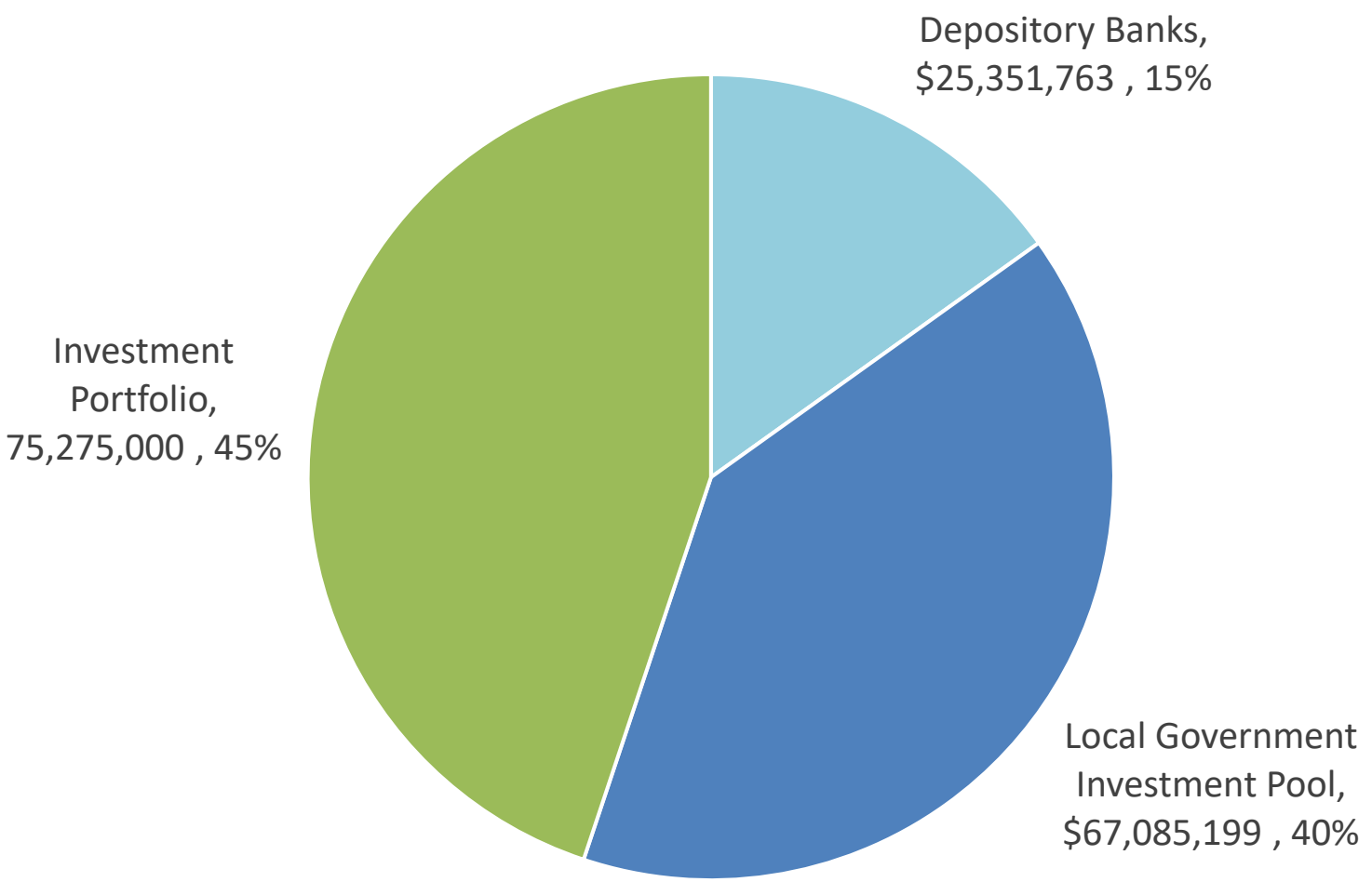
| Description | Current 6/30/2026 | Prior Quarter 3/31/2026 | Prior Year 6/30/2025 |
|---|---|---|---|
| Cash Balances on Hand in Banks | 25,351,762.79 | $ 26,479,289 | $ 28,276,477 |
| | | | |
| Local Government Investment Pool (LGIP) | 67,085,199 | 54,537,359 | 50,801,568 |
| Investment Portfolio | 75,275,000 | 75,275,000 | 76,000,000 |
| Total Investments | 142,360,199 | 129,812,359 | 126,801,568 |
| Total Cash and Investments | $ 167,711,962 | $ 156,291,648 | $ 155,078,045 |

x

| Summary of Investment Activity | Beg Balance 3/31/2026 | Purchases & Deposits | Interest Reinvested | Maturities, Calls & Withdrawals | End Balance 6/30/2026 |
|---|---|---|---|---|---|
| Local Government Investment Pool (LGIP) | $ 54,537,359 | $ 12,000,000 | $ 547,840 | $ - | $ 67,085,199 |
| Investment Portfolio | 75,275,000 | 6,000,000 | - | (6,000,000) | 75,275,000 |
| Total Investments | $ 129,812,359 | $ 18,000,000 | $ 547,840 | $ (6,000,000) | $ 142,360,199 |

