



AGENDA

REGULAR MEETING

* * *

CLAYTON CITY COUNCIL

* * *

Tuesday, November 21, 2023

7:00 p.m.

***** NOTICE *****

*Members of the public will be able to participate either in-person at
Hoyer Hall, Clayton Community Library
6125 Clayton Road, Clayton, CA 94517
or remotely via Zoom.*

Jeff Wan, Mayor
Jim Diaz, Vice Mayor
Peter Cloven, Councilmember
Holly Tillman, Councilmember
Kim Trupiano, Councilmember

- A complete packet of information containing staff reports and exhibits related to each public item is available for public review in City Hall located at 6000 Heritage Trail and on the City's website at www.claytonca.gov
- Agendas are posted at: 1) City Hall, 6000 Heritage Trail; 2) Library, 6125 Clayton Road; 3) Ohm's Bulletin Board, 1028 Diablo Street, Clayton; and 4) City Website at www.claytonca.gov
- Any writings or documents provided to a majority of the City Council or GHAD Board after distribution of the Agenda Packet and regarding any public item on this Agenda will be made available for public inspection in the City Clerk's office located at 6000 Heritage Trail during normal business hours and is available for review on the City's website at www.claytonca.gov
- If you have a physical impairment that requires special accommodation to participate, please call the City Clerk's office at least 72 hours in advance of the meeting at (925) 673-7300.

Instructions for Virtual City Council Meeting – November 21, 2023

The public may attend tonight's meeting in-person or remotely via livestream on the City's website and through Zoom. As a courtesy, and technology permitting, members of the public may continue to provide live remote oral comment via the Zoom video conferencing platform. However, the City cannot guarantee that the public's access to teleconferencing technology will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Brown Act, the meeting will continue despite technical difficulties for participants using the teleconferencing option.

To follow or participate in the meeting:

1. **Videoconference:** to follow the meeting on-line, click here to register: https://us02web.zoom.us/webinar/register/WN_suxMeIgbQNWPGzIqaBNXFw
After clicking on the URL, please take a few seconds to submit your first and last name, and e-mail address then click "Register", which will approve your registration, and a new URL to join the meeting will appear.
2. **Phone-in:** Register for the meeting using the URL in the paragraph above. Once registered, you will receive an e-mail with instructions to join the meeting telephonically, and then dial toll-free 877-853-5257 and use the Webinar ID and Password found in the e-mail.
3. **E-mail Public Comments:** If preferred, please e-mail public comments to cityclerk@claytonca.gov by 5:00 p.m. on the day of the City Council meeting. All e-mailed public comments will be forwarded to the entire City Council.

Each person attending the meeting via video conferencing or telephone and who wishes to speak on an agendized or non-agendized matter shall have a set amount of time to speak as determined by the Mayor.

CITY COUNCIL

November 21, 2023

1. **CALL TO ORDER AND ROLL CALL** – Mayor Wan.

2. **PLEDGE OF ALLEGIANCE** – Led by Mayor Wan.

3. **PUBLIC COMMENT ON NON - AGENDA ITEMS**

Members of the public may address the City Council on items within the Council's jurisdiction (which are not on the agenda) at this time. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Mayor's discretion. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Council may respond to statements made or questions asked or may at its discretion request Staff to report back at a future meeting concerning the matter.

Public comment and input on Public Hearing, Action Items and other Agenda Items will be allowed when each item is considered by the City Council.

4. **CONSENT CALENDAR**

Consent Calendar items are typically routine in nature and are considered for approval by one single motion of the City Council. Members of the Council, Audience, or Staff wishing an item removed from the Consent Calendar for purpose of public comment, question, discussion or alternative action may request so through the Mayor.

- a. Approve the Minutes of the City Council Regular Meeting of November 7, 2023 (Executive Assistant to the City Manager/HR Manager) ([View](#))
- b. Approve One Appointment to the Trails and Landscape Committee (Executive Assistant to the City Manager/HR Manager) ([View](#))
- c. Approve the City's Annual Report on Development Fees for the Fiscal Year Ending June 30, 2022, and June 30, 2023, in Compliance with the Reporting Requirements of Section 66006 of the California Government Code (AB 1600) (City Manager and Finance Director) ([View](#))
- d. Authorize Submittal of Application(s) for All CalRecycle Grants for which the City of Clayton is Eligible (Executive Assistant to the City Manager/HR Manager) ([View](#))
- e. Approve by Minute Order the City of Clayton Pre-Reviewed Accessory Dwelling Unit Plan Program and Authorize Staff to Implement the Program (Community Development Director) ([View](#))

5. RECOGNITIONS AND PRESENTATIONS

- a. Certificate of Recognition of Clayton's Unsung Heroes (Councilmember Cloven) ([View](#))

6. REPORTS

- a. City Manager / Staff
- Link to ClearGov Transparency Portal:
<https://cleargov.com/california/contra-costa/city/clayton/checkbook>

7. PUBLIC HEARINGS

None

8. ACTION ITEMS

- a. Accept the Quarterly Financial Reports on the City's Investment Portfolio for the Period Ending September 30, 2023 (Finance Director) ([View](#))

9. COUNCIL ITEMS – Limited to Council requests and directives for future meetings.

10. COUNCIL REPORTS

- a. City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.

11. ADJOURNMENT

The next regularly scheduled meeting of the City Council will be December 5, 2023.

**MINUTES
OF THE REGULAR MEETING
CLAYTON CITY COUNCIL
TUESDAY, November 7, 2023**

1. **CALL TO ORDER AND ROLL CALL** – The meeting was called to order at 6:00 p.m. by Mayor Wan, held via a hybrid meeting format live in-person and Zoom videoconference and broadcast from Hoyer Hall, Clayton Community Library, 6125 Clayton Road, Clayton, California. Councilmembers present: Mayor Wan, Vice Mayor Diaz, and Councilmembers Cloven, Tillman and Trupiano. Councilmembers absent: None. Staff present: City Manager Bret Prebula, City Attorney Mala Subramanian, Executive Assistant to the City Manager/HR Manager Amy Walcker, Finance Director Prapti Aryal, Community Development Director Dana Ayers, City Engineer Larry Theis, and Police Chief Rich McEachin.

2. **PLEDGE OF ALLEGIANCE** – Led by Mayor Wan.

3. **PUBLIC COMMENT ON NON - AGENDA ITEMS**

Councilmember Tillman requested delaying the public comments on non-agenda items due to the earlier 6:00 p.m. start time.

Keith Haydon commented on the City Manager’s performance evaluation; acknowledging support letters from staff, meet and greets, community reports, and professional staff reports. He asked the City Council to consider renewing efforts for a financial stability committee of volunteers to address the revenue gaps.

Jim Killoran had volunteered for the financial stability committee and is still available. He discussed Clayton balancing its budget by underpaying police and other employees, deferring maintenance, and not funding capital infrastructure; and he stressed the need to address the issue.

Mayor Wan closed public comments.

4. **RECESS THE CITY COUNCIL MEETING** – At 6:10 p.m. Mayor Wan recessed the City Council Meeting to the Oakhurst Geological Hazard Abatement District Board Meeting.

5. **RECONVENE THE CITY COUNCIL MEETING** – Mayor Wan reconvened the City Council meeting at 6:55 p.m. and called a brief recess to 7:00 p.m. Mayor Wan called the City Council meeting back to order at 7:00 p.m.

6. **CONSENT CALENDAR**

There were no public comments on the Consent Calendar.

It was moved by Councilmember Cloven and seconded by Councilmember Tillman to approve Consent Calendar items 6.a and 6.b as submitted. (Passed 5-0).

a. Approved the Minutes of the City Council Regular Meeting of October 17, 2023.

b. Adopted Resolution No. 53-2023 Appointing CalPERS Retired Annuitant Sheri Hartz to the Position of “Extra Help” and Approval of Employment Contract Pursuant to California Government Code Section 21224.

7. **RECOGNITIONS AND PRESENTATIONS**

- a. Information Only – No action.
Dutch-American Heritage Day – November 16
Native American Heritage Month

8. **REPORTS**

- a. City Manager / Staff – No report.

9. **PUBLIC HEARINGS** – None

10. **ACTION ITEMS**

- a. Consider Additional Scope of Work for Downtown Pedestrian Improvements Project to add Crosswalk Enhancement across Center Street at Morris Street

City Engineer Larry Theis gave the staff report and responded to questions from the City Council. There were no public comments.

It was moved by Councilmember Tillman and seconded by Councilmember Cloven to approve expanding the scope of work for the Downtown Pedestrian Improvements project to add a raised crosswalk with rectangular rapid flashing beacons across Center Street at the Morris Street intersection and allocation of an additional \$100,000 to the project budget from the Measure J Return to Source Fund 220 (Passed 5-0).

- b. Consider Whether to Continue Use of Hybrid Meetings for City Council, Planning Commission, and Budget/Audit Committee Meetings

City Manager Bret Prebula summarized the staff report. Mayor Wan opened public comments.

Keith Haydon spoke in support of continuing to allow public participation virtually.

Debbie DeSousa suggested following *Roberts Rules of Order* to provide warnings and possible censure to unruly speakers rather than eliminating virtual comments.

A speaker in attendance at the meeting emphasized free speech and participating appropriately.

C.W. Wolfe noted inappropriate behavior can happen both in person and virtually. Since there have been no problems in Clayton, he encouraged continuation of public participation on Zoom.

Roy Correa urged development of guidelines with enforcement prohibiting unacceptable behavior and permitting virtual participation.

Lauren Kindorf advocated for reminders about doing the right thing, continued public participation virtually, and enforcing rules of decorum.

Mayor Wan closed public comments. City Attorney Mala Subramanian clarified past comments in Clayton were allowed under the Brown Act.

It was moved by Mayor Wan and seconded by Vice Mayor Diaz to discontinue use of hybrid meetings for public participation with the exception to allow consultants or staff to present via hybrid meetings, as well as allowing Councilmembers and Commissioners to participate in a hybrid fashion when the threshold under Assembly Bill (AB) 2449 is met.

A substitute motion was made by Councilmember Tillman and seconded by Councilmember Cloven to continue use of hybrid meetings, allowing public comments via Zoom, for City Council, Planning Commission and Budget/Audit Committee meetings. (Passed, Ayes: Tillman, Cloven and Trupiano. Noes: Wan and Diaz.)

c. Approval of the City Sponsored Special Events Policy

City Manager Bret Prebula explained the policy is coming back to the City Council for discussion.

Mayor Wan opened public comments.

Keith Haydon promoted listening to City staff relative to extra work load with a Special Events Subcommittee.

Mayor Wan closed public comments.

It was moved by Mayor Wan and seconded by Vice Mayor Diaz to approve the City Sponsored Special Event Policy, as revised by the appointed City Council Ad Hoc Committee. (Passed, Ayes: Trupiano, Diaz, Wan. Noes: Cloven and Tillman. For the record, Councilmember Tillman stated she will not be planning/running special events as a Councilmember, noting oversight is by the entire City Council and a Subcommittee is not needed.)

11. COUNCIL ITEMS

Councilmember Tillman reiterated her request for a future agenda item to discuss the City Attorney conducting an investigation if there is a hostile work environment and Councilmember actions.

12. COUNCIL REPORTS

a. City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.

Councilmember Cloven reported on meetings with residents, providing information about City financial challenges.

Councilmember Tillman reported on the following attendance and meetings: East Bay Division of League of California Cities; Piedmont High School – Redlining and Racism; Clayton Pride Board meeting calls and all calls; Grand Opening of Roadside 22; Trunk or

Treat; Mayor's Conference; Mt. Diablo Education Foundation Board meeting; and announced Fire Wise Town Hall meeting on November 13th at 6:30 p.m.

Vice Mayor Diaz reported on the following attendance and meetings: County Connection Board meeting; Subcommittee meeting with Clayton Business & Community Association (CBCA); CBCA General Membership meeting; Trunk or Treat; County Connection Operations & Scheduling Committee meeting; Mayor's Conference; Art & Wine Committee meeting; Chief of Police & City Manager meetings; and announced Veterans' Day Event on November 11th at 11:00 a.m.

Councilmember Trupiano reported on the following attendance and meetings: Capitol Series event with Assembly Member Rebecca Bauer-Kahan; Contra Costa Association of Realtors Annual Elected Officials Reception; CBCA Mixer; Two-year strategic planning session with Clayton Valley Village; volunteered at Library book sale; Mayor's Conference; and meeting with City Manager.

Mayor Wan reported on the following attendance and meetings: Library book sale; Subcommittee meeting with CBCA; Mayor's Conference; and Communications with residents.

13. CLOSED SESSION

- a. Public Employee Performance Evaluation
Government Code section 54957
Title: City Manager

Mayor Wan opened public comments.

Rebecca Nolan praised and thanked the City Manager.

Jim Killoran said the City is fortunate to have Bret Prebula as City Manager.

Keith Haydon emphasized the City Manager has reviewed the issues facing the City and is working with the community.

Ed Miller conveyed he is impressed with City Manager Bret Prebula; saying he brings best practices, communicates well, and has built a team.

Dana Ayers, Clayton Community Development Director, shared her appreciation for City Manager Bret Prebula.

Roy Correa discussed deliverables, leadership, and allowing the City Manager to do his job; and he requested respectful collaboration among Councilmembers.

Amy Walcker, Executive Assistant to the City Manager/HR Manager, said she is honored to be part of the Clayton team and honored to be working with Bret Prebula.

Mayor Wan closed public comments.

The Council recessed to closed session at 10:01 p.m. for the purpose stated above. Upon returning from closed session at 12:06 a.m., there was no reportable action.

14. **ADJOURNMENT** - On call by Mayor Wan, the City Council adjourned its meeting at 12:07 a.m. with the next regular meeting to be held on November 21, 2023, with Vice Mayor Diaz presiding.

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Respectfully submitted,

Amy Walcker, Executive Assistant to the
City Manager/HR Manager

APPROVED BY THE CLAYTON CITY COUNCIL

Jeff Wan, Mayor



STAFF REPORT

TO: Honorable Mayor and Councilmembers

FROM: Amy Walcker, Executive Assistant to City Manager/HR Manager

DATE: November 21, 2023

SUBJECT: Approve One Appointment to the Trails and Landscape Committee

RECOMMENDATION

Staff recommends the appointment of Mike Wells to the Trails and Landscape Committee for a term beginning December 1, 2023, and ending December 30, 2025.

BACKGROUND

There is a vacancy on the City's Trails and Landscape Committee. It is important that all the positions on any of the City Council appointed subcommittees are filled in order to allow for the greatest input from the committee to the City Council.

DISCUSSION

Mr. Wells has a background and desire for community involvement that would be a value to the Trails and Landscape Committee.

FISCAL IMPACTS

There is no financial impact from appointing Mr. Wells to the Trails and Landscape Committee.

ATTACHMENTS

Application



**APPLICATION FOR
TRAILS AND LANDSCAPING COMMITTEE**

Name MIKE WELLS Address [REDACTED]

Home Phone [REDACTED] Business Phone -

E-mail address [REDACTED] Length of residency in Clayton 30 YRS

Occupation RETIRED Present employer -

Why are you interested in serving on this Committee? _____

TO GIVE BACK TO MY COMMUNITY.

What is your vision for the trails and public landscaped areas of our City? _____

TO ENHANCE AND MAINTAIN OUR TRAIL SYSTEM FOR
PEDESTRIANS, BICYCLISTS AND EQUESTRIANS. TO IMPROVE ON
HOW WE LANDSCAPE OUR ROADWAYS, CENTER MEDIANS, AND PUBLIC AREA.

Please share your interests and hobbies, special training or education: _____

WALKING, HIKING, MOUNTAIN BIKING. I WORKED IN LOCAL
GOVERNMENT FOR 30 YRS - I UNDERSTAND HOW A CITY OPERATES
AND THE IMPORTANCE OF PLANNING AND HAVING A VISION.

List 3 references with phone numbers: 1. DAVID HOLMES - [REDACTED]

2. HOWARD GELLER - [REDACTED]

3. RUSS NORRIS - [REDACTED]

* * * * *

Signature: Mike Wells

Date: 9/20/23



STAFF REPORT

TO: Honorable Mayor and Councilmembers

FROM: Bret Prebula, City Manager
Prapti Aryal, Finance Director

DATE: November 21, 2023

SUBJECT: Approve the City's Annual Report on Development Fees for the Fiscal Year Ending June 30, 2022, and June 30, 2023, in Compliance with the Reporting Requirements of Section 66006 of the California Government Code (AB 1600)

RECOMMENDATION

It is recommended that, subject to any comments or questions, the City Council adopt the attached Resolution finding there is a reasonable relationship between current needs for existing development impact fees and the purposes for which they were originally collected and authorizing internal accounting adjustments as noted.

BACKGROUND

In 1989, Section 66000 *et seq.* of the California Government Code became effective. When passed in 1987, this section was known as Assembly Bill (AB) 1600. When the Legislature passed AB 1600, it added a new chapter to the California Government Code on impact fees for development projects. The chapter sets forth a number of requirements that local agencies must follow if they are to extract impact fees from developers to defray the cost of construction of public facilities or expanded public service obligations related to development projects. Section 66006 mandates the reporting requirements on fees that the local agency must adhere to each fiscal year.

With the passage of AB 1483 in 2019, additional requirements were added to require agencies to post five years of annual reports and a list of fees. Staff will be following up to ensure all AB 1483 requirements are met.

Through policies contained within the General Plan, the City of Clayton has established the nexus between the development and the capital improvements necessary to mitigate the effects of the development and approved impact fees to fund the mitigation measures. Further implementation of the impact fees is established in the Clayton Municipal Code sections related to each fee type.

DISCUSSION

Section 66006 (b)(1) of the California Government Code requires each local agency to make public a status report on its development impact fees within 180 days after the last day of each fiscal year. Section 66006 (2) also requires each local legislative body to review the annual report on development fees at a public meeting. This year the City of Clayton made its annual report on development fees available to the public on November 8, 2023.

The AB 1600 report consists of a brief description of the fee type in the account or fund, the amount of the fee, the beginning and ending balance of the account or fund, the amount of fees collected, and the interest earned. If there are funds in the accounts, then there is also a requirement to make a finding that there is a reasonable relationship between current needs for and the purposes for which they were originally collected.

Development impact fees become due at different times through the course of a development project. Some of the impact fees are due at the time of final map, or building permit issuance, others not until final occupancy. As outlined in Attachment 3, the City collected impact fees for FY21-22 and FY22-23. Interest earnings are apportioned to the Development Impact Fee Fund (No. 304) through the quarterly city-wide interest allocation process. Within the Development Impact Fee Fund, quarterly interest allocations are further divided to each development impact fee account based on proportional fee account balances as of the end of the corresponding quarter. The annual report and the interest allocation for FY21-22 were not done due to staff vacancies and turnover. For FY2022-23, the interest was allocated based on FY 2021-22 ending fund balances since the quarterly allocations were missed due to staff turnover.

In Clayton, AB 1600 development impact fees are collected for the following purposes:

- Childcare Facilities
- Offsite Arterial Street Improvements
- Fire Protection
- Community Facilities
- Parkland Dedication

The summary of the balances of the various fees are listed on Attachment 2. A ten (10) year Consolidated Income Statement and Revenue/Expenditure Detail Statement summary for each of the City's impact fees is presented in Attachment 3, which provides a snapshot of the sources of funds and balances in recent history and the Revenue/Expenditure Statement which details expenditure and revenue reports for each fee the City collects for further analysis of specific transactions. Attachment 4 is a copy of the public notice made available on the City's website and community public posting locations on November 8,

2023. A schedule of all City-imposed development impact fees is shown in Attachment 5 disclosing the fee formulas, citing the authoritative section establishing each fee, and the specific development phase when each fee is due to the City.

The following is a summary of the eight (8) reporting requirements on development impact fees for which a local agency must adhere to each fiscal year:

1. Create separate capital facilities funds or accounts for each improvement funded with impact fees (Government Code Section 66006(a)).
2. Remit all interest income earned by the fees to the same fund; interest income must be spent solely on the purpose for which the fee was originally collected (Section 66006(a)).
3. Within 180 days after the close of each fiscal year, prepare a public report concerning each impact fee fund. Such report must include the fund's beginning and ending balance for the fiscal year, amount of fees and interest deposited into the fund for the fiscal year, and a description of each expenditure from the fund for that year, including identification of the improvement being funded (Section 66006(b)).
4. Review the report at a public meeting not less than fifteen (15) days after the report is made available to the public (Section 66006(b)(2)).
5. If fees remain unexpended or uncommitted five (5) years after being collected, the local agency is to make a finding that there remains a reasonable relationship between the current need for the fees and the purposes for which they were originally collected (Section 66001(d)).
6. Refund to current owner of lots or project developer any fees, with accrued interest, for which continued need cannot be demonstrated (Section 66001(e)).
7. A local agency must not co-mingle fees with any other revenue, except for temporary investment purposes (Section 66006(a)).
8. A local agency may not spend impact fees for maintenance or operation of improvements funded with impact fees (Section 65913.8).

The City is in compliance with the eight reporting requirements outlined above. The following impact fee accounts subject to the AB 1600 compliance requirements contain receipts that have not been fully expended by the City for eligible purposes in a timeframe exceeding five (5) years: Childcare Facility, Offsite Arterial Improvement, and Fire Protection fees. Compliance is obtained with criteria number 5 above by adopting a Resolution that makes a finding that there remains a reasonable relationship between the current need for the fees and the purpose for which they were originally proposed.

1. Child Care Facilities

On April 20, 1988, the City Council adopted Ordinance No. 252 establishing the childcare facilities development impact fee. The purpose of this development impact fee is to enable the development of facilities sufficient to meet existing and future preschool and school age childcare needs. Under this law eligible facilities included building, equipment, and any accessory structures, programs and personnel licensed by the State for direct childcare services providing but not limited to shelter, food, educational, and play opportunities for less than 24 hours per day. During the 1990s some funds were provided to the Contra Costa Childcare Council for material needs of programs and to provide outreach to Clayton residents as to home and other childcare opportunities and programs. The Oakhurst Development did not pay into these funds as it was established after Oakhurst was approved.

As of June 30, 2023, there was a fund balance (including interest) of \$54,989 available. During FY 2022-23 the City allocated approximately \$694 in interest to the fund. As a result of the relatively small fund balance, extended periods are necessary to achieve sufficient resources to finance the costs for childcare related facilities or improvements. Accordingly, a need exists to continue the ongoing collection of this impact fee as well as the preservation of unspent balances for expected future project needs as outlined previously.

2. Parkland Dedication

On July 17, 1985, the City Council adopted the General Plan, which among other requirements, established a parkland dedication impact fee program as granted by the Subdivision Map Act of the State of California (Quimby Act). Under this law, the general standard established is that it is found and determined that the public interest, convenience, health, welfare, and safety require that five (5) acres of property for each one thousand persons residing within the City be devoted to park and recreational purposes.

As of June 30, 2023, there was a fund balance (including interest) of \$63,025 available. A total of \$908 in interest was allocated to the Parkland Dedication account in FY 2022-23. The Parkland Dedication Fee funds may be eligible to be used in park and recreation area construction or expansion projects. Accordingly, a need exists to continue the ongoing collection of this impact fee as well as the preservation of unspent balances for expected future project needs.

3. Offsite Arterial

On October 7, 1981, the City Council adopted Resolution No. 36-81 establishing a policy for offsite arterial street improvement impact fees for new residential developments. The policy established a nexus between development and increased traffic congestion on the City's major arterial streets. The purpose of this development impact fee is to assist the City in alleviating traffic congestion generated by each new development on the City's major arterial streets. Currently, the City's major arterial streets eligible for improvements to be financed by offsite arterial

development impact fees include Clayton Road, Oakhurst Boulevard, Marsh Creek Road, and Pine Hollow Road.

As of June 30, 2023, there was a fund balance (including interest) of \$256,404 available. A total of \$3,236 in interest was allocated to the offsite arterial account in FY 2022-23.

The collection of offsite arterial development impact fees pertaining to the following projects has not been expended in over five years as of June 30, 2023: Pine Hollow Estates, Mitchell Creek, Longs (CVS), Flora Square, Village Market, and Diablo Estates. The unspent fees will be allocated for Contra Costa Transportation Authority (CCTA) Smart Signal CIP2305 upgrades which will be used for signal improvements on an arterial. Approximately \$76,000 will be allocated for this project CIP2305 with additional funding derived from other sources including Measure J, Highway Users Tax Account (HUTA) and Road Maintenance and Rehabilitation Account (RMRA) gas taxes, or federal/state/regional grants. The remaining unused fees could be allocated for the future Pine Hollow Complete Street project which is in the Planning Stage. Accordingly, a need exists to continue the ongoing collection of this impact fee as well as the preservation of unspent balances for expected future project needs as outlined previously.

4. Fire Protection

In 1987 the City Council adopted Ordinance No. 239 establishing the fire district development impact fee based on a report determining facility and equipment needs for the entire fire protection district (District). Facility cost and benefits were identified for incorporated and unincorporated areas and based on the assessment, it was determined that the City's contribution would be \$830,700 to the District. The purpose of this impact fee is to provide a method for financing fire protection facilities required by the goals and policies of the General Plan and necessitated by the needs of new construction and development for adequate fire protection facilities and services. All such fees collected shall only be used for the purpose of establishing or improving fire stations and purchase of equipment dedicated to the District's service area, or portions thereof.

As of June 30, 2023, there was a fund balance (including interest) of \$11,375 available. A total of \$144 in interest was allocated to the fire protection development impact fee account in FY 2022-23.

In FY 1999-2000, the City's former Redevelopment Agency (RDA) provided a loan of \$350,000 to help finance the construction of the District's fire station located in Clayton. Periodically, as outlined in Attachment 3, fire protection fees collected were used to repay portions of this City-RDA loan. However, with the state-imposed dissolution of all California RDAs pursuant to the 2011 Budget Act the loan was effectively dissolved along with the dissolution of the City's RDA. Prospectively, fire protection development fees collected will be used for any eligible unmet local capital needs of the District to mitigate the impact of new construction service demands.

Accordingly, a need exists to continue the ongoing collection of this impact fee as well as the preservation of unspent balances for expected future project needs as outlined previously.

5. Community Facilities

In 1990 the City Council adopted Ordinance No. 282 establishing the community facilities development impact. The purpose of this impact fee is to implement the goals and objectives of the City's Capital Improvement Program (CIP) and to mitigate the unfavorable impacts attributed to new development by helping finance the construction of certain necessary public facilities.

As of June 30, 2023, there was a fund balance of \$8,100 available. Interest was not allocated to the community facilities development impact fee account in FY 2022-23, as the interest allocation was based on the fund balance for FY 2021-22. These funds are limited to improvements of City-owned facilities (buildings and associated grounds). These and future funds are restricted for future new capital projects such as the Keller House renovation, Endeavor Hall, Clayton Community Library, City Hall, or public works corporation yard improvements or upgrades.

SUMMARY

To comply with AB 1600, the City Council must make findings there is a reasonable relationship between the current need for the fees and the purposes for which they were charged as demonstrated by programming of fees in the CIP and City operational budgets. It is important these findings can be and are made to ensure continuance of funding resources for these important programs.

Although AB 1600 requires fees collected from developers be expended within five years, the law, as noted previously, also allows exceptions. Exceptions are provided in recognition that some projects require an extended planning period. There can be several reasons for reasonable exceptions including project costs being of a magnitude necessitating a greater than five-year timeframe to accumulate sufficient funds or necessary matching funds not being available within the five-year timeframe. The City has referenced specific projects herein demonstrating there remains a nexus between current needs of unspent development impact fees and the purposes for which they were originally established. Specific projects referenced are included in the most recent City Council adopted Five-Year Capital Improvement Program.

As noted previously, as mandated by AB 1600, within 180 days of the close of the fiscal year the City must publicize an annual report on development impact fees. This annual report shall disclose the beginning and ending balance of each development impact fee account for the fiscal year, as well total interest allocations, expenditures, and new development impact fee revenues.

On November 8, 2023, a public notice was posted on the City's website and to the community posting boards outlining the annual AB 1600 report which had been publicized on the City's website as well as was available for review at City Hall. This public notice also

specified the annual AB 1600 report would be placed on the November 21, 2023 City Council agenda for review and consideration for acceptance, in compliance with the reporting requirements.

FISCAL IMPACTS

The acceptance of this report and its attachments, including the attached Resolution, has no direct fiscal or budgetary impact to the City of Clayton, provided the collected development impact fees are retained.

