**CITY OF KIRKLAND**
**FINANCE AND ADMINISTRATION**
123 Fifth Avenue, Kirkland, WA 98033
425-587-3000

**MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Michael Olson, Director of Finance & Administration
Veronica Hsieh, Deputy Director of Finance & Administration, Treasurer

**Date:** August 11, 2025

**Subject:** **July 2025 Monthly Investment Report**

## RECOMMENDATION:

Staff recommends that City Council receives the July 2025 Monthly Investment Report.

## EXECUTIVE SUMMARY:

- City staff recommends that Council receives the July 2025 Monthly Investment Report. No action by Council is required.
- The Monthly Investment Report appears on the Consent Agenda presenting all City investment activity for the noted month.
- The attached report is prepared by the City's contracted Investment Advisor.

## BACKGROUND:

This Monthly Investment Report is included on the consent calendar and is prepared by the City's Investment Advisor, Government Portfolio Advisors (GPA). The City hired an investment advisor in late 2014 to support portfolio management while maintaining full control over investment decisions. In early 2024, following a competitive process, Government Portfolio Advisors were reselected, and a new three-year contract began on September 1, 2024.

Kirkland's Investment Policy, adopted by City Council through resolution, sets the standards for managing the City's investable funds. The primary objectives are to ensure investments are legal, safe, and liquid, with yield as a secondary goal. To minimize risk, the City also diversifies its investments within defined exposure limits to avoid over-reliance on any single issuer.

Investments are limited to those securities and deposits authorized by statute (chapters 39.58, 39.59, and 43.250 RCW and RCW 43.84.080). The current investment portfolio consists primarily of U.S. Treasury obligations, Government Sponsored Enterprises (GSE's) such as the Federal Home Loan Banks (FHLB), the Washington State Local Government Investment Pool, and deposits in banks approved by the Public Deposit Protection Commission (PDPC) where those funds are 100% collateralized and protected by other assets.

## DISCUSSION/ANALYSIS:

The attached Monthly Investment Report includes a brief market commentary at the beginning of the report on page 3. Following that, the status of compliance to Kirkland's Investment Policy is on pages 4-5. A summary of Portfolio characteristics, structure, activity, and returns can be found on pages 6-8. The report also includes details on each of the security holdings in Kirkland's Portfolio on pages 12-15.

## NEXT STEPS:

None.

## ATTACHMENTS:

Attachment 1 – July 2025 Investment Report

Attachment 1

GOVERNMENT PORTFOLIO ADVISORS

# Monthly Investment Report
# City of Kirkland

July 31, 2025

Total Aggregate Portfolio

# Contents

July 31, 2025

## Month End Commentary - July 2025

The dog days of summer have arrived, and while stocks kept sizzling, fixed income took a breather. Bond yields pushed higher in July, led by the 2-year Treasury note which saw its yield climb by 24 basis points to 3.96% while the 10-year yield increased by 15 basis points to 4.37%. Equities extended their gains, climbing to record highs with the S&P 500 index returning a respectable 2.24% for the month.

With trade policy gaining some clarity – or at least markets building a tolerance to headlines, and the recent budget bill signed into law, focus has shifted back to the economy and monetary policy. Bond yields started their ascent early in the month following the release of stronger than expected June payroll reports and were later reinforced by inflation readings that showed the disinflationary trend stalling, leading traders to dial back their timelines for a Fed rate cut. Headline CPI accelerated from an annual 2.4% to 2.7% in June while prices excluding food and energy climbed from 2.8% to 2.9%. Notably, goods prices that are subject to tariffs heated up, implying that firms are beginning to pass through increased costs to consumers.

The first estimate for Q2 GDP growth showed the economy expanded at an annualized rate of 3.0%, which appears healthy on the surface however, the underlying details tell a different story. Like the GDP estimates released for Q1, the data was subject to a significant amount of noise from firms reacting to tariff announcements. Conversely, consumption trends show that the economy is losing momentum. Following a -0.2% contraction in May, real personal spending advanced by a slim 0.1% in June and is flat for 2025, marking the worst six-month period since 2020. Consumers have been wary, and the July jobs report may have provided some clues as to why. The economy added a meager 73 thousand workers to payrolls in July, and the unemployment rate ticked up to 4.2% despite participation falling. What's more, the prior two months were downwardly revised by a staggering 258 thousand positions.

The July jobs report was released just days following a Fed meeting where the FOMC left interest rates unchanged with Chairman Powell citing above target inflation and a solid labor market as support. Odds for a rate cut at the September meeting surged to over 90% following the release with market participants expecting that the Fed will need to provide easier policy to keep the economy afloat. Given expectations for slower growth and lower interest rates, we continue to advise clients to manage portfolio durations at or slightly above strategic targets, effectively anchoring earnings throughout the easing cycle.

## Treasury Curve Total Returns Last 12 Months

| Treasuries | Total Return |
|---|---|
| 3 month bill | 4.57% |
| 1 year note | 4.15% |
| 2 year note | 4.07% |
| 3 year note | 4.23% |
| 5 year note | 3.60% |

## Treasury Benchmark Total Returns In Month

| Benchmark | Period Return | YTM | Duration (Years) |
|---|---|---|---|
| ICE BAML 90 Day Bill | 0.35% | 4.30% | 0.24 |
| ICE BAML 0-1 Year Treasury | 0.30% | 4.30% | 0.51 |
| ICE BAML 0-3 Year Treasury | 0.06% | 4.08% | 1.42 |
| ICE BAML 0-5 Year Treasury | -0.05% | 4.03% | 2.1 |

