CLAYTON CITY COUNCIL
REGULAR MEETING AGENDA

TUESDAY, MAY 6, 2025
4:30 PM
*****EARLY START TIME*****
Hoyer Hall, Clayton Community Library
6125 Clayton Road, Clayton, CA 94517

Kim Trupiano, Mayor

Jeff Wan, Vice Mayor — *Jim Diaz, Councilmember*

Holly Tillman, Councilmember — *Richard G Enea, Councilmember*

1. CALL TO ORDER AND ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT ON NON-AGENDA ITEMS

Members of the public may address the City Council on non-agendized items within the Council's jurisdiction. To ensure an orderly meeting and an equal opportunity for everyone, each speaker is limited to three (3) minutes, or the time established by the Mayor. 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 other agenda items will be allowed when each item is considered by the Council.

4. CONSENT CALENDAR

(a) Approval of the April 15, 2025, Meeting Minutes
(View)

(b) Award of Fiscal Year 2024 State Homeland Security Grant Program (SHSGP)
(View)

(c) Renewal of the Police Department Axon Taser 7 Certification Bundle
(View)

(d) Adopt a Resolution Ordering the Levying of a Special Tax for Fiscal Year 2025-26 Within the High Street Permanent Road Division for the Repayment of Funds for the Reconstruction of the Bridge and Future Maintenance, Pursuant to the Streets and Highways Code, Article 3, Section 1173, et seq.
(View)

(e) Adopt a Resolution Confirming the Levying of Assessments for Fiscal Yeah 2025-26 Within the Lydia Lane Sewer Assessment District for the Repayment of Bonds Issued for the Construction of Municipal Sanitary Sewers
(View)

(f) Adopt a Resolution Ordering the Levying of a Special Tax for Fiscal Year 2025-26 Within the Oak Street Permanent Road Division for the Repayment of Funds Advanced for the Reconstruction of the Bridge and Future Maintenance, Pursuant to the Streets and Highway Code, Article 3, Section 1173, et seq.
(View)

(g) Adopt a Resolution Confirming the Levying of Assessments for Fiscal Year 2025-26 Within the Oak Street Sewer Assessment District for the Repayment of Bonds Issued for the Construction of Municipal Sanitary Sewers
(View)

5. RECOGNITIONS AND PRESENTATIONS

(a) Audited Annual Comprehensive Financial Report of the City of Clayton for the Fiscal Year Ending June 30, 2024
(View)

6. REPORTS

(a) City Manager/Staff

- Link to ClearGov Transparency Portal: https://cleargov.com/california/contra-costa/city/clayton/checkbook

(b) City Council / Committees
(View)

7. PUBLIC HEARINGS

(There are no Public Hearings scheduled for this meeting.)

8. ACTION ITEMS

(a) Adopt a Resolution Authorizing the Addition of a Full-Time Classification for a City Engineer/Public Works Director and the Related Specifications, Pay Ranges and Benefits to the FY 2025-26 Annual Budget and Update the Police Chief's Salary to Align with Other Department Head Salaries.
(View)

(b) Budget Overview, Discussion, and Schedule
   a. Update on the Fiscal Year (FY) 2025-26 Budget
   b. Updated FY 2024-25 YTD Actual Revenue and Expenses, and Budget Amendment
(View)

9. ADJOURNMENT

The next regularly scheduled meeting of the City Council will be May 20, 2025. For meeting information and materials, please visit the City's website at www.claytonca.gov

Meeting Information and Access

- 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 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 requiring special accommodation to participate, please call the City Clerk's office at least 72 hours (about 3 days) before the meeting at (925) 673-7300.
- E-mail Public Comments: Public comment may also be sent to the City Clerk at cityclerk@claytonca.gov by 5:00 p.m. on the day of the meeting. All e-mailed public comments will be forwarded to the entire committee and made part of the official meeting file.

Each person attending the meeting who wishes to speak on an agendized or non-agendized matter (within the council's jurisdiction), shall have a set amount of time to speak as determined by the Mayor.

CITY OF CLAYTON
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STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Stephanie Cabrera-Brown, City Clerk/Assistant to the City Manager

DATE: May 6, 2025

SUBJECT: Approval of the April 15, 2025, Meeting Minutes

BACKGROUND
n/a

FISCAL IMPACTS
None.