ATTACHMENTS

1. Resolution No __-2023
2. Fund Balance Summary – AB 1600 Development Impact Fees
3. 10 Year Consolidated Income Statements and Revenue/Expenditure Detail – AB 1600 Developer Impact Fee
4. Public Notice of AB 1600 Annual Report availability
5. Development Impact Fee Listing

RESOLUTION NO. ___-2023

A RESOLUTION FINDING THERE REMAINS A REASONABLE RELATIONSHIP BETWEEN CURRENT NEEDS FOR THE CITY'S DEVELOPMENT IMPACT FEES AND THE PURPOSES FOR WHICH THEY WERE ORIGINALLY CHARGED (GOVERNMENT CODE SECTION 66000 ET. SEQ.) RELATED TO THE CITY'S ANNUAL REPORT ON DEVELOPMENT IMPACT FEES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, the City's adopted General Plan, and the most recent 5-Year Capital Improvement Program identifies improvements necessitated by continued development in the City and fees paid for development impacts; and

WHEREAS, the City has been authorized by Municipal Code Sections 3.16.020 (Community Facilities), 3.18.040 (Fire Protection), 16.12.010 (Parkland Dedication), 16.60.050 (Childcare), and Resolution 36-81 and 14-86 (Offsite Arterial Streets) to establish and collect these development impact fees; and

WHEREAS, the City has established discrete accounts and fees to finance the construction of these improvements as mitigation measures for continued development within the City; and

WHEREAS, the City periodically adopts a comprehensive 5-Year Capital Improvement Program to prioritize improvements and allocates funds to construct the improvements as mitigation for continued development in the City; and

WHEREAS, these improvements are scheduled to be constructed over time as sufficient funds become available; and

WHEREAS, many of these identified improvements are of such size that sufficient funds have not been collected or obtained in order to construct these improvements by expending fees collected within the five-year expenditure period provided by Government Code Section 66001(d); and

WHEREAS, there continues to be a distinct nexus between continued development and the necessity to mitigate developments impacts; and

WHEREAS, fees collected previously and in the future are necessary to fund future improvements tracked in the City's Capital Improvement Program budget and to address identified childcare needs of the community; and

WHEREAS, certain fees collected in the Child Care Facility, Offsite Arterial, Fire Protection and Parkland and Dedication development impact fee accounts have not been expended in a timeframe exceeding five years, however are still necessary pursuant to AB 1600 for the purpose in which they are collected as project costs exceed current available resources and it will thus take longer to collect the necessary funds for the projects identified in the City's adopted Capital Improvement Program Budget.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Clayton, California does hereby:

Section 1. Accept the above Recitals as fact, herewith approves the City's AB 1600 Report for FY 2022-23, and does find there remains a reasonable relationship between the current need for the impact fees and the purposes for which they were originally collected; and

Section 2. This Resolution shall become effective immediately upon its passage and adoption.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 21st day of November 2023 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE CITY COUNCIL OF CLAYTON, CA

Jeff Wan, Mayor

ATTEST:

City Clerk

CITY OF CLAYTON
 AB 1600 DEVELOPMENT IMPACT FEE FUND BALANCE SUMMARY
 JUNE 30, 2023

ATTACHMENT 2

FUND	(A) FUND BALANCE	(B) RESERVES	(C) DESIGNATED	(D) TOTAL ALLOCATED FUND BALANCE (B+C=D)	(E) UNALLOCATED RESERVES (A-D)
CHILDCARE FACILITIES	\$ 54,989	\$ -	\$ 54,989	\$ 54,989	\$ -
PARKLAND DEDICATION	63,025	-	63,025	63,025	-
OFFSITE ARTERIAL IMPROVEMENT	256,404	-	256,404	256,404	-
FIRE PROTECTION FEES	11,375	-	11,375	11,375	-
COMMUNITY FACILITIES	8,100	-	8,100	8,100	-
TOTAL	\$ 393,894	\$ -	\$ 393,894	\$ 393,894	\$ -

**DEVELOPMENT IMPACT FEES
10 YEAR AB 1600 DEVELOPMENT IMPACT FEE REVENUE/EXPENDITURE SUMMARY
FY 2014 - FY 2023**

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
CHILDCARE FACILITY FEES REVENUE										
Childcare Facility Fees (5307)	-	-	-	-	1,640				3,690	-
Interest	489	255	601	646	784	987	1,017	768		694
Total Revenues	489	255	601	646	2,424	987	1,017	768	3,690	694
EXPENDITURES										
Total Expenditures	-	-	-	-	-	-	-	-	-	-
Total Revenue/over(under) Expenditures	489	255	601	646	2,424	987	1,017	768	3,690	694
OTHER FINANCING SOURCES (USES)										
Operating Transfers in	-	-	-	-	-	-	-	-	-	-
Operating Transfers out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenue and Other Sources Over (Under) Expenses & Other Financing Sources	489	255	601	646	2,424	987	1,017	768	3,690	694
FUND BALANCE JULY 1	43,419	43,908	44,163	44,764	45,410	47,834	48,821	49,838	50,605	54,295
FUND BALANCE JUNE 30	43,908	44,163	44,764	45,410	47,834	48,821	49,838	50,605	54,295	54,989

**DEVELOPMENT IMPACT FEES
10 YEAR AB 1600 DEVELOPMENT IMPACT FEE REVENUE/EXPENDITURE SUMMARY
FY 2014 - FY 2023**

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
PARKLAND DEDICATION FEES										
REVENUE										
Parkland Dedication Fees (5313)	-	-	-	-	20,552	-	-	-	46,242.00	-
Interest	686	163	34	36	336	483	498	376	-	908
Total Revenues	686	163	34	36	20,888	483	498	376	46,242	908
EXPENDITURES										
2010 Pavement Rehab (CIP 10409)	-	-	59,297	-	-	-	-	-	-	8,913
Community Park Upgrades (CIP 10407)	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	59,297	-	-	-	-	-	-	8,913
Total Revenue/over(under) Expenditures	686	163	(59,263)	36	20,888	483	498	376	46,242	(8,005)
OTHER FINANCING SOURCES (USES)										
Operating Transfers in	-	-	-	-	-	-	-	-	-	-
Operating Transfers out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenue and Other Sources Over (Under) Expenses & Other Financing Sources	686	163	(59,263)	36	20,888	483	498	376	46,242	(8,005)
FUND BALANCE JULY 1	60,921	61,607	61,770	2,507	2,543	23,431	23,914	24,412	24,788	71,030
FUND BALANCE JUNE 30	61,607	61,770	2,507	2,543	23,431	23,914	24,412	24,788	71,030	63,025

**DEVELOPMENT IMPACT FEES
10 YEAR AB 1600 DEVELOPMENT IMPACT FEE REVENUE/EXPENDITURE SUMMARY
FY 2014 - FY 2023**

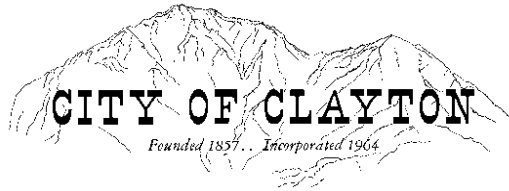
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
OFFSITE ARTERIAL IMPROVEMENT FEES										
REVENUE										
Offsite Arterial Improvement Fees (5314)	10,192	-	1,456	1,456	11,648	-	-	-	26,208	-
Interest	2,466	3,219	2,602	2,835	3,507	4,426	4,561	3,444	-	3,236
Total Revenues	12,658	3,219	4,058	4,291	15,155	4,426	4,561	3,444	26,208	3,236
EXPENDITURES										
Total Expenditures	-	-	-	-	-	-	-	-	-	-
Total Revenue/over(under) Expenditures	12,658	3,219	4,058	4,291	15,155	4,426	4,561	3,444	26,208	3,236
OTHER FINANCING SOURCES (USES)										
Operating Transfers in	-	-	-	-	-	-	-	-	-	-
Operating Transfers out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenue and Other Sources Over (Under) Expenses & Other Financing Sources										
	12,658	3,219	4,058	4,291	15,155	4,426	4,561	3,444	26,208	3,236
FUND BALANCE JULY 1										
	175,147	187,805	191,024	195,082	199,374	214,528	218,954	223,515	226,959	253,167
FUND BALANCE JUNE 30										
	187,805	191,024	195,082	199,374	214,528	218,954	223,515	226,959	253,167	256,404

**DEVELOPMENT IMPACT FEES
10 YEAR AB 1600 DEVELOPMENT IMPACT FEE REVENUE/EXPENDITURE SUMMARY
FY 2014 - FY 2023**

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
FIRE PROTECTION FEES										
REVENUE										
Fire Protection Fees (5317)	2,100	-	134	176	600	1,800	-	-	-	-
Interest	102	127	103	115	145	211	226	170	-	144
Total Revenues	2,202	127	237	291	745	2,011	226	170	-	144
EXPENDITURES										
Total Expenditures	-	-	-	-	-	-	-	-	-	-
Total Revenue/over(under) Expenditures	2,202	127	237	291	745	2,011	226	170	-	144
OTHER FINANCING SOURCES (USES)										
Operating Transfers in	-	-	-	-	-	-	-	-	-	-
Operating Transfers out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenue and Other Sources Over (Under) Expenses & Other Financing Sources	2,202	127	237	291	745	2,011	226	170	-	144
FUND BALANCE JULY 1	5,222	7,424	7,551	7,788	8,080	8,825	10,836	11,061	11,232	11,232
FUND BALANCE JUNE 30	7,424	7,551	7,788	8,080	8,825	10,836	11,061	11,232	11,232	11,375

**DEVELOPMENT IMPACT FEES
10 YEAR AB 1600 DEVELOPMENT IMPACT FEE REVENUE/EXPENDITURE SUMMARY
FY 2014 - FY 2023**

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
COMMUNITY FACILITIES FEES										
REVENUE										
Community Facilities Fees (5323)	3,150	-	450	450	3,600	-	-	-	-	8,100
Interest	234	306	248	278	60	87	24	-	-	-
Total Revenues	3,384	306	698	728	3,660	87	24	-	-	8,100
EXPENDITURES										
Transfer to CIP10443 City Hall ADA Access	-	-	-	-	19,000	-	-	-	-	-
Keller House Roof Repair Project	-	-	-	-	-	-	4,318	-	-	-
Total Expenditures	-	-	-	-	19,000	-	4,318	-	-	-
Total Revenue/over(under) Expenditures	3,384	306	698	728	(15,340)	87	(4,294)	-	-	8,100
OTHER FINANCING SOURCES (USES)										
Operating Transfers in	-	-	-	-	-	-	-	-	-	-
Operating Transfers out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenue and Other Sources Over (Under) Expenses & Other Financing Sources	3,384	306	698	728	(15,340)	87	(4,294)	-	-	8,100
FUND BALANCE JULY 1	14,432	17,816	18,122	18,820	19,548	4,208	4,294	0	0	0
FUND BALANCE JUNE 30	17,816	18,122	18,820	19,548	4,208	4,294	0	0	0	8,100
AII FUND BALANCES	318,560	322,630	268,961	274,954	298,827	306,818	308,827	313,586	389,726	393,894



**CITY OF CLAYTON
CITY COUNCIL
NOTICE OF AVAILABILITY OF INFORMATION**

**AB 1600 Account Information Related to Covered
Development Impact Fees
Notice Issue Date: Wednesday, November 8, 2023**

Notice is hereby given that as of the date noted above the City of Clayton has made available to the public a draft report entitled "Annual Report on Development Fees for the Fiscal Year Ending June 30, 2023 in Compliance with the Reporting Requirements of *California Government Code* Section 66006." This notice has been made publicly available on the City's website at www.claytonca.gov as well as on public posting boards at least fifteen (15) days in advance of the public meeting at which the Annual Report will be presented in accordance with *California Government Code* Section 66006(b)(2).

The final report shall be considered by the City Council at a regularly scheduled City Council meeting on November 21, beginning at 7:00 pm or thereafter utilizing teleconferencing and electronic means consistent with the State of California Executive Order N-29-20 dated March 17, 2020, regarding the Covid-19 pandemic. In accordance with this order, the public may view/listen to the meeting online at www.claytonca.gov where a link to Zoom will be provided.

The proposed Annual Report on Development Fees may be examined on the City's website at www.claytonca.gov or in person at City Hall, 6000 Heritage Trail, Clayton, California.

Interested citizens are invited to attend and participate in the meeting and present written and/or oral testimony concerning the Annual Report. If one cannot attend the hearing, one may send written comments to the to the City Clerk at cityclerk@claytonca.gov prior to the hearing. For questions, please contact Prapti Aryal at 925-673-7300 or via email to paryal@claytonca.gov


Prapti Aryal
Finance Director

**CITY OF CLAYTON
AB 1600 DEVELOPMENT IMPACT FEES**

ATTACHMENT 5

- NOTE ALL FEES LISTED ARE SUBJECT TO CHANGE -

Fee	Single-Family Residential	Multi-Family Residential	Non-Residential	Authority	Payment Date	Account Number
Community Facilities Development	\$450.00 / Unit	\$125.00 / Unit	Commercial/ Industrial: \$0.50/Gross sq ft	Municipal Code § 3.16.020	Residential: Occupancy Permit	304-5323-00
					Commercial/Industrial: Zoning Clearance for Building Permit	
Offsite Arterial Street Improvement	\$1,456.00 / Unit	\$1,019.00 / Unit	Commercial/ Business: \$3.37/Gross sq ft	City Council Resolution Nos. 36-81 & 14-86	Zoning Clearance for Building Permit	304-5314-00
Childcare¹	\$205.00 / Unit	\$205.00 / Unit	\$0.10/Gross sq ft	Municipal Code § 16.60.050	Zoning Clearance for Building Permit	304-5307-00
Parkland Dedication	\$2,569.00 / Unit	\$1,666.00 / Unit	\$0.00	Municipal Code § 16.12.010	Subdivision/Parcel Maps: Final Map Approval	304-5312-00
		(Duplex \$2,180.00/ Unit)			Individual Parcels: Zoning Clearance for Building Permit	
Fire Development Protection	\$300.00 / Unit (Mobile Home: \$200.00 / Unit)	\$200.00 / Unit	\$0.20/Gross sq ft	Municipal Code § 3.18.040	Occupancy Permit	304-5317-00

¹ Senior housing units, second-dwelling units, affordable housing units, and churches are exempt.
Last Revised: April 10, 2009



STAFF REPORT

TO: Honorable Mayor and Councilmembers

FROM: Amy Walcker, Executive Assistant to City Manager/HR Manager

DATE: November 21, 2023

SUBJECT: Authorize Submittal of Application(s) for All CalRecycle Grants for which the City of Clayton is Eligible

RECOMMENDATION

Staff recommends the City Council adopt the attached Resolution allowing the City to submit any CalRecycle grants for which the City is eligible.

BACKGROUND

CalRecycle grant application procedures require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle grants.

DISCUSSION

The attached Resolution will allow staff to apply for all applicable CalRecycle grants. These funding opportunities will provide the City with assistance, assuming the funding is received, to implement the requirements of Senate Bill (SB) 1383.

FISCAL IMPACTS

The ability to submit for various CalRecycle grants will assist the City in having funding opportunities related to implementing all the requirements for SB 1383.

ATTACHMENTS

Resolution

RESOLUTION NO. ___-2023

RESOLUTION OF THE CITY OF CLAYTON
AUTHORIZING SUBMITTAL OF APPLICATION(S) FOR ALL CALRECYCLE
GRANTS FOR WHICH THE CITY OF CLAYTON IS ELIGIBLE

THE CITY COUNCIL
City of Clayton, California

WHEREAS, Public Resources Code sections 48000 *et seq.* authorize the Department of Resources Recycling and Recovery (CalRecycle) to administer various grant programs (grants) in furtherance of the State of California's (state) efforts to reduce, recycle and reuse solid waste generated in the state thereby preserving landfill capacity and protecting public health and safety and the environment; and

WHEREAS, in furtherance of this authority, CalRecycle is required to establish procedures governing the application, awarding, and management of the grants; and

WHEREAS, CalRecycle grant application procedures require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle grants.

NOW, THEREFORE, BE IT RESOLVED that the City of Clayton authorizes the submittal of application(s) to CalRecycle for all grants for which the City of Clayton is eligible; and

BE IT FURTHER RESOLVED that the City Manager, or his/her designee is hereby authorized and empowered to execute in the name of the City of Clayton all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project; and

BE IT FURTHER RESOLVED that these authorizations are effective for five (5) years from the date of adoption of this resolution.

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Jeff Wan, Mayor

ATTEST:

City Clerk



STAFF REPORT

TO: Honorable Mayor and Councilmembers

FROM: Dana Ayers, AICP, Community Development Director

DATE: November 21, 2023

SUBJECT: Approve by Minute Order the City of Clayton Pre-Reviewed Accessory Dwelling Unit Plan Program and Authorize Staff to Implement the Program

RECOMMENDATION

Staff recommends that the City Council, by minute order, approve the City of Clayton Pre-Reviewed Accessory Dwelling Unit (ADU) Plan Program and authorize staff to implement and promote the program upon completion of the plan check process.

BACKGROUND

On December 17, 2019, the City Council adopted Resolution No. 50-2019 authorizing City staff to submit an application for funding through the Senate Bill 2 Planning Grants Program (SB 2 PGP) implemented by the State Department of Housing and Community Development. The scope, in part, of the planning efforts to which the grant funds were to be applied included revision of the City's ADU ordinance to align with State law and creation of pre-designed architectural plans for ADUs. The intent of the program was to streamline the permitting process for construction of ADUs by eliminating the time and cost a property owner would have to spend on preparation and full plan check of individual plans for a new ADU on a residential property.

DISCUSSION

On March 1, 2022, the City Council approved a professional services agreement with Precision Civil Engineering (PCE) for preparation of an ADU brochure and up to six pre-designed ADU architectural plans. PCE had previously supported the City of Oakley in their efforts to implement a similar ADU plan program, which the Oakley City Council adopted in October 2021. The program for Clayton expands upon Oakley's efforts and includes include six unique floor plans, four of which were in Oakley's program and were each one- to two-

bedroom plans. The two additional floor plans added for Clayton's program consist of smaller units (one studio and one two-bedroom) to provide additional options for more cost-effective units for property owners with smaller construction budgets. PCE also prepared a more general guidebook with narrative instructions and permitting process outlines for property owners interested in building an ADU.

The six floor plans in Clayton's ADU program consist of the following:

- 375 square foot studio unit (added for Clayton's program)
- 550 square foot one-bedroom, one-bathroom unit
- 740 square foot two-bedroom, one-bathroom unit (added for Clayton's program)
- 850 square foot one-bedroom, one-bathroom unit
- 1,000 square foot two-bedroom, one-bathroom unit
- 1,200 square foot two-bedroom, two-bathroom unit

Each floor plan offers the potential builder a choice of three different exterior elevation styles. The styles, summarized below, were selected based on the housing styles observed in Clayton's neighborhoods and in its specific plan design guidelines, and can be further customized according to the builder's preference and budget:

- *California Ranch (Elevation A)*: vertical siding, optional stone or brick veneer wainscot, window trim and shutters
- *Bungalow (Elevation B)*: stucco exterior, board and batten siding under roof eaves
- *Farmhouse (Elevation C)*: horizontal siding, shingle siding under roof eaves, decorative brackets and window boxes

The design model workbook attached to this staff report will be made available to the public and includes renderings of the three different elevations styles, for each of the six floor plans. Potential builders of ADUs who opt to use the pre-reviewed plan program will have access to the plan and elevation drawing of their choice. It should be noted that property owners who utilize the program will still have to use design professionals to create site plans, energy-efficiency plans, truss calculations and (potentially) soils studies, as these components of the plan submittal are unique to the site on which the ADU would be constructed. However, the architectural design, framing, plumbing, mechanical and electrical details of each plan are included within each plan set and have been reviewed by Contra Costa County Building Department plan checkers. Despite the site-specific plan submittal requirements, staff anticipates that the program will result in time savings in the plan check process, in addition to a portion of the costs of design, for property owners who choose to use the program.

Staff anticipates the program will be fully ready to launch within 60 days, following completion of County Building Department plan check of the third submittal of design drawings.

Staff notes further that implementation of the pre-reviewed ADU plan program will meet the intent of Senate Bill 1332 (Carrillo), approved by the Governor on October 11, 2023, which imposes an obligation on local agencies to develop a program for the pre-approval of ADU plans, by January 1, 2025.

FISCAL IMPACTS

The approximately \$80,000 to develop the City of Clayton Pre-reviewed ADU Plan Program, including preparation and plan check of drawings and plan sets, are reimbursable expenses under the SB 2 PGP. Staff anticipates that there will be ongoing expenses to implement the program, including nominal costs to publish plans and the design model guidebook.

More notably, staff anticipates ongoing expenses for the County Building Department to re-check the plans for compliance with applicable building codes, which are revised every other year with the next code cycle change occurring in January 2025. Based on the costs for plan check of this initial set, staff estimates the plan check fees and revisions (if needed) at roughly \$5,000, or an average of \$2,500 per year that the program is operational.

Due to the termination of the SB 2 PGP at the end of this calendar year, future plan check costs will not be reimbursable through the same grant that funded the initiation of the program. There are currently no costs to residents to use the plans, though the Council may consider incorporating into next year's fee schedule update a small charge for users to purchase the plans, with the revenue offsetting the ongoing costs for periodic code compliance plan checks as building code cycles change.

ATTACHMENTS

ADU Design Model Workbook

CITY OF CLAYTON
PRE-REVIEWED ADU PROGRAM



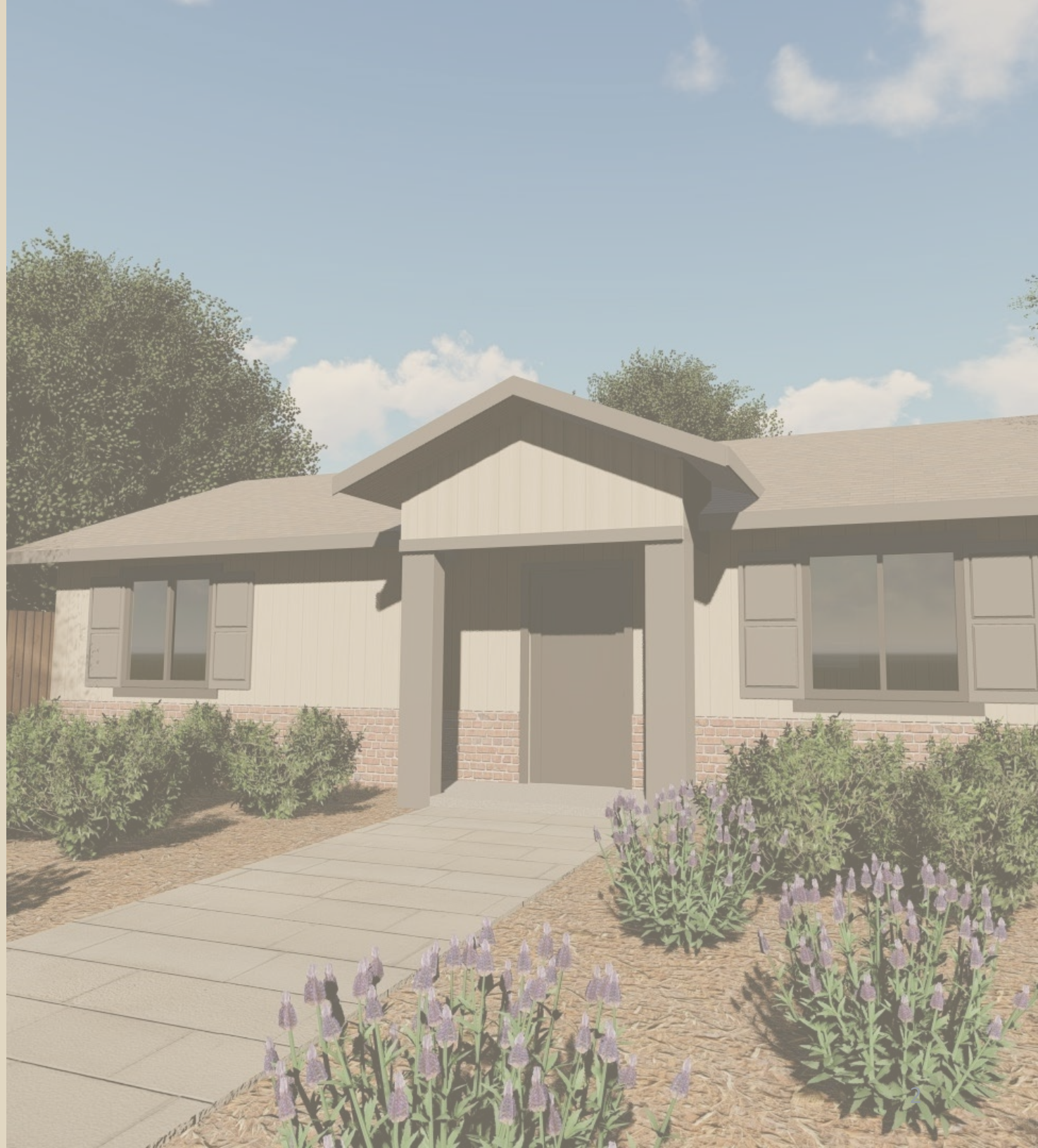
ACCESSORY DWELLING UNIT DESIGN MODEL WORKBOOK



Last Updated August 2023



INTRODUCTION





INTRODUCTION

The City of Clayton Pre-Reviewed ADU Plan Program is an optional and voluntary program that provides pre-designed and pre-reviewed plan sets for detached ADUs, including floor plans, structural plans, calculations, and elevations to Clayton residents and property owners. By offering pre-reviewed plans, the Program helps interested participants reduce design costs and the overall time it takes to receive a building permit.

BENEFITS OF PARTICIPATING IN THE PROGRAM

- ✓ **Reduce design costs** - Save costs on architectural/ design services, structural engineering services, and plan check fees.
- ✓ **Enjoy a streamlined permitting process** – Plans are already reviewed for compliance with the current building code.
- ✓ **Don't sweat the details** – Plans already mee the required height, living provisions, maximum size, foundation, and architectural standards.

This **Accessory Dwelling Unit Design Model Workbook** shows the floor plans and elevations that are provided as part of the PRE-REVIEWED plan sets. The Program provides a choice of six (6) floor plans and three (3) elevations, totaling 18 different plan sets. Review your options and select a layout and style that fits your property. Contact the City of Clayton Community Development Department at (925) 673-7300 for the full plan set once you have chosen the one you like and is ready to apply for a building permit.

Pre-Reviewed Plan Options

LAYOUTS

375 sf. Studio/1 Bath

550 sf. 1 Bed/1 Bath

740 sf. 2 Bed/1 Bath

850 sf. 1 Bed/1 Bath

1,000 sf. 2 Bed/1 Bath

1,200 sf. 2 Bed/2 Bath

ELEVATIONS

“California Ranch”–

Stone/brick veneer with vertical siding and shutters

“Bungalow” –

Vertical board and batten siding with stucco

“Farmhouse” –

Horizontal siding with window sell box

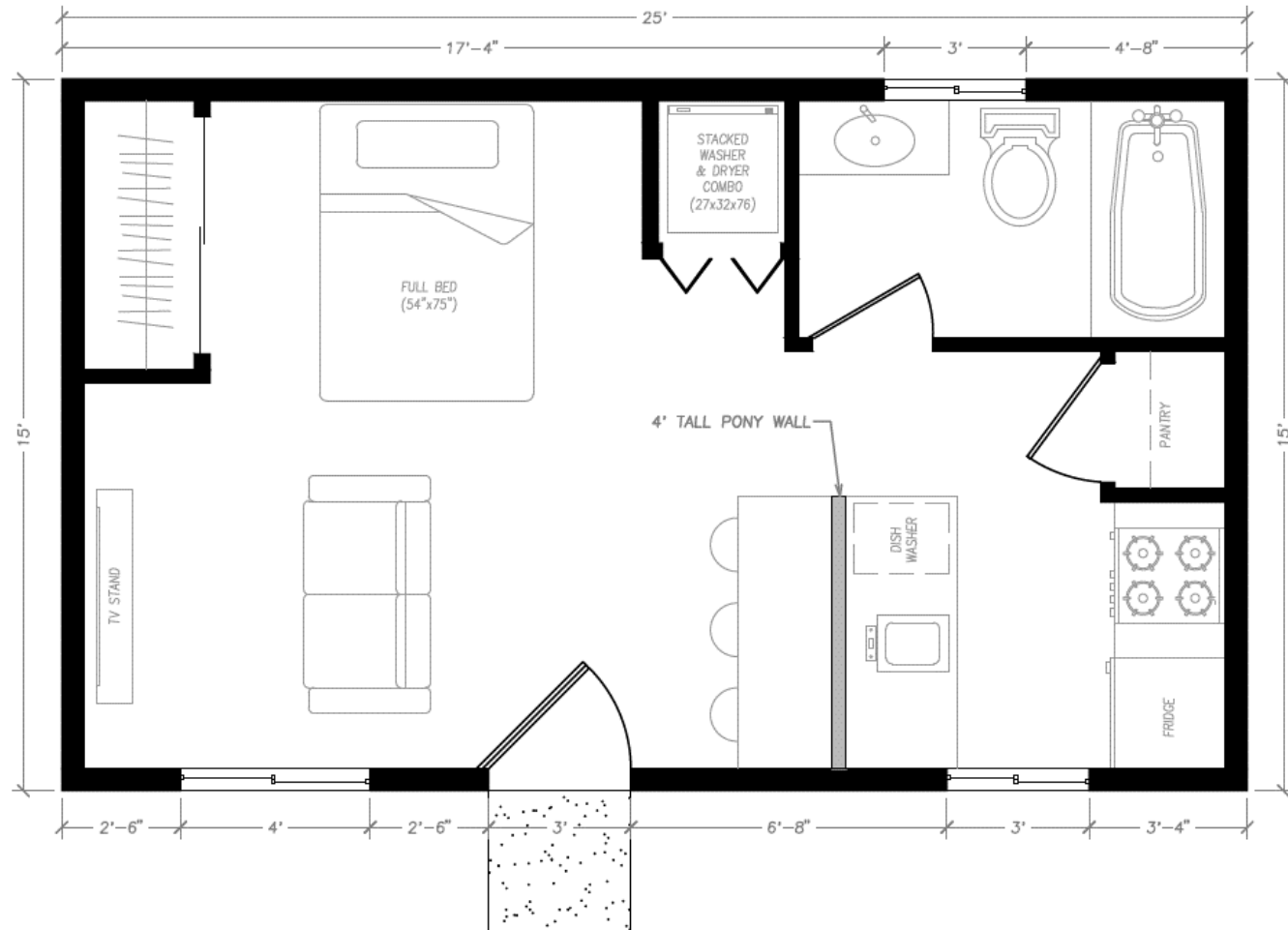


LAYOUT OPTIONS



FLOOR PLAN OPTION 1: 375 SQUARE FEET / STUDIO / 1 BATHROOM

The 375 square feet floor plan provides essential components of a home: a bed, living room space, kitchen, stacked washer/dryer closet, and a bathroom. This is a great choice for homeowners on smaller lots searching for a separate living space with least construction costs. All spaces are designed to fit standard-sized appliances that can be bought at your local stores.