## Changes In The Treasury Market (Absolute Yield Levels)

| Treasuries | 07/31/2024 | 05/31/2025 | 06/30/2025 | 07/31/2025 | 1 Month Change | 12 Month Change |
|---|---|---|---|---|---|---|
| 3 month bill | 5.28% | 4.33% | 4.29% | 4.34% | 0.05% | -0.95% |
| 6 month bill | 5.09% | 4.31% | 4.25% | 4.27% | 0.02% | -0.82% |
| 1 year note | 4.75% | 4.10% | 3.97% | 4.09% | 0.12% | -0.65% |
| 2 year note | 4.26% | 3.94% | 3.72% | 3.96% | 0.24% | -0.30% |
| 3 year note | 4.06% | 3.90% | 3.69% | 3.90% | 0.21% | -0.16% |
| 5 year note | 3.91% | 4.00% | 3.80% | 3.97% | 0.17% | 0.06% |
| 10 year note | 4.03% | 4.44% | 4.23% | 4.37% | 0.15% | 0.34% |

# Compliance Report

## City of Kirkland | Total Aggregate Portfolio

July 31, 2025

**Category**

| Policy Diversification Constraint | Policy Limit | Actual Value* | Status |
|---|---|---|---|
| US Treasury Obligations Maximum % of Holdings | 100.000 | 51.415 | Compliant |
| US Agency Callable Securities Maximum % of Total Portfolio | 25.000 | 0.000 | Compliant |
| US Agency FFCB Issuer Concentration | 30.000 | 21.508 | Compliant |
| US Agency FHLB Issuer Concentration | 30.000 | 10.571 | Compliant |
| US Agency FHLMC Issuer Concentration | 30.000 | 1.732 | Compliant |
| US Agency FNMA Issuer Concentration | 30.000 | 4.018 | Compliant |
| US Agency Obligations - All Other Issuers Combined | 35.000 | 0.000 | Compliant |
| US Agency Obligations Issuer Concentration | 35.000 | 21.508 | Compliant |
| US Agency Obligations Maximum % of Holdings | 100.000 | 37.828 | Compliant |
| Municipal Bonds Issuer Concentration | 5.000 | 0.000 | Compliant |
| Municipal Bonds Maximum % of Holdings | 30.000 | 0.000 | Compliant |
| Municipal Bonds WA issues GO/Local and GO only Outside WA | 0.000 | 0.000 | Compliant |
| Certificates of Deposit Issuer Concentration | 5.000 | 0.000 | Compliant |
| Certificates of Deposit Maximum % of Holdings | 10.000 | 0.000 | Compliant |
| LGIP Maximum % of Holdings | 100.000 | 8.741 | Compliant |
| PDPC Bank Deposits Issuer Concentration | 30.000 | 2.016 | Compliant |
| PDPC Bank Deposits Maximum % of Holdings | 50.000 | 2.016 | Compliant |

1) Actual values are based on market value.
2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

# Compliance Report

## City of Kirkland | Total Aggregate Portfolio

July 31, 2025

**Category**

| Policy Maturity Structure Constraint | Policy Limit | Actual % | Status |
|---|---|---|---|
| Maturity Constraints Under 30 days Minimum % of Total Portfolio | 10.000 | 10.757 | Compliant |
| Maturity Constraints Under 1 year Minimum % of Total Portfolio | 25.000 | 34.135 | Compliant |
| Maturity Constraints Under 5 years Minimum % of Total Portfolio | 100.000 | 100.000 | Compliant |
| **Policy Maturity Constraint** | **Policy Limit** | **Actual Term** | **Status** |
| US Treasury Maximum Maturity At Time of Purchase (years) | 5.000 | 4.986 | Compliant |
| US Agency Maximum Maturity At Time of Purchase (years) | 5.000 | 4.995 | Compliant |
| Municipals Maximum Maturity At Time of Purchase (years) | 5.000 | 0.000 | Compliant |
| Certificates of Deposit Maximum Maturity At Time of Purchase (years) | 5.000 | 0.000 | Compliant |
| Weighted Average Maturity (years) | 2.500 | 1.894 | Compliant |

1) Actual values are based on market value.
2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

# Summary Overview

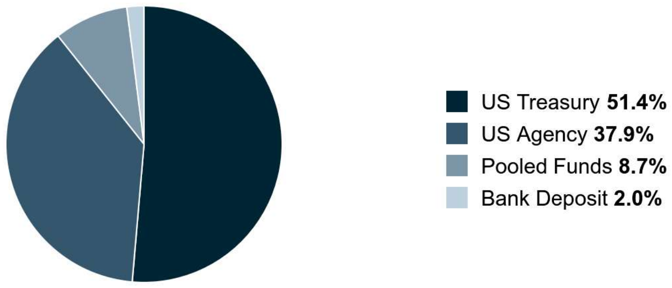
## City of Kirkland | Total Aggregate Portfolio

July 31, 2025

## Portfolio Characteristics

| Metric | Value |
|---|---|
| Cash and Cash Equivalents | 30,863,799.68 |
| Investments (Market Value + Accrued) | 258,026,717.53 |
| Book Yield | 3.67% |
| Market Yield | 4.13% |
| Effective Duration | 1.76 |
| Years to Maturity | 1.90 |
| Avg Credit Rating | AA+ |

## Allocation by Asset Class




## Strategic Structure

| Account | Par Amount | Original Cost | Book Value | Market Value | Net Unrealized Gain (Loss) | Yield at Cost | Effective Duration | Benchmark Duration | Benchmark |
|---|---|---|---|---|---|---|---|---|---|
| KIRK-Investment Core | 258,500,000.00 | 255,135,402.52 | 256,371,005.48 | 256,056,100.44 | (314,905.04) | 3.58% | 1.97 | 2.10 | ICE BofA 0-5 Year US Treasury Index |
| KIRK-Liquidity | 30,863,799.68 | 30,863,799.68 | 30,863,799.68 | 30,863,799.68 | 0.00 | 4.40% | 0.01 | 0.09 | ICE BofA US 1-Month Treasury Bill Index |
| **Total** | **289,363,799.68** | **285,999,202.20** | **287,234,805.16** | **286,919,900.12** | **(314,905.04)** | **3.67%** | **1.76** | | |