CEQA
n/a

ATTACHMENTS
Minutes 041525 - Draft

CITY OF CLAYTON

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MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL

TUESDAY, APRIL 15, 2025

1. **CALL TO ORDER AND ROLL CALL –** The meeting was called to order at 7:00 p.m. by Mayor Trupiano held in-person, and broadcast from Hoyer Hall, Clayton Community Library, 6125 Clayton Road, Clayton, California. Councilmembers present: Councilmembers: Diaz, Enea, and Tillman; Vice Mayor Wan, and Mayor Trupiano. Staff present: City Manager, Kris Lofthus; Assistant City Manager, Regina Rubier; Management Analyst, Dennis Bozanich, Malathy Subramanian; and City Clerk, Stephanie Cabrera-Brown.

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

Mayor Trupiano called Item 5 **RECOGNITIONS AND PRESENTATIONS** before Item 3 **PUBLIC COMMENT ON NON-AGENDA ITEMS**.

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

Members of the public may address the City Council on non-agendized items within the Council's jurisdiction. To ensure an orderly meeting and an equal opportunity for everyone, each speaker is limited to three (3) minutes, or the time established by the Mayor. 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 other agenda items will be allowed when each item is considered by the Council.

There were no members of the public wishing to provide public comment.

4. CONSENT CALENDAR

It was moved by Councilmember Tillman and seconded by Vice Mayor Wan, to approve Consent Calendar Items 4(a). (Passed 5/0)

(a) Approval of the April 1, 2025, Meeting Minutes

Following discussion by the City Council, Mayor Trupiano opened the Consent Calendar to public comment; there were no members of the public wishing to speak to the Consent Calendar.

5. RECOGNITIONS AND PRESENTATIONS

(a) Republic Services 2025 Sustainability Award Presented to Ed and Stephanie Moresi

Mayor Trupiano introduced Republic Services Sustainability Advisor, Claire Dakhlia, who presented the award and shared how the Moresi restaurants compost their food waste. Ed Moresi thanked Republic Services for the support and recognition.

Mayor Trupiano opened the item to public comment; there were no members of the public wishing to speak to the item.

No Action Taken.

6. REPORT

(a) City Manager / Staff

- Link to ClearGov Transparency Portal: https://cleargov.com/california/contra-costa/city/clayton/checkbook

Kris Lofthus, City Manager, shared that Clayton hosted the Mayors Conference on April 3rd. Mr. Lofthus also shared that he has been elected vice chair of the Public Managers Association, provided an update on the Climatec, and shared information regarding the upcoming CBCA Art & Wine Festival.

Regina Rubier, Assistant City Manager, introduced the new Management Analyst, Dennis Bozanich, who has previously worked with Santa Barbara and Contra Costa Counties.

(b) City Council / Committees

Reports provided as an attachment to the agenda.

7. **PUBLIC HEARINGS**

(There were no Public Hearings scheduled for this meeting.)

8. **ACTION ITEM(S)**

(a) Audited Annual Comprehensive Financial Report of the City of Clayton for the Fiscal Year Ending June 30, 2024

Prior to continuing the item, Mayor Trupiano opened the item to public comment; There were no members of the public wishing to speak to this item.

Continued to the meeting of May 6, 2025

9. **CLOSED SESSION**

(a) CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code 54957.6)

Agency designated representatives:	Kris Lofthus, City Manager
Unrepresented employees:	Miscellaneous Employees

(b) CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property Under Negotiation:	Assessor's Parcel Numbers: APN: 118-370-077 and 118-520-001-9, located at Clayton Road east of Peacock Creek Drive, Clayton CA, 94517
Agency Negotiators:	Kris Lofthus, City Manager
Negotiating Parties:	Grant Alvernaz, Three Putt Development, LLC
Under Negotiations:	Price and Terms of Payment

No Reportable Action Taken.

10. **ADJOURNMENT** – on a call by Mayor Trupiano, The City Council adjourned its meeting in honor of Brent Dawson at 8:43 p.m.

Please note the Minutes of this meeting set forth all actions taken by the City Council on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.

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CITY OF CLAYTON
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STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Don Mort, Interim Police Chief

DATE: May 6, 2025

SUBJECT: Award of Fiscal Year 2024 State Homeland Security Grant Program (SHSGP)

RECOMMENDATION

Staff Recommends that the City Council Review and Approve the Authorization for The Clayton Police Department to Spend $15,744 From the Reserves with Reimbursement from FEMA.