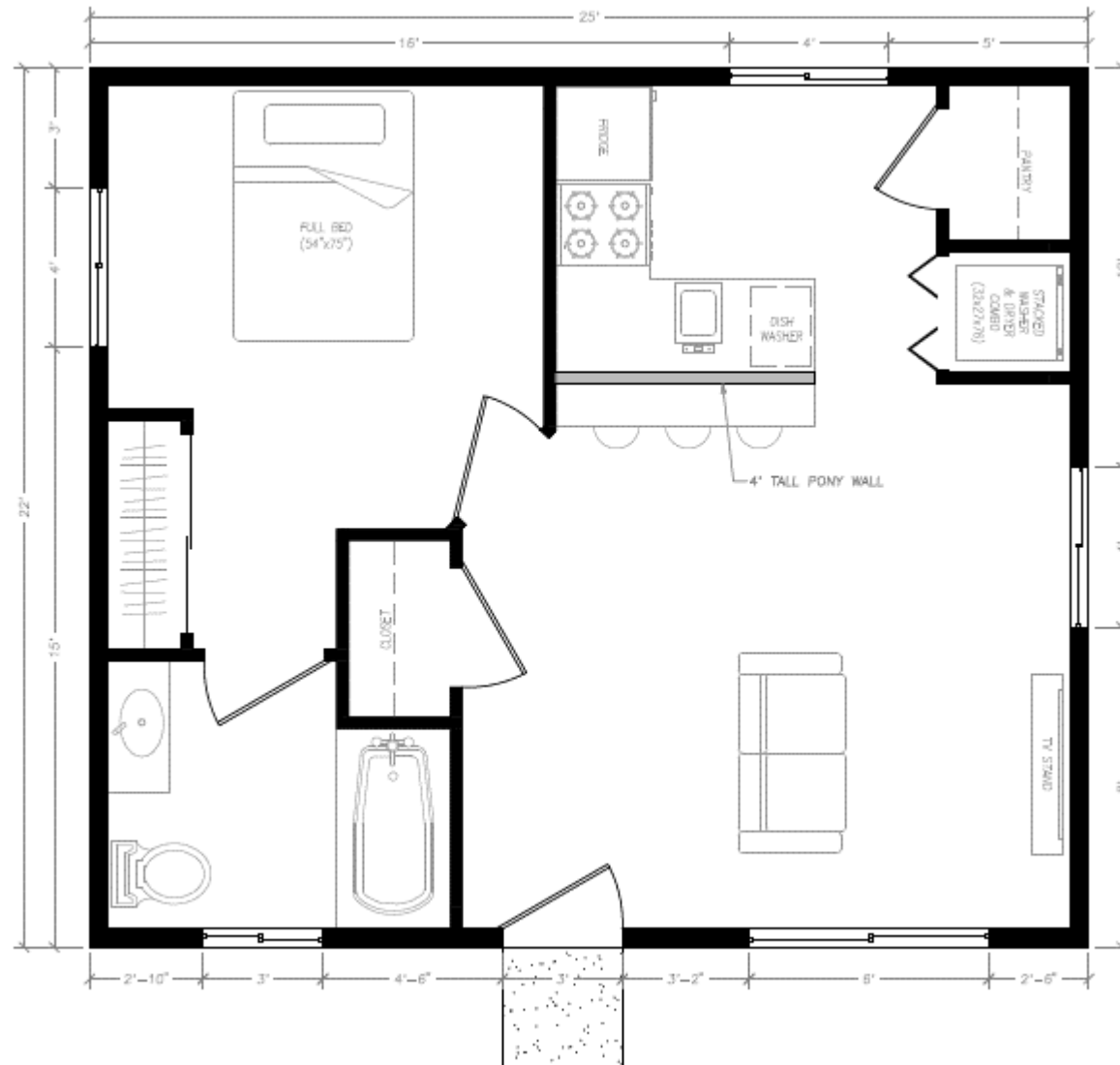


DETAILS

- One (1) bathroom
- Stacked washer/dryer closet
- Kitchen with pantry closet
- Dining countertop
- Living room
- Three (3) windows

FLOOR PLAN OPTION 2: 550-SQUARE FEET / 1 BEDROOM / 1 BATHROOM

The 550 square foot floor plan provides all components of a home: a bedroom, living room space, kitchen, stacked washer/dryer closet, a bathroom, and multiple storage space. This is a great choice for homeowners on smaller lots searching for a separate living space with less construction costs. All spaces are designed to fit standard-sized appliances that can be bought at your local stores.

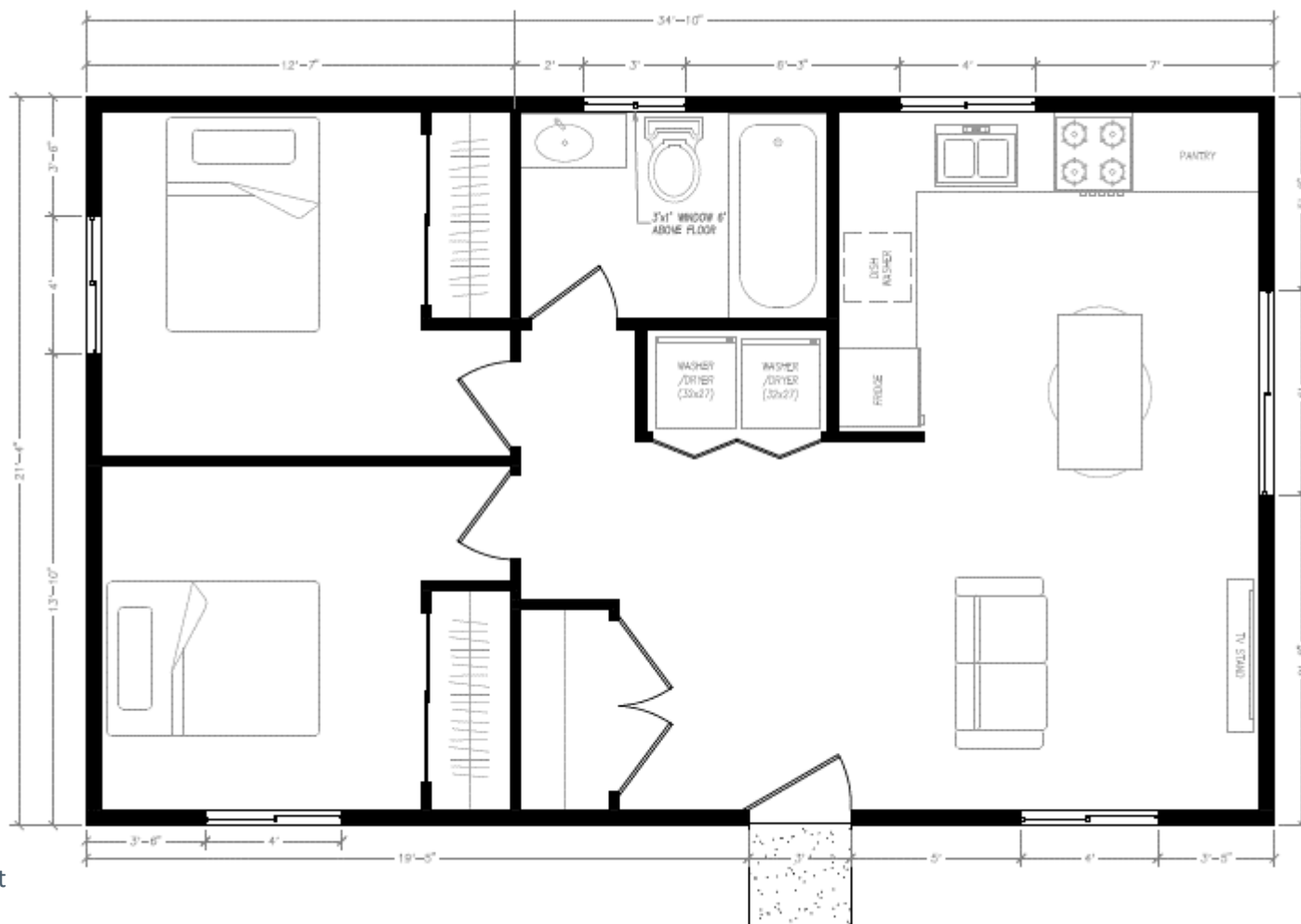


DETAILS

- One (1) bedroom
- One (1) bathroom
- Stacked washer/dryer closet
- Kitchen with pantry closet
- Dining countertop
- Living room
- Four (4) windows

FLOOR PLAN OPTION 3: 740 SQUARE FEET / 2 BEDROOMS / 1 BATHROOM

The 740 square foot floor plan provides 2 bedrooms, living room space, kitchen, dining room space, washer/dryer closet, a bathroom, and multiple storage space. The living, dining, and galley kitchen flow together in one open space. All spaces are designed to fit standard-sized appliances that can be bought at your local stores.

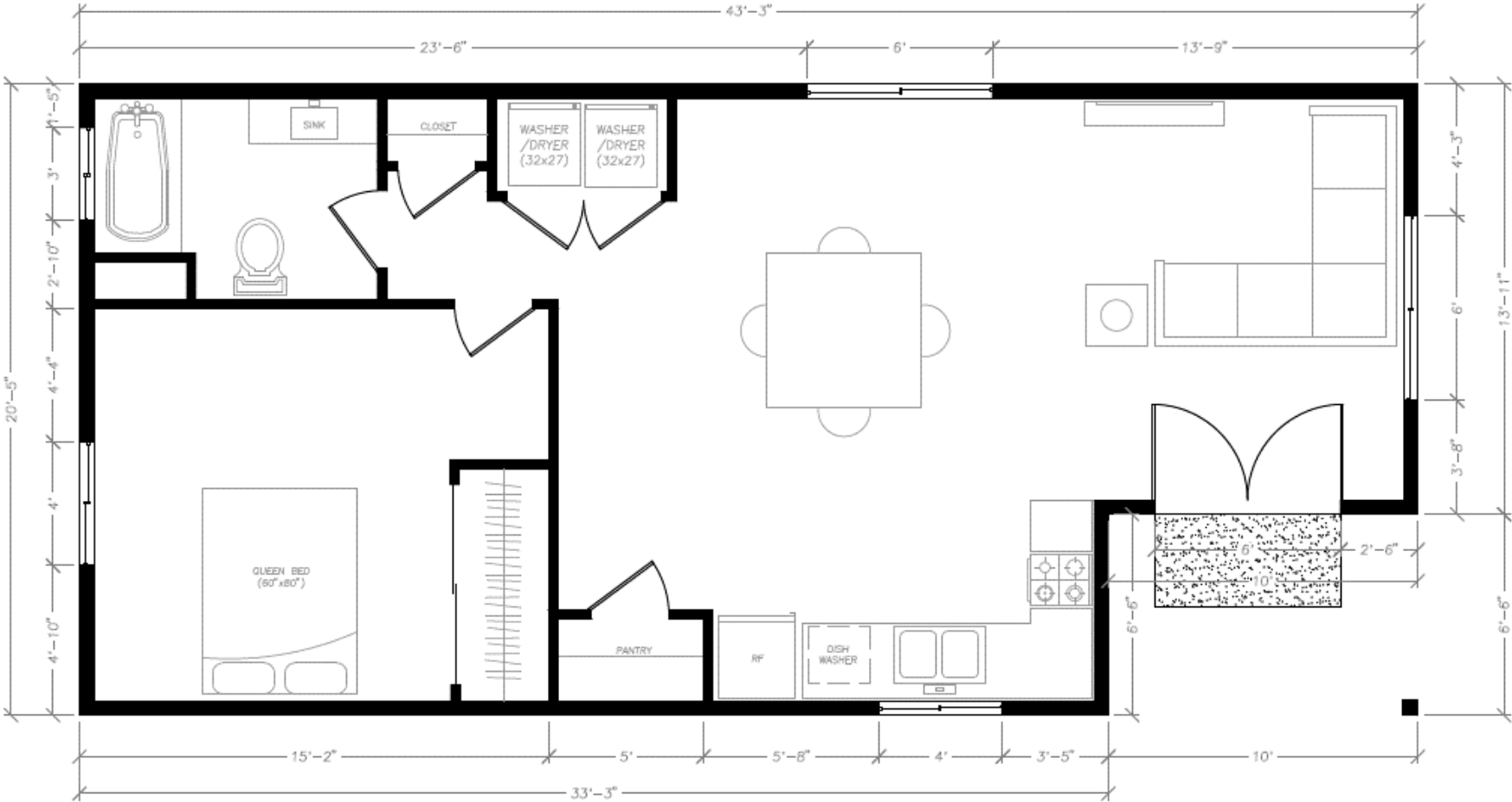


DETAILS

- Two (2) bedrooms
- One (1) bathroom
- Washer/dryer closet
- Kitchen with pantry closet
- Dining room
- Living room
- Six (6) windows

FLOOR PLAN OPTION 4: 850 SQUARE FEET / 1 BEDROOM / 1 BATHROOM

The 850 square feet floor plan provides a bedroom, living room space, kitchen, dining room space, washer/dryer closet, a bathroom, and multiple storage space. The living, dining, and galley kitchen flow together in one large open space. All spaces are designed to fit standard-sized appliances that can be bought at your local stores.

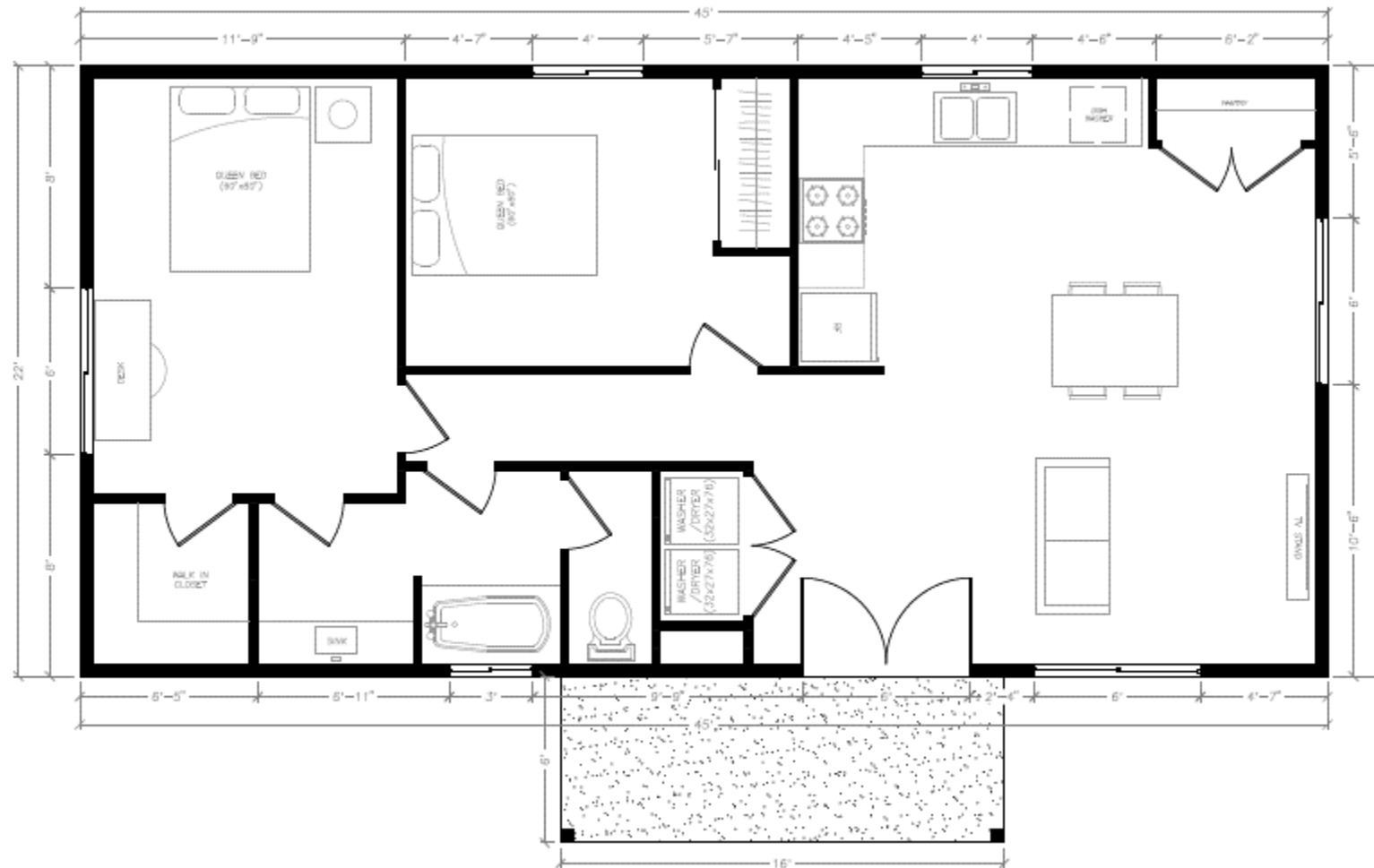


DETAILS

- One (1) bedroom
- One (1) bathroom
- Washer/dryer closet
- Kitchen with pantry closet
- Dining room
- Living room
- Five (5) windows

FLOOR PLAN OPTION 5: 1,000 SQUARE FEET / 2 BEDROOMS / 1 BATHROOM

The 1,000 square foot floor plan provides 2 bedrooms (one with a walk-in closet), living room space, kitchen, dining room space, washer/dryer closet, a bathroom, and multiple storage space. The living, dining, and galley kitchen flow together in one large open space. All spaces are designed to fit standard-sized appliances that can be bought at your local stores.

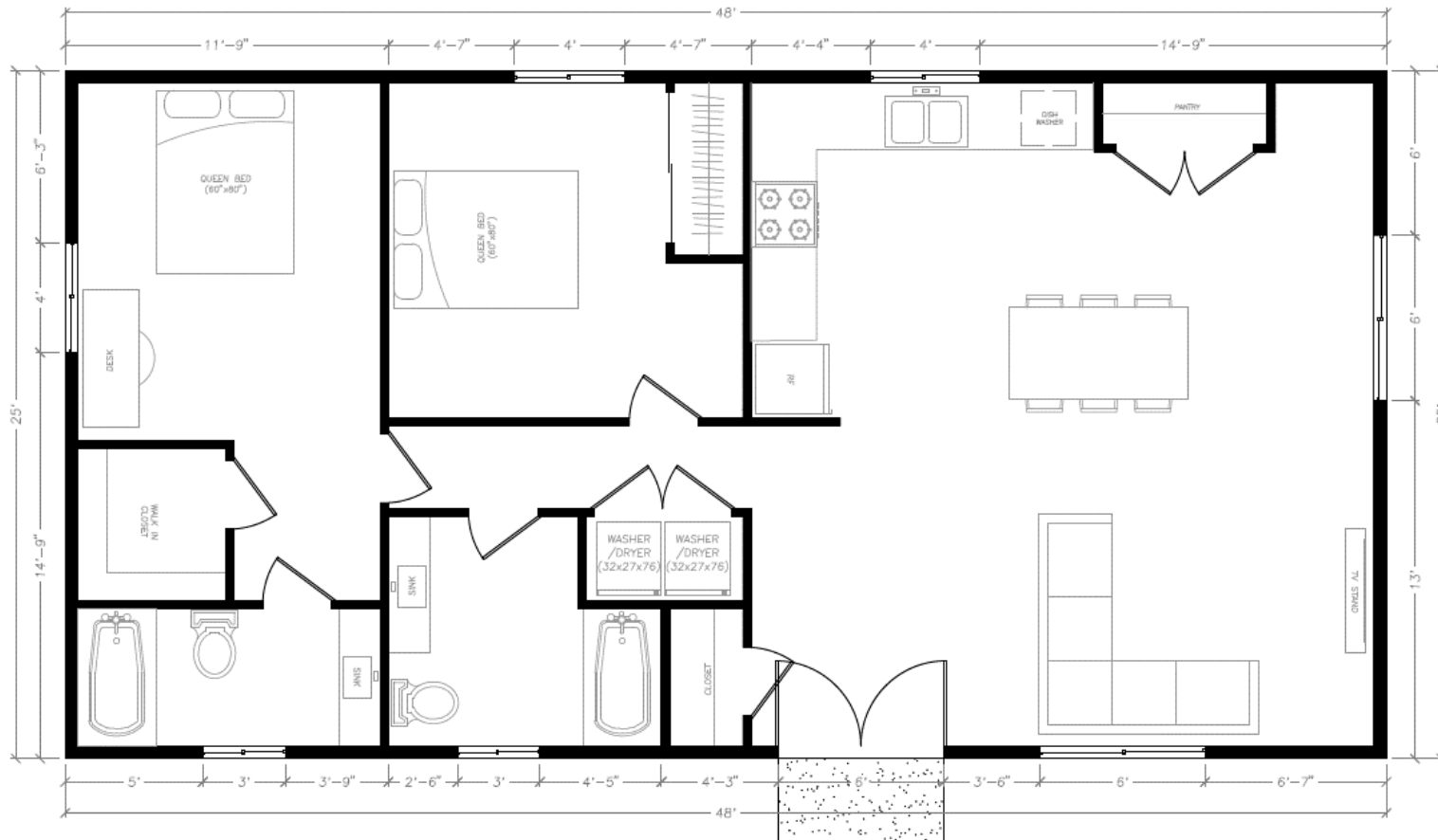


DETAILS

- Two (2) bedrooms
- One (1) walk-in closet
- One (1) bathroom
- Washer/dryer closet
- Kitchen with pantry closet
- Dining room
- Living room
- Six (6) windows

FLOOR PLAN OPTION 6: 1,200 SQUARE FEET / 2 BEDROOMS / 2 BATHROOMS

The 1,000 square foot floor plan provides 2 bedrooms (one with a walk-in closet), living room space, kitchen, dining room space, washer/dryer closet, a bathroom, and multiple storage space. The living, dining, and galley kitchen flow together in one large open space. All spaces are designed to fit standard-sized appliances that can be bought at your local stores.



DETAILS

- Two (2) bedrooms
- One (1) walk-in closet
- Two (2) bathrooms
- Washer/dryer closet
- Kitchen with pantry closet
- Dining room
- Living room
- Six (6) windows



ELEVATION OPTIONS



ELEVATION OPTION A: CALIFORNIA RANCH

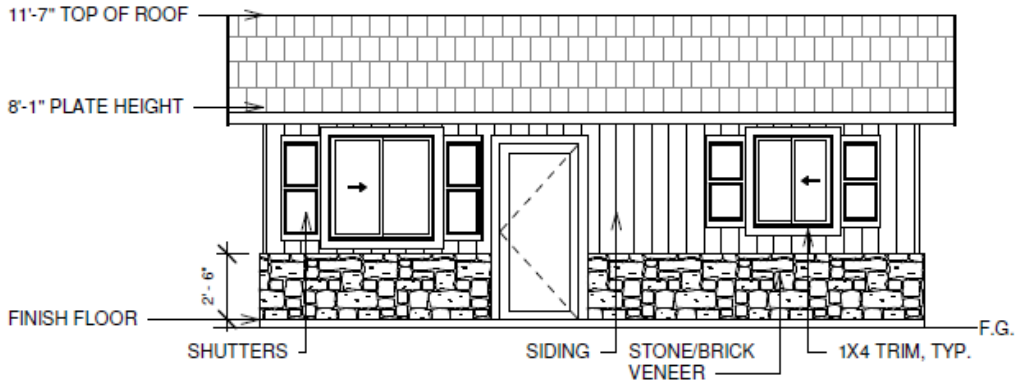
The California Ranch architectural style primary characteristic is stone/brick veneer with vertical siding and shutters.



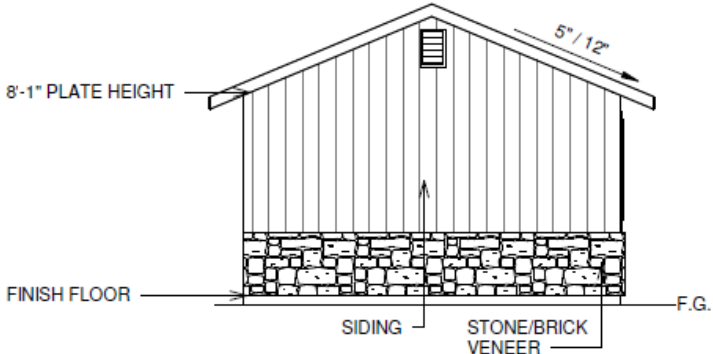
3D Rendering of the 740-sf., Elevation A: California Ranch



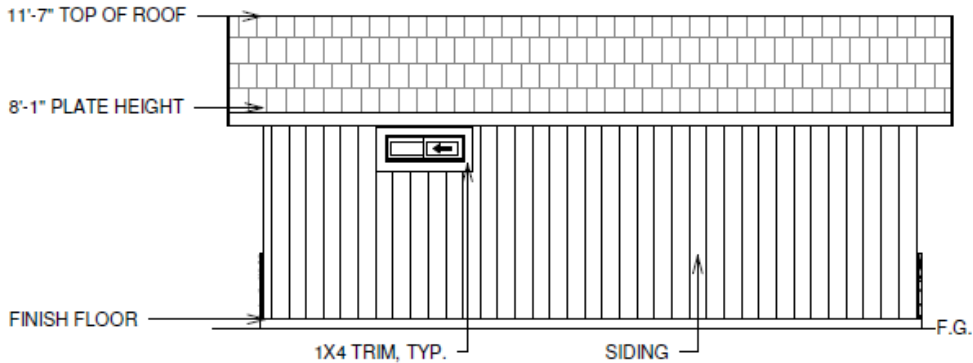
ELEVATION OPTION A: CALIFORNIA RANCH – 375 square foot floor plan



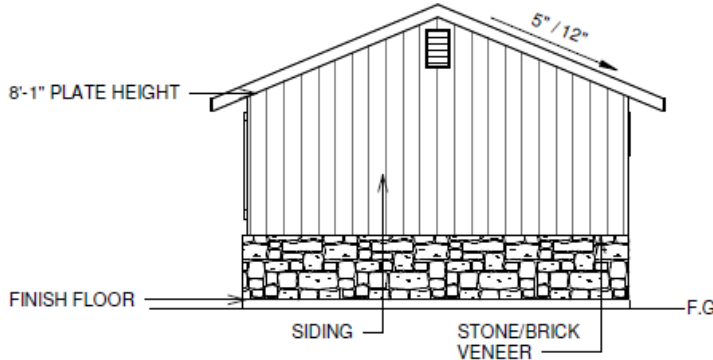
Front Elevation (375-sf.)



Left Elevations (375-sf.)



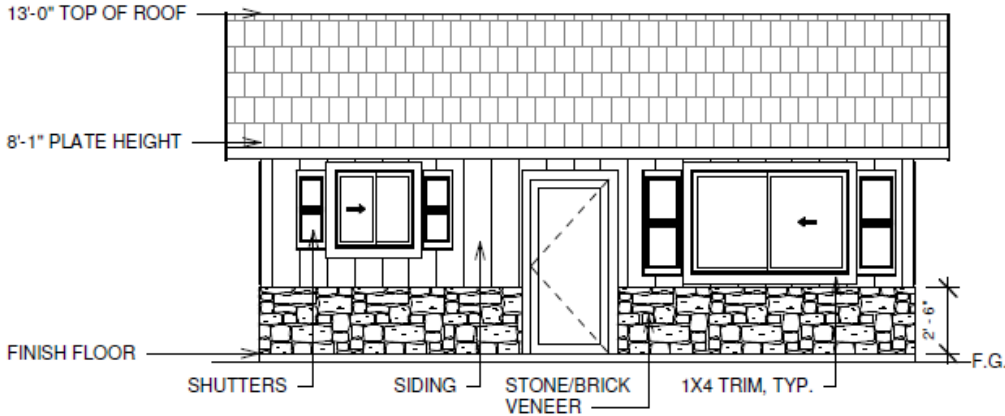
Rear Elevation (375-sf.)



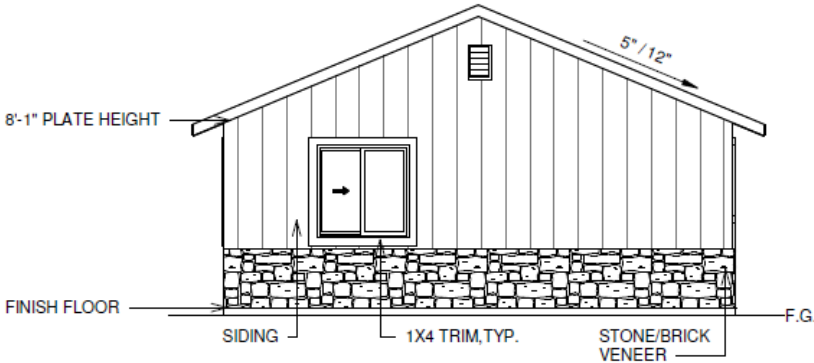
Right Elevations (375-sf.)



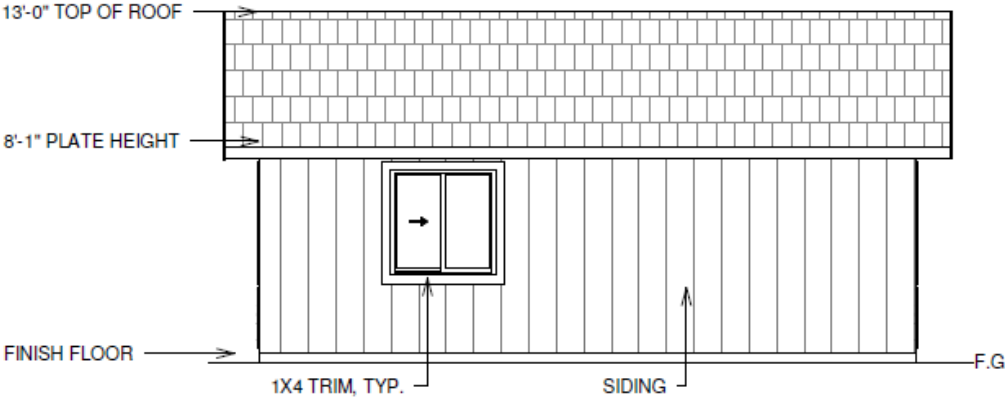
ELEVATION OPTION A: CALIFORNIA RANCH – 550 square foot floor plan



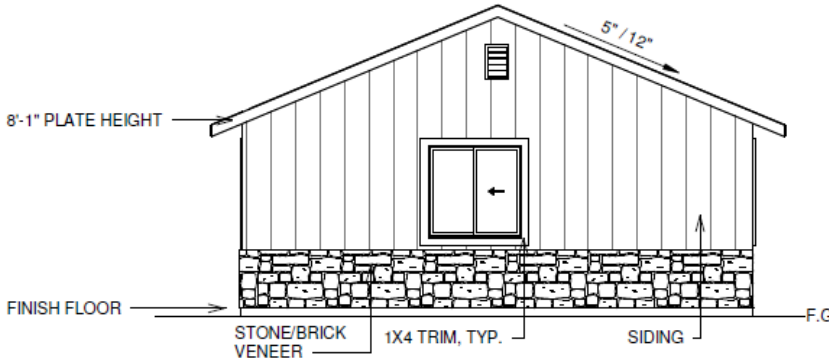
Front Elevation (550-sf.)



Left Elevations (550-sf.)