# Portfolio Activity

City of Kirkland | Total Aggregate Portfolio

July 31, 2025

## Accrual Activity Summary

| | Month to Date | Fiscal Year to Date (01/01/2025) |
|---|---|---|
| Beginning Book Value | 291,602,128.32 | 297,406,569.00 |
| Maturities/Calls | (5,000,000.00) | (29,000,000.00) |
| Purchases | 4,939,648.44 | 28,956,646.88 |
| Sales | 0.00 | 0.00 |
| Change in Cash, Payables, Receivables | (4,389,280.50) | (10,668,070.19) |
| Amortization/Accretion | 82,308.90 | 539,659.47 |
| Realized Gain (Loss) | 0.00 | 0.00 |
| Ending Book Value | 287,234,805.16 | 287,234,805.16 |

## Fair Market Activity Summary

| | Month to Date | Fiscal Year to Date (01/01/2025) |
|---|---|---|
| Beginning Market Value | 292,098,979.14 | 294,690,568.35 |
| Maturities/Calls | (5,000,000.00) | (29,000,000.00) |
| Purchases | 4,939,648.44 | 28,956,646.88 |
| Sales | 0.00 | 0.00 |
| Change in Cash, Payables, Receivables | (4,389,280.50) | (10,668,070.19) |
| Amortization/Accretion | 82,308.90 | 539,659.47 |
| Change in Net Unrealized Gain (Loss) | (811,755.86) | 2,401,095.60 |
| Net Realized Gain (Loss) | 0.00 | 0.00 |
| Ending Market Value | 286,919,900.12 | 286,919,900.12 |

| Maturities/Calls | Market Value |
|---|---|
| Month to Date | (5,000,000.00) |
| Fiscal Year to Date | (29,000,000.00) |

| Purchases | Market Value |
|---|---|
| Month to Date | 4,939,648.44 |
| Fiscal Year to Date | 28,956,646.88 |

| Sales | Market Value |
|---|---|
| Month to Date | 0.00 |
| Fiscal Year to Date | 0.00 |

# Return Management-Income Detail

City of Kirkland | Total Aggregate Portfolio

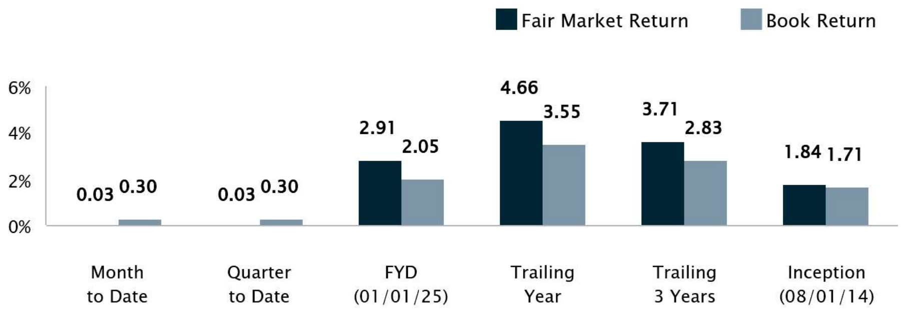
July 31, 2025

## Accrued Book Return

| | Month to Date | Fiscal Year to Date (01/01/2025) |
|---|---|---|
| Amortization/Accretion | 82,308.90 | 539,659.47 |
| Interest Earned | 792,088.84 | 5,408,456.20 |
| Realized Gain (Loss) | 0.00 | 0.00 |
| Book Income | 874,397.74 | 5,948,115.67 |
| Average Portfolio Balance | 292,157,192.23 | 290,440,179.30 |
| Book Return for Period | 0.30% | 2.05% |

## Return Comparisons

Periodic for performance less than one year. Annualized for performance greater than one year.




## Fair Market Return

| | Month to Date | Fiscal Year to Date (01/01/2025) |
|---|---|---|
| Fair Value Change | (894,064.76) | 1,861,436.13 |
| Amortization/Accretion | 82,308.90 | 539,659.47 |
| Interest Earned | 792,088.84 | 5,408,456.20 |
| Fair Market Earned Income | (19,667.02) | 7,809,551.80 |
| Average Portfolio Balance | 292,157,192.23 | 290,440,179.30 |
| Fair Market Return for Period | 0.03% | 2.91% |

## Interest Income

| | Month to Date | Fiscal Year to Date (01/01/2025) |
|---|---|---|
| Beginning Accrued Interest | 1,843,162.41 | 1,749,366.02 |
| Coupons Income | 675,333.88 | 5,273,692.52 |
| Purchased Accrued Interest | 10,699.73 | 86,487.40 |
| Sold Accrued Interest | 0.00 | 0.00 |
| Ending Accrued Interest | 1,970,617.10 | 1,970,617.10 |
| Interest Earned | 792,088.84 | 5,408,456.20 |