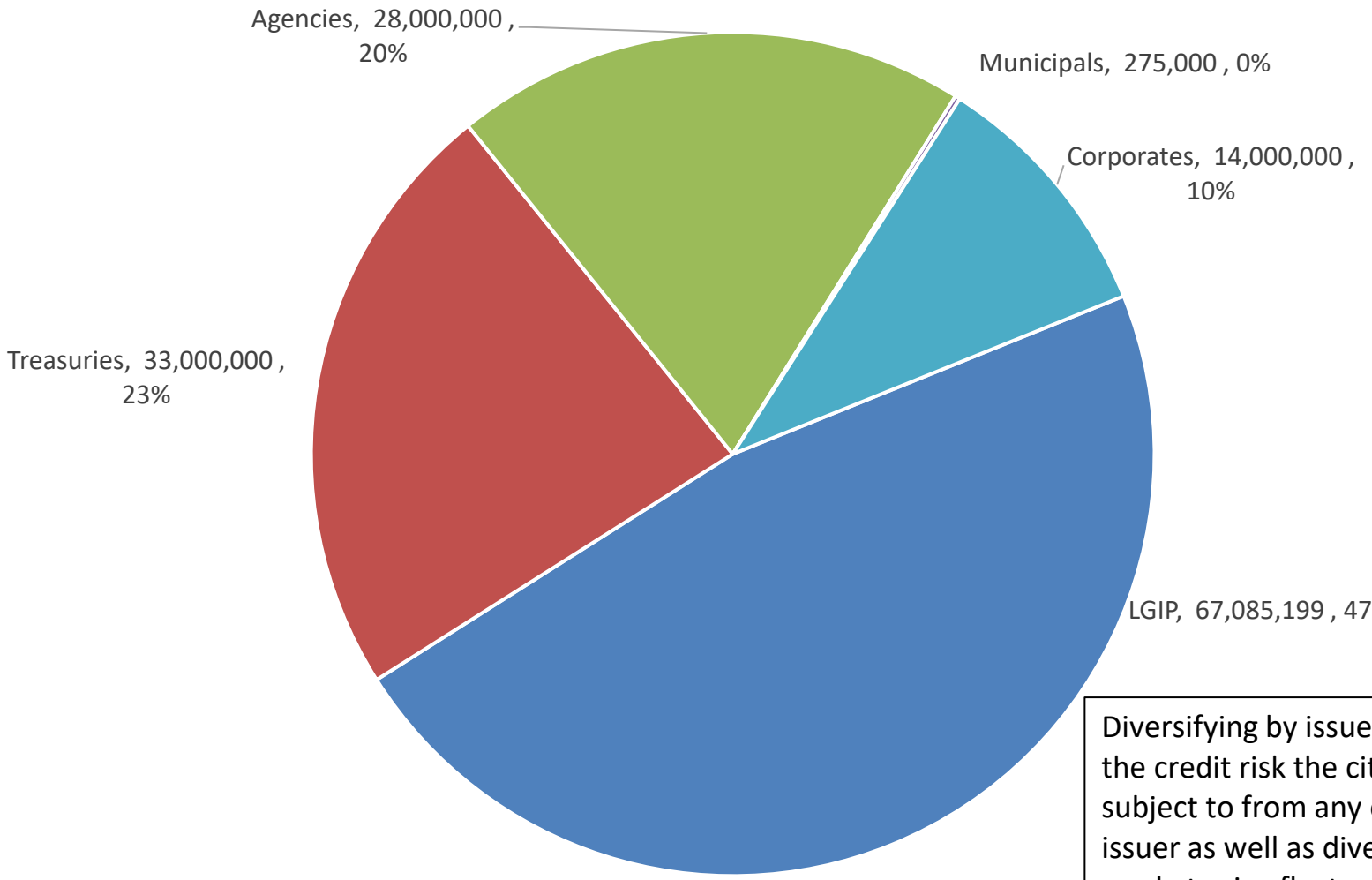
# City of Yakima

## Distribution of Cash and Investments as of 06/30/2026



# City of Yakima

## Investment Portfolio by Issuer at 6/30/2026