BACKGROUND

Each fiscal year, FEMA funds the State Homeland Security Grant Program (SHSGP) which allocates a specific amount of funding to each state to support the implementation of risk-driven, capabilities-based State Homeland Security Strategies to address capability targets.

During the application period, each county within the state solicits grant proposals each governmental agencies within that County. In Conta Costa County, grant proposals are submitted to the G10, which is a county-wide, multi-agency representative group who scrutinizes the grant requests based on the State Homeland Security Strategic Goals, Investment Justification and the FEMA approved equipment list. They also weigh the strategic benefit of the equipment within the County as well as the needs of the individual agency. The grant proposals approved by the G10 are submitted to the State as a single grant package from the County.

DISCUSSION

The Clayton Police Department is committed to safeguarding our community through crime reduction strategies such as: Community Policing, Progressive Training, and Technology. Using the most up-to-date tools and equipment to safeguard the community of Clayton is essential to keeping our community safe.

The Clayton Police Department understands that budget restrictions may limit the amount and types of equipment that can be purchased. In the past, the Department has been able to purchase equipment through grants that would generally be unattainable.

The Clayton Police Department's area of responsibility (AOR) is as the primary agency to respond to an emergency at any the five schools in our City. Additionally, due to our proximity to the City of Concord the Clayton Police Department may be some of the first officers on scene at one of the three schools near our city limit.

After reviewing FEMA's approved equipment list and comparing to the categories of funding priority, we determined this grant request met their goals and represented equipment that would benefit the Department, our residents and visitors.

In December of 2023 we submitted a grant proposal for the FY24 State Homeland Security Grant period. In January 2024, we learned that the G10 approved our grant proposal and submitted them to the state. In February 2024, we learned that we were awarded the grant. In April 2025, we received the official letter from FEMA authorizing us to begin the procurement process.

We were awarded the following equipment:

Hand-held ballistic shields	$15,744

FISCAL IMPACTS

Approximately $15,744 from the Reserves, which will be reimbursed from FEMA.

HISTORICAL INFORMATION

In April of 2024, the City Council approved the request to spend $87,048, from Reserves, for three grants (ballistic helmets, optics, search and rescue vehicle) awarded the Clayton Police Department for FY23 SHSGP.

To date, we have procured two of the awarded grant items (ballistic helmets and optics) and the City of Clayton has been reimbursed $17,042.27 back to the reserves. We are currently in the procurement process for the third item awarded (search and rescue vehicle) and will be reimbursed from FEMA once that process is completed.

CITY OF CLAYTON
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STAFF REPORT

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **Don Mort, Interim Police Chief**

DATE: **May 6, 2025**

SUBJECT: **Renewal of the Police Department Axon Taser 7 Certification Bundle**

RECOMMENDATION

It is recommended that Council approve the renewal of the Police Department Axon Taser 7 Certification Bundle.

BACKGROUND

The Clayton Police Department has been issuing and carrying Tasers since 2006. Tasers are a less-lethal conducted energy weapon designed to temporarily incapacitate a combative subject to allow an officer to take the subject into custody with minimal force and reduced risk of injury to persons involved. Tasers are carried by most law enforcement agencies in the United States.

In July 2020, Council approved the purchase of eleven (11) Taser 7's to replace our outdated Model X26' tasers. A five-year contract agreement with Axon was approved at a cost of $8,573 per year. The estimated life span of Taser 7 is five years. This agreement expires in July 2025.

In anticipation of the contract expiring, Axon has submitted a new five-year contract for the continuation of our current Taser 7 Certification Bundle. This package will allow for the purchase of new Taser 7's replacing our current 5-year-old Taser's. No changes have been made to Taser 7's and it is the same as currently utilized by the Police Department. The cost associated with the new contract at $10,364.70, an annual increase of $1,791.70.

DISCUSSION

In 2018, the Clayton Police Department purchased the state-of-the-art Axon Fleet 2 in-vehicle camera system for the police vehicles and the Axon Body 2 body worn camera (BWC) system for all sworn staff.

The Axon Taser 7 is designed to fully integrate with the body worn cameras and the Fleet 2 cameras for officer and subject/suspect accountability.

The Taser 7 is designed to significantly increase the officer's ability to effectively subdue a combative subject, thereby reducing the need for additional use-of-force. The features of the Taser 7 include a more accurate and faster deployment of the probes, and a wireless connection to the Axon network. The Taser 7 was designed using input from real-world events faced by officers.