# Security Type Distribution

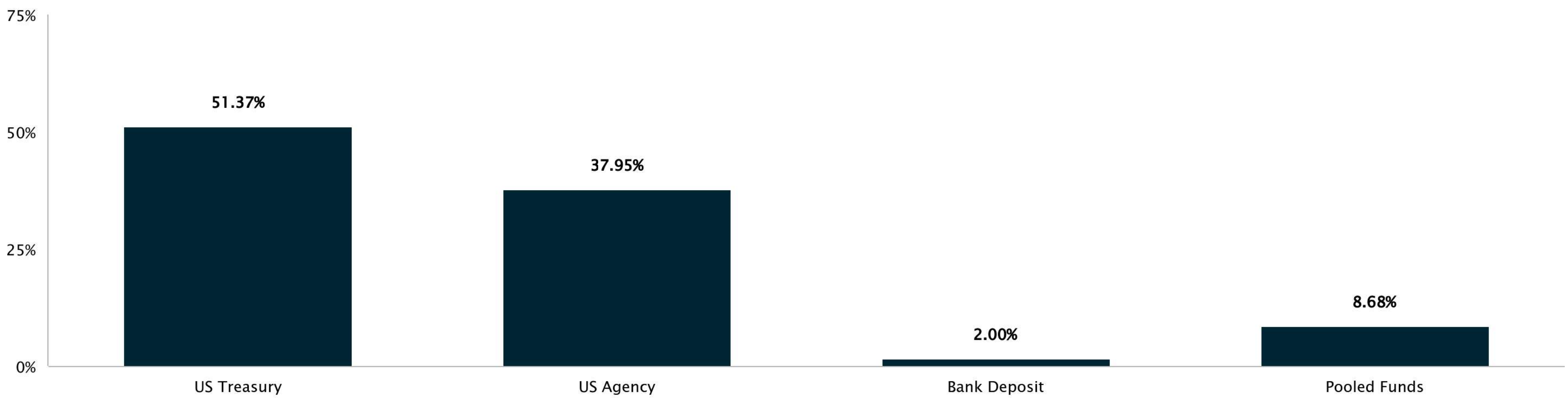
City of Kirkland | Total Aggregate Portfolio

July 31, 2025

## Security Type Distribution

| Security Type | Par Amount | Book Yield | Market Value + Accrued | % of Market Value + Accrued |
|---|---|---|---|---|
| US Treasury | 149,500,000.00 | 3.26% | 148,405,523.37 | 51.37% |
| US Agency | 109,000,000.00 | 4.00% | 109,621,194.17 | 37.95% |
| Bank Deposit | 5,784,150.46 | 4.44% | 5,784,150.46 | 2.00% |
| Pooled Funds | 25,079,649.22 | 4.39% | 25,079,649.22 | 8.68% |
| **Total** | **289,363,799.68** | **3.67%** | **288,890,517.21** | **100.00%** |

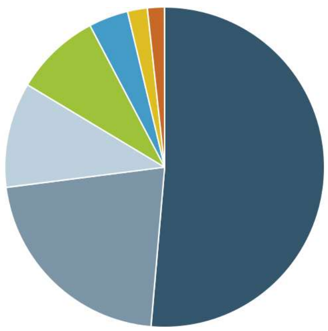
## Security Type Distribution



## Credit Rating S&P/Moody's/Fitch

| | Market Value + Accrued | % |
|---|---|---|
| **S&P** | | |
| AA+ | 258,026,717.53 | 89.32 |
| NA | 30,863,799.68 | 10.68 |
| **Moody's** | | |
| Aa1 | 258,026,717.53 | 89.32 |
| NA | 30,863,799.68 | 10.68 |
| **Fitch** | | |
| AA+ | 258,026,717.53 | 89.32 |
| NA | 30,863,799.68 | 10.68 |
| **Total** | **288,890,517.21** | **100.00** |

## Issuer Concentration



- Government of The United States **51.4%**
- Farm Credit System **21.6%**
- Federal Home Loan Banks **10.6%**
- WASHINGTON LGIP **8.7%**
- Federal National Mortgage Association **4.0%**
- Cathay Bank **2.0%**
- Federal Home Loan Mortgage Corporation **1.7%**