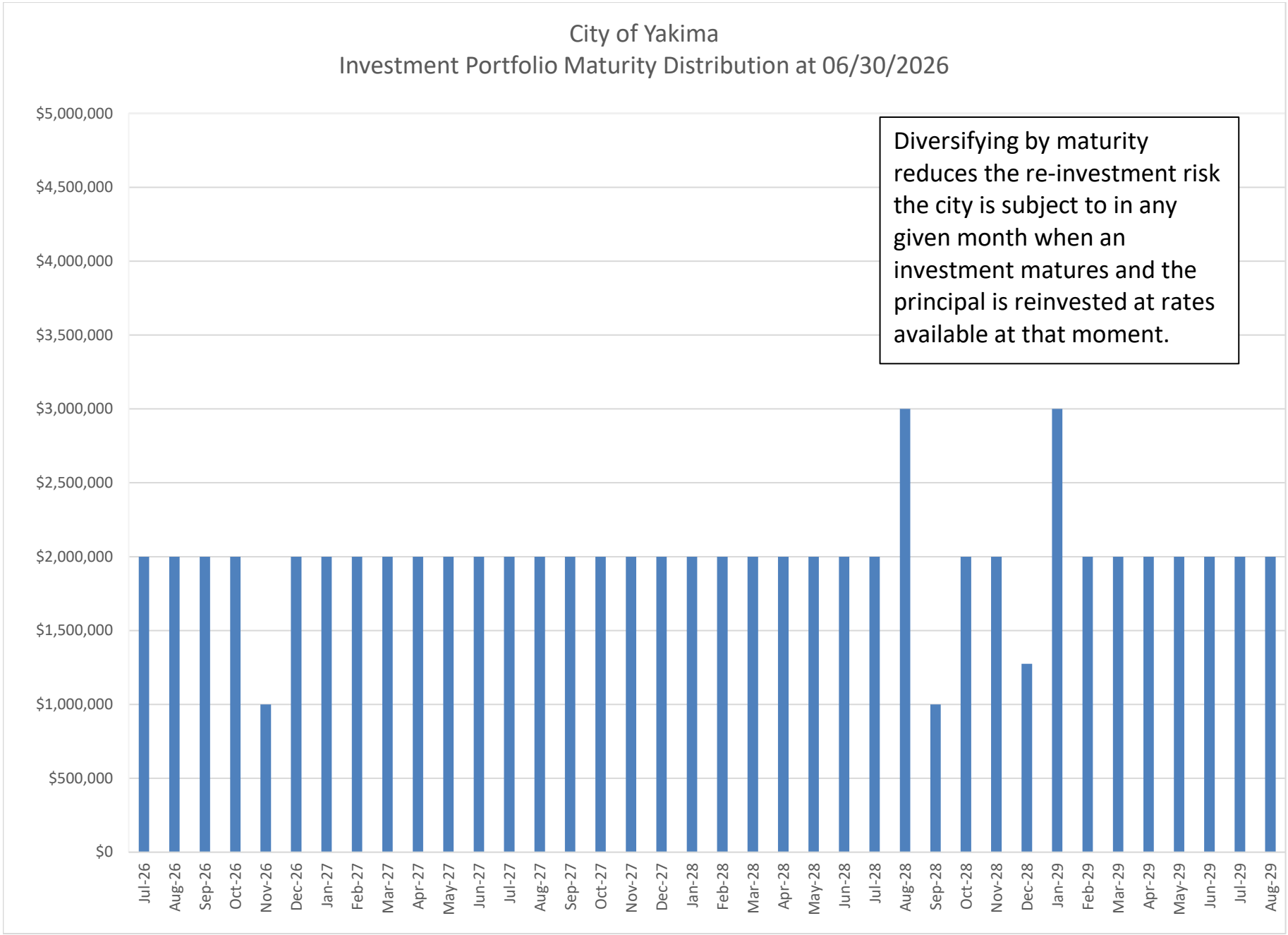

Diversifying by issuer reduces the credit risk the city is subject to from any one issuer as well as diversifies market price fluctuations which can vary by issuer.