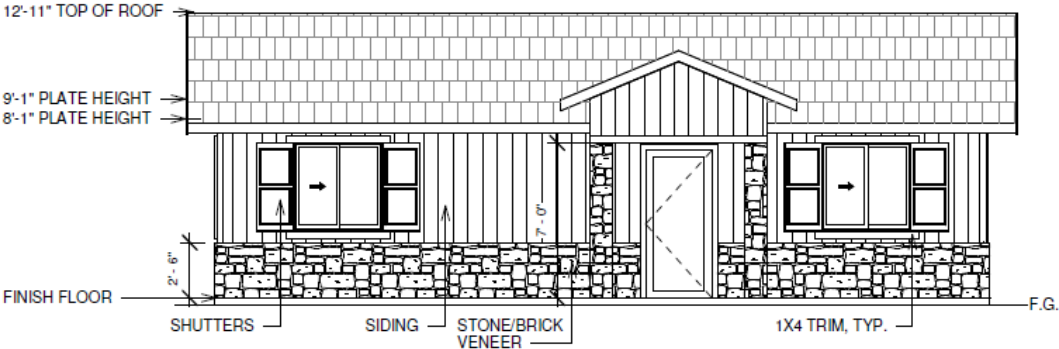
Rear Elevation (550-sf.)



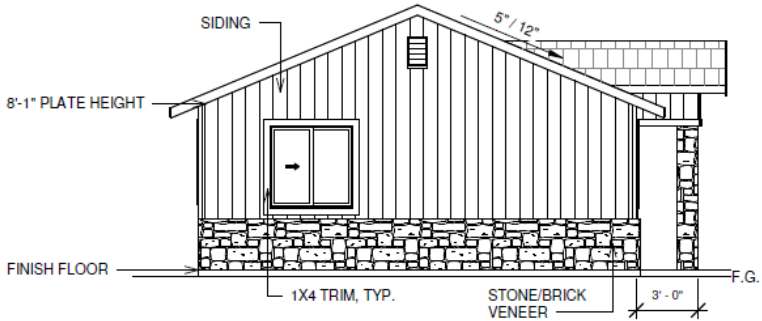
Right Elevations (550-sf.)



ELEVATION OPTION A: CALIFORNIA RANCH – 740 square foot floor plan



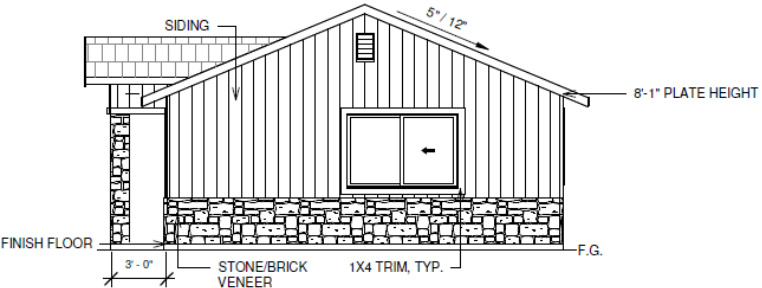
Front Elevation (740-sf.)



Left Elevations (740-sf.)



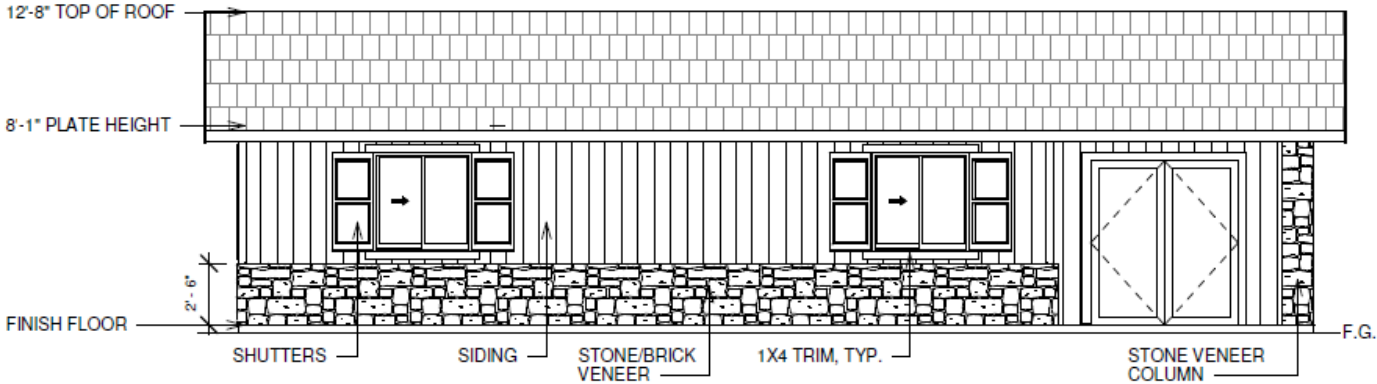
Rear Elevation (740-sf.)



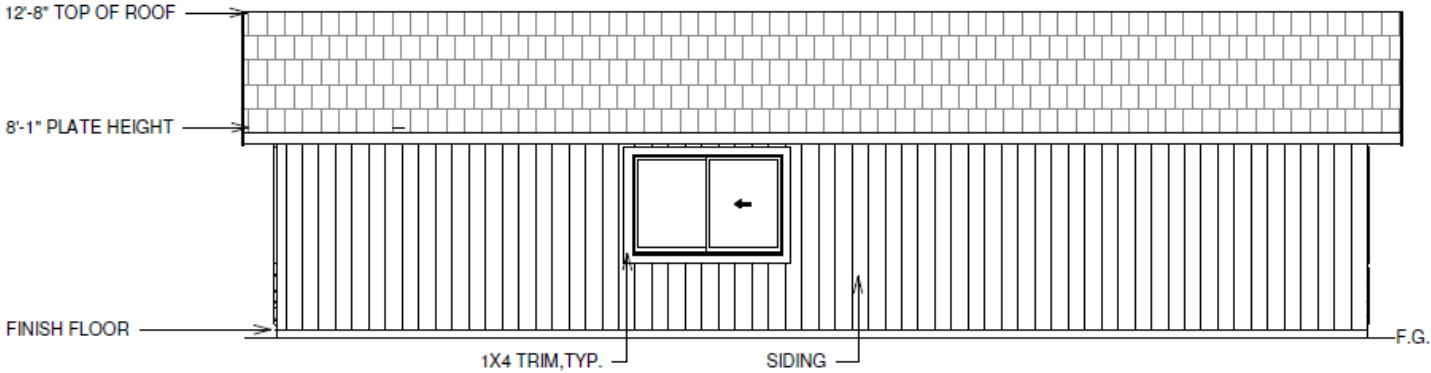
Right Elevations (740-sf.)



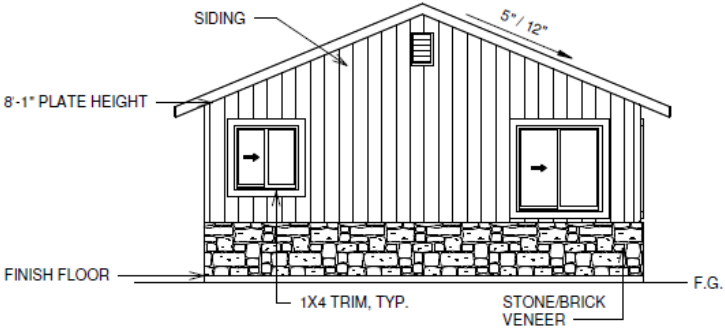
ELEVATION OPTION A: CALIFORNIA RANCH – 850 square foot floor plan



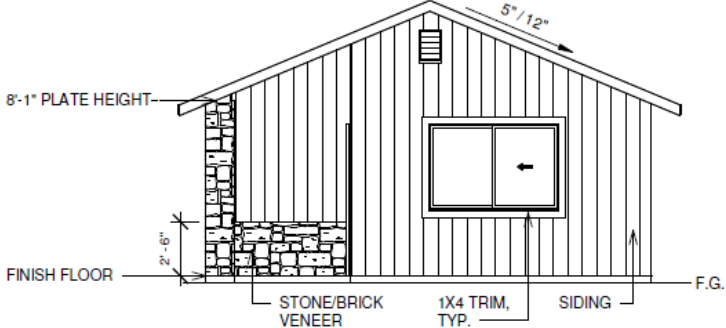
Front Elevation (850-sf.)



Rear Elevation (850-sf.)



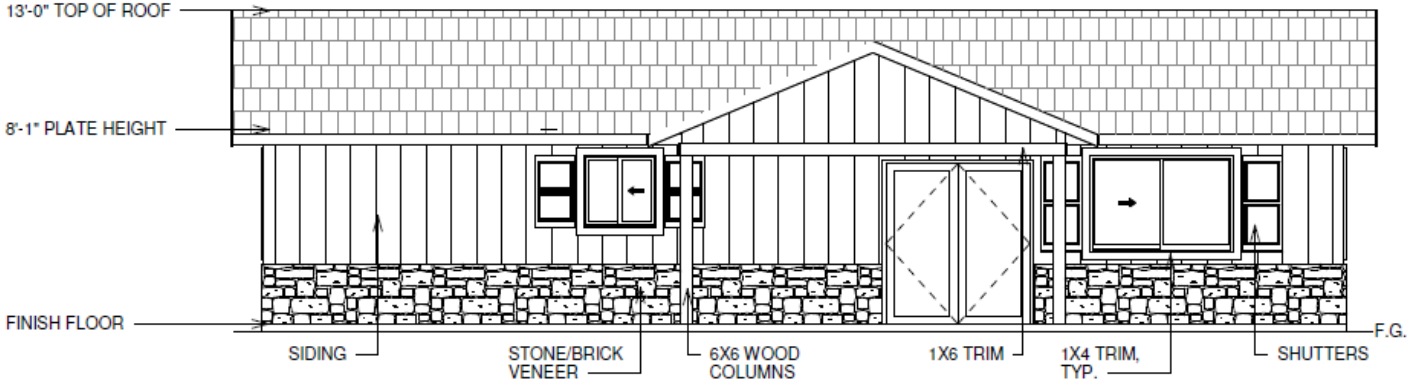
Left Elevations (850-sf.)



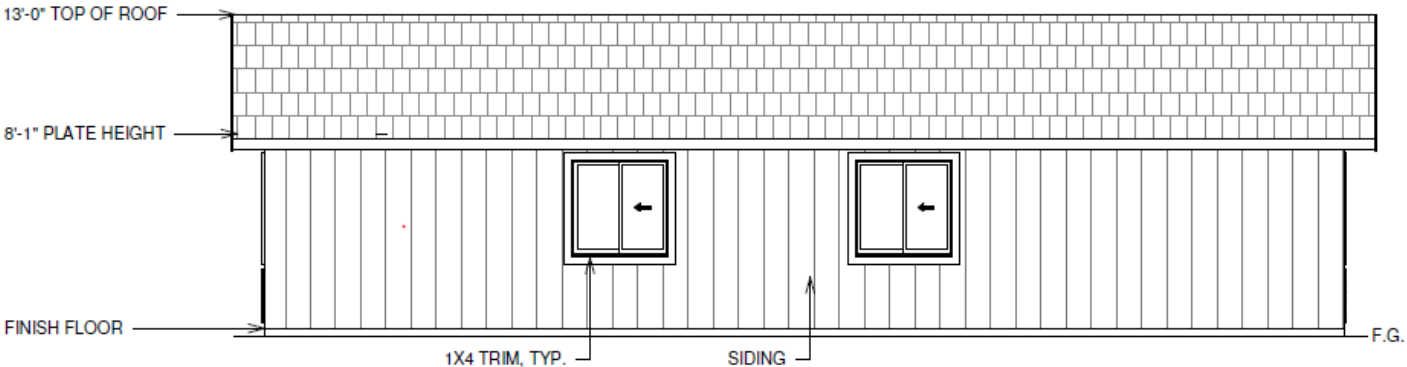
Right Elevations (850-sf.)



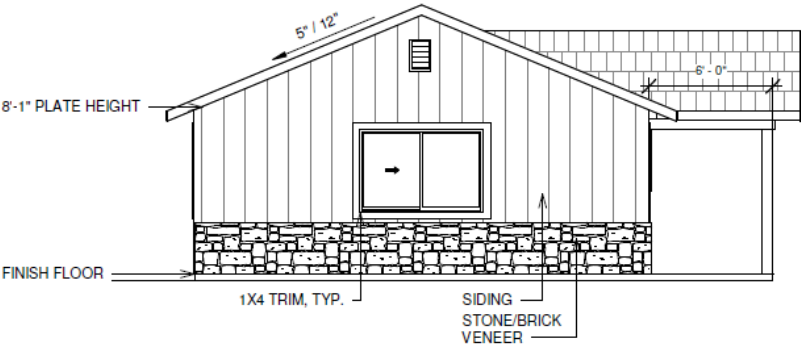
ELEVATION OPTION A: CALIFORNIA RANCH – 1,000 square foot floor plan



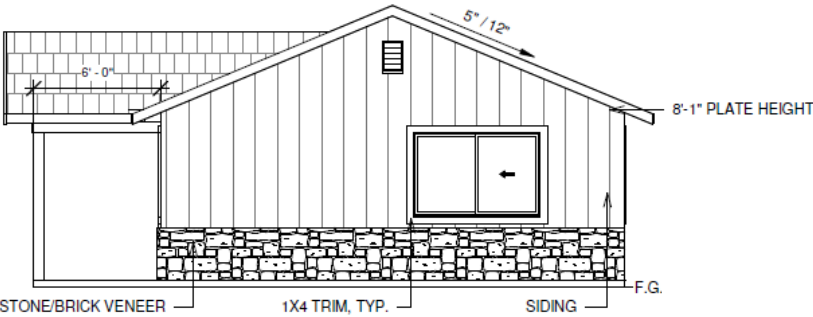
Front Elevation (1,000-sf.)



Rear Elevation (1,000-sf.)



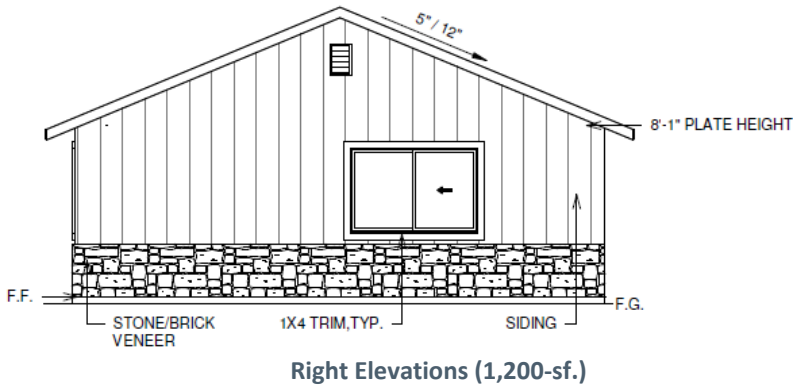
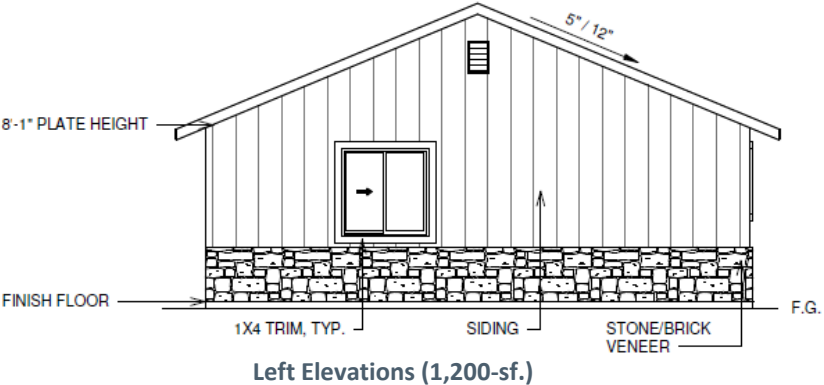
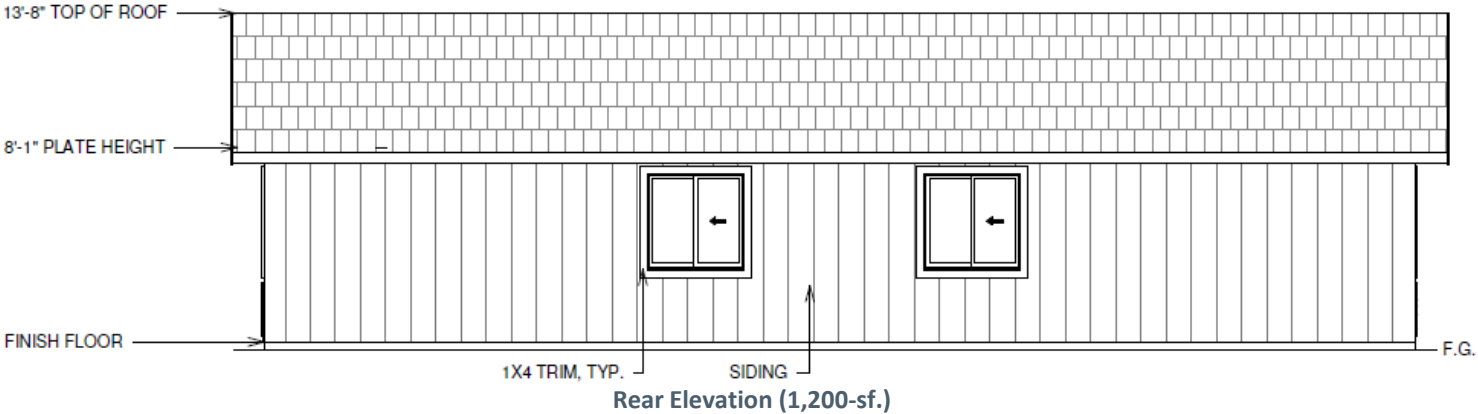
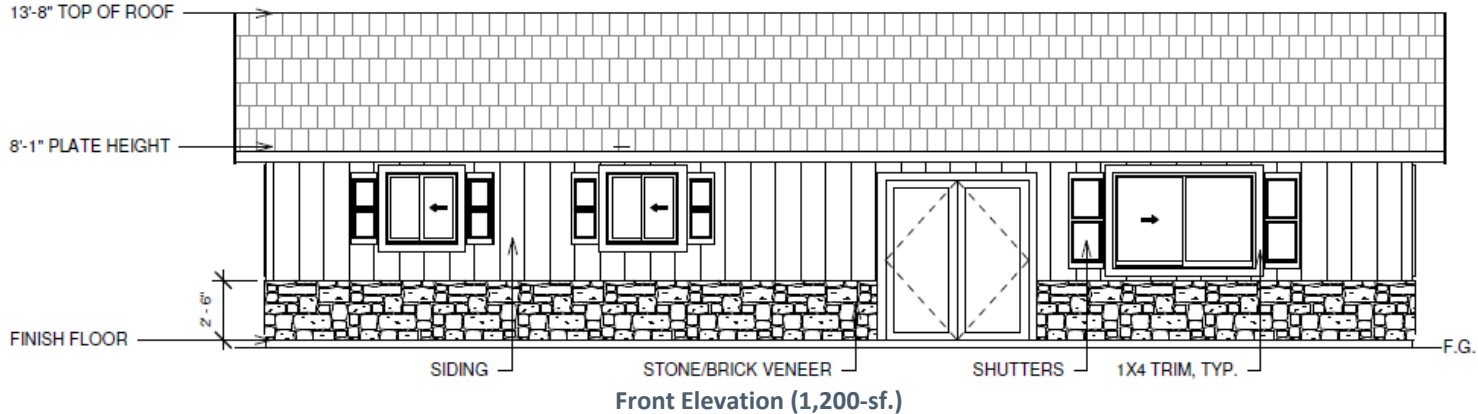
Left Elevations (1,000-sf.)



Right Elevations (1,000-sf.)



ELEVATION OPTION A: CALIFORNIA RANCH – 1,200 square foot floor plan



ELEVATION OPTION B: BUNGALOW

The Bungalow architectural style primary characteristic is vertical boards with stucco on the sides.



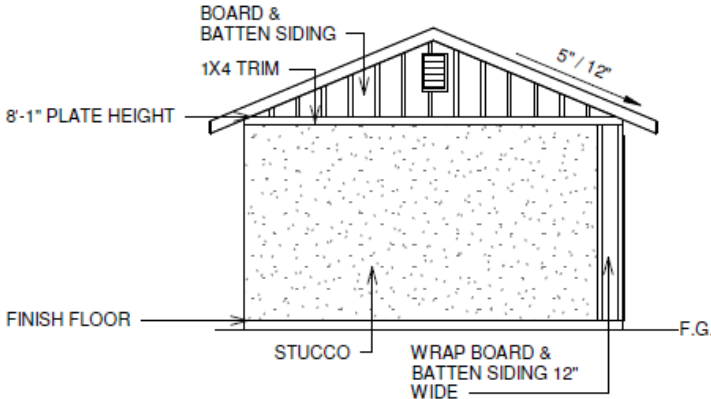
3D Rendering of the 740-sf., Elevation B: Bungalow



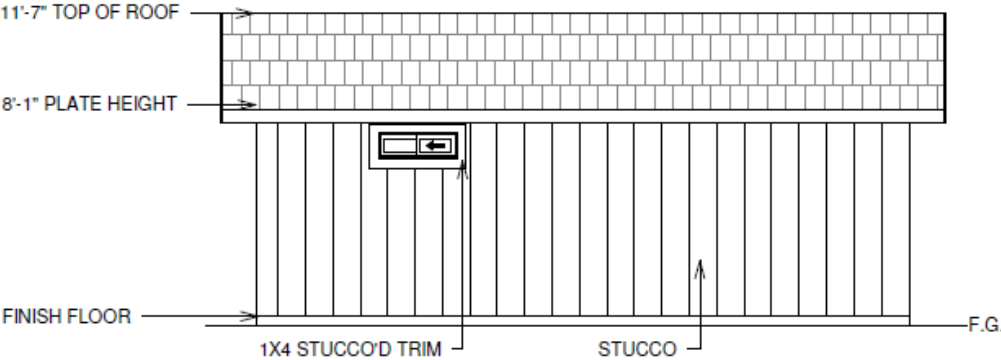
ELEVATION OPTION B: BUNGALOW – 375 square foot floor plan



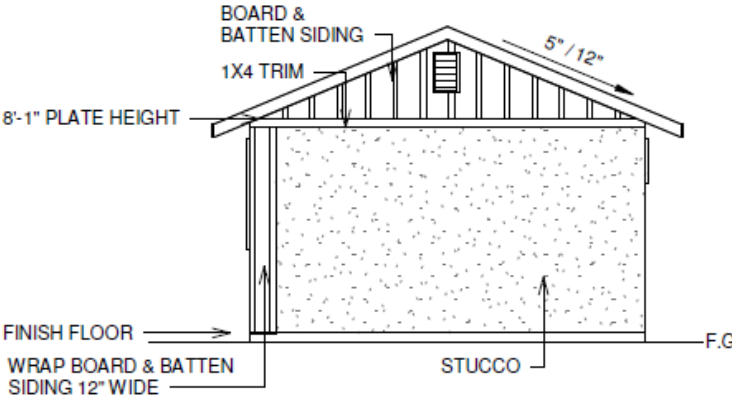
Front Elevation (375-sf.)



Left Elevations (375-sf.)



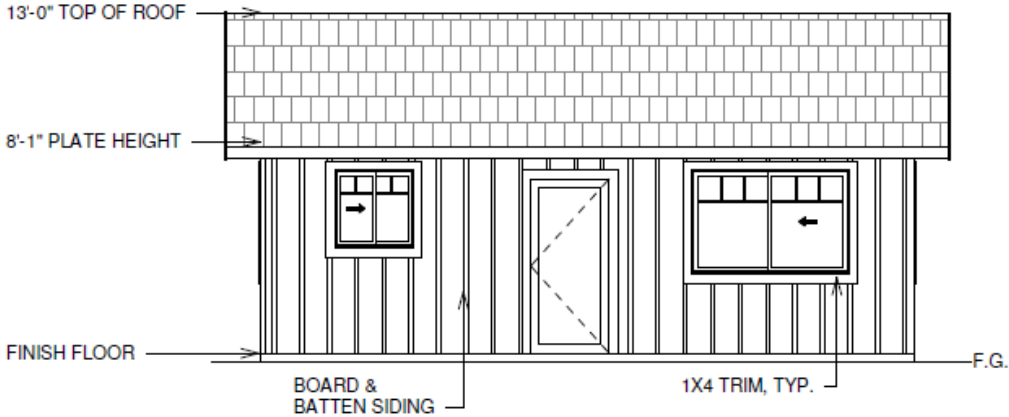
Rear Elevation (375-sf.)



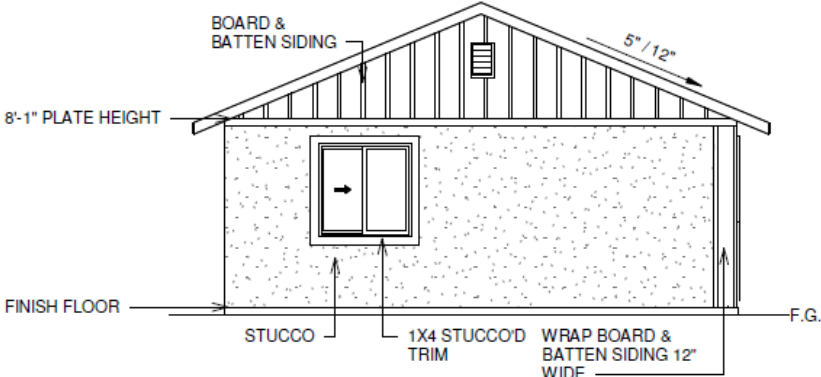
Right Elevations (375-sf.)



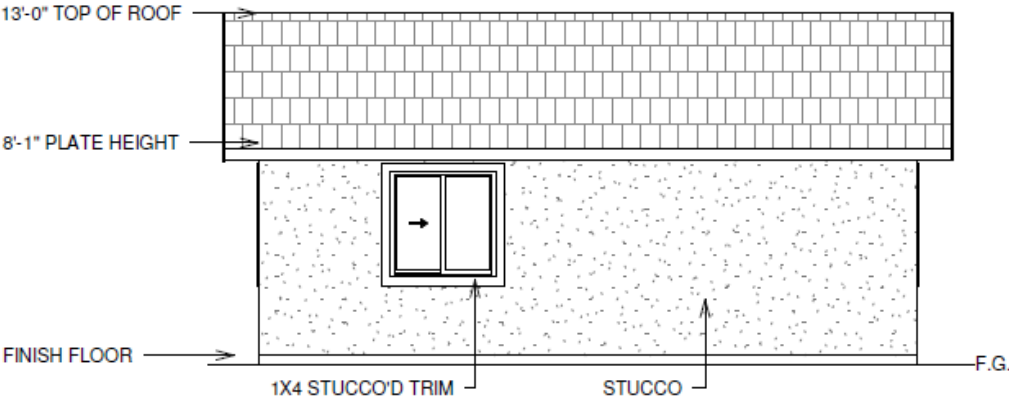
ELEVATION OPTION B: BUNGALOW – 550 square foot floor plan



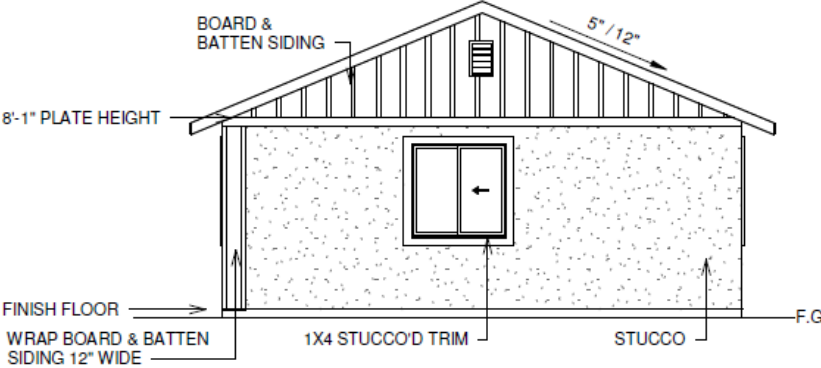
Front Elevation (550-sf.)



Left Elevations (550-sf.)

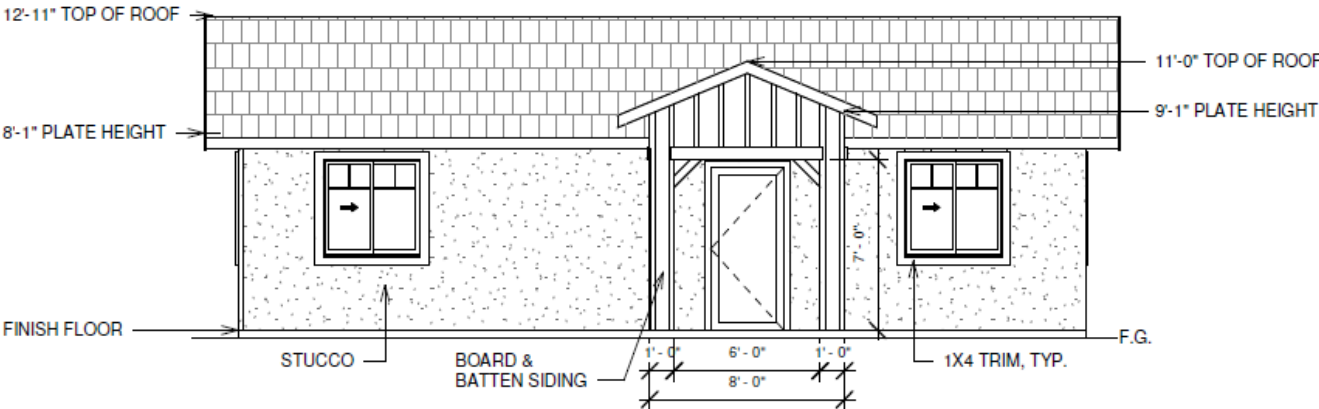


Rear Elevation (550-sf.)