# Risk Management-Maturity/Duration

City of Kirkland | Total Aggregate Portfolio

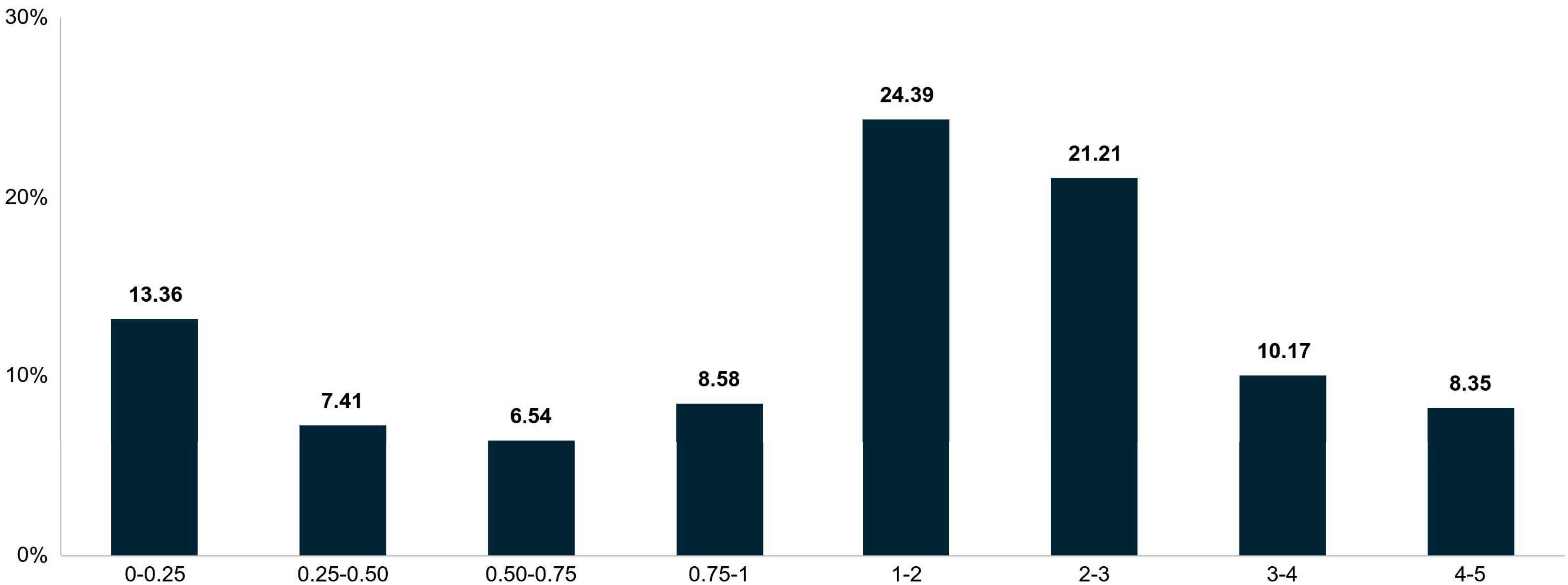
July 31, 2025

| 1.76 Yrs | Effective Duration |
| --- | --- |

| 1.90 Yrs | Years to Maturity |
| --- | --- |

| 693 | Days to Maturity |
| --- | --- |

## Distribution by Effective Duration



# Holdings by Maturity & Ratings

City of Kirkland | Total Aggregate Portfolio

July 31, 2025

| Cusip | Par Amount | Security | Coupon Rate | Maturity Date | Call Date | Market Value | Accrued | Market Value + Accrued | Book Yield | Market Yield | % of Portfolio | Years to Maturity | Eff Duration | S&P, Moody, Fitch |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| KIRK_CATHAY_MMF | 5,784,150.46 | Cathay Bank | 4.440% | 07/31/2025 | | 5,784,150.46 | 0.00 | 5,784,150.46 | 4.44% | 4.44% | 2.00 | 0.01 | 0.01 | NA NA NA |
| WA_LGIP | 25,079,649.22 | WASHINGTON LGIP | 4.386% | 07/31/2025 | | 25,079,649.22 | 0.00 | 25,079,649.22 | 4.39% | 4.39% | 8.68 | 0.01 | 0.01 | NA NA NA |
| 91282CHV6 | 2,500,000.00 | UNITED STATES TREASURY | 5.000% | 08/31/2025 | | 2,500,995.58 | 52,309.78 | 2,553,305.36 | 4.78% | 4.43% | 0.88 | 0.08 | 0.08 | AA+ Aa1 AA+ |
| 3137EAEX3 | 5,000,000.00 | FEDERAL HOME LOAN MORTGAGE CORP | 0.375% | 09/23/2025 | | 4,970,240.80 | 6,666.67 | 4,976,907.47 | 0.42% | 4.52% | 1.72 | 0.15 | 0.14 | AA+ Aa1 AA+ |
| 3135G06G3 | 7,500,000.00 | FEDERAL NATIONAL MORTGAGE ASSOCIATION | 0.500% | 11/07/2025 | | 7,421,385.53 | 8,750.00 | 7,430,135.53 | 2.84% | 4.47% | 2.57 | 0.27 | 0.26 | AA+ Aa1 AA+ |
| 91282CBC4 | 4,000,000.00 | UNITED STATES TREASURY | 0.375% | 12/31/2025 | | 3,934,941.40 | 1,304.35 | 3,936,245.75 | 0.63% | 4.36% | 1.36 | 0.42 | 0.41 | AA+ Aa1 AA+ |
| 3133EN6A3 | 5,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 4.000% | 01/13/2026 | | 4,990,076.40 | 10,000.00 | 5,000,076.40 | 3.82% | 4.44% | 1.73 | 0.45 | 0.44 | AA+ Aa1 AA+ |
| 91282CBH3 | 5,000,000.00 | UNITED STATES TREASURY | 0.375% | 01/31/2026 | | 4,902,871.10 | 50.95 | 4,902,922.05 | 0.47% | 4.34% | 1.70 | 0.50 | 0.49 | AA+ Aa1 AA+ |
| 91282CBQ3 | 3,000,000.00 | UNITED STATES TREASURY | 0.500% | 02/28/2026 | | 2,934,418.95 | 6,277.17 | 2,940,696.12 | 0.81% | 4.33% | 1.02 | 0.58 | 0.57 | AA+ Aa1 AA+ |
| 313373B68 | 5,000,000.00 | FEDERAL HOME LOAN BANKS | 4.375% | 03/13/2026 | | 5,003,551.15 | 83,854.17 | 5,087,405.32 | 4.63% | 4.25% | 1.76 | 0.62 | 0.59 | AA+ Aa1 AA+ |
| 91282CBT7 | 3,000,000.00 | UNITED STATES TREASURY | 0.750% | 03/31/2026 | | 2,931,632.82 | 7,561.48 | 2,939,194.30 | 0.76% | 4.25% | 1.02 | 0.67 | 0.65 | AA+ Aa1 AA+ |
| 3133EPHH1 | 4,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 4.000% | 04/28/2026 | | 3,989,501.92 | 41,333.33 | 4,030,835.25 | 3.95% | 4.36% | 1.40 | 0.74 | 0.72 | AA+ Aa1 AA+ |
| 91282CBW0 | 4,000,000.00 | UNITED STATES TREASURY | 0.750% | 04/30/2026 | | 3,898,250.00 | 7,581.52 | 3,905,831.52 | 0.76% | 4.23% | 1.35 | 0.75 | 0.73 | AA+ Aa1 AA+ |
| 91282CCF6 | 4,000,000.00 | UNITED STATES TREASURY | 0.750% | 05/31/2026 | | 3,887,062.48 | 5,081.97 | 3,892,144.45 | 0.78% | 4.23% | 1.35 | 0.83 | 0.81 | AA+ Aa1 AA+ |