City of Yakima

**Investment Portfolio - Inventory by Agency**

June 30, 2026

| Agency | Inv# | CUSIP | Face Value | Price | Coupon | Expected Yield | Settle | Maturity | Days to Maturity | Market | Call Type | Moodys | S&P | Fitch | Next Call | Most Likely Call |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FFCB | 1590 | 3133EPPE9 | 2,000,000 | 1,975,386 | 4.375 | 4.840 | 8/29/23 | 7/6/26 | 6 | 2,000,167 | NC | Aaa | AA+ | AA+ | NC | 7/6/26 |
| US T | 1592 | 91282CHU8 | 2,000,000 | 1,987,798 | 4.375 | 4.610 | 11/9/23 | 8/15/26 | 46 | 2,001,105 | NC | Aaa | NA | AAAu | NC | 8/15/26 |
| FAMCA | 1591 | 31422X6U1 | 2,000,000 | 1,987,142 | 4.625 | 4.860 | 9/22/23 | 9/8/26 | 70 | 2,002,484 | NC | NA | NA | NA | NC | 9/8/26 |
| FFCB | 1593 | 3133EJM97 | 2,000,000 | 1,917,609 | 3.350 | 4.860 | 11/14/23 | 10/30/26 | 122 | 1,995,605 | NC | Aaa | AA+ | AA+ | NC | 10/30/26 |
| FHLB | 1594 | 3130AXU63 | 1,000,000 | 1,008,210 | 4.625 | 4.322 | 12/14/23 | 11/17/26 | 140 | 1,002,564 | NC | Aaa | AA+ | NA | NC | 11/17/26 |
| FAMCA | 1595 | 31424WCQ3 | 2,000,000 | 2,024,358 | 4.500 | 4.060 | 12/15/23 | 12/4/26 | 157 | 2,003,464 | NC | NA | NA | NA | NC | 12/4/26 |
| FFCB | 1596 | 3133EPW76 | 2,000,000 | 1,995,234 | 3.875 | 3.960 | 1/19/24 | 1/19/27 | 203 | 1,997,383 | NC | Aaa | AA+ | AA+ | NC | 1/19/27 |
| FFCB | 1597 | 3133EP2T1 | 2,000,000 | 2,000,000 | 4.125 | 4.125 | 2/12/24 | 2/12/27 | 227 | 2,000,616 | NC | Aaa | AA+ | AA+ | NC | 2/12/27 |
| FFCB | 1598 | 3133EJGF0 | 2,000,000 | 1,928,336 | 3.125 | 4.420 | 3/21/24 | 3/15/27 | 258 | 1,987,301 | NC | Aaa | AA+ | AA+ | NC | 3/15/27 |
| FAMCA | 1599 | 31424WHG0 | 2,000,000 | 1,996,686 | 4.800 | 4.860 | 4/17/24 | 4/16/27 | 290 | 2,010,677 | NC | Aaa | NA | AAAu | NC | 4/16/27 |
| US T | 1600 | 91282CET4 | 2,000,000 | 1,878,000 | 2.625 | 4.751 | 4/17/24 | 5/31/27 | 335 | 1,974,180 | NC | Aaa | NA | AAAu | NC | 5/31/27 |
| FHLB | 1603 | 3130B1EF0 | 2,000,000 | 2,007,569 | 4.625 | 4.490 | 5/16/24 | 6/11/27 | 346 | 2,009,210 | NC | Aaa | NA | AAAu | NC | 6/11/27 |
| US T | 1606 | 91282CFB2 | 2,000,000 | 1,902,188 | 2.750 | 4.450 | 6/21/24 | 7/31/27 | 396 | 1,971,484 | NC | Aaa | NA | AAAu | NC | 7/31/27 |
| US T | 1607 | 9128282R0 | 2,000,000 | 1,885,781 | 2.250 | 4.260 | 7/24/24 | 8/15/27 | 411 | 1,959,375 | NC | Aaa | NA | AAAu | NC | 8/15/27 |
| FHLB | 1608 | 3130ATS40 | 2,000,000 | 2,031,865 | 4.375 | 3.820 | 8/13/24 | 9/10/27 | 437 | 2,006,857 | NC | Aaa | AA+ | AA+ | NC | 9/10/27 |
| FNMA | 1609 | 3135G05Y5 | 2,000,000 | 1,820,340 | 0.750 | 3.800 | 8/13/24 | 10/8/27 | 465 | 1,917,638 | NC | Aaa | NA | AAAu | NC | 10/8/27 |
| FHLB | 1610 | 3130AMHV7 | 2,000,000 | 1,885,600 | 1.500 | 3.433 | 9/25/24 | 11/18/27 | 506 | 1,931,856 | NC | Aaa | NA | AAAu | NC | 11/18/27 |
| US T | 1611 | 91282CBB6 | 2,000,000 | 1,829,908 | 0.625 | 3.400 | 9/25/25 | 12/31/27 | 549 | 1,899,141 | NC | Aaa | NA | AAAu | NC | 12/31/27 |
| US T | 1612 | 91282CBJ9 | 2,000,000 | 1,808,218 | 0.750 | 3.900 | 10/23/24 | 1/31/28 | 580 | 1,896,484 | NC | Aaa | NA | AAAu | NC | 1/31/28 |
| US T | 1613 | 91282CBP5 | 2,000,000 | 1,810,965 | 1.125 | 4.240 | 11/18/24 | 2/29/28 | 609 | 1,903,438 | NC | Aaa | NA | AAAu | NC | 2/29/28 |
| US T | 1614 | 91282CBS9 | 2,000,000 | 1,829,448 | 1.250 | 4.020 | 12/4/24 | 3/31/28 | 640 | 1,903,672 | NC | Aaa | NA | AAAu | NC | 3/31/28 |
| FHLB | 1615 | 3130ALYS7 | 1,000,000 | 919,138 | 1.750 | 4.420 | 1/13/25 | 4/26/28 | 666 | 958,997 | NC | Aaa | AA+ | NA | NC | 4/26/28 |
| FHLB | 1616 | 3130ALZZ0 | 1,000,000 | 926,589 | 2.000 | 4.420 | 1/13/25 | 4/28/28 | 668 | 963,002 | NC | Aaa | AA+ | NA | NC | 4/28/28 |
| US T | 1617 | 91282CHE4 | 2,000,000 | 1,951,875 | 3.625 | 4.416 | 2/13/25 | 5/31/28 | 701 | 1,981,875 | NC | Aaa | NA | AAAu | NC | 5/31/28 |