Axon is the leading supplier of Tasers, in-car camera systems and body worn cameras. They are a well-established company, whose products are high quality and state-of-the-art. The estimated life span of the Taser 7 is 5 years.

FISCAL IMPACTS

The total cost of the Axon Taser 7 system is $51,823.45. This cost is spread over 5 years as follows:

Year 1:	$10,364.69
Year 2:	$10,364.69
Year 3:	$10,364.69
Year 4:	$10,364.69
Year 5:	$10,364.69
Total:	$51,823.45

The cost of year one includes all of the hardware, software, licenses, digital storage, installation and training.

No budgetary action is recommended at this time as appropriations will be incorporated in the FY 2025-26 adopted budget for this project.

ATTACHMENTS
Taser 7 Renewal Contract

Axon Enterprise, Inc.
17800 N 85th St.
Scottsdale, Arizona 85255
United States
VAT: 86-0741227
Domestic: (800) 978-2737
International: +1.800.978.2737

Q-686747-45755.846JS

Issued: 04/08/2025
Quote Expiration: 05/31/2025
Estimated Contract Start Date: 08/01/2025
Account Number: 116361
Payment Terms: N30
Delivery Method:

SHIP TO	BILL TO
Clayton Police Dept. - CA 6000 Heritage Trl Clayton, CA 94517-1249 USA	Clayton Police Dept. - CA 6000 Heritage Trl Clayton CA 94517-1249 USA Email: jason.shaw@claytonpd.com 94-1568979

SALES REPRESENTATIVE	PRIMARY CONTACT
Jake Schwisow Phone: Email: jschwisow@axon.com Fax:	Jason Shaw Phone: 9256737365 Email: jason.shaw@claytoncapolice.gov Fax:

Quote Summary

Program Length	60 Months
TOTAL COST	$48,378.00
ESTIMATED TOTAL W/ TAX	$51,823.06

Discount Summary

Average Savings Per Year	$2,104.08
TOTAL SAVINGS	$10,520.40

Payment Summary

Date	Subtotal	Tax	Total
Jul 2025	$9,675.60	$688.99	$10,364.59
Jul 2026	$9,675.60	$688.99	$10,364.59
Jul 2027	$9,675.60	$688.99	$10,364.59
Jul 2028	$9,675.60	$688.99	$10,364.59
Jul 2029	$9,675.60	$689.10	$10,364.70
Total	**$48,378.00**	**$3,445.06**	**$51,823.06**

Quote Unbundled Price:	**$58,898.40**
Quote List Price:	**$52,905.60**
Quote Subtotal:	**$48,378.00**

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
Program									
C00018	BUNDLE - TASER 7 CERTIFICATION	11	60	$89.24	$80.16	$73.30	$48,378.00	$3,445.06	$51,823.06
Total							**$48,378.00**	**$3,445.06**	**$51,823.06**

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
BUNDLE - TASER 7 CERTIFICATION	100591	AXON TASER - CLEANING KIT	1	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	20008	AXON TASER 7 - HANDLE - HIGH VIS GRN LASER CLASS 3R YLW	11	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	20018	AXON TASER - BATTERY PACK - TACTICAL	13	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	20063	AXON TASER 7 - HOLSTER - SAFARILAND RH	11	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	22175	AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS	55	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	22176	AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS	55	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	22177	AXON TASER 7 - CARTRIDGE - HALT STANDOFF NS	22	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	22178	AXON TASER 7 - CARTRIDGE - HALT CLOSE QUART NS	22	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	22179	AXON TASER 7 - CARTRIDGE - INERT STANDOFF (3.5-DEGREE) NS	11	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	22181	AXON TASER 7 - CARTRIDGE - INERT CLOSE QUART (12-DEGREE) NS	11	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	1	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	1	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	74200	AXON TASER - DOCK - SIX BAY PLUS CORE	1	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	80087	AXON TASER - TARGET - CONDUCTIVE PROFESSIONAL RUGGEDIZED	1	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	80090	AXON TASER - TARGET FRAME - PROFESSIONAL 27.5 IN X 75 IN	1	1	07/01/2025
BUNDLE - TASER 7 CERTIFICATION	22175	AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS	22	1	07/01/2026
BUNDLE - TASER 7 CERTIFICATION	22176	AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS	22	1	07/01/2026
BUNDLE - TASER 7 CERTIFICATION	22175	AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS	22	1	07/01/2027
BUNDLE - TASER 7 CERTIFICATION	22176	AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS	22	1	07/01/2027
BUNDLE - TASER 7 CERTIFICATION	22177	AXON TASER 7 - CARTRIDGE - HALT STANDOFF NS	22	1	07/01/2027
BUNDLE - TASER 7 CERTIFICATION	22178	AXON TASER 7 - CARTRIDGE - HALT CLOSE QUART NS	22	1	07/01/2027