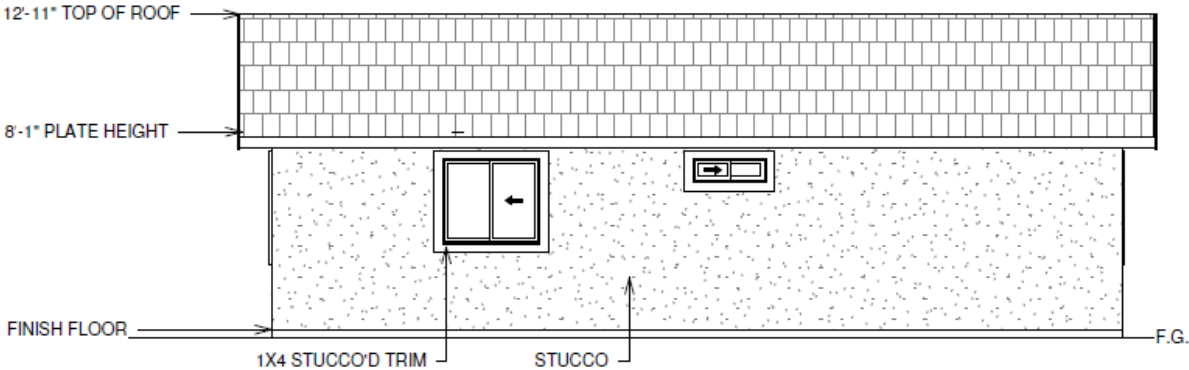


Right Elevations (550-sf.)

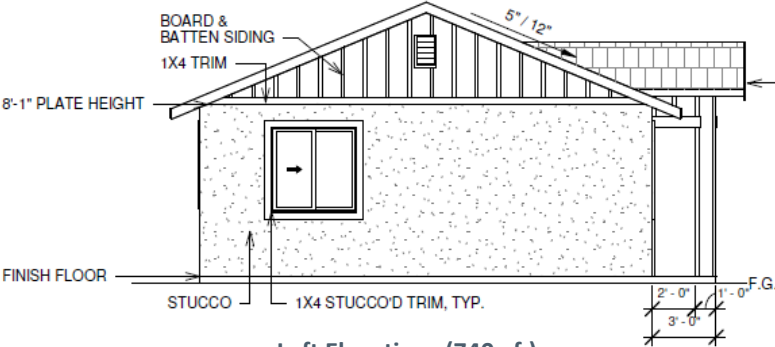
ELEVATION OPTION B: BUNGALOW – 740 square foot floor plan



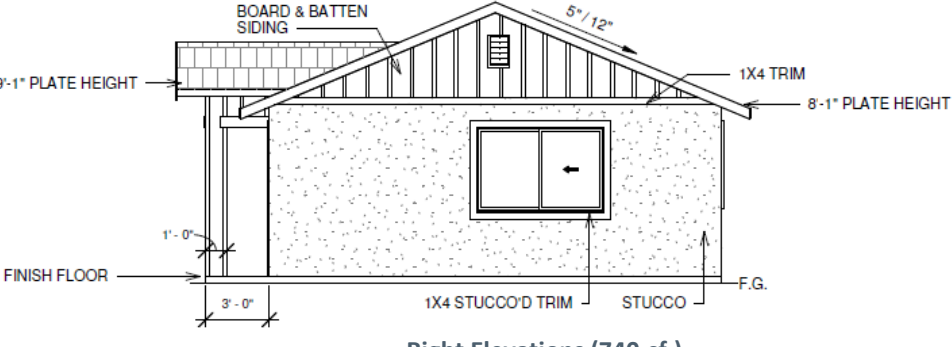
Front Elevation (740-sf.)



Rear Elevation (740-sf.)



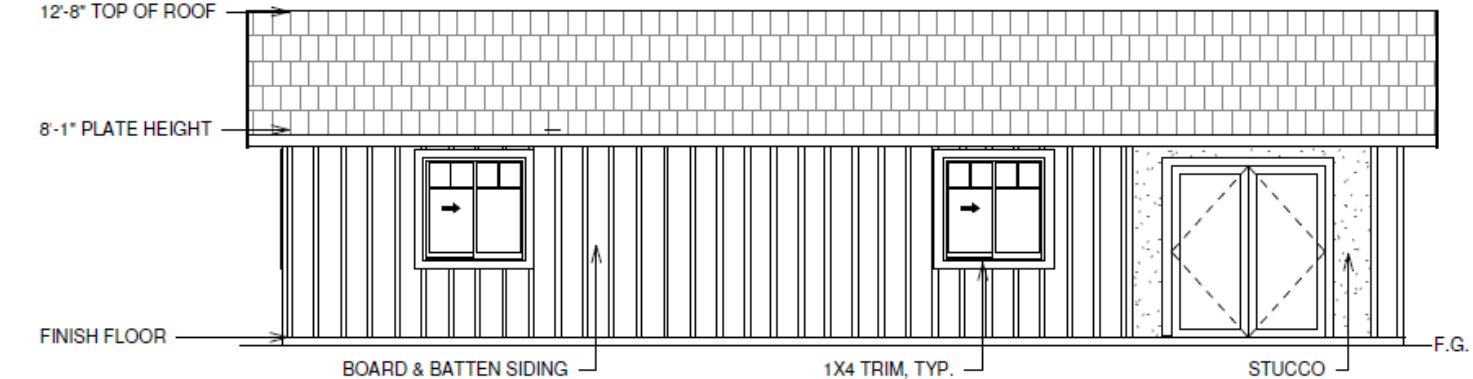
Left Elevations (740-sf.)



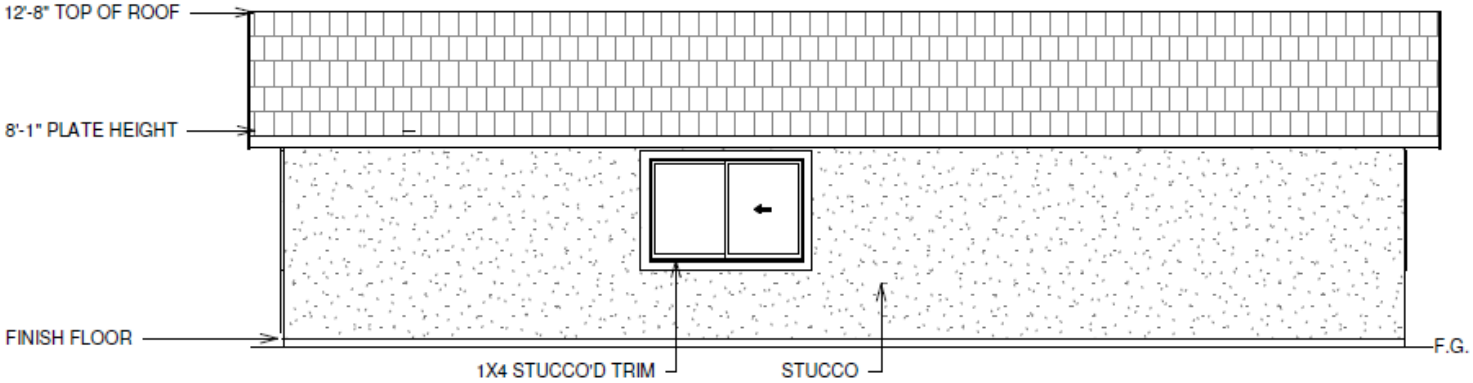
Right Elevations (740-sf.)



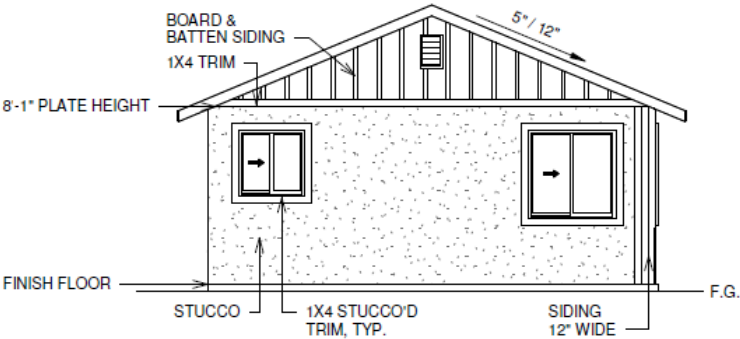
ELEVATION OPTION B: BUNGALOW – 850 square foot floor plan



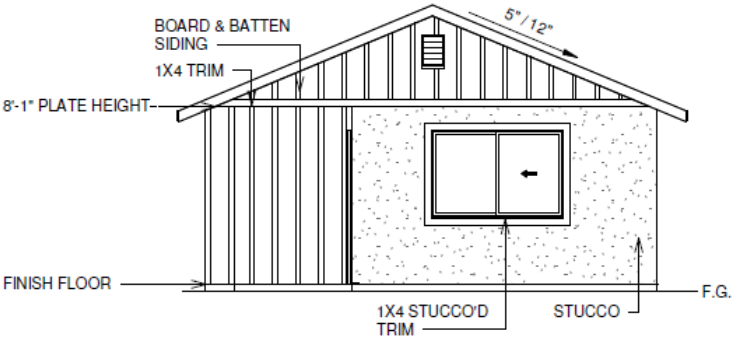
Front Elevation (850-sf.)



Rear Elevation (850-sf.)



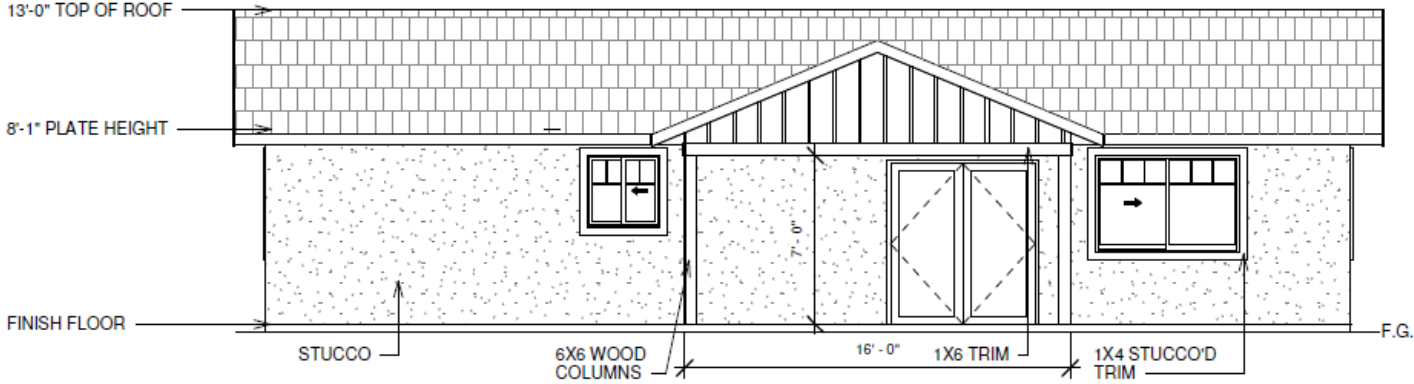
Left Elevations (850-sf.)



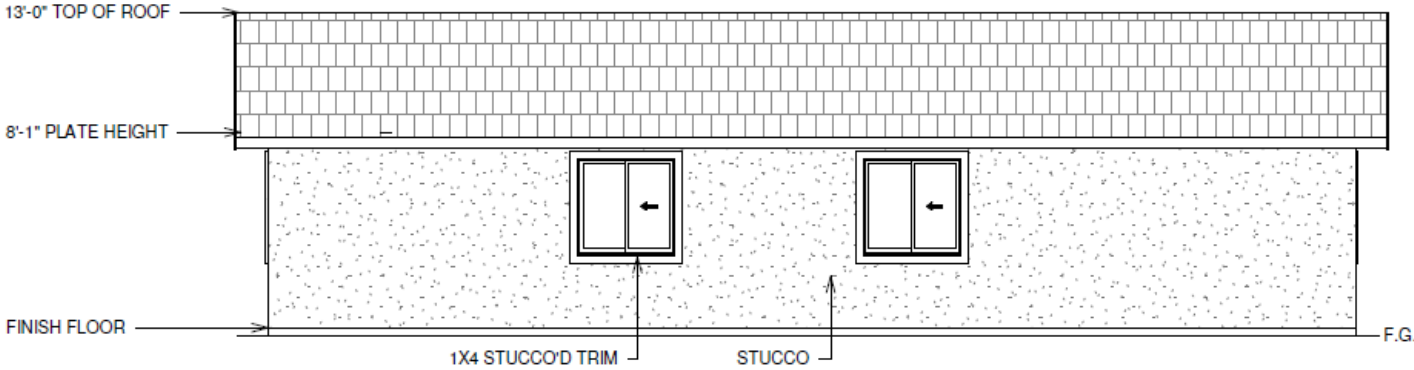
Right Elevations (850-sf.)



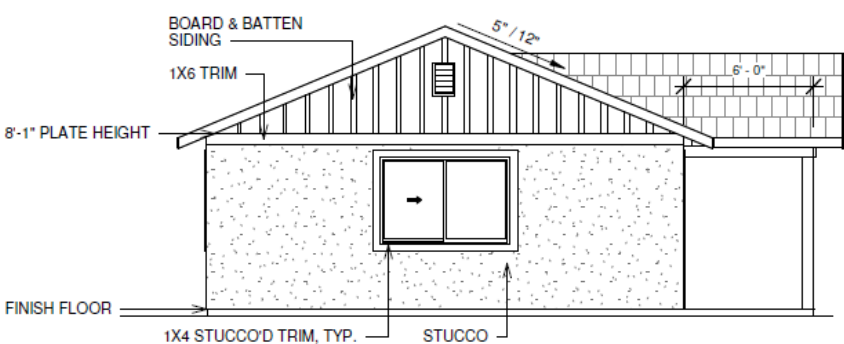
ELEVATION OPTION B: BUNGALOW – 1,000 square foot floor plan



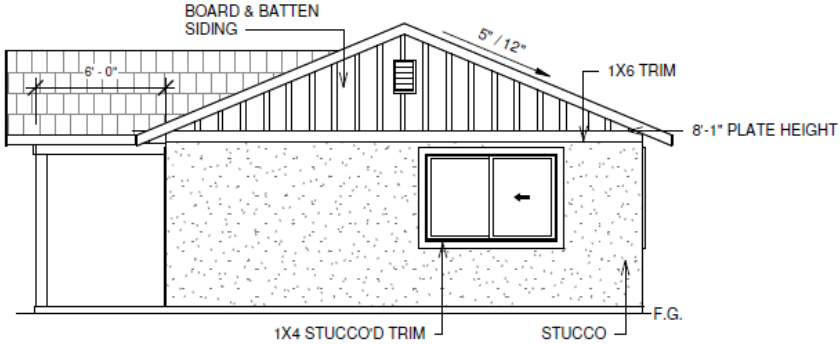
Front Elevation (1,000-sf.)



Rear Elevation (1,000-sf.)



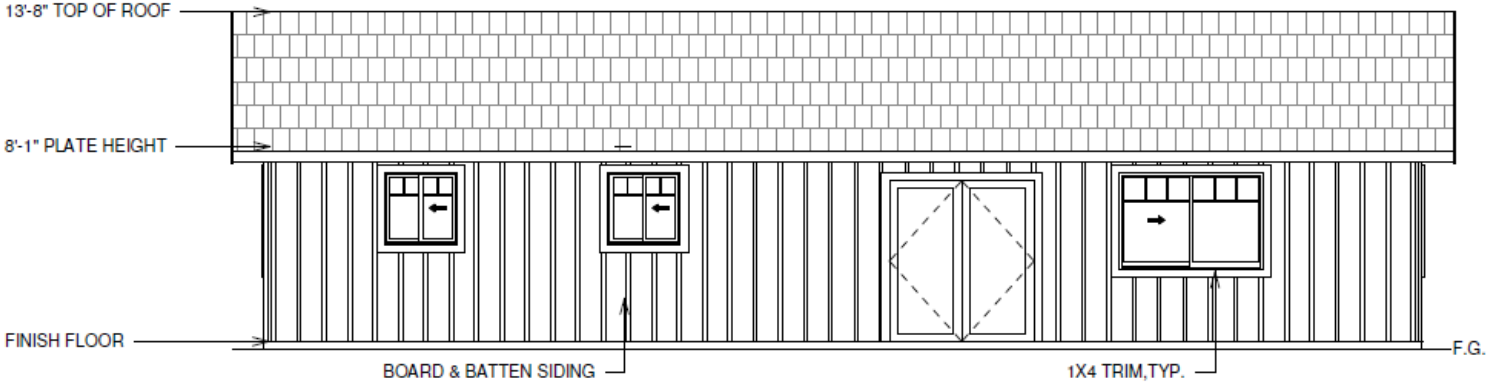
Left Elevations (1,000-sf.)



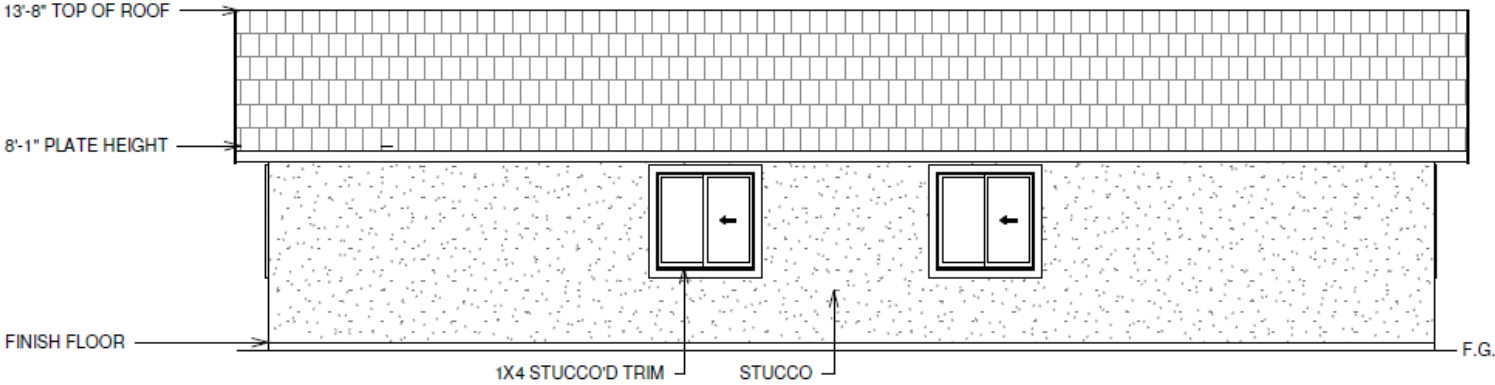
Right Elevations (1,000-sf.)



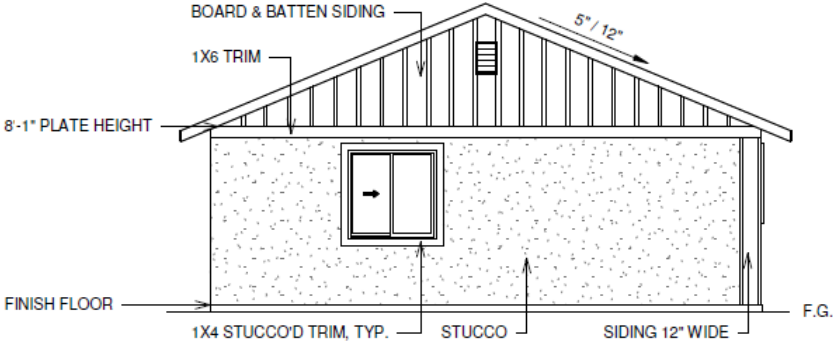
ELEVATION OPTION B: BUNGALOW – 1,200 square foot floor plan



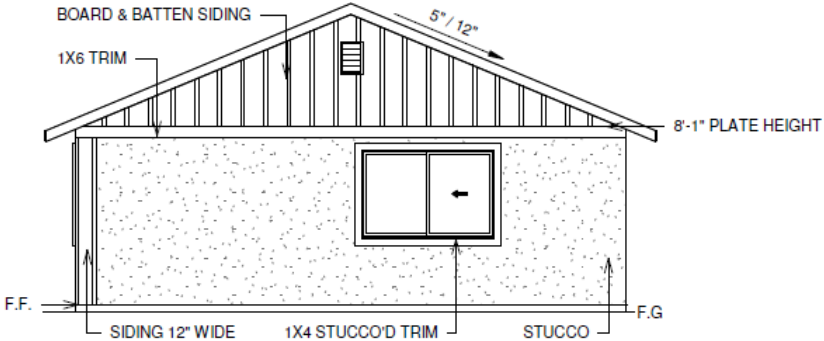
Front Elevation (1,200-sf.)



Rear Elevation (1,200-sf.)



Left Elevations (1,200-sf.)



Right Elevations (1,200-sf.)

ELEVATION OPTION C: FARMHOUSE

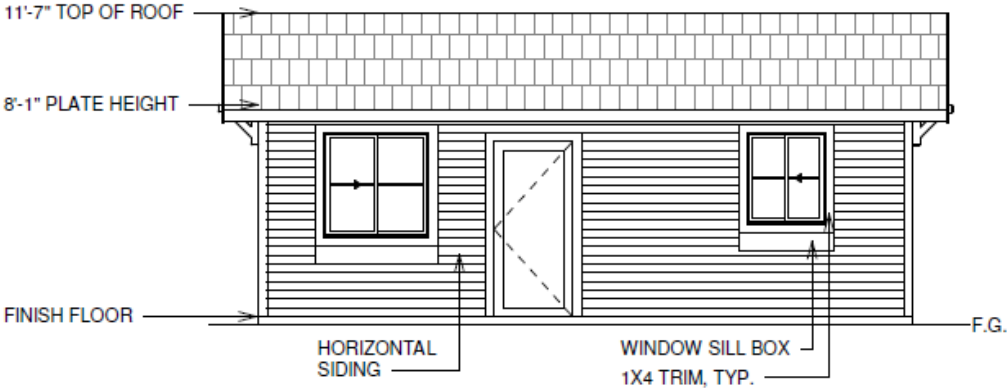
The Farmhouse architectural style primary characteristic is horizontal boards on all sides.



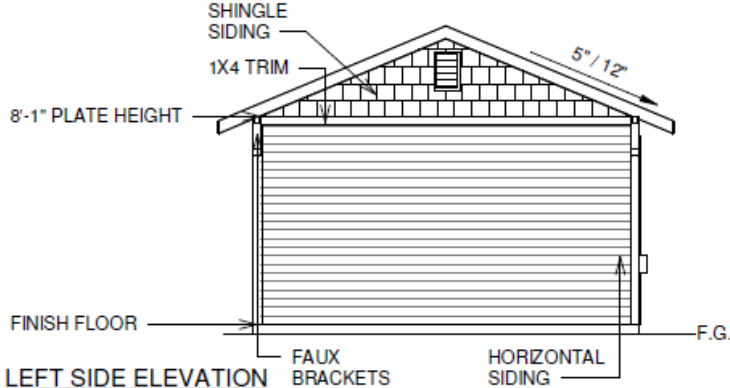
3D Rendering of the 740-sf., Elevation C: Farmhouse



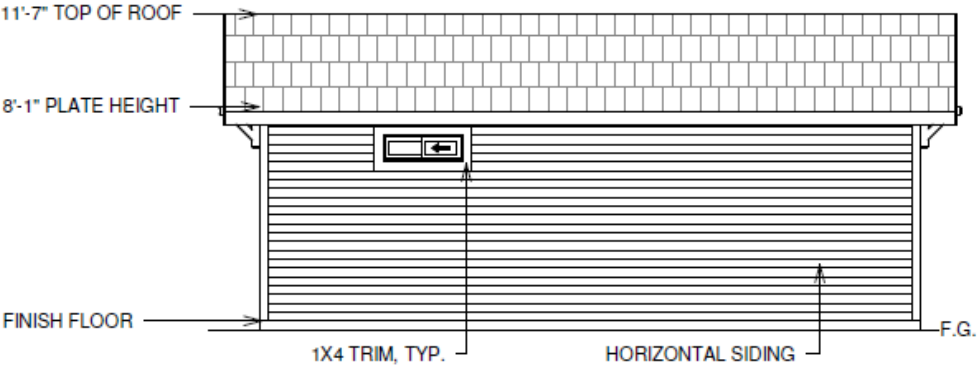
ELEVATION OPTION C: FARMHOUSE – 375 square foot floor plan



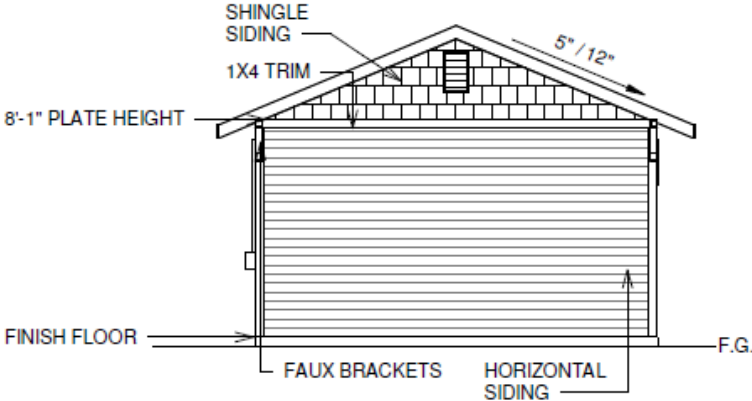
Front Elevation (375-sf.)



Left Elevations (375-sf.)



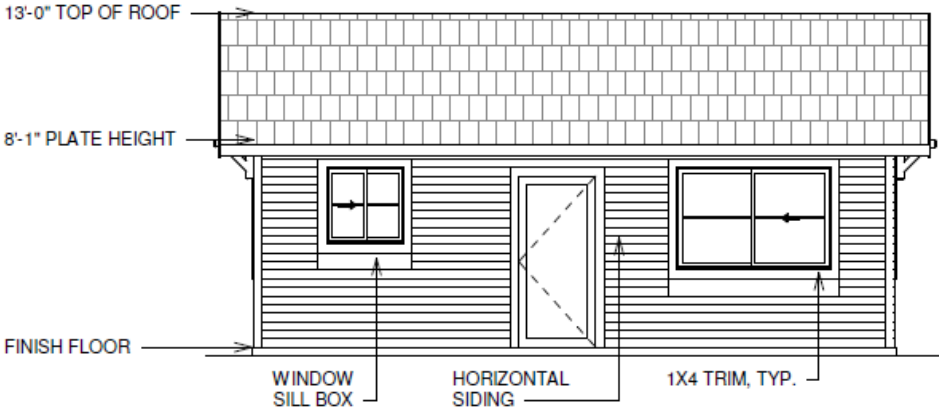
Rear Elevation (375-sf.)



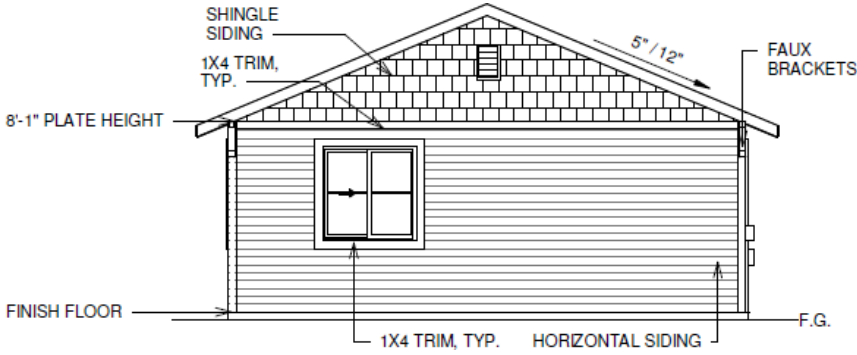
Right Elevations (375-sf.)



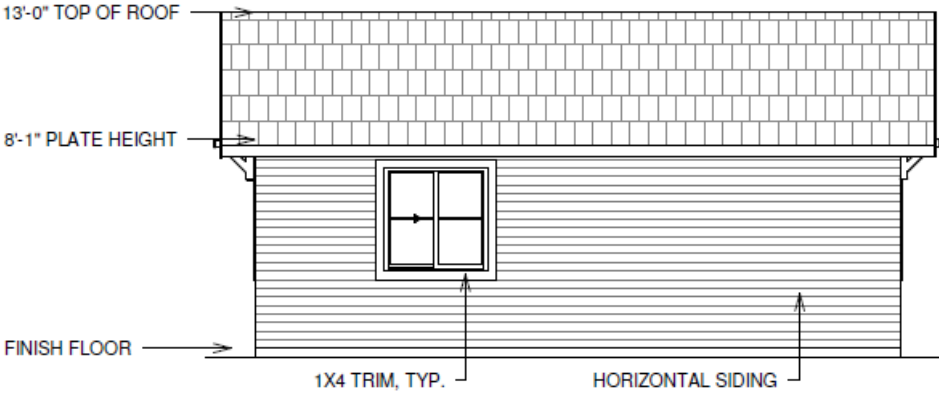
ELEVATION OPTION C: FARMHOUSE – 550 square foot floor plan



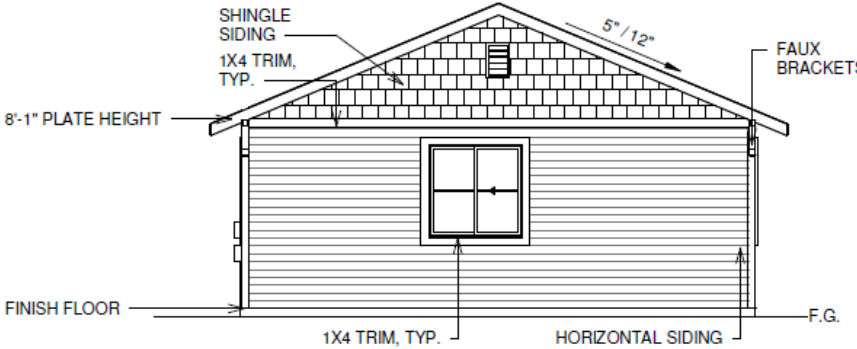
Front Elevation (550-sf.)



Left Elevations (550-sf.)