| WMT | 1618 | 931142EE9 | 2,000,000 | 1,980,560 | 3.700 | 4.020 | 3/25/25 | 6/26/28 | 727 | 1,982,918 | MW | Aa2 | AA+ | AA | 3/26/28 | 6/26/28 |
| J Deere | 1619 | 24422EXB0 | 2,000,000 | 2,058,940 | 4.950 | 3.960 | 4/30/25 | 7/14/28 | 745 | 2,025,852 | NC | A1 | A | A+ | NC | 7/14/28 |
| CRBG | 1629 | 00138CBG2 | 1,000,000 | 1,005,200 | 4.250 | 4.048 | 11/14/25 | 8/21/28 | 783 | 990,863 | NC | Aaa | AA+ | AA+ | NC | 8/21/28 |
| US T | 1620 | 91282CHX2 | 2,000,000 | 2,025,489 | 4.375 | 3.955 | 5/20/25 | 8/31/28 | 793 | 2,010,234 | NC | Aaa | NA | AAAu | NC | 8/31/28 |
| Toyota | 1621 | 89236TLB9 | 1,000,000 | 1,036,580 | 5.250 | 4.020 | 6/27/25 | 9/11/28 | 804 | 1,017,825 | NC | A1 | A+ | A+ | NC | 9/11/28 |
| BNWM | 1624 | 06406GAA9 | 1,000,000 | 973,334 | 3.000 | 3.900 | 8/27/25 | 10/30/28 | 853 | 965,660 | MW | A2 | A- | A | 7/30/28 | 10/30/28 |
| US T | 1626 | 91282CDF5 | 1,000,000 | 939,100 | 1.375 | 3.452 | 9/18/25 | 10/31/28 | 854 | 938,633 | NC | Aaa | NA | AAAu | NC | 10/31/28 |
| US T | 1628 | 91282CDL2 | 2,000,000 | 1,885,625 | 1.500 | 3.460 | 10/23/25 | 11/30/28 | 884 | 1,878,984 | NC | Aaa | NA | AAAu | NC | 11/30/28 |
| WFC | 1622 | 33738MAB7 | 1,000,000 | 1,059,640 | 6.500 | 4.570 | 7/14/25 | 12/1/28 | 885 | 1,042,210 | NC | Aa3 | NA | A | NC | 12/1/28 |
| King GO | 1623 | 49474FF96 | 275,000 | 254,708 | 1.690 | 4.047 | 7/14/25 | 12/1/28 | 885 | 259,371 | MW | Aaa | AAA | AAA | NC | 12/1/28 |
| NYLIFE | 1630 | 64952WFF5 | 1,000,000 | 1,023,200 | 4.700 | 3.920 | 11/14/25 | 1/29/29 | 944 | 1,003,199 | NC | Aa1 | AA+ | AAA | NC | 1/29/29 |
| US T | 1627 | 91228CDW8 | 1,000,000 | 946,000 | 1.750 | 3.463 | 9/18/25 | 1/31/29 | 946 | 942,227 | NC | Aaa | NA | AAAu | NC | 1/31/29 |
| PACCAR | 1625 | 69371RS80 | 1,000,000 | 1,022,210 | 4.600 | 3.900 | 8/27/25 | 1/31/29 | 946 | 1,007,677 | NC | A1 | A+ | NA | NC | 1/31/29 |
| CISCO | 1632 | 17275RBR2 | 1,000,000 | 1,031,800 | 4.850 | 3.730 | 1/15/26 | 2/26/29 | 972 | 1,011,833 | MW | A1 | AA- | NA | 1/26/29 | 2/26/29 |
| FFCB | 1633 | 3133EP4A0 | 1,000,000 | 1,021,940 | 1.250 | 3.500 | 1/15/2026 | 2/28/29 | 974 | 1,002,437 | NC | Aa1 | AA+ | AA+ | NC | 2/28/29 |
| US T | 1631 | 91282CKG5 | 2,000,000 | 2,040,880 | 4.125 | 3.460 | 12/17/25 | 3/31/29 | 1,005 | 2,000,156 | NC | Aaa | NA | AAAu | NC | 3/31/29 |
| US T | 1634 | 91282CEM9 | 2,000,000 | 1,962,000 | 2.875 | 3.504 | 2/12/26 | 4/30/29 | 1,035 | 1,934,063 | NC | Aaa | NA | AAAu | NC | 4/30/29 |
| IBM Corp | 1638 | 459200KA5 | 1,000,000 | 982,280 | 3.500 | 4.120 | 4/21/26 | 5/15/29 | 1,050 | 972,775 | MW | A3 | A- | A- | MW@20 | 5/15/29 |
| US T | 1635 | 91282CKT7 | 1,000,000 | 1,029,890 | 4.500 | 3.510 | 3/10/26 | 5/31/29 | 1,066 | 1,010,352 | NC | Aaa | NA | AAAu | NC | 5/31/29 |
| MasterC | 1636 | 57636QAM6 | 1,000,000 | 974,390 | 2.950 | 3.800 | 3/10/26 | 6/1/29 | 1,067 | 963,154 | MW | Aa3 | A+ | NA | 3/1/29 | 6/1/29 |
| Home De | 1637 | 437076DC3 | 1,000,000 | 1,022,660 | 4.750 | 3.960 | 4/12/26 | 6/25/29 | 1,091 | 1,011,224 | MW | A2 | A | A | MW@10 | 6/25/29 |
| US T | 1639 | 91282CFC0 | 2,000,000 | 1,923,500 | 2.625 | 3.900 | 5/13/26 | 7/31/29 | 1,127 | 1,914,219 | NC | Aa1 | NA | AA+u | NC | 7/31/29 |
| US T | 1640 | 91282CLK5 | 2,000,000 | 1,977,540 | 3.630 | 4.000 | 6/16/26 | 8/31/29 | 1,158 | 1,968,828 | NC | Aa1 | NA | AA+u | NC | 8/31/29 |
| Subtotal | 47 | | 75,275,000 | 73,485,708 | Avg. | | | | | 74,133,269 | | | | | | |
| LGIP | LGIP | NA | 67,085,199 | 67,085,199 | 4.600 | 4.60% | NA | NA | 14 | 67,085,199 | NC | NA | NA | NA | NA | NA |
| **Grand Totals** | | | **$ 142,360,199** | **$ 140,570,907** | | 3.88% | | | **320** | **$ 141,218,468** | | | | | | |