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
BUNDLE - TASER 7 CERTIFICATION	22175	AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS	22	1	07/01/2028
BUNDLE - TASER 7 CERTIFICATION	22176	AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS	22	1	07/01/2028
BUNDLE - TASER 7 CERTIFICATION	22175	AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS	22	1	07/01/2029
BUNDLE - TASER 7 CERTIFICATION	22176	AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS	22	1	07/01/2029

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
BUNDLE - TASER 7 CERTIFICATION	101180	AXON TASER - DATA SCIENCE PROGRAM	11	08/01/2025	07/31/2030
BUNDLE - TASER 7 CERTIFICATION	20248	AXON TASER - EVIDENCE.COM LICENSE	11	08/01/2025	07/31/2030
BUNDLE - TASER 7 CERTIFICATION	20248	AXON TASER - EVIDENCE.COM LICENSE	1	08/01/2025	07/31/2030

Services

Bundle	Item	Description	QTY
BUNDLE - TASER 7 CERTIFICATION	101193	AXON TASER - ON DEMAND CERTIFICATION	1
BUNDLE - TASER 7 CERTIFICATION	20246	AXON TASER 7 - REPLACEMENT ACCESS PROGRAM - DUTY CARTRIDGE	11

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
BUNDLE - TASER 7 CERTIFICATION	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	13	07/01/2026	07/31/2030
BUNDLE - TASER 7 CERTIFICATION	80395	AXON TASER 7 - EXT WARRANTY - HANDLE	11	07/01/2026	07/31/2030
BUNDLE - TASER 7 CERTIFICATION	80396	AXON TASER - EXT WARRANTY - DOCK SIX BAY T7/T10	1	07/01/2026	07/31/2030

Shipping Locations

Location Number	Street	City	State	Zip	Country
1	6000 Heritage Trl	Clayton	CA	94517-1249	USA

Payment Details

Jul 2025

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 1	C00018	BUNDLE - TASER 7 CERTIFICATION	11	$9,675.60	$688.99	$10,364.59
Total				**$9,675.60**	**$688.99**	**$10,364.59**

Jul 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 2	C00018	BUNDLE - TASER 7 CERTIFICATION	11	$9,675.60	$688.99	$10,364.59
Total				**$9,675.60**	**$688.99**	**$10,364.59**

Jul 2027

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 3	C00018	BUNDLE - TASER 7 CERTIFICATION	11	$9,675.60	$688.99	$10,364.59
Total				**$9,675.60**	**$688.99**	**$10,364.59**

Jul 2028

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 4	C00018	BUNDLE - TASER 7 CERTIFICATION	11	$9,675.60	$688.99	$10,364.59
Total				**$9,675.60**	**$688.99**	**$10,364.59**

Jul 2029

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 5	C00018	BUNDLE - TASER 7 CERTIFICATION	11	$9,675.60	$689.10	$10,364.70
Total				**$9,675.60**	**$689.10**	**$10,364.70**

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at https://www.axon.com/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Exceptions to Standard Terms and Conditions

Agency has existing contract(s) originated via Quote(s): Q-253033

Agency is terminating those contracts effective 8/1/2025. Any changes in this date will result in modification of the program value which may result in additional fees or credits due to or from Axon.

Existing contract assumed to be paid in full.

Signature

Date Signed

4/8/2025

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Larry Theis, General Manager

DATE: May 6, 2025

SUBJECT: Adopt a Resolution Ordering the Levying of a Special Tax for Fiscal Year 2025-26 Within the High Street Permanent Road Division for the Repayment of Funds for the Reconstruction of the Bridge and Future Maintenance, Pursuant to the Streets and Highways Code, Article 3, Section 1173, et seq.

RECOMMENDATION

Adopt a Resolution confirming the levying of assessments for Fiscal Year 2025-26 within the High Street Bridge Assessment District for the repayment of bonds issued for the construction and maintenance of roadway bridge improvements.