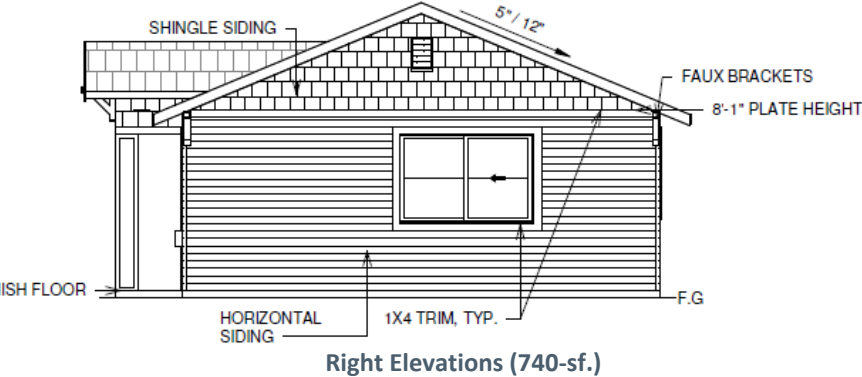
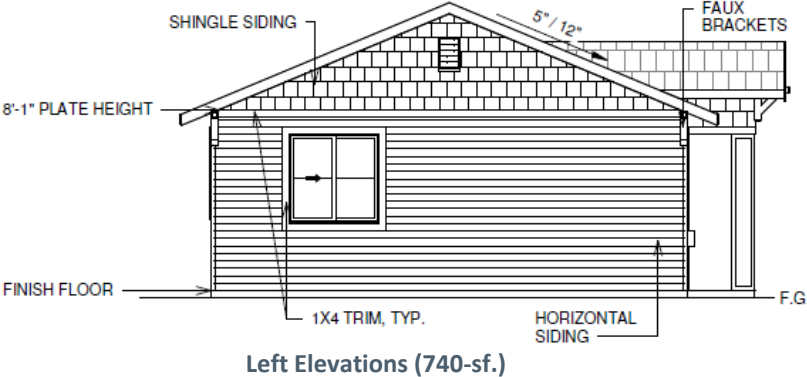
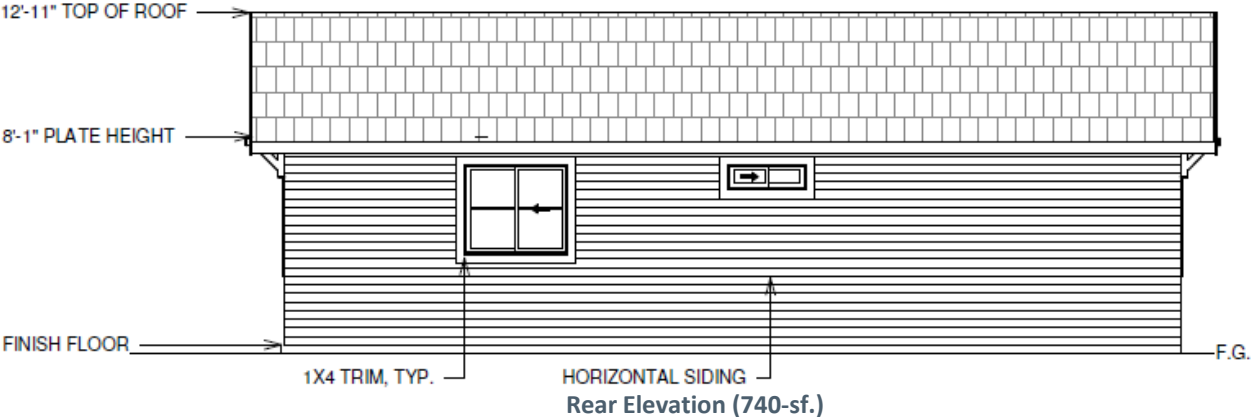
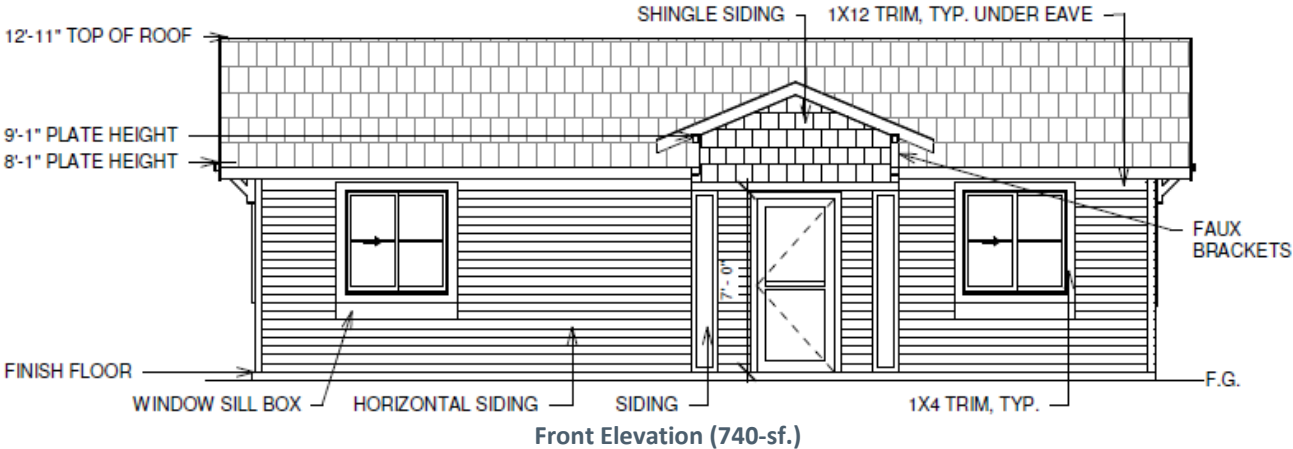
Rear Elevation (550-sf.)



Right Elevations (550-sf.)

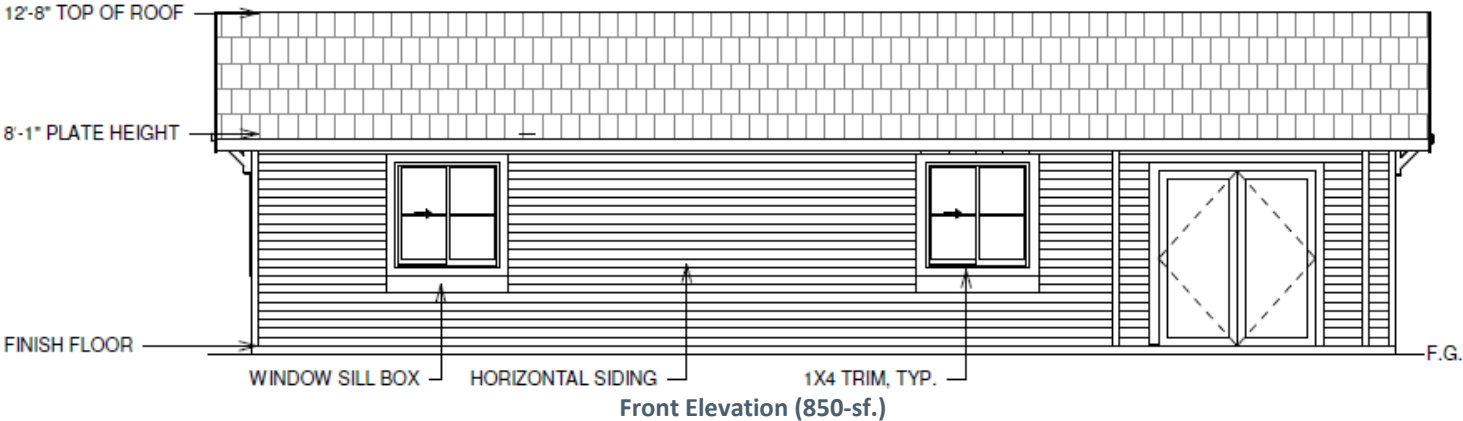


ELEVATION OPTION C: FARMHOUSE – 740 square foot floor plan

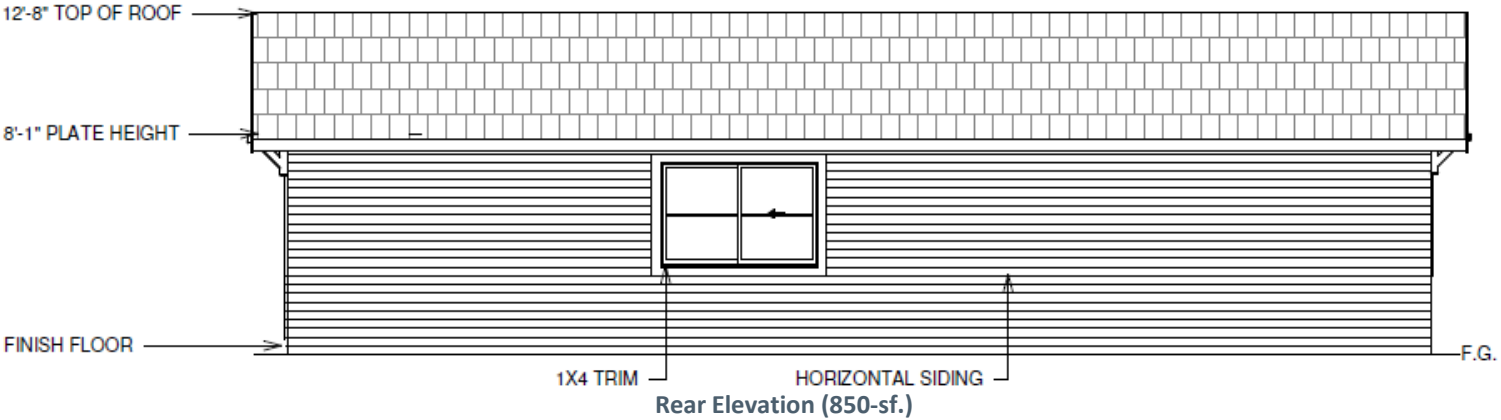




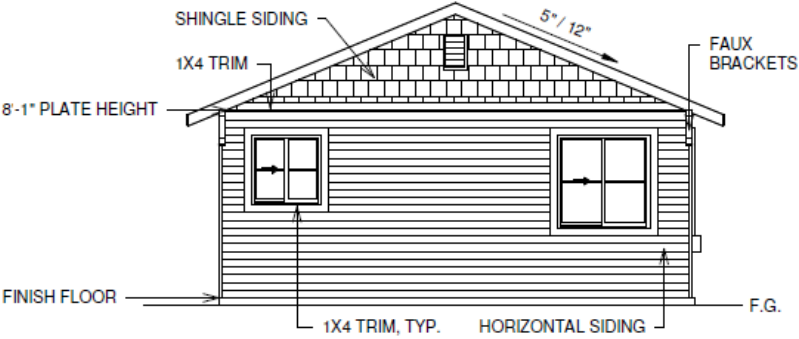
ELEVATION OPTION C: FARMHOUSE – 850 square foot floor plan



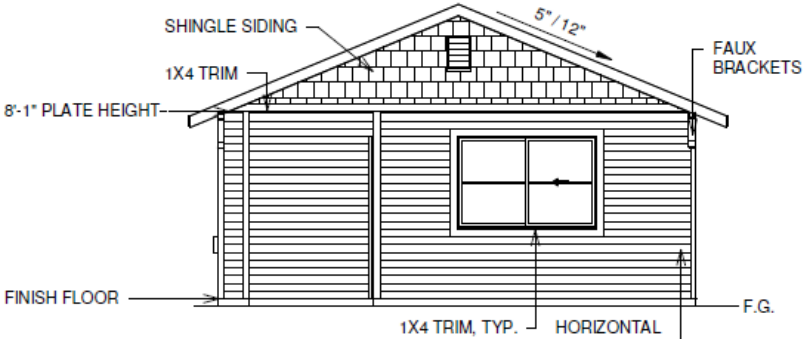
Front Elevation (850-sf.)



Rear Elevation (850-sf.)



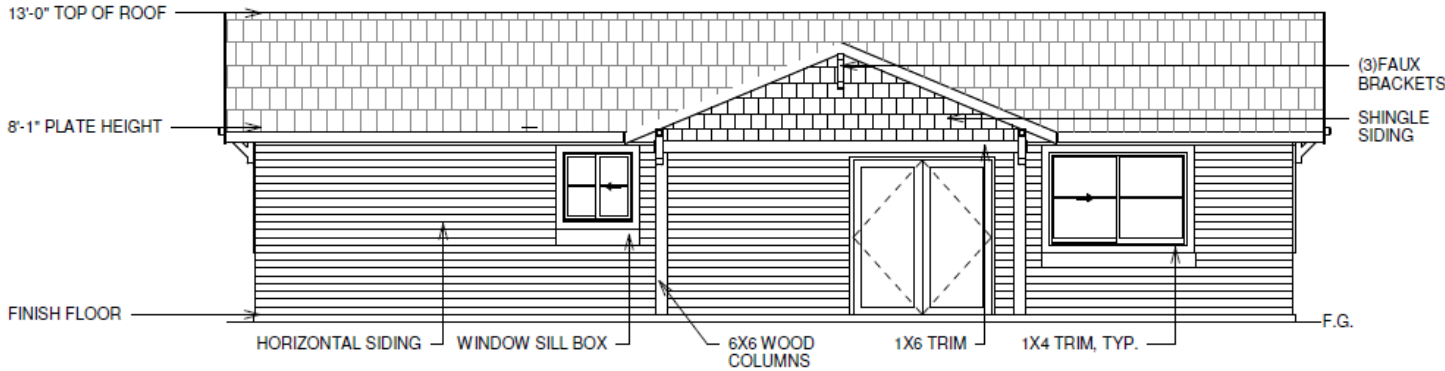
Left Elevations (850-sf.)



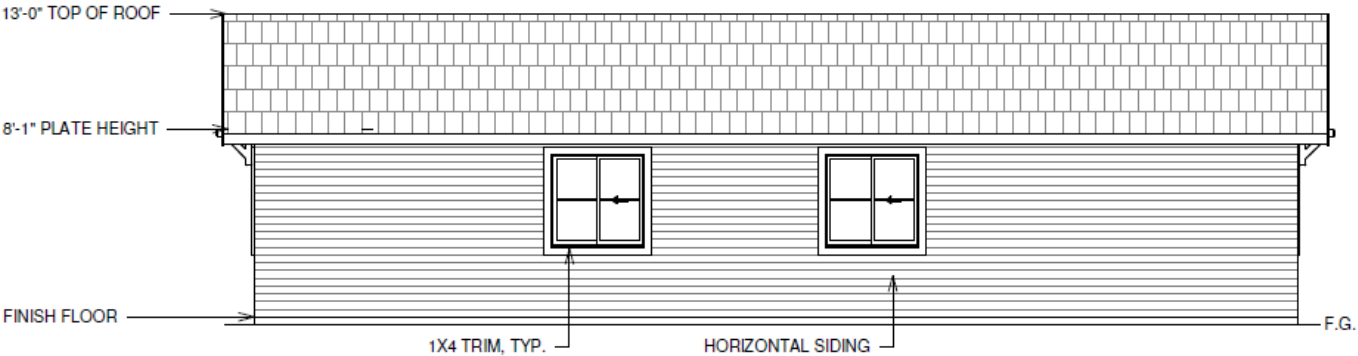
Right Elevations (850-sf.)



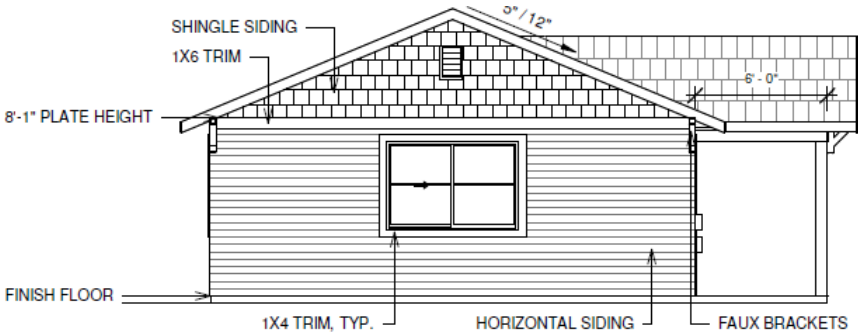
ELEVATION OPTION C: FARMHOUSE – 1,000 square foot floor plan



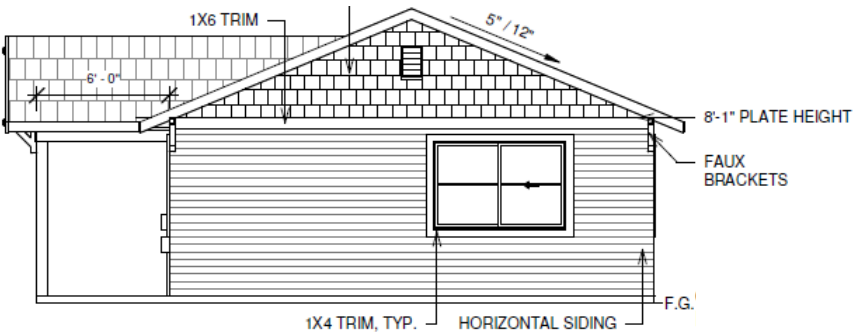
Front Elevation (1,000-sf.)



Rear Elevation (1,000-sf.)



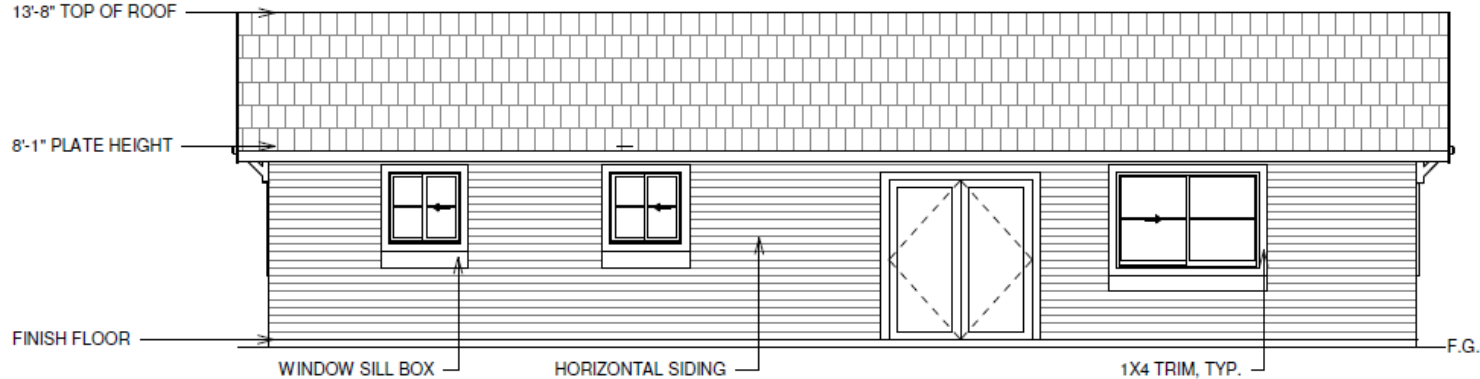
Left Elevations (1,000-sf.)



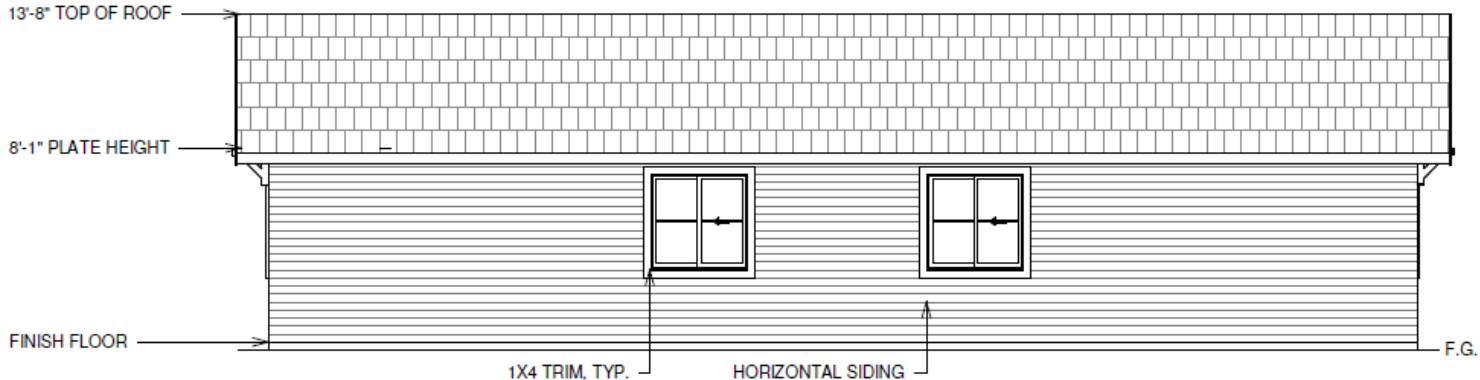
Right Elevations (1,000-sf.)



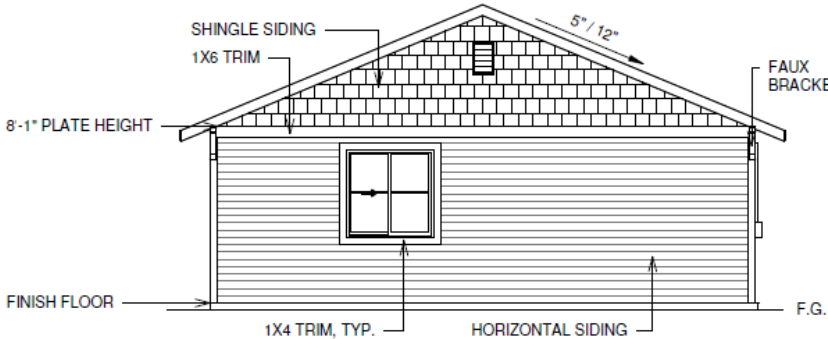
ELEVATION OPTION C: FARMHOUSE – 1,200 square foot floor plan



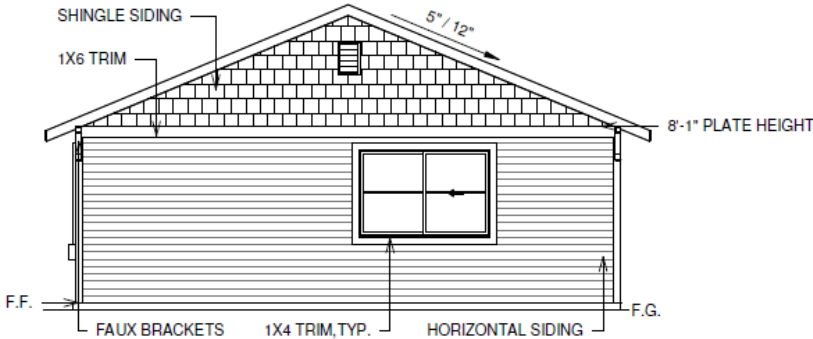
Front Elevation (1,200-sf.)



Rear Elevation (1,200-sf.)



Left Elevations (1,200-sf.)



Right Elevations (1,200-sf.)



CITY OF CLAYTON

Accessory Dwelling Unit Design Model Workbook

6000 HERITAGE TRAIL
CLAYTON, CA 94517
Tel. (925) 673-7300

[\(Back to Agenda\)](#)

Agenda Item 5.a

Liz Abbot

*In Acknowledgement of Exemplary Service to the
Clayton Community*

*Is Hereby Recognized as an
Unsung Hero*

City of Clayton, California

November 2023



STAFF REPORT

TO: Honorable Mayor and Councilmembers

FROM: Prapti Aryal, Finance Director

DATE: November 21, 2023

SUBJECT: Accept the Quarterly Financial Reports on the City's Investment Portfolio for the Period Ending September 30, 2023

RECOMMENDATION

Staff recommends the City Council accept the City Investment Portfolio Report for the first quarter of the fiscal year 2023-2024 ending September 30, 2023.

BACKGROUND

All local government agencies are required to file regular financial reports with their legislative body on the status of their investment portfolio. One of the roles of the City's Finance Department is to manage investments in the City's Funds to ensure that cash flow needs are met.

This report includes:

1. The type of investment, issuer, date of maturity, and par and dollar amount invested on all securities, investments and funds held by the City;
2. A current market value as of the date of the report;
3. A stated compliance of the portfolio to the statement of the City's adopted investment policy, or manner in which the portfolio is not in compliance; and
4. A statement denoting the ability of the local agency to meet its pool's expenditure requirements for the next six months or provide an explanation as to why sufficient money may or may not be available.

The attached quarterly reports were prepared by UBS Financial Services, with a revised format that provides enhanced reporting with more analysis, better graphics, and an expanded analysis of the City's Investment Portfolio. UBS Financial Services is a Warren, New Jersey based firm with municipal clients throughout California and the United States.

DISCUSSION

The quarterly financial reports summarize the status of pooled treasury investments as of September 30, 2023. For the most recent quarter, the City-held treasury investments consisted of investments with a book value of \$14.5 million. The largest amount of the City’s portfolio continues to be CDs followed by government securities and 100% liquid investments, including money markets, and pooled investment funds. The staff has been focusing on prioritizing the portfolio diversification by investing in US Treasury Bills and other investments like medium term notes (“corporate bonds”) and municipal bonds to balance the portfolio.

The City’s investments are held in the Local Agency Investment Fund (LAIF), the California Asset Management Program (CAMP), and financial broker firm UBS. The concentration in LAIF liquid market investment is 6.20% less than last quarter since the funds were transferred to CAMP, which has a higher yield. The total portfolio in LAIF and CAMP is 12.00%. Staff continue seeking to increase portfolio returns through other higher-yielding investments in compliance with the City’s adopted Investment Policy.

The following is a summary of performance by investment type.

Investment Type	Par value	Rate	Current Yield	Market Value	Percentage of Portfolio
California Asset Management Program	\$ 1,648,454.30	5.55%	5.55%	\$ 1,648,454.30	11.82%
Local Agency Investment Fund	\$ 25,851.34	3.53%	3.53%	\$ 25,851.34	0.19%
US Federal Agency Bonds	\$ 826,162.73	n/a	n/a	\$ 828,168.36	5.94%
CDs (Insured)	\$ 8,338,817.50	varies by holding	varies by holding	\$ 7,859,616.87	56.34%
US Treasury Notes	\$ 2,734,415.50	varies by holding	varies by holding	\$ 2,611,622.90	18.72%
UBS Accrued Interest	\$ -			\$ 42,286.03	0.30%
BoA Operating Account	\$ 933,461.18			\$ 933,461.18	6.69%
Total Investment	\$ 14,507,162.55			\$ 13,949,460.98	

The following statements are summarized from the quarterly investment portfolio review provided by UBS Financial Services. For the quarter ending September 30, 2023, the return on the City’s portfolio is 2.09%, this is up 0.10% from the previous quarter ending June 30, 2023, when the Yield to Maturity (YTM) was 1.99%. The investment average duration is 1.70 years, which is 0.24 years shorter since the last quarterly financial investment review. The Portfolio consists of \$7.8 million of Insured CDs, \$2.7 million of US Treasuries and \$702,000 of US Federal Agency Bonds. The expected Annual Cash Flow is \$228,015. This is \$23,895 higher than last quarter and should be expected to move higher as lower investment rates mature and funds are reinvested into higher yielding investments.

It should be noted that the gain or loss within a given quarter is unrealized since the City intends to hold the securities to maturity. The “Book Value” represents what the City paid for the security whereas “Market Value” is a constantly changing amount based on the current

value. Market values fluctuate with changes in interest rates, and price has an inverse relationship to interest rates. Thus, while the City is required to calculate market values on an ongoing basis, at maturity the investment will achieve the stated "Yield to Maturity" based on the Book Value, or what the City paid for the security. Overall, the book value of the portfolio exceeds market value by \$517,839 for the quarter ending September 30, 2023. Increasing interest rates decrease the value of the portfolio, although a loss would not be realized unless certain assets were to be sold prior to the maturity date.

In the current quarter, staff will continue to evaluate liquidity needs and, where possible, continue the investment in higher yielding securities focusing on the stability of the investment.

FISCAL IMPACTS

The investment portfolio earned an interest return of approximately \$52K for the quarter ending September 30, 2023. This is a steady increase in portfolio yield during the last 6 months and is expected to increase continuously as staff are reinvesting the lower yielding investments and reinvesting the fund into higher yielding options.

ATTACHMENTS

1. Investment Portfolio Review from UBS
2. Consolidated Investment Summary July 2023 through September 2023
3. Quarterly Investment Report as of September 30, 2023



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Financial Advisor
 James Dill
 908-4706-200

UBS Client Review

As of September 30, 2023

Report Prepared for: City of Clayton

Account Number	Account Name	Type
EX XX244	City of Clayton	Business Service Account
Risk profile:	Conservative	
Return Objective:	Current Income and Capital Appreciation	

What's inside

Bond Summary.	2
Bond Holdings.	4
Expected Cash Flow.	12
House View - Executive Summary.	19
Important Information About This Report.	20



Bond Summary

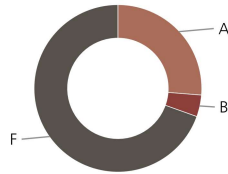
as of September 30, 2023

Bond Overview

Total quantity	11,941,000
Total market value	\$11,299,408.13
Total accrued interest	\$42,286.03
Total market value plus accrued interest	\$11,341,694.16
Total estimated annual bond interest	\$236,564.50
Average coupon	2.18%
Average current yield	2.09%
Average yield to maturity	5.38%
Average yield to worst	5.38%
Average modified duration	1.70
Average effective maturity	1.82

Credit Quality of Bond Holdings

Effective credit rating	Issues	Value on 09/30/2023 (\$)	% of port.
A Aaa/AAA/AAA	11	2,980,177.37	26.29
B Aa/AA/AA	4	475,284.25	4.15
C A/A/A	0	0.00	0.00
D Baa/BBB/BBB	0	0.00	0.00
E Non-investment grade	0	0.00	0.00
F Certificate of deposit	41	7,886,232.54	69.56
G Not rated	0	0.00	0.00
Total	56	\$11,341,694.16	100%



Business Service Account

Prepared for **City of Clayton**

Risk profile: Conservative

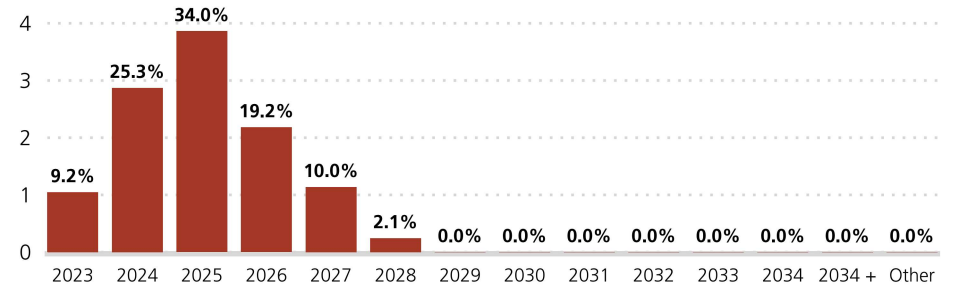
Return Objective: Current Income and Capital Appreciation

Investment Type Allocation

Investment type	Taxable (\$)	Tax-exempt / deferred (\$)	Total (\$)	% of bond port.
Certificates of deposit	7,886,232.54	0.00	7,886,232.54	69.53
U.S. federal agencies	702,144.69	0.00	702,144.69	6.19
U.S. treasuries	2,753,316.93	0.00	2,753,316.93	24.28
Total	\$11,341,694.16	\$0.00	\$11,341,694.16	100%

Bond Maturity Schedule

\$ Millions



Effective maturity schedule

Cash, mutual funds and some preferred securities are not included.