City of Yakima
Investment Portfolio Maturity Distribution at 06/30/2026
Diversifying by maturity reduces the re-investment risk the city is subject to in any given month when an investment matures and the principal is reinvested at rates available at that moment.
$5,000,000
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
Jul-26
Aug-26
Sep-26
Oct-26
Nov-26
Dec-26
Jan-27
Feb-27
Mar-27
Apr-27
May-27
Jun-27
Jul-27
Aug-27
Sep-27
Oct-27
Nov-27
Dec-27
Jan-28
Feb-28
Mar-28
Apr-28
May-28
Jun-28
Jul-28
Aug-28
Sep-28
Oct-28
Nov-28
Dec-28
Jan-29
Feb-29
Mar-29
Apr-29
May-29
Jun-29
Jul-29
Aug-29

City of Yakima
Investment Portfolio - Detail of Activity
June 30, 2026

| Agency | Inv# | Beginning Face Value | Additions and Purchases | Calls and Maturities | Ending Face Value |
|---|---|---|---|---|---|
| **Farmer Mac** | | | | | |
| FAMCA | 1591 | 2,000,000 | | | 2,000,000 |
| FAMCA | 1595 | 2,000,000 | | | 2,000,000 |
| FAMCA | 1599 | 2,000,000 | | | 2,000,000 |
| FAMCA Total | | 6,000,000 | - | - | 6,000,000 |
| **Federal Farm Credit Bureau** | | | | | |
| | | | | | - |
| FFCB | 1590 | 2,000,000 | | | 2,000,000 |
| FFCB | 1593 | 2,000,000 | | | 2,000,000 |
| FFCB | 1596 | 2,000,000 | | | 2,000,000 |
| FFCB | 1597 | 2,000,000 | | | 2,000,000 |
| FFCB | 1598 | 2,000,000 | | | 2,000,000 |
| FFCB | 1633 | 1,000,000 | | | 1,000,000 |
| FFCB Total | | 11,000,000 | - | - | 11,000,000 |
| **Federal Home Loan Bank** | | | | | |
| FHLB | | | | | - |
| FHLB | 1589 | 2,000,000 | | (2,000,000) | - |
| FHLB | 1594 | 1,000,000 | | | 1,000,000 |
| FHLB | 1603 | 2,000,000 | | | 2,000,000 |
| FHLB | 1608 | 2,000,000 | | | 2,000,000 |
| FHLB | 1610 | 2,000,000 | | | 2,000,000 |
| FHLB | 1615 | 1,000,000 | | | 1,000,000 |
| FHLB | 1616 | 1,000,000 | | | 1,000,000 |
| FHLB Total | | 11,000,000 | - | (2,000,000) | 9,000,000 |
| **Municiple Bonds** | | | | | |
| King County Muni | 1623 | 275,000 | | | 275,000 |
| Municiple Bonds | | 275,000 | - | - | 275,000 |
| **Federal National Management Association** | | | | | |
| FNMA | 1583 | 2,000,000 | | (2,000,000) | - |
| FNMA | 1609 | 2,000,000 | | | 2,000,000 |
| FNMA Total | | 4,000,000 | - | (2,000,000) | 2,000,000 |
| **US Treasury** | | | | | |
| US Treasury | 1588 | 2,000,000 | | (2,000,000) | - |
| US Treasury | 1592 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1600 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1606 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1607 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1611 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1612 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1613 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1614 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1617 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1620 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1626 | 1,000,000 | | | 1,000,000 |
| US Treasury | 1627 | 1,000,000 | | | 1,000,000 |
| US Treasury | 1628 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1631 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1634 | 2,000,000 | | | 2,000,000 |
| US Treasury | 1635 | 1,000,000 | | | 1,000,000 |
| US Treasury | 1639 | | 2,000,000 | | 2,000,000 |
| US Treasury | 1640 | | 2,000,000 | | 2,000,000 |
| US Treasury | | 31,000,000 | 4,000,000 | (2,000,000) | 33,000,000 |
| **Corporate Notes** | | | | | |
| Walmart | 1618 | 2,000,000 | | | 2,000,000 |
| J Deere | 1619 | 2,000,000 | | | 2,000,000 |
| Toyota | 1621 | 1,000,000 | | | 1,000,000 |
| Wells Fargo | 1622 | 1,000,000 | | | 1,000,000 |
| Bank NYM | 1624 | 1,000,000 | | | 1,000,000 |
| PACCAR | 1625 | 1,000,000 | | | 1,000,000 |
| Corebridge | 1629 | 1,000,000 | | | 1,000,000 |
| NY Life | 1630 | 1,000,000 | | | 1,000,000 |
| Cisco | 1632 | 1,000,000 | | | 1,000,000 |
| Mastercard | 1636 | 1,000,000 | | | 1,000,000 |
| Home Depot | 1637 | | 1,000,000 | | 1,000,000 |
| IBM | 1638 | | 1,000,000 | | 1,000,000 |
| Corporate Total | | 12,000,000 | 2,000,000 | - | 14,000,000 |
| Subtotal | | 75,275,000 | 6,000,000 | (6,000,000) | 75,275,000 |
| **Other Investments** | | - | - | - | - |
| LGIP (State Pool) | LGIP | 54,537,359 | 12,547,840 | - | 67,085,199 |
| Other Investment Totals | | 54,537,359 | 12,547,840 | - | 67,085,199 |
| **Grand Totals** | | **$ 129,812,359** | **$ 18,547,840** | **$ (6,000,000)** | **$ 142,360,199** |