# Holdings by Maturity & Ratings

## City of Kirkland | Total Aggregate Portfolio

July 31, 2025

| Cusip | Par Amount | Security | Coupon Rate | Maturity Date | Call Date | Market Value | Accrued | Market Value + Accrued | Book Yield | Market Yield | % of Portfolio | Years to Maturity | Eff Duration | S&P, Moody, Fitch |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 91282CKS9 | 6,000,000.00 | UNITED STATES TREASURY | 4.875% | 05/31/2026 | | 6,031,500.00 | 49,549.18 | 6,081,049.18 | 4.74% | 4.22% | 2.10 | 0.83 | 0.80 | AA+ Aa1 AA+ |
| 91282CCJ8 | 5,000,000.00 | UNITED STATES TREASURY | 0.875% | 06/30/2026 | | 4,852,285.15 | 3,804.35 | 4,856,089.50 | 2.62% | 4.20% | 1.68 | 0.91 | 0.89 | AA+ Aa1 AA+ |
| 91282CCP4 | 5,000,000.00 | UNITED STATES TREASURY | 0.625% | 07/31/2026 | | 4,828,085.95 | 84.92 | 4,828,170.87 | 0.80% | 4.17% | 1.67 | 1.00 | 0.98 | AA+ Aa1 AA+ |
| 91282CHU8 | 5,000,000.00 | UNITED STATES TREASURY | 4.375% | 08/15/2026 | | 5,011,484.35 | 100,915.06 | 5,112,399.41 | 4.19% | 4.15% | 1.77 | 1.04 | 0.99 | AA+ Aa1 AA+ |
| 3133EPUW3 | 5,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 4.750% | 09/01/2026 | | 5,023,301.55 | 98,958.33 | 5,122,259.88 | 4.75% | 4.30% | 1.77 | 1.09 | 1.03 | AA+ Aa1 AA+ |
| 91282CCZ2 | 5,000,000.00 | UNITED STATES TREASURY | 0.875% | 09/30/2026 | | 4,815,625.00 | 14,702.87 | 4,830,327.87 | 1.05% | 4.14% | 1.67 | 1.17 | 1.14 | AA+ Aa1 AA+ |
| 91282CJC6 | 6,000,000.00 | UNITED STATES TREASURY | 4.625% | 10/15/2026 | | 6,036,328.14 | 81,885.25 | 6,118,213.39 | 4.67% | 4.10% | 2.12 | 1.21 | 1.15 | AA+ Aa1 AA+ |
| 91282CDK4 | 5,000,000.00 | UNITED STATES TREASURY | 1.250% | 11/30/2026 | | 4,817,968.75 | 10,587.43 | 4,828,556.18 | 1.26% | 4.08% | 1.67 | 1.33 | 1.30 | AA+ Aa1 AA+ |
| 91282CDQ1 | 5,000,000.00 | UNITED STATES TREASURY | 1.250% | 12/31/2026 | | 4,807,421.90 | 5,434.78 | 4,812,856.68 | 1.35% | 4.08% | 1.67 | 1.42 | 1.38 | AA+ Aa1 AA+ |
| 91282CJT9 | 6,000,000.00 | UNITED STATES TREASURY | 4.000% | 01/15/2027 | | 5,996,484.36 | 11,086.96 | 6,007,571.32 | 4.62% | 4.04% | 2.08 | 1.46 | 1.40 | AA+ Aa1 AA+ |
| 91282CEC1 | 6,000,000.00 | UNITED STATES TREASURY | 1.875% | 02/28/2027 | | 5,805,937.50 | 47,078.80 | 5,853,016.30 | 4.60% | 4.00% | 2.03 | 1.58 | 1.53 | AA+ Aa1 AA+ |
| 91282CEF4 | 5,000,000.00 | UNITED STATES TREASURY | 2.500% | 03/31/2027 | | 4,881,835.95 | 42,008.20 | 4,923,844.15 | 2.99% | 3.98% | 1.70 | 1.67 | 1.60 | AA+ Aa1 AA+ |
| 3133ERGF2 | 6,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 4.750% | 04/30/2027 | | 6,056,475.12 | 72,041.67 | 6,128,516.79 | 4.61% | 4.18% | 2.12 | 1.75 | 1.65 | AA+ Aa1 AA+ |
| 3133ERDS7 | 4,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 4.750% | 05/06/2027 | | 4,045,693.84 | 44,861.11 | 4,090,554.95 | 4.69% | 4.07% | 1.42 | 1.76 | 1.66 | AA+ Aa1 AA+ |