Includes all fixed income securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Accrued interest, if any, has been included in the total market value.

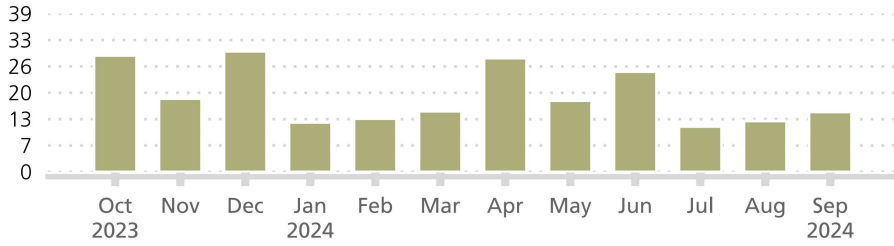


Bond Summary

as of September 30, 2023 *(continued)*

Expected Bond Cash Flow

\$ Thousands



■ Taxable interest

Total taxable income: \$228,015.29

Total expected bond cash flow:

Cash flows displayed account for known events such as maturities and mandatory puts.

Includes all fixed income securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Accrued interest, if any, has been included in the total market value.



Bond Holdings

as of September 30, 2023

Summary of Bond Holdings

Maturity Year	Issues	Quantity	Est. annual income (\$)	Current yield (%)	Yield to maturity (%)	Yield to worst (%)	Modified duration	Adjusted cost basis (\$)	Unrealized gain/loss (\$)	Mkt. value (\$)	% of bond portfolio maturing
2023	4	1,048,000	9,875.00	0.95%	4.91%	4.91%	0.16	1,044,869.73	-764.37	1,046,849.44	9.24%
2024	14	2,942,000	48,581.00	1.70%	5.55%	5.55%	0.77	2,916,495.2	-56,843.13	2,870,200.50	25.31%
2025	19	4,087,000	88,289.00	2.30%	5.46%	5.46%	1.73	4,076,730.8	-230,477.08	3,862,239.75	34.04%
2026	12	2,387,000	43,884.50	2.02%	5.33%	5.33%	2.67	2,384,300	-207,000.43	2,182,136.30	19.27%
2027	6	1,227,000	34,560.00	3.06%	5.30%	5.30%	3.33	1,227,000	-97,502.59	1,137,605.84	10.00%
2028	1	250,000	11,375.00	4.69%	5.28%	5.28%	4.12	250,000	-7,400.00	242,662.33	2.15%
2029	0	0			N/A	N/A	N/A				
2030	0	0			N/A	N/A	N/A				
2031	0	0			N/A	N/A	N/A				
2032	0	0			N/A	N/A	N/A				
2033	0	0			N/A	N/A	N/A				
2034	0	0			N/A	N/A	N/A				
2035	0	0			N/A	N/A	N/A				
2036	0	0			N/A	N/A	N/A				
2037	0	0			N/A	N/A	N/A				
2038	0	0			N/A	N/A	N/A				
2039	0	0			N/A	N/A	N/A				
2040	0	0			N/A	N/A	N/A				
2041	0	0			N/A	N/A	N/A				
2042	0	0			N/A	N/A	N/A				
2043	0	0			N/A	N/A	N/A				
2044	0	0			N/A	N/A	N/A				
2045	0	0			N/A	N/A	N/A				
2046	0	0			N/A	N/A	N/A				
2047	0	0			N/A	N/A	N/A				
2048	0	0			N/A	N/A	N/A				
2048 +	0	0			N/A	N/A	N/A				
Other	0	0			N/A	N/A	N/A				
Total	56	11,941,000	\$236,564.50	2.09%	5.38%	5.38%	1.70	\$11,899,395.73	-\$599,987.60	\$11,341,694.16	

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Accrued interest, if any, has been included in the total market value.



Bond Holdings

as of September 30, 2023 (continued)

Details of Bond Holdings

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Total Bond Portfolio		11,941,000	2.18%	07/25/2025	N/A	\$236,564.50	5.38%	1.70	\$11,899,395.73	N/A	\$11,299,408.13	100%
						2.09%	5.38%		\$-599,987.60		\$42,286.03	
											\$11,341,694.16	

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2023												
US TSY NOTE 00.125 % DUE 10/15/23 DTD 10/15/20 FC 04/15/21	Aaa/AA+/NR NR/NR/NR	500,000	0.13%	10/15/2023		625.00 0.13%	4.41% 4.41%	0.14	499,225.00 -160.00	99.813	499,065.00 286.89	4.42%
NEW YORK CMNTY BK NY US RT 00.2500% MAT 10/16/23 FIXED RATE CD /NY	CD	150,000	0.25%	10/16/2023		375.00 0.25%	5.45% 5.45%	0.05	150,000.00 -361.50	99.759	149,638.50 171.58	1.32%
UNITED STATES TREAS BILL DUE 12/05/23	Aaa/NR/AA+ NR/NR/NR	148,000		12/05/2023			5.12% 5.12%	0.18	145,644.73 959.63	99.057	146,604.36 0.00	1.30%
BANK OF BARODA NY US RT 03.5500% MAT 12/28/23 FIXED RATE CD /NY	CD	250,000	3.55%	12/28/2023		8,875.00 3.57%	5.48% 5.48%	0.24	250,000.00 -1,202.50	99.519	248,797.50 2,285.62	2.20%
Total 2023		1,048,000	1.10%	11/09/2023		\$9,875.00	4.91%	0.16	\$1,044,869.73		\$1,044,105.36	9.24%
						0.95%	4.91%		\$-764.37		\$2,744.08	

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2024												
CITY & CNTY CREDIT MN US RT 03.2500% MAT 02/26/24 CREDIT UNION SHARE CERT /MN	CD	115,000	3.25%	02/26/2024		3,737.50 3.28%	5.44% 5.44%	0.41	115,000.00 -1,018.90	99.114	113,981.10 40.96	1.01%
UNITED STATES TREAS BILL DUE 03/21/24	Aaa/NR/AA+ NR/NR/NR	500,000		03/21/2024			5.36% 5.36%	0.47	487,300.00 70.00	97.474	487,370.00 0.00	4.31%
UNITED STATES TREAS BILL DUE 04/18/24	Aaa/NR/AA+ NR/NR/NR	200,000		04/18/2024			5.33% 5.33%	0.54	193,218.00 976.00	97.097	194,194.00 0.00	1.72%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Accrued interest, if any, has been included in the total market value.



Bond Holdings

as of September 30, 2023 (continued)

Business Service Account

Prepared for City of Clayton

Risk profile: Conservative

Return Objective: Current Income and Capital Appreciation

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2024												
US TSY NOTE 02.500 % DUE 04/30/24 DTD 04/30/22 FC 10/31/22	Aaa/AA+/NR NR/NR/NR	120,000	2.50%	04/30/2024		3,000.00 2.54%	5.48% 5.48%	0.57	116,509.20 1,452.00	98.301	117,961.20 1,247.28	1.04%
WELLS FARGO BK NA SD US RT 02.7500% MAT 05/03/24 FIXED RATE CD /SD	CD	197,000	2.75%	05/03/2024		5,417.50 2.80%	5.52% 5.52%	0.59	197,000.00 -3,173.67	98.389	193,826.33 400.75	1.72%
BMW BANK NORTH AME UT US RT 00.2500% MAT 06/11/24 FIXED RATE CD /UT	CD	198,000	0.25%	06/11/2024		495.00 0.26%	5.59% 5.59%	0.68	198,000.00 -7,169.58	96.379	190,830.42 150.53	1.69%
BMO HARRIS BK NA IL US RT 00.5500% MAT 07/29/24 FIXED RATE CD /IL	CD	250,000	0.55%	07/29/2024	10/29/2023 100.00	1,375.00 0.57%	5.74% 5.74%	0.82	250,000.00 -10,472.50	95.811	239,527.50 237.33	2.12%
TOYOTA FINL SVGS B NV US RT 00.6000% MAT 08/12/24 FIXED RATE CD /NV	CD	250,000	0.60%	08/12/2024		1,500.00 0.63%	5.69% 5.69%	0.85	250,000.00 -10,667.50	95.733	239,332.50 201.37	2.12%
UBS BANK UT US RT 00.5500% MAT 08/12/24 FIXED RATE CD /UT	CD	250,000	0.55%	08/12/2024		1,375.00 0.57%	5.65% 5.65%	0.86	250,000.00 -10,792.50	95.683	239,207.50 71.58	2.12%
US TSY NOTE 04.250 % DUE 09/30/24 DTD 09/30/22 FC 03/31/23	Aaa/AA+/AA+ NR/NR/NR	120,000	4.25%	09/30/2024		5,100.00 4.30%	5.46% 5.46%	0.95	118,621.20 -22.80	98.832	118,598.40 2,550.00	1.05%
FREEDOM FIRST FED VA US RT 04.9000% MAT 10/28/24 LICU SHARE CERTIFICATE /VA	CD	250,000	4.90%	10/28/2024		12,250.00 4.94%	5.69% 5.69%	1.05	250,000.00 -2,067.50	99.173	247,932.50 67.12	2.19%
US TSY NOTE 04.375 % DUE 10/31/24 DTD 10/31/22 FC 04/30/23	Aaa/AA+/AA+ NR/NR/NR	120,000	4.38%	10/31/2024		5,250.00 4.42%	5.44% 5.44%	1.03	118,846.80 -187.20	98.883	118,659.60 2,182.74	1.05%
AMERICAN EXP NATL UT US RT 04.6500% MAT 11/04/24 FIXED RATE CD /UT	CD	174,000	4.65%	11/04/2024		8,091.00 4.70%	5.68% 5.68%	1.04	174,000.00 -1,908.78	98.903	172,091.22 3,347.24	1.52%
TEXAS EXCHANGE BK TX US RT 00.5000% MAT 12/11/24 FIXED RATE CD /TX	CD	198,000	0.50%	12/11/2024	10/11/2023 100.00	990.00 0.53%	5.67% 5.67%	1.19	198,000.00 -11,860.20	94.010	186,139.80 51.53	1.65%
Total 2024		2,942,000	2.20%	07/13/2024		\$48,581.00 1.70%	5.55% 5.55%	0.77	\$2,916,495.20 \$-56,843.13		\$2,859,652.07 \$10,548.43	25.31%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Accrued interest, if any, has been included in the total market value.



Bond Holdings

as of September 30, 2023 (continued)

Business Service Account

Prepared for City of Clayton

Risk profile: Conservative

Return Objective: Current Income and Capital Appreciation

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2025												
TECHNOLOGY CREDIT CA US RT 05.0000% MAT 01/21/25 CREDIT UNION SHARE CERT /CA	CD	248,000	5.00%	01/21/2025		12,400.00 5.04%	5.66% 5.66%	1.27	248,000.00 -2,073.28	99.164	245,926.72 373.70	2.18%
MOUNTAIN AMERICA C UT US RT 03.4500% MAT 02/28/25 LICU SHARE CERTIFICATE /UT	CD	250,000	3.45%	02/28/2025		8,625.00 3.56%	5.64% 5.64%	1.38	250,000.00 -7,457.50	97.017	242,542.50 685.27	2.15%
US TSY NOTE 02.625 % DUE 03/31/25 DTD 03/31/18 FC 09/30/18	Aaa/AA+/NR NR/NR/NR	110,000	2.63%	03/31/2025		2,887.50 2.73%	5.27% 5.27%	1.43	105,374.50 470.80	96.223	105,845.30 1,443.75	0.94%
CPTL ONE NATL ASSN VA US RT 01.4500% MAT 04/22/25 FIXED RATE CD /VA	CD	250,000	1.45%	04/22/2025		3,625.00 1.55%	5.63% 5.63%	1.50	259,817.50 -25,267.50	93.820	234,550.00 1,598.97	2.08%
MORGAN STANLEY PRV NY US RT 04.7000% MAT 04/28/25 FIXED RATE CD /NY	CD	236,000	4.70%	04/28/2025		11,092.00 4.77%	5.63% 5.63%	1.47	236,000.00 -3,287.48	98.607	232,712.52 4,740.69	2.06%
FLAGSTAR BANK, FSB MI US RT 01.1500% MAT 04/29/25 FIXED RATE CD /MI	CD	250,000	1.15%	04/29/2025		2,875.00 1.23%	5.63% 5.63%	1.52	250,000.00 -16,745.00	93.302	233,255.00 1,213.01	2.06%
US TSY NOTE 02.750 % DUE 05/15/25 DTD 05/15/22 FC 11/15/22	Aaa/AA+/NR NR/NR/NR	100,000	2.75%	05/15/2025		2,750.00 2.86%	5.21% 5.21%	1.55	95,835.00 376.00	96.211	96,211.00 1,031.25	0.85%
US TSY NOTE 02.875 % DUE 06/15/25 DTD 06/15/22 FC 12/15/22	Aaa/AA+/AA+ NR/NR/NR	100,000	2.88%	06/15/2025		2,875.00 2.99%	5.17% 5.17%	1.63	96,075.00 202.00	96.277	96,277.00 840.51	0.85%
DELTA NATL B&T CO NY US RT 00.5500% MAT 07/21/25 FIXED RATE CD /NY	CD	250,000	0.55%	07/21/2025		1,375.00 0.60%	5.63% 5.63%	1.75	250,000.00 -21,567.50	91.373	228,432.50 229.79	2.02%
CHARTWAY FED CREDI VA US RT 05.4500% MAT 07/31/25 LICU SHARE CERTIFICATE /VA	CD	250,000	5.45%	07/31/2025		13,625.00 5.46%	N/A N/A	N/A	250,000.00 -652.50	99.739	249,347.50 1,119.86	2.21%
LIVE OAK BKG CO NC US RT 00.6000% MAT 08/13/25 FIXED RATE CD /NC	CD	150,000	0.60%	08/13/2025		900.00 0.66%	5.59% 5.59%	1.85	150,000.00 -13,290.00	91.140	136,710.00 71.51	1.21%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Accrued interest, if any, has been included in the total market value.



Bond Holdings

as of September 30, 2023 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2025												
CONNEXUS CREDIT UN WI US RT 03.4000% MAT 08/15/25 LICU SHARE CERTIFICATE /WI	CD	250,000	3.40%	08/15/2025		8,500.00 3.54%	N/A N/A	N/A	250,000.00 -9,757.50	96.097	240,242.50 698.63	2.13%
USALLIANCE FED CRE NY US RT 00.5500% MAT 08/28/25 FIXED RATE CD /NY	CD	149,000	0.55%	08/28/2025	11/28/2023 100.00	819.50 0.61%	5.59% 5.59%	1.89	149,000.00 -13,600.72	90.872	135,399.28 4.49	1.20%
KEMBA FINL CREDIT OH US RT 04.0000% MAT 09/22/25 FIXED RATE CD /OH	CD	250,000	4.00%	09/22/2025	10/21/2023 100.00	10,000.00 4.12%	5.58% 5.58%	1.90	250,000.00 -7,400.00	97.040	242,600.00 794.52	2.15%
STATE BK IL US RT 00.5000% MAT 09/22/25 FIXED RATE CD /IL	CD	200,000	0.50%	09/22/2025		1,000.00 0.55%	5.59% 5.59%	1.92	200,000.00 -18,862.00	90.569	181,138.00 21.92	1.60%
JPMORGAN CHASE BK DE US RT 00.4000% MAT 10/30/25 STEP RATE CD /DE	CD	250,000	0.40%	10/30/2025	10/30/2023 100.00	1,000.00 0.44%	N/A N/A	N/A	250,000.00 -23,287.50	90.685	226,712.50 0.00	2.01%
FFCB BOND 00.600 % DUE 112425 DTD 112420 FC 05242021	Aaa/AA+/AA+ NR/NR/NR	150,000	0.60%	11/24/2025		900.00 0.66%	5.29% 5.29%	2.08	150,000.00 -14,139.00	90.574	135,861.00 315.00	1.20%
BARCLAYS BK DE US RT 01.0000% MAT 12/15/25 FIXED RATE CD /DE	CD	100,000	1.00%	12/15/2025		1,000.00 1.10%	5.54% 5.54%	2.13	100,000.00 -9,340.00	90.660	90,660.00 293.15	0.80%
US TSY NOTE 00.375 % DUE 12/31/25 DTD 12/31/20 FC 06/30/21	Aaa/AA+/NR NR/NR/NR	544,000	0.38%	12/31/2025		2,040.00 0.41%	4.92% 4.92%	2.19	536,628.80 -44,798.40	90.410	491,830.40 510.00	4.35%
Total 2025		4,087,000	2.22%	07/25/2025		\$88,289.00 2.30%	5.46% 5.46%	1.73	\$4,076,730.80 \$-230,477.08		\$3,846,253.72 \$15,986.03	34.04%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Accrued interest, if any, has been included in the total market value.



Bond Holdings

as of September 30, 2023 (continued)

Business Service Account

Prepared for City of Clayton

Risk profile: Conservative

Return Objective: Current Income and Capital Appreciation

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2026												
MERRICK BK UT US RT 00.5000% MAT 01/29/26 FIXED RATE CD /UT	CD	245,000	0.50%	01/29/2026		1,225.00 0.56%	5.51% 5.51%	2.31	245,000.00 -26,852.00	89.040	218,148.00 100.68	1.93%
FHLB NTS 00.520 % DUE 021226 DTD 021221 FC 08122021	Aaa/NR/AA+ NR/NR/NR	100,000	0.52%	02/12/2026		520.00 0.58%	5.25% 5.25%	2.30	100,000.00 -10,408.00	89.592	89,592.00 69.33	0.79%
BANKUNITED NA FLOR FL US RT 00.6500% MAT 03/05/26 FIXED RATE CD /FL	CD	94,000	0.65%	03/05/2026	12/05/2023 100.00	611.00 0.73%	5.51% 5.51%	2.38	94,000.00 -10,324.02	89.017	83,675.98 41.85	0.74%
BANKUNITED NA FLOR FL US RT 00.9500% MAT 03/31/26 FIXED RATE CD /FL	CD	135,000	0.95%	03/31/2026	09/30/2023 100.00	1,282.50 1.06%	N/A N/A	N/A	135,000.00 -14,265.45	89.433	120,734.55 105.41	1.07%
COMENITY CAP BK UT US RT 02.6000% MAT 04/14/26 FIXED RATE CD /UT	CD	215,000	2.60%	04/14/2026		5,590.00 2.79%	5.48% 5.48%	2.44	215,000.00 -14,650.10	93.186	200,349.90 245.04	1.77%
STATE BANK OF INDI NY US RT 00.9500% MAT 05/19/26 FIXED RATE CD /NY	CD	248,000	0.95%	05/19/2026		2,356.00 1.07%	5.47% 5.47%	2.53	248,000.00 -27,173.36	89.043	220,826.64 864.94	1.95%
US TSY NOTE 00.875 % DUE 06/30/26 DTD 06/30/21 FC 12/31/21	Aaa/AA+/NR NR/NR/NR	300,000	0.88%	06/30/2026		2,625.00 0.97%	4.80% 4.80%	2.65	297,300.00 -27,348.00	89.984	269,952.00 656.25	2.39%
GESA CREDIT UNION WA US RT 05.2500% MAT 07/31/26 LICU SHARE CERTIFICATE /WA	CD	250,000	5.25%	07/31/2026		13,125.00 5.27%	N/A N/A	N/A	250,000.00 -1,127.50	99.549	248,872.50 1,078.77	2.20%
GREENSTATE CREDIT IA US RT 00.9500% MAT 08/18/26 LICU SHARE CERTIFICATE /IA	CD	250,000	0.95%	08/18/2026		2,375.00 1.08%	5.41% 5.41%	2.83	250,000.00 -29,747.50	88.101	220,252.50 188.70	1.95%
NUMERICA CREDIT UN WA US RT 04.9000% MAT 11/04/26 LICU SHARE CERTIFICATE /WA	CD	200,000	4.90%	11/04/2026		9,800.00 4.97%	5.38% 5.38%	2.86	200,000.00 -2,716.00	98.642	197,284.00 698.08	1.75%
SYNCHRONY BANK UT US RT 01.2500% MAT 12/10/26 FIXED RATE CD /UT	CD	150,000	1.25%	12/10/2026		1,875.00 1.42%	5.36% 5.36%	3.05	150,000.00 -17,926.50	88.049	132,073.50 575.34	1.17%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Accrued interest, if any, has been included in the total market value.



Bond Holdings

as of September 30, 2023 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2026												
MEDALLION BK UT US RT 01.2500% MAT 12/30/26 FIXED RATE CD /UT	CD	200,000	1.25%	12/30/2026		2,500.00 1.42%	5.35% 5.35%	3.17	200,000.00 -24,462.00	87.769	175,538.00 212.33	1.55%
Total 2026		2,387,000	1.91%	07/03/2026		\$43,884.50 2.02%	5.33% 5.33%	2.67	\$2,384,300.00 -\$207,000.43		\$2,177,299.57 \$4,836.73	19.27%
Maturing 2027												
NELNET BK UT US RT 01.7500% MAT 02/16/27 FIXED RATE CD /UT	CD	80,000	1.75%	02/16/2027		1,400.00 1.97%	5.34% 5.34%	3.20	80,000.00 -8,791.20	89.011	71,208.80 172.60	0.63%
SALLIE MAE BANK UT US RT 01.9000% MAT 02/16/27 FIXED RATE CD /UT	CD	50,000	1.90%	02/16/2027		950.00 2.12%	5.34% 5.34%	3.20	50,000.00 -5,265.00	89.470	44,735.00 117.12	0.40%
HARDIN CNTY SVGS B IA US RT 01.6000% MAT 02/18/27 FIXED RATE CD /IA	CD	250,000	1.60%	02/18/2027	10/18/2023 100.00	4,000.00 1.81%	5.33% 5.33%	3.28	250,000.00 -28,860.00	88.456	221,140.00 131.51	1.96%
USALLIANCE FED CRE NY US RT 02.8500% MAT 04/27/27 FIXED RATE CD /NY	CD	100,000	2.85%	04/27/2027	10/27/2023 100.00	2,850.00 3.10%	5.31% 5.31%	3.38	100,000.00 -7,987.00	92.013	92,013.00 23.42	0.81%
MORGAN STANLEY BK UT US RT 03.0000% MAT 04/29/27 FIXED RATE CD /UT	CD	247,000	3.00%	04/29/2027	10/29/2023 100.00	7,410.00 3.24%	5.30% 5.30%	3.28	247,000.00 -18,369.39	92.563	228,630.61 3,126.41	2.02%
FHLB BOND 03.590 % DUE 062927 DTD 062922 FC 12292022	Aaa/NR/AA+ NR/NR/NR	500,000	3.59%	06/29/2027		17,950.00 3.80%	5.27% 5.27%	3.41	500,000.00 -28,230.00	94.354	471,770.00 4,537.36	4.18%
Total 2027		1,227,000	2.84%	05/04/2027		\$34,560.00 3.06%	5.30% 5.30%	3.33	\$1,227,000.00 -\$97,502.59		\$1,129,497.41 \$8,108.43	10.00%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Accrued interest, if any, has been included in the total market value.



Bond Holdings

as of September 30, 2023 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2028												
A PLUS FED CREDIT TX US RT 04.5500% MAT 04/28/28 LICU SHARE CERTIFICATE /TX	CD	250,000	4.55%	04/28/2028		11,375.00 4.69%	5.28% 5.28%	4.12	250,000.00 -7,400.00	97.040	242,600.00 62.33	2.15%
Total 2028		250,000	4.55%	04/28/2028		\$11,375.00 4.69%	5.28% 5.28%	4.12	\$250,000.00 \$-7,400.00		\$242,600.00 \$62.33	2.15%
	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Total Bond Portfolio		11,941,000	2.18%	07/25/2025	N/A	\$236,564.50 2.09%	5.38% 5.38%	1.70	\$11,899,395.73 \$-599,987.60	N/A	\$11,299,408.13 \$42,286.03 \$11,341,694.16	100%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Accrued interest, if any, has been included in the total market value.



Expected Cash Flow

from 10/01/2023 to 09/30/2024

Summary of Expected Cash Flows

	2023 October	November	December	2024 January	February	March	April	May	June	July	August	September	Total (\$)
Total Portfolio	29,203	18,440	30,228	12,492	13,439	15,286	28,533	17,919	25,160	11,468	12,858	15,106	230,130
Taxable	29,203	18,440	30,228	12,492	13,439	15,286	28,533	17,919	25,160	11,468	12,858	15,106	230,130
Taxable U.S. income	29,203	17,252	25,779	12,492	13,439	14,787	28,533	16,744	25,160	11,468	12,858	14,602	
Dividends	175	175	175	175	175	175	175	175	175	175	175	175	2,097
Interest payments	29,028	17,077	25,604	12,317	13,264	14,613	28,358	16,569	24,985	11,293	12,683	14,427	220,218
Taxable non-U.S. income		1,188	4,450			499		1,175				504	
Interest payments		1,188	4,450			499		1,175				504	7,815

Includes all fixed income securities in the selected portfolio.



Expected Cash Flow

from 10/01/2023 to 09/30/2024 (continued)

Details of Expected Cash Flows

	2023 October	November	December	2024 January	February	March	April	May	June	July	August	September	Total (\$)
Total Portfolio	29,203	18,440	30,228	12,492	13,439	15,286	28,533	17,919	25,160	11,468	12,858	15,106	230,130

Taxable

Taxable U.S. income

Dividends	Quantity	2023 October	November	December	2024 January	February	March	April	May	June	July	August	September	Total (\$)
UBS SELECT GOVERNMENT INSTITUTIONAL FUND	40,092	175 Oct 25	175 Nov 25	175 Dec 25	175 Jan 25	175 Feb 25	175 Mar 25	175 Apr 25	175 May 25	175 Jun 25	175 Jul 25	175 Aug 25	175 Sep 25	2,097
Total Dividends		175	175	175	175	175	175	175	175	175	175	175	175	2,097

Interest payments	Quantity	2023 October	November	December	2024 January	February	March	April	May	June	July	August	September	Total (\$)
A PLUS FED CREDIT TX US RT 04.5500% MAT 04/28/28 LICU SHARE CERTIFICATE	250,000	935 Oct 28	966 Nov 28	935 Dec 28	966 Jan 28	966 Feb 28	904 Mar 28	966 Apr 28	935 May 28	966 Jun 28	935 Jul 28	966 Aug 28	966 Sep 28	11,406
AMERICAN EXP NATL UT US RT 04.6500% MAT 11/04/24 FIXED RATE CD	174,000		4,079 Nov 02						4,034 May 02					8,113
BANKUNITED NA FLOR FL US RT 00.6500% MAT 03/05/26 FIXED RATE CD	94,000			152 Dec 05			152 Mar 05			154 Jun 05			154 Sep 05	613
BANKUNITED NA FLOR FL US RT 00.9500% MAT 03/31/26 FIXED RATE CD	135,000	109 Oct 31	105 Nov 30	109 Dec 31	109 Jan 31	102 Feb 29	109 Mar 31	105 Apr 30	109 May 31	105 Jun 30	109 Jul 31	109 Aug 31	105 Sep 30	1,286
BARCLAYS BK DE US RT 01.0000% MAT 12/15/25 FIXED RATE CD	100,000			501 Dec 15						501 Jun 15				1,003

Includes all fixed income securities in the selected portfolio.



Expected Cash Flow

from 10/01/2023 to 09/30/2024 (continued)

Interest payments	Quantity	2023		2024										Total (\$)
		October	November	December	January	February	March	April	May	June	July	August	September	
BMO HARRIS BK NA IL US RT 00.5500% MAT 07/29/24 FIXED RATE CD	250,000	347 Oct 29			347 Jan 29			343 Apr 29				343 Jul 29		1,379
BMW BANK NORTH AME UT US RT 00.2500% MAT 06/11/24 FIXED RATE CD	198,000			248 Dec 11						248 Jun 11				496
CHARTWAY FED CREDI VA US RT 05.4500% MAT 07/31/25 LICU SHARE CERTIFICATE	250,000	1,157 Oct 31	1,120 Nov 30	1,157 Dec 31	1,157 Jan 31	1,083 Feb 29	1,157 Mar 31	1,120 Apr 30	1,157 May 31	1,120 Jun 30	1,157 Jul 31	1,157 Aug 31	1,120 Sep 30	13,662
CITY & CNTY CREDIT MN US RT 03.2500% MAT 02/26/24 CREDIT UNION SHARE CERT	115,000	307 Oct 26	317 Nov 26	307 Dec 26	317 Jan 26	317 Feb 26								1,567
COMENITY CAP BK UT US RT 02.6000% MAT 04/14/26 FIXED RATE CD	215,000	459 Oct 14	475 Nov 14	459 Dec 14	475 Jan 14	475 Feb 14	444 Mar 14	475 Apr 14	459 May 14	475 Jun 14	459 Jul 14	475 Aug 14	475 Sep 14	5,605
CONNEXUS CREDIT UN WI US RT 03.4000% MAT 08/15/25 LICU SHARE CERTIFICATE	250,000	722 Oct 31	699 Nov 30	722 Dec 31	722 Jan 31	675 Feb 29	722 Mar 31	699 Apr 30	722 May 31	699 Jun 30	722 Jul 31	722 Aug 31	699 Sep 30	8,523
CPTL ONE NATL ASSN VA US RT 01.4500% MAT 04/22/25 FIXED RATE CD	250,000	1,817 Oct 22						1,817 Apr 22						3,635
DELTA NATL B&T CO NY US RT 00.5500% MAT 07/21/25 FIXED RATE CD	250,000				693 Jan 31						686 Jul 31			1,379
FFCB BOND 00.600 % DUE 112425 DTD 112420 FC 05242021	150,000		450 Nov 24						450 May 24					900
FHLB BOND 03.590 % DUE 062927 DTD 062922 FC 12292022	500,000			8,975 Dec 29						8,975 Jun 29				17,950
FHLB NTS 00.520 % DUE 021226 DTD 021221 FC 08122021	100,000					260 Feb 12						260 Aug 12		520

Includes all fixed income securities in the selected portfolio.