City of Yakima

**Long Term Debt Schedule - by Project Group**

June 30, 2026

| Date Issued | Maturity | Description | Note | Amount of Issue | Current Balance |
|---|---|---|---|---|---|
| **General Obligation Bonds** | | | | | |
| 6/20/2013 | 12/1/2028 | Street Project Demonstration (Refunded) | Various City street improvements | 3,500,000 | 943,952.960 |
| 9/24/2018 | 6/1/2035 | Soccer Complex (Refunded) | City portion of SOZO Sports Complex | 4,440,127 | 2,842,876.660 |
| 9/24/2018 | 12/1/1942 | 2018 Aquatic Center YMCA | City portion of Aquatic Center | 8,009,873 | 7,542,004.240 |
| 4/21/2020 | 12/1/2032 | 2020B Capital Theatre 09 Refunded | 2020B Capital Theatre 09 Refunded | 4,910,000 | 2,850,000.000 |
| 4/21/2020 | 12/1/2044 | 2020B Convention Center Addition | 2020B Convention Center Addition | 12,620,000 | 10,530,000.000 |
| 4/21/2020 | 12/1/2044 | 2020B Convention Center Addition III Refu | 2020B Convention Center Addition III Refunded | 2,495,000 | 2,080,000.000 |
| **Subtotal General Obligation Bonds** | | | | 35,975,000 | 26,788,833.860 |
| **Certificate of Participation - State of Washington** | | | | | |
| 9/28/2017 | 6/1/2027 | Energy Project | 2017 Energy Project (lighting) | 921,683 | 111,282.030 |
| 7/21/2020 | 6/1/2035 | Energy Project | 2020 Energy Efficiency Project (lighting) | 1,415,000 | 970,000.000 |
| 9/28/2017 | 6/1/2027 | Fire Aerial & Pump App | Fire Aerial | 1,268,053 | 153,101.910 |
| **Subtotal Certificates of Participation** | | | | 3,604,736 | 1,234,383.940 |
| **Revenue Bonds** | | | | | |
| 4/21/2020 | 12/1/2034 | 2020 Ref 04 Irrigation | 2020 Ref 04 Irrigation | 3,260,000 | 2,125,000.000 |
| 4/21/2020 | 12/1/2027 | 2020 Ref 08 WS Rev | 2020 Ref 08 WS Rev | 2,590,000 | 730,000.000 |
| **Subtotal Revenue Bonds** | | | | 5,850,000 | 2,855,000.000 |
| **Intergovernmental Loans** | | | | | |
| 8/14/2009 | 7/1/2028 | PC-08-951-052 | 2009 Railroad Grade Separation | 3,000,000 | 330,200.500 |
| 5/6/2010 | 6/1/2034 | L1000030-0 | 2010 Railroad Grade Separation | 1,229,295 | 598,664.700 |
| 6/17/2014 | 5/1/2034 | Comm Center Move | City portion of County GO Bonds | 1,716,500 | 830,000.000 |
| 6/1/2016 | 6/1/2027 | '16 Yak Co SIED - SOZO | 2016 Yakima Co SIED Loan - SOZO | 900,000 | 103,480.770 |
| 7/17/2018 | 6/1/2029 | '18 Yak Co SIED - River Rd. | 2018 Yakima Co SIED - River Rd Improvements/Aquatics Center | 500,000 | 175,106.050 |
| 3/2/2021 | 6/1/2032 | 21 Yak Co Seid - SOZO | 2021 Yakima Co SEID Loan SOZO | 1,000,000 | 647,338.760 |
| 3/14/2023 | 6/1/2035 | 22 Yak Co Seid - Russell Lane | 2023 Yak Co Seid - Russell Lane | 416,000 | 416,000.000 |
| 12/15/2023 | 6/1/2036 | 23 Yak Co Seid - Chief Hops | 2023 Yak Co Seid - Chief Hops | 312,500 | 280,657.040 |
| 4/30/2007 | 6/1/2027 | PW-07-962-019 | 2007 Ultra Violet Disinfection | 2,300,000 | 121,388.890 |
| 4/15/2009 | 6/1/2028 | PC-08-951-051 | 2009 New Water Well | 2,257,200 | 242,297.650 |
| 10/10/2011 | 3/31/2033 | L1100008 | 2011 Energy Efficiency | 516,192 | 219,857.000 |
| 8/1/2011 | 7/1/2034 | L1200019 | 2012 Industrial Waste Anaerobic | 587,173 | 298,629.270 |
| 6/1/2012 | 6/1/2031 | PC-12-951-065 | 2012 Wastewater Treatment Plan | 5,000,000 | 1,345,395.700 |
| 10/11/2012 | 6/1/2037 | PC-13-961-059 | 2012 Industrial Sewer Extensions | 2,000,000 | 894,736.870 |
| 8/5/2013 | 6/1/2032 | PC-13-961-074 | 2013 Automated Reading System | 5,000,000 | 1,578,947.370 |
| 12/31/2021 | 6/1/2039 | PC20-96103-044 | 2020 Waterline Improvements | 1,737,906 | 1,255,154.590 |
| 12/12/2013 | 10/1/2034 | DM-11-952-038 | 2013 Design WTP Lagoons | 3,514,800 | 1,581,660.020 |
| **Subtotal Intergovernmental Loans** | | | | 31,987,566 | 10,919,515.180 |
| **Grand Total** | | | | **77,417,302** | **41,797,732.980** |

City of Yakima

**Interfund Borrowing**

June 30, 2026

| Description | Original Balance | Beginning Balance | Issued | Retired | Ending Balance |
|---|---|---|---|---|---|
| | | | | | - |
| 323 - Millsite #3 | 176,000.00 | 147,129.83 | | - | 147,129.83 |
| 479 - Nelson Dam | 6,299,691.00 | 1,416,666.58 | | 250,000.02 | 1,166,666.56 |
| 331 - MLK Pool | 250,000.00 | 250,000.00 | - | | 250,000.00 |
| Total across all funds | 6,725,691.00 | 1,813,796.41 | - | 250,000.02 | 1,563,796.39 |

Per Ordinance #2013-011 Tempory Interfund Loans to help with cash flow.

FINANCE

Committee Review of Investment Rationale

Date: April 20, 2026

**Investment # 2026-1637 is a 5-year Home Depot Inc. bond, face value $1,000,000, maturing June 25, 2029, 4.75% coupon, purchased at a Premium of 102.266 to yield 3.963811.** This trade settles on April 21, 2026, with Hill Top Securities Inc., US Bank Safekeeping, reducing our elevated LGIP position caused by called maturities during 2026.

**Liquidity**: On March 31st, month-end, Key Bank checking account balance was $12.1 million, US Bank checking balance was $10.4 million, and the investment portfolio was $75.3 million (Treasuries, Corporates and Agencies). Current LGIP balance was $54.5 million.

**Safety**: This purchase is a debt issue of the Home Depot Corporation, equivalent to A/A2 rating by S&P and Moody's.

**Yield**. Yield is 3.9638. This investment is 26 basis points over LGIP and 12 bases point over the 5-year treasury, and 24 bases points over the 3-year treasury, seeking to protect yield in an uncertain environment. Comparable yields are:

| | | |
|---|---|---|
| LGIP current 30-day yield | 3.6983% | www.secureaccess.wa.gov |
| 5-year Treasury | 3.84000% | Treasury.gov |
| 3-year Treasury | 3.7200% | Treasury.gov |

**Callability.** This investment has a make whole call (MW-10).

**Diversification**. This purchase brings Corporate Bonds to 10% of total portfolio.

**Outlook.** According to International Monetary Fund, the US economy in April 2026 exhibits resilience with projected growth around 1.6% to 2.3%, supported by AI-driven productivity, though it faces headwinds from elevated oil prices, high budget deficits (1.9 trillion), and slowing labor markets with unemployment near 4%-4.6%. Core Personal Consumption Expenditures (PCE) inflation is beginning to ease but remains sticky, leading to a patient, steady interest rate stance by the Federal Reserve.