# Holdings by Maturity & Ratings

City of Kirkland | Total Aggregate Portfolio

July 31, 2025

| Cusip | Par Amount | Security | Coupon Rate | Maturity Date | Call Date | Market Value | Accrued | Market Value + Accrued | Book Yield | Market Yield | % of Portfolio | Years to Maturity | Eff Duration | S&P, Moody, Fitch |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 91282CEW7 | 5,000,000.00 | UNITED STATES TREASURY | 3.250% | 06/30/2027 | | 4,936,328.10 | 14,130.43 | 4,950,458.53 | 3.29% | 3.95% | 1.71 | 1.91 | 1.83 | AA+ Aa1 AA+ |
| 91282CFB2 | 6,000,000.00 | UNITED STATES TREASURY | 2.750% | 07/31/2027 | | 5,862,421.86 | 448.37 | 5,862,870.23 | 4.54% | 3.95% | 2.03 | 2.00 | 1.92 | AA+ Aa1 AA+ |
| 91282CFH9 | 7,000,000.00 | UNITED STATES TREASURY | 3.125% | 08/31/2027 | | 6,888,164.08 | 91,542.12 | 6,979,706.20 | 4.45% | 3.93% | 2.42 | 2.08 | 1.97 | AA+ Aa1 AA+ |
| 91282CFM8 | 5,000,000.00 | UNITED STATES TREASURY | 4.125% | 09/30/2027 | | 5,021,289.05 | 69,313.52 | 5,090,602.57 | 4.19% | 3.92% | 1.76 | 2.17 | 2.03 | AA+ Aa1 AA+ |
| 3133EPYM1 | 2,500,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 4.750% | 10/13/2027 | | 2,539,040.73 | 35,625.00 | 2,574,665.73 | 4.71% | 4.00% | 0.89 | 2.20 | 2.05 | AA+ Aa1 AA+ |
| 3133EN3S7 | 7,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 3.750% | 12/07/2027 | | 6,943,778.17 | 39,375.00 | 6,983,153.17 | 3.81% | 4.11% | 2.42 | 2.35 | 2.21 | AA+ Aa1 AA+ |
| 91282CGH8 | 7,000,000.00 | UNITED STATES TREASURY | 3.500% | 01/31/2028 | | 6,933,007.83 | 665.76 | 6,933,673.59 | 4.40% | 3.91% | 2.40 | 2.50 | 2.37 | AA+ Aa1 AA+ |
| 91282CGP0 | 5,000,000.00 | UNITED STATES TREASURY | 4.000% | 02/29/2028 | | 5,012,500.00 | 83,695.65 | 5,096,195.65 | 4.31% | 3.90% | 1.76 | 2.58 | 2.39 | AA+ Aa1 AA+ |
| 3130ATS57 | 5,000,000.00 | FEDERAL HOME LOAN BANKS | 4.500% | 03/10/2028 | | 5,065,540.90 | 88,125.00 | 5,153,665.90 | 3.79% | 3.96% | 1.78 | 2.61 | 2.40 | AA+ Aa1 AA+ |
| 3133EPGW9 | 4,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 3.875% | 04/25/2028 | | 3,980,868.24 | 41,333.33 | 4,022,201.57 | 3.71% | 4.06% | 1.39 | 2.74 | 2.54 | AA+ Aa1 AA+ |
| 3130AWMN7 | 5,000,000.00 | FEDERAL HOME LOAN BANKS | 4.375% | 06/09/2028 | | 5,062,412.15 | 31,597.22 | 5,094,009.37 | 4.35% | 3.91% | 1.76 | 2.86 | 2.65 | AA+ Aa1 AA+ |
| 3130AWN63 | 5,000,000.00 | FEDERAL HOME LOAN BANKS | 4.000% | 06/30/2028 | | 5,011,479.40 | 17,222.22 | 5,028,701.62 | 4.01% | 3.91% | 1.74 | 2.92 | 2.72 | AA+ Aa1 AA+ |
| 3130AWTR1 | 5,000,000.00 | FEDERAL HOME LOAN BANKS | 4.375% | 09/08/2028 | | 5,065,446.15 | 86,892.36 | 5,152,338.51 | 4.44% | 3.92% | 1.78 | 3.11 | 2.83 | AA+ Aa1 AA+ |
| 3133EPWK7 | 5,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 4.500% | 09/22/2028 | | 5,066,686.20 | 80,625.00 | 5,147,311.20 | 4.72% | 4.04% | 1.78 | 3.15 | 2.86 | AA+ Aa1 AA+ |

# Holdings by Maturity & Ratings

City of Kirkland | Total Aggregate Portfolio

July 31, 2025

| Cusip | Par Amount | Security | Coupon Rate | Maturity Date | Call Date | Market Value | Accrued | Market Value + Accrued | Book Yield | Market Yield | % of Portfolio | Years to Maturity | Eff Duration | S&P, Moody, Fitch |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 91282CJF9 | 5,000,000.00 | UNITED STATES TREASURY | 4.875% | 10/31/2028 | | 5,146,093.75 | 61,599.86 | 5,207,693.61 | 4.36% | 3.91% | 1.80 | 3.25 | 2.96 | AA+ Aa1 AA+ |
| 9128285M8 | 5,000,000.00 | UNITED STATES TREASURY | 3.125% | 11/15/2028 | | 4,881,835.95 | 33,118.21 | 4,914,954.16 | 4.24% | 3.90% | 1.70 | 3.29 | 3.07 | AA+ Aa1 AA+ |
| 3133ERAK7 | 5,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 4.375% | 04/10/2029 | | 5,057,377.05 | 67,447.92 | 5,124,824.97 | 4.63% | 4.04% | 1.77 | 3.69 | 3.34 | AA+ Aa1 AA+ |
| 3133ERDH1 | 4,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 4.750% | 04/30/2029 | | 4,091,175.80 | 48,027.78 | 4,139,203.58 | 4.54% | 4.09% | 1.43 | 3.75 | 3.38 | AA+ Aa1 AA+ |
| 3130B1BC0 | 5,000,000.00 | FEDERAL HOME LOAN BANKS | 4.625% | 06/08/2029 | | 5,120,845.95 | 34,045.14 | 5,154,891.09 | 4.47% | 3.94% | 1.78 | 3.85 | 3.49 | AA+ Aa1 AA+ |
| 91282CLC3 | 5,000,000.00 | UNITED STATES TREASURY | 4.000% | 07/31/2029 | | 5,013,867.20 | 543.48 | 5,014,410.68 | 3.87% | 3.92% | 1.74 | 4.00 | 3.66 | AA+ Aa1 AA+ |
| 91282CFT3 | 5,000,000.00 | UNITED STATES TREASURY | 4.000% | 10/31/2029 | | 5,011,914.05 | 50,543.48 | 5,062,457.53 | 4.33% | 3.94% | 1.75 | 4.25 | 3.84 | AA+ Aa1 AA+ |
| 91282CGB1 | 5,000,000.00 | UNITED STATES TREASURY | 3.875% | 12/31/2029 | | 4,986,914.05 | 16,847.83 | 5,003,761.88 | 4.32% | 3.94% | 1.73 | 4.42 | 4.01 | AA+ Aa1 AA+ |
| 3133ER7L9 | 10,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 4.000% | 03/18/2030 | | 9,925,808.70 | 147,777.78 | 10,073,586.48 | 4.05% | 4.18% | 3.49 | 4.63 | 4.12 | AA+ Aa1 AA+ |
| 31358DDR2 | 5,000,000.00 | FEDERAL NATIONAL MORTGAGE ASSOCIATION | 0.000% | 05/15/2030 | | 4,105,949.40 | 0.00 | 4,105,949.40 | 3.99% | 4.16% | 1.42 | 4.79 | 4.69 | AA+ Aa1 AA+ |
| 91282CHJ3 | 5,000,000.00 | UNITED STATES TREASURY | 3.750% | 06/30/2030 | | 4,950,000.00 | 16,304.35 | 4,966,304.35 | 4.02% | 3.98% | 1.72 | 4.91 | 4.43 | AA+ Aa1 AA+ |
| **Total** | **289,363,799.68** | | **3.322%** | | | **286,919,900.12** | **1,970,617.10** | **288,890,517.21** | **3.67%** | **4.13%** | **100.00** | **1.90** | **1.76** | |