Expected Cash Flow

from 10/01/2023 to 09/30/2024 (continued)

Interest payments	Quantity	2023			2024									Total (\$)
		October	November	December	January	February	March	April	May	June	July	August	September	
FLAGSTAR BANK, FSB MI US RT 01.1500% MAT 04/29/25 FIXED RATE CD	250,000	1,441 Oct 29						1,441 Apr 29						2,883
FREEDOM FIRST FED VA US RT 04.9000% MAT 10/28/24 LICU SHARE CERTIFICATE	250,000	1,007 Oct 28	1,040 Nov 28	1,007 Dec 28	1,040 Jan 28	1,040 Feb 28	973 Mar 28	1,040 Apr 28	1,007 May 28	1,040 Jun 28	1,007 Jul 28	1,040 Aug 28	1,040 Sep 28	12,284
GESA CREDIT UNION WA US RT 05.2500% MAT 07/31/26 LICU SHARE CERTIFICATE	250,000	1,115 Oct 31	1,079 Nov 30	1,115 Dec 31	1,115 Jan 31	1,043 Feb 29	1,115 Mar 31	1,079 Apr 30	1,115 May 31	1,079 Jun 30	1,115 Jul 31	1,115 Aug 31	1,079 Sep 30	13,161
GREENSTATE CREDIT IA US RT 00.9500% MAT 08/18/26 LICU SHARE CERTIFICATE	250,000	195 Oct 01	202 Nov 01	195 Dec 01	202 Jan 01	202 Feb 01	189 Mar 01	202 Apr 01	195 May 01	202 Jun 01	195 Jul 01	202 Aug 01	202 Sep 01	2,382
HARDIN CNTY SVGS B IA US RT 01.6000% MAT 02/18/27 FIXED RATE CD	250,000	329 Oct 18	340 Nov 18	329 Dec 18	340 Jan 18	340 Feb 18	318 Mar 18	340 Apr 18	329 May 18	340 Jun 18	329 Jul 18	340 Aug 18	340 Sep 18	4,011
JPMORGAN CHASE BK DE US RT 00.4000% MAT 10/30/25 STEP RATE CD	250,000	504 Oct 31						499 Apr 30						1,003
KEMBA FINL CREDIT OH US RT 04.0000% MAT 09/22/25 FIXED RATE CD	250,000	822 Oct 01	849 Nov 01	822 Dec 01	849 Jan 01	849 Feb 01	795 Mar 01	849 Apr 01	822 May 01	849 Jun 01	822 Jul 01	849 Aug 01	849 Sep 01	10,027
LIVE OAK BKG CO NC US RT 00.6000% MAT 08/13/25 FIXED RATE CD	150,000	74 Oct 01	76 Nov 01	74 Dec 01	76 Jan 01	76 Feb 01	72 Mar 01	76 Apr 01	74 May 01	76 Jun 01	74 Jul 01	76 Aug 01	76 Sep 01	902
MEDALLION BK UT US RT 01.2500% MAT 12/30/26 FIXED RATE CD	200,000	205 Oct 30	212 Nov 30	205 Dec 30	212 Jan 30	205 Feb 29	205 Mar 30	212 Apr 30	205 May 30	212 Jun 30	205 Jul 30	212 Aug 30	212 Sep 30	2,507
MERRICK BK UT US RT 00.5000% MAT 01/29/26 FIXED RATE CD	245,000	104 Oct 31	101 Nov 30	104 Dec 31	104 Jan 31	97 Feb 29	104 Mar 31	101 Apr 30	104 May 31	101 Jun 30	104 Jul 31	104 Aug 31	101 Sep 30	1,228
MORGAN STANLEY BK UT US RT 03.0000% MAT 04/29/27 FIXED RATE CD	247,000	3,715 Oct 29						3,715 Apr 29						7,430

Includes all fixed income securities in the selected portfolio.



Expected Cash Flow

from 10/01/2023 to 09/30/2024 (continued)

Interest payments	Quantity	2023			2024									Total (\$)
		October	November	December	January	February	March	April	May	June	July	August	September	
MORGAN STANLEY PRV NY US RT 04.7000% MAT 04/28/25 FIXED RATE CD	236,000	5,561 Oct 27						5,561 Apr 27						11,122
MOUNTAIN AMERICA C UT US RT 03.4500% MAT 02/28/25 LICU SHARE CERTIFICATE	250,000	709 Oct 01	733 Nov 01	709 Dec 01	733 Jan 01	733 Feb 01	685 Mar 01	733 Apr 01	709 May 01	733 Jun 01	709 Jul 01	733 Aug 01	733 Sep 01	8,649
NELNET BK UT US RT 01.7500% MAT 02/16/27 FIXED RATE CD	80,000					706 Feb 16						698 Aug 16		1,404
NEW YORK CMNTY BK NY US RT 00.2500% MAT 10/16/23 FIXED RATE CD	150,000	188 Oct 16												188
NUMERICA CREDIT UN WA US RT 04.9000% MAT 11/04/26 LICU SHARE CERTIFICATE	200,000	805 Oct 04	832 Nov 04	805 Dec 04	832 Jan 04	832 Feb 04	779 Mar 04	832 Apr 04	805 May 04	832 Jun 04	805 Jul 04	832 Aug 04	832 Sep 04	9,827
SALLIE MAE BANK UT US RT 01.9000% MAT 02/16/27 FIXED RATE CD	50,000					479 Feb 16						474 Aug 16		953
SYNCHRONY BANK UT US RT 01.2500% MAT 12/10/26 FIXED RATE CD	150,000			940 Dec 10						940 Jun 10				1,880
TECHNOLOGY CREDIT CA US RT 05.0000% MAT 01/21/25 CREDIT UNION SHARE CERT	248,000	1,019 Oct 19	1,053 Nov 19	1,019 Dec 19	1,053 Jan 19	1,053 Feb 19	985 Mar 19	1,053 Apr 19	1,019 May 19	1,053 Jun 19	1,019 Jul 19	1,053 Aug 19	1,053 Sep 19	12,434
TEXAS EXCHANGE BK TX US RT 00.5000% MAT 12/11/24 FIXED RATE CD	198,000	81 Oct 11	84 Nov 11	81 Dec 11	84 Jan 11	84 Feb 11	79 Mar 11	84 Apr 11	81 May 11	84 Jun 11	81 Jul 11	84 Aug 11	84 Sep 11	993
TOYOTA FINL SVGS B NV US RT 00.6000% MAT 08/12/24 FIXED RATE CD	250,000					756 Feb 12						748 Aug 12		1,504
UBS BANK UT US RT 00.5500% MAT 08/12/24 FIXED RATE CD	250,000	113 Oct 11	117 Nov 11	113 Dec 11	117 Jan 11	117 Feb 11	109 Mar 11	117 Apr 11	113 May 11	117 Jun 11	113 Jul 11	117 Aug 11		1,266

Includes all fixed income securities in the selected portfolio.



Expected Cash Flow

from 10/01/2023 to 09/30/2024 (continued)

Interest payments	Quantity	2023			2024									Total (\$)
		October	November	December	January	February	March	April	May	June	July	August	September	
UBS INSURED SWEEP PROGRAM	18,018	2 Oct 05	2 Nov 05	2 Dec 05	2 Jan 05	2 Feb 05	2 Mar 05	2 Apr 05	2 May 05	2 Jun 05	2 Jul 05	2 Aug 05	2 Sep 05	18
US TSY NOTE 00.125 % DUE 10/15/23 DTD 10/15/20 FC 04/15/21	500,000	312 Oct 15												312
US TSY NOTE 00.375 % DUE 12/31/25 DTD 12/31/20 FC 06/30/21	544,000			1,020 Dec 31						1,020 Jun 30				2,040
US TSY NOTE 00.875 % DUE 06/30/26 DTD 06/30/21 FC 12/31/21	300,000			1,312 Dec 31						1,312 Jun 30				2,625
US TSY NOTE 02.500 % DUE 04/30/24 DTD 04/30/22 FC 10/31/22	120,000	1,500 Oct 31						1,500 Apr 30						3,000
US TSY NOTE 02.625 % DUE 03/31/25 DTD 03/31/18 FC 09/30/18	110,000						1,444 Mar 31						1,444 Sep 30	2,888
US TSY NOTE 02.750 % DUE 05/15/25 DTD 05/15/22 FC 11/15/22	100,000		1,375 Nov 15							1,375 May 15				2,750
US TSY NOTE 02.875 % DUE 06/15/25 DTD 06/15/22 FC 12/15/22	100,000			1,438 Dec 15						1,438 Jun 15				2,875
US TSY NOTE 04.250 % DUE 09/30/24 DTD 09/30/22 FC 03/31/23	120,000						2,550 Mar 31						2,550 Sep 30	5,100
US TSY NOTE 04.375 % DUE 10/31/24 DTD 10/31/22 FC 04/30/23	120,000	2,625 Oct 31								2,625 Apr 30				5,250
USALLIANCE FED CRE NY US RT 00.5500% MAT 08/28/25 FIXED RATE CD	149,000	67 Oct 28	70 Nov 28	67 Dec 28	70 Jan 28	70 Feb 28	65 Mar 28	70 Apr 28	67 May 28	70 Jun 28	67 Jul 28	70 Aug 28	70 Sep 28	822
USALLIANCE FED CRE NY US RT 02.8500% MAT 04/27/27 FIXED RATE CD	100,000	234 Oct 27	242 Nov 27	234 Dec 27	242 Jan 27	242 Feb 27	226 Mar 27	242 Apr 27	234 May 27	242 Jun 27	234 Jul 27	242 Aug 27	242 Sep 27	2,858

Includes all fixed income securities in the selected portfolio.



Expected Cash Flow

from 10/01/2023 to 09/30/2024 (continued)

Interest payments	Quantity	2023			2024									Total (\$)
		October	November	December	January	February	March	April	May	June	July	August	September	
WELLS FARGO BK NA SD US RT 02.7500% MAT 05/03/24 FIXED RATE CD	197,000	445 Oct 03	460 Nov 03	445 Dec 03	460 Jan 03	460 Feb 03	430 Mar 03	460 Apr 03	445 May 03					3,607
Total Interest payments		29,028	17,077	25,604	12,317	13,264	14,613	28,358	16,569	24,985	11,293	12,683	14,427	220,218
Taxable non-U.S. income														
Interest payments	Quantity	2023			2024									Total (\$)
		October	November	December	January	February	March	April	May	June	July	August	September	
BANK OF BARODA NY US RT 03.5500% MAT 12/28/23 FIXED RATE CD	250,000			4,450 Dec 28										4,450
STATE BANK OF INDI NY US RT 00.9500% MAT 05/19/26 FIXED RATE CD	248,000		1,188 Nov 19						1,175 May 19					2,362
STATE BK IL US RT 00.5000% MAT 09/22/25 FIXED RATE CD	200,000						499 Mar 22						504 Sep 22	1,003
Total Interest payments			1,188	4,450			499		1,175				504	7,815
Total Portfolio		2023	November	December	2024	February	March	April	May	June	July	August	September	Total (\$)
		October			January									
Total Portfolio		29,203	18,440	30,228	12,492	13,439	15,286	28,533	17,919	25,160	11,468	12,858	15,106	230,130

Includes all fixed income securities in the selected portfolio.

House View: Executive summary

Month in review

- August data showed a slight uptick in headline and core CPI, but inflation has come down sharply from its peak last June as it heads back toward the Fed's 2% target. At the same time, labor markets continue to cool in a healthy way, giving the Fed less incentive to hike further from here. As a result, we believe the US economy will likely avoid a recession over the next 12 months, and think a soft landing is the most likely outcome.
- Market fundamentals also now look in better shape, with second-quarter US corporate earnings beating expectations and management teams guiding for future earnings growth beyond estimates.
- Taking this all together, we see an environment that supports decent returns across classes—a supportive backdrop for investors in a well-diversified portfolio.

US economic outlook

- Growth has remained above-trend over the past 12 months despite aggressive rate hikes by the Federal Reserve and stress in the banking system. But we expect growth to slow from here. Households have used up a lot of the excess savings built up during the pandemic, and loan delinquencies are rising. New industrial policies related to computer chips and green energy have promoted economic activity, but the rapid pace of growth cannot be sustained for much longer.
- Resilient growth has made it difficult for the Fed to get inflation near its 2% target. However, supply chain issues have mostly been resolved, reducing inflationary pressure at the producer level, and this is now feeding through to retail prices. Broad disinflation has taken hold, while shelter is the main factor keeping inflation high. Recent data has been in a range that could allow the Fed to end its rate hiking cycle.

Source: UBS, as of 20 September 2023

Report created on: October 01, 2023

Tactical preferences

Preferred Investment Views

Asset Classes	Most Preferred +	Least Preferred -
Equities	<ul style="list-style-type: none"> • US large-cap value • Emerging market equity 	<ul style="list-style-type: none"> • US equities
Fixed income	<ul style="list-style-type: none"> • Fixed income • TIPS • Agency MBS • IG corporate bonds • Preferreds 	
Foreign exchange	<ul style="list-style-type: none"> • EUR 	<ul style="list-style-type: none"> • USD
Real assets	<ul style="list-style-type: none"> • Oil 	
US sectors	<ul style="list-style-type: none"> • Industrials • Energy • Consumer staples 	<ul style="list-style-type: none"> • Real estate • Utilities

Economic forecasts (real GDP, in %)

	2022	2023E	2024E
US	2.1	2.1	0.4
Eurozone	3.5	0.5	0.7
China	3.0	4.8	4.2
Latin America	3.9	2.1	1.9
World	3.4	2.9	2.5

The views expressed in this slide belong to CIO Americas, GWM



Disclosures Applicable to Accounts at UBS Financial Services Inc.

This section contains important disclosures regarding the information and valuations presented here. All information presented is subject to change at any time and is provided only as of the date indicated. The information in this report is for informational purposes only and should not be relied upon as the basis of an investment or liquidation decision. UBS FS account statements and official tax documents are the only official record of your accounts and are not replaced, amended or superseded by any of the information presented in these reports. You should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise.

UBS FS offers a number of investment advisory programs to clients, acting in our capacity as an investment adviser, including fee-based financial planning, discretionary account management, non-discretionary investment advisory programs, and advice on the selection of investment managers and mutual funds offered through our investment advisory programs. When we act as your investment adviser, we will have a written agreement with you expressly acknowledging our investment advisory relationship with you and describing our obligations to you. At the beginning of our advisory relationship, we will give you our Form ADV brochure(s) for the program(s) you selected that provides detailed information about, among other things, the advisory services we provide, our fees, our personnel, our other business activities and financial industry affiliations and conflicts between our interests and your interests.

In our attempt to provide you with the highest quality information available, we have compiled this report using data obtained from recognized statistical sources and authorities in the financial industry. While we believe this information to be reliable, we cannot make any representations regarding its accuracy or completeness. Please keep this guide as your Advisory Review.

Please keep in mind that most investment objectives are long term. Although it is important to evaluate your portfolio's performance over multiple time periods, we believe the greatest emphasis should be placed on the longer period returns.

Please review the report content carefully and contact your Financial Advisor with any questions.

Portfolio: For purposes of this report "portfolio" is defined as all of the accounts presented on the cover page or the header of this report and does not necessarily include all of the client's accounts held at UBS FS or elsewhere.

Tax lots: This report displays security tax lots as either one line item (i.e., lumped tax lots) or as separate tax lot level information. If you choose to display security tax lots as one line item, the total cost equals the total value of all tax lots. The unit cost is an average of the total cost divided by the total number of shares. If the shares were purchased in different lots, the unit price listed does not represent the actual cost paid for each lot. The unrealized gain/loss value is calculated by combining the total value of all tax lots plus or minus the total market value of the security.

If you choose to display tax lot level information as separate line items on the Portfolio Holdings report, the tax lot information may include information from sources other than UBS FS. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS FS. As a result this information may not be accurate and is provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. See your monthly statement for additional information.

Pricing: All securities are priced using the closing price reported on the last business day preceding the date of

this report. Every reasonable attempt has been made to accurately price securities; however, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS FS account statement for important information regarding the pricing used for certain types of securities, the sources of pricing data and other qualifications concerning the pricing of securities. To determine the value of securities in your account, we generally rely on third party quotation services. If a price is unavailable or believed to be unreliable, we may determine the price in good faith and may use other sources such as the last recorded transaction. When securities are held at another custodian or if you hold illiquid or restricted securities for which there is no published price, we will generally rely on the value provided by the custodian or issuer of that security.

Estimated Annual Income: The Estimated Annual Income is the dividend/interest rate paid by the investment solely as of the date of this report, annualized yearly per share and multiplied by the quantity of shares held in the selected account(s). For Expected Cash Flow and Portfolio Holdings reports prior to June 23, 2023, savings products & sweep funds do not display such calculations and instead, values are displayed as N/A. For all other reports, Estimated Annual Income for savings products & sweep funds is not calculated or factored into aggregate calculations and will be displayed as 0.

Current Yield: Current yield calculations display the current yield of the investment solely as of the date of this report, is defined as the estimated annual income divided by the total market value. For Portfolio Holdings report generated prior to June 23, 2023, savings products & sweep funds do not include such information and instead, values are displayed as N/A. For all other reports, Current Yield for savings products & sweep funds is not calculated or factored into aggregate calculations and will be displayed as 0.

Bond Rating: These ratings are obtained from independent industry sources and are not verified by UBS FS. Securities without rating information are left blank. Rating agencies may discontinue ratings on high yield securities.

NR: When NR is displayed under bond rating column, no ratings are currently available from that rating agency.

High Yield: This report may designate a security as a high yield fixed income security even though one or more rating agencies rate the security as an investment grade security. Further, this report may incorporate a rating that is no longer current with the rating agency. For more information about the rating for any high yield fixed income security, or to consider whether to hold or sell a high yield fixed income security, please contact your financial advisor or representative and do not make any investment decision based on this report.

Credit/Event Risk: Investments are subject to event risk and changes in credit quality of the issuer. Issuers can experience economic situations that may have adverse effects on the market value of their securities.

Interest Rate Risk: Bonds are subject to market value fluctuations as interest rates rise and fall. If sold prior to maturity, the price received for an issue may be less than the original purchase price.

Reinvestment Risk: Since most corporate issues pay interest semiannually, the coupon payments over the life of the bond can have a major impact on the bond's total return.

Call Provisions: When evaluating the purchase of a corporate bond, one should be aware of any features that may allow the issuer to call the security. This is particularly important when considering an issue that is trading at a premium to its call price, since the return may be negatively impacted if the issue is redeemed. Should an issue be called, investors may be faced with an earlier than anticipated reinvestment decision, and may be unable to



Disclosures Applicable to Accounts at UBS Financial Services Inc. *(continued)*

reinvest their principal at equally favorable rates.

Effective Maturity: Effective maturity is the expected redemption due to pre-refunding, puts, or maturity and does not reflect any sinking fund activity, optional or extraordinary calls. Securities without a maturity date are left blank and typically include Preferred Securities, Mutual Funds and Fixed Income UITs.

Yields: Yield to Maturity and Yield to Worst are calculated to the worst call.

Accrued Interest: Interest that has accumulated between the most recent payment and the report date may be reflected in market values for interest bearing securities.

Bond Averages: All averages are weighted averages calculated based on market value of the holding, not including accrued interest.

Tax Status: "Taxable" includes all securities held in a taxable account that are subject to federal and/or state or local taxation. "Tax-exempt" includes all securities held in a taxable account that are exempt from federal, state and local taxation. "Tax-deferred" includes all securities held in a tax-deferred account, regardless of the status of the security.

Taxability unknown: Taxability unknown items may include, but not to be limited to, Money Market interest, ordinary interest, and ordinary dividends. The value shown for interest bearing securities that have been deposited or received in your account includes accrued interest, where applicable.

Cash Flow: This Cash Flow analysis is based on the historical dividend, coupon and interest payments you have received as of the Record Date in connection with the securities listed and assumes that you will continue to hold the securities for the periods for which cash flows are projected. The attached may or may not include principal paybacks for the securities listed. These potential cash flows are subject to change due to a variety of reasons, including but not limited to, contractual provisions, changes in corporate policies, changes in the value of the underlying securities and interest rate fluctuations. The effect of a call on any security(s) and the consequential impact on its potential cash flow(s) is not reflected in this report. Payments that occur in the same month in which the report is generated -- but prior to the report run ("As of") date -- are not reflected in this report. In determining the potential cash flows, UBS FS relies on information obtained from third party services it believes to be reliable. UBS FS does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Although UBS FS generally updates this information as it is received, the Firm does not provide any assurances that the information listed is accurate as of the Record Date. Cash flows for mortgage-backed, asset-backed, factored, and other pass-through securities are based on the assumptions that the current face amount, principal pay-down, interest payment and payment frequency remain constant. Calculations may include principal payments, are intended to be an estimate of future projected interest cash flows and do not in any way guarantee accuracy.

Expected Cash Flow reporting for Puerto Rico Income Tax Purposes: Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers. Neither UBS FS nor its employees or associated persons provide tax or legal advice. You should

consult with your tax and/or legal advisors regarding your personal circumstances.

Bond sensitivity analysis: This analysis uses Modified Duration which approximates the percentage price change of a security for a given change in yield. The higher the modified duration of a security, the higher its risk. For callable securities, modified duration does not address the impact of changing interest rates on a bond's expected cash flow as a result of a call or prepayment.

Gain/Loss: The gain/loss information may include calculations based upon non-UBS FS cost basis information. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS FS. In addition, if this report contains positions with unavailable cost basis, the gain/(loss) for these positions are excluded in the calculation for the Gain/(Loss). As a result these figures may not be accurate and are provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return. See your monthly statement for additional information.

Accounts Included in this Report: The account listing may or may not include all of your accounts with UBS FS. The accounts included in this report are listed under the "Accounts included in this review" shown on the first page or listed at the top of each page. If an account number begins with "@" this denotes assets or liabilities held at other financial institutions. Information about these assets, including valuation, account type and cost basis, is based on the information you provided to us, or provided to us by third party data aggregators or custodians at your direction. We have not verified, and are not responsible for, the accuracy or completeness of this information.

Account name(s) displayed in this report and labels used for groupings of accounts can be customizable "nicknames" chosen by you to assist you with your recordkeeping or may have been included by your financial advisor for reference purposes only. The names used have no legal effect, are not intended to reflect any strategy, product, recommendation, investment objective or risk profile associated with your accounts or any group of accounts, and are not a promise or guarantee that wealth, or any financial results, can or will be achieved. All investments involve the risk of loss, including the risk of loss of the entire investment.

For more information about account or group names, or to make changes, contact your Financial Advisor.

Account changes: At UBS, we are committed to helping you work toward your financial goals. So that we may continue providing you with financial advice that is consistent with your investment objectives, please consider the following two questions:

- 1) Have there been any changes to your financial situation or investment objectives?
 - 2) Would you like to implement or modify any restrictions regarding the management of your account?
- If the answer to either question is "yes," it is important that you contact your Financial Advisor as soon as possible to discuss these changes. For MAC advisory accounts, please contact your investment manager directly if you would like to impose or change any investment restrictions on your account.

ADV disclosure: A complimentary copy of our current Form ADV Disclosure Brochure that describes the advisory program and related fees is available through your Financial Advisor. Please contact your Financial Advisor if you have any questions.

Important information for former Piper Jaffray and McDonald Investments clients: As an accommodation to former Piper Jaffray and McDonald Investments clients, these reports include performance



Disclosures Applicable to Accounts at UBS Financial Services Inc. *(continued)*

history for their Piper Jaffray accounts prior to August 12, 2006 and McDonald Investments accounts prior to February 9, 2007, the date the respective accounts were converted to UBS FS. UBS FS has not independently verified this information nor do we make any representations or warranties as to the accuracy or completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

For insurance, annuities, and 529 Plans, UBS FS relies on information obtained from third party services it believes to be reliable. UBS FS does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Information for insurance, annuities, and 529 Plans that has been provided by a third party service may not reflect the quantity and market value as of the previous business day. When available, an "as of" date is included in the description.

Investors outside the U.S. are subject to securities and tax regulations within their applicable jurisdiction that are not addressed in this report. Nothing in this report shall be construed to be a solicitation to buy or offer to sell any security, product or service to any non-U.S. investor, nor shall any such security, product or service be solicited, offered or sold in any jurisdiction where such activity would be contrary to the securities laws or other local laws and regulations or would subject UBS to any registration requirement within such jurisdiction.

Performance History prior to the account's inception at UBS Financial Services, Inc. may have been included in this report and is based on data provided by third party sources. UBS Financial Services Inc. has not independently verified this information nor does UBS Financial Services Inc. guarantee the accuracy or validity of the information.

Important information about brokerage and advisory services. As a firm providing wealth management services to clients, UBS Financial Services Inc. offers investment advisory services in its capacity as an SEC-registered investment adviser and brokerage services in its capacity as an SEC-registered broker-dealer. Investment advisory services and brokerage services are separate and distinct, differ in material ways and are governed by different laws and separate arrangements. It is important that clients understand the ways in which we conduct business, that they carefully read the agreements and disclosures that we provide to them about the products or services we offer. For more information, please review client relationship summary provided at ubs.com/relationshipsummary.

UBS Financial Services account protection

The Firm is a member of the Securities Investor Protection Corporation (SIPC), which protects securities customers of its members up to \$500,000 (including \$250,000 for claims for cash). Explanatory brochure available upon request or at www.sipc.org. The SIPC asset protection limits apply to all accounts that you hold in a particular capacity.

The Firm, together with certain affiliates, has also purchased supplemental insurance. The maximum amount payable to all eligible clients, collectively under this protection is \$500 million as of December 10, 2019. Subject to the policy conditions and limitations, cash at the Firm is further protected for up to \$1.9 million in the aggregate for all your accounts held in a particular capacity. A full copy of the policy wording is available upon request.

Neither the SIPC protection nor the supplemental protection apply to:

- Certain financial assets controlled by (and included in your account value) but held away from UBS Financial Services. For example certain (i) insurance products, including variable annuities, and (ii) shares of mutual funds registered in the name of the account holder on the books of

- the issuer or transfer agent);
- Investment contracts or investment interests (e.g., limited partnerships and private placements) that are not registered under the Securities Act of 1933;
- Commodities contracts (e.g., foreign exchange and precious metal contracts), including futures contracts and commodity option contracts;
- Securities on loan to UBS Financial Services; and
- Deposit accounts (except certificates of deposit) at UBS Bank USA, UBS AG U.S. branches and banks in the FDIC Insured Deposit Program.

The SIPC protection and the supplemental protection do not apply to these assets even if they otherwise appear on your statements. The SIPC protection and the supplemental protection do not protect against changes in the market value of your investments (whether as a result of market movement, issuer bankruptcy or otherwise).

Investment Account	Investment Type	Institution	Cost Basis	Rate	Current Yield	Market Value	Percentage of Portfolio
CAMP	Local Agency Pool	California Asset Management Program	\$ 1,648,454.30	5.55%	5.55%	\$ 1,648,454.30	11.82%
LAIF	Local Agency Pool	Local Agency Investment Fund	\$ 25,851.34	3.53%	3.53%	\$ 25,851.34	0.19%
UBS Financial Services Inc.	Cash	UBS Cash Holding/ Alternatives	\$ 826,162.73	n/a	n/a	\$ 828,168.36	
	Fixed Income	UBS - Certificates of Deposit	\$ 8,338,817.50	varies by holding	varies by holding	\$ 7,859,616.87	
	Fixed Income	UBS - Government Securities	\$ 2,734,415.50	varies by holding	varies by holding	\$ 2,611,622.90	
	Fixed Income	UBS- Accrued Interest for the quarter				\$ 42,286.03	
		Total UBS Financial Services	\$ 11,899,395.73			\$ 11,341,694.16	81.31%
Bank of America	Checking	(General Ledger - book value)	933,461.18	0.00%	0.00%	933,461.18	6.69%
Total Investment Portfolio			14,507,162.55			13,949,460.98	

Budget to Actual Analysis of Interest Revenue
7/1/2023-6/30/2024

		Budgeted	as of 9/30/2023 Actual
General Fund	\$	133,795	\$ 18,458
All Other Funds	\$	2,300	\$ 33,579
Total	\$	136,095	\$ 52,037

Investment Portfolio Review

Prepared for:
City of Clayton

Market Overview – August data showed a slight uptick in headline and core CPI, but inflation has come down sharply from its peak last June as it heads back toward the Fed’s 2% target. At the same time, labor markets continue to cool in a healthy way, giving the Fed less incentive to hike further from here. As a result, we believe the US economy will likely avoid a recession over the next 12 months, and think a soft landing is the most likely outcome.

Market fundamentals also now look in better shape, with second-quarter US corporate earnings beating expectations and management teams guiding for future earnings growth beyond estimates. Taking this all together, we see an environment that supports decent returns across classes—a supportive backdrop for investors in a well diversified portfolio.

Growth has remained above-trend over the past 12 months despite aggressive rate hikes by the Federal Reserve and stress in the banking system. But we expect growth to slow from here. Households have used up a lot of the excess savings built up during the pandemic, and loan delinquencies are rising. New industrial policies related to computer chips and green energy have promoted economic activity, but the rapid pace of growth cannot be sustained for much longer. Resilient growth has made it difficult for the Fed to get inflation near its 2% target. However, supply chain issues have mostly been resolved, reducing inflationary pressure at the producer level, and this is now feeding through to retail prices. Broad disinflation has taken hold, while shelter is the main factor keeping inflation high. Recent data has been in a range that could allow the Fed to end its rate hiking cycle.

Current Portfolio Observations - Current Yield is 2.09%, this is up 0.10% from 3 months ago, the average duration is 1.70 years, this is 0.24 years shorter than 3 months ago. The Portfolio consists of \$7.8 million of Insured CDs, \$2.75 million of US Treasuries and \$702,000 of US Federal Agency Bonds. Expected Annual Cash Flow is \$228,015 this is \$23,895 higher than last quarter, should be expected to move higher as lower investment rates mature and funds are reinvested into higher yielding investments.

Portfolio Considerations

1. Breakeven Analysis on selling some lower yielding investments and reinvesting the funds into higher yielding options. Thus far losses have been too high to breakeven.
2. Based on Investment Policy, consider High Grade Corporate Bonds, yields are +5.75% to 6.00% and spreads are attractive based on historical averages.
3. Bank and Credit Unions CDs in the 1yr-5yr range are also attractive options for excess liquidity, yields range from 5.00% to 5.80%.