**Investment Committee review**:

Finance Director: _____ Date 4/21/26

City Manager: _____ Date 4/28/2026

FINANCE

Committee Review of Investment Rationale

Date: April 20, 2026

**Investment # 2026-1638 is a 10-year IBM Inc. bond, face value $1,000,000, maturing May 15, 2029, 3.50% coupon, purchased at a Discount of 98.228 to yield 4.1203.** This trade settles on April 21, 2026, with Time Value Investments, Inc., US Bank Safekeeping, reducing our elevated LGIP position caused by called maturities during 2026.

**Liquidity**: On March 31st, month-end, Key Bank checking account balance was $12.1 million, US Bank checking balance was $10.4 million, and the investment portfolio was $75.3 million (Treasuries, Corporates and Agencies). Current LGIP balance was $54.5 million.

**Safety**: This purchase is a debt issue of the IBM Corporation, equivalent to A-/A3 rating by S&P and Moody's.

**Yield**. Yield is 4.1203. This investment is 42 basis points over LGIP and 28 bases point over the 5-year treasury, and 40 bases points over the 3-year treasury, seeking to protect yield in an uncertain environment. Comparable yields are:

| | | |
|---|---|---|
| LGIP current 30-day yield | 3.6983% | www.secureaccess.wa.gov |
| 5-year Treasury | 3.84000% | Treasury.gov |
| 3-year Treasury | 3.7200% | Treasury.gov |

**Callability.** This investment has a make whole call (MW-20).

**Diversification**. This purchase brings Corporate Bonds to 11% of total portfolio.

**Outlook.** According to International Monetary Fund, the US economy in April 2026 exhibits resilience with projected growth around 1.6% to 2.3%, supported by AI-driven productivity, though it faces headwinds from elevated oil prices, high budget deficits (1.9 trillion), and slowing labor markets with unemployment near 4%-4.6%. Core Personal Consumption Expenditures (PCE) inflation is beginning to ease but remains sticky, leading to a patient, steady interest rate stance by the Federal Reserve.

**Investment Committee review**:

Finance Director: _____ Date 4/21/26

City Manager: _____ Date 4/28/2026

FINANCE

Committee Review of Investment Rationale

Date: May 12, 2026

**Investment # 2026-1639 is a 7-year US Treasury, face value $2,000,000, maturing July 31, 2029, 2.63% coupon, purchased at a significant discount of 96.175 to yield 3.900.** This trade settles on May 13, 2026, with KeyBanc Capital Markets, Inc., US Bank Safekeeping, reducing our elevated LGIP position caused by called maturities during 2026.

**Liquidity**: On April 30th, month-end, Key Bank checking account balance was $8.7 million, US Bank checking balance was $13.2 million, and the investment portfolio was $75.3 million (Treasuries, Corporates and Agencies). Current LGIP balance was $54.7 million.

**Safety**: This purchase is a debt issue of the Federal Government, equivalent to Aa1/AA+u rating by Moody's and Fitch.

**Yield**. Yield is 3.900. This investment is 21 basis points over LGIP and 17 bases point under the 5-year treasury, and 6 bases points under the 3-year treasury, seeking to protect yield in an uncertain environment. Comparable yields are:

| | | |
|---|---|---|
| LGIP current 30-day yield | 3.693% | www.secureaccess.wa.gov |
| 5-year Treasury | 4.070% | Treasury.gov |
| 3-year Treasury | 3.960% | Treasury.gov |

**Callability.** This investment is not callable (a bullet).

**Diversification**. This purchase brings this issuer to 25% of total portfolio.

**Outlook.** As of May 2026, the Federal Reserve is in a "holding pattern," maintaining the benchmark federal funds rate at a target range of **3.50% to 3.75%**. While the year began with expectations for several rate cuts, persistent inflation and a resilient labor market have shifted the outlook toward a "higher for longer" stance.

**Investment Committee review**:

Finance Director: _____ Date 5/12/26

City Manager: _____ Date 5/13/2026

FINANCE

Committee Review of Investment Rationale

Date: June 15, 2026

**Investment # 2026-1640 is a 5-year US Treasury, face value $2,000,000, maturing August 31, 2029, 3.63% coupon, purchased at a discount of 98.877 to yield 4.000.** This trade settles on June 16, 2026, with Time Value Investments, Inc., US Bank Safekeeping, reducing our elevated LGIP position caused by called maturities during 2026.

**Liquidity**: On May 31st , month-end, Key Bank checking account balance was $9.7 million, US Bank checking balance was $13.2 million, and the investment portfolio was $75.3 million (Treasuries, Corporates and Agencies). Current LGIP balance was $61.9 million.

**Safety**: This purchase is a debt issue of the Federal Government, equivalent to Aa1/AA+u rating by Moody's and Fitch.

**Yield**. Yield is 4.000. This investment is 32 basis points over LGIP and 18 bases point under the 5-year treasury, and 10 bases points under the 3-year treasury, seeking to protect yield in an uncertain environment. Comparable yields are:

| | | |
|---|---|---|
| LGIP current 30-day yield | 3.676% | www.secureaccess.wa.gov |
| 5-year Treasury | 4.18% | Treasury.gov |
| 3-year Treasury | 4.10% | Treasury.gov |

**Callability.** This investment is not callable (a bullet).

**Diversification**. This purchase brings this issuer to 24% of total portfolio.

**Outlook.** According to the Philadelphia Federal Reserve Bank, economists project the US economy will see resilient real GDP growth of roughly 2.1% to 2.5% in 2026, outpacing other wealthy nations, despite lingering headwinds from global tariffs, energy price shocks, and elevated inflation. The labor market remains tight with unemployment expected to average around 4.5%.

**Investment Committee review**:

Finance Director: _____ Date 6/16/26

City Manager: _____ Date 6/16/2026