This report is for general informational purposes only and is not intended to provide specific advice or recommendations. Government Portfolio Advisors (GPA) is an investment advisor registered with the Securities and Exchange Commission and is required to maintain a written disclosure statement of our background and business experience.

**Questions About an Account:** GPA's monthly & quarterly reports are intended to detail the investment advisory activity managed by GPA. The custodial bank maintains the control of assets and settles all investment transactions. The custodial statement is the official record of security and cash holdings and transactions. GPA recognizes that clients may use these reports to facilitate record keeping and that the custodial bank statement and the GPA report should be reconciled, and differences documented.

**Trade Date versus Settlement Date**: Many custodial banks use settlement date basis and post coupons or maturities on the following business days when they occur on weekend. These items may result in the need to reconcile due to a timing difference. GPA reports are on a trade date basis in accordance with GIPS performance standards. GPA can provide all account settings to support the reason for any variance.

**Bank Deposits and Pooled Investment Funds Held in Liquidity Accounts Away from the Custodial Bank are Referred to as Line Item Securities:** GPA relies on the information provided by clients when reporting pool balances, bank balances and other assets that are not held at the client's custodial bank. GPA does not guarantee the accuracy of information received from third parties. Balances cannot be adjusted once submitted however corrective transactions can be entered as adjustments in the following months activity. Assets held outside the custodial bank that are reported to GPA are included in GPA's oversight compliance reporting and strategic plan.

**Account Control:** GPA does not have the authority to withdraw or deposit funds from or to any client's custodial account. Clients retain responsibility for the deposit and withdrawal of funds to the custodial account. Our clients retain responsibility for their internal accounting policies, implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

**Custodial Bank Interface:** Our contract provides for the ability for GPA to interface into our client's custodial bank to reconcile transactions, maturities and coupon payments. The GPA client portal will be available to all clients to access this information directly at any time.

**Market Price:** Generally, GPA has set all securities market pricing to match custodial bank pricing. There may be certain securities that will require pricing override due to inaccurate custodial bank pricing that will otherwise distort portfolio performance returns. GPA may utilize Refinitiv pricing source for commercial paper, discount notes and supranational bonds when custodial bank pricing does not reflect current market levels. The pricing variances are obvious when market yields are distorted from the current market levels.

**Performance Calculation:** Historical returns are presented as time-weighted total return values and are presented gross and net of fees.

**Amortized Cost:** The original cost on the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discounts or premiums are amortized on a straight-line basis on all securities. This can be changed at the client's request.

**Callable Securities:** Securities subject to redemption in whole or in part prior to the stated final maturity at the discretion of the security's issuer are referred to as "callable". Certain call dates may not show up on the report if the call date has passed or if the security is continuously callable until maturity date. Bonds purchased at a premium will be amortized to the next call date while all other callable securities will be amortized to maturity. If the bond is amortized to the call date, amortization will be reflected to that date and once the call date passes, the bond will be fully amortized.

**Duration:** The duration is the effective duration. Duration on callable securities is based on the probability of the security being called given market rates and security characteristics.

**Benchmark Duration:** The benchmark duration is based on the duration of the stated benchmark that is assigned to each account.

**Rating:** Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed.

**Coupon Payments and Maturities on Weekends:** On occasion, coupon payments and maturities occur on a weekend or holiday. GPA's report settings are on the accrual basis so the coupon postings and maturities will be accounted for in the period earned. The bank may be set at a cash basis, which may result in a reconciliation variance.

**Cash and Cash Equivalents:** GPA has defined cash and cash equivalents to be cash, bank deposits, LGIP pools and repurchase agreements. This may vary from your custodial bank which typically defines cash and equivalents as all securities that mature under 90 days. Check with your custodial bank to understand their methodology.

**Account Settings:** GPA has the portfolio settings at the lot level, if a security is sold our setting will remove the lowest cost security first. First-in-first-out (FIFO) settings are available at the client's request.

**Historical Numbers:** Data was transferred from GPA's legacy system, however, variances may exist from the data received due to a change of settings on Clearwater. GPA is utilizing this information for historical return data with the understanding the accrual settings and pricing sources may differ slightly.

**Financial Situation:** In order to better serve you, GPA should be promptly notified of any material change in your investment objective or financial situation.

**No Guarantee:** The securities in the portfolio are not guaranteed or otherwise protected by GPA, the FDIC (except for non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested.

GPA GOVERNMENT PORTFOLIO ADVISORS