BACKGROUND

The High Street Permanent Road Division was formed in 1999 providing a mechanism for property owners to repay funds advanced by the City for the reconstruction of High Street Bridge over Mitchell Creek. In addition to capital repayment, the annual levy includes funds for the long-term maintenance of the bridge.

The City agreed to fund half the cost of the bridge, and the remainder was to be paid by the property owners within the Division. The former Clayton Redevelopment Agency (now the "Successor Agency" by state dissolution law) funded the reconstruction of the bridge and repayment was spread over 30 years with a 6% interest rate. In addition, the annual levy includes an amount of $60 per parcel dedicated to future bridge maintenance. The City has absorbed all the administrative costs. Through the end of Fiscal Year 2024-25, $105,113.78 will have been collected towards the repayment of principal and interest due on the note that was used to finance the construction of the bridge, and $7,800.00 for future maintenance.

Please note, the property owner of APN 119-040-023 paid off their portion of the special tax in full in 2014, and that prepayment was used to repay a portion of the note.

In the Resolution it is noted there are varying levy amounts. These amounts were based on a formula negotiated with the property owners when the Division was formed.

The first special tax to repay the costs of bridge construction was levied in Fiscal Year 1999/00 and the final special tax to repay the construction will be levied in Fiscal Year 2028/29. It should be noted that the portion of the special tax for bridge maintenance will continue indefinitely.

DISCUSSION
Staff recommends the City Council adopt a Resolution ordering the levying of a Special Tax for Fiscal Year 2025-26 within the High Street Permanent Road Division for the repayment of funds advanced for the reconstruction of the bridge and future maintenance.

FISCAL IMPACTS
The Fiscal Year 2025-26 annual special tax will generate $1,754.00. If this Resolution is not approved, money owed to the Successor Agency by the property owners will not be repaid and funds will not be available for future bridge maintenance.

CEQA
None,

ATTACHMENTS
High St. Road Levy FY2025-26.res.docx

RESOLUTION NO. ___-2025

A RESOLUTION ORDERING THE LEVYING OF A SPECIAL TAX FOR FISCAL YEAR 2025/26 WITHIN THE HIGH STREET PERMANENT ROAD DIVISION FOR THE REPAYMENT OF FUNDS ADVANCED FOR THE RECONSTRUCTION OF THE BRIDGE AND FUTURE MAINTENANCE PURSUANT TO THE STREETS AND HIGHWAY CODE, ARTICLE 3, SECTION 1173, et seq.

THE CITY COUNCIL
City of Clayton, California

WHEREAS, by passage of Resolution 34-98, the City Council ordered the formation of the High Street Permanent Road Division for the purpose of reconstructing and maintaining the High Street Bridge over Mitchell Creek; and

WHEREAS, the City Council received petitions, signed by a majority of the property owners within the Division, requesting construction of a new bridge over Mitchell Creek and the levy of a special tax to pay for the construction and for the future maintenance of the bridge; and

WHEREAS, the City Council called for an election on February 26, 1999 to approve the levy of a special tax; and

WHEREAS, the City Clerk and City Engineer then certified that ballots approving the special tax were received from more than two-thirds of the property owners in both number and valuation; and

WHEREAS, said approved special tax must be re-levied each fiscal year;

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

1. Order the levy of special taxes for Fiscal Year 2025/26 on those parcels within the High Street Permanent Road Division for the reconstruction and maintenance of the bridge over Mitchell Creek.
2. List the annual tax rates for each parcel for the reconstruction and maintenance as follows:

APN	Current Owner	Reconstruction	Bridge Maintenance	Total
119-040-021	UTLEY GLORIA J TRE	$545.00	$60.00	$605.00
119-040-023	MORGAN JOHN T & PAMELA D TRE	$0.00	$60.00	$60.00
119-040-024	DAVIS SHARON LEE TRE	$364.00	$60.00	$424.00
119-050-008	CITY OF CLAYTON	$0.00	$60.00	$60.00
119-050-036	CLAYTON COMMUNITY CHURCH INC	$545.00	$60.00	$605.00
	Total Special Tax:	**$1,454.00**	**$300.00**	**$1,754.00**

3. Order that special taxes be levied and collected by the County of Contra Costa along with the regular property taxes.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 6th day of May 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

____
Kim Trupiano, Mayor

ATTEST:

____
City Clerk

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

STAFF REPORT

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **Larry Theis, General Manager**

DATE: **May 6, 2025**

SUBJECT: **Adopt a Resolution Confirming the Levying of Assessments for Fiscal Yeah 2025-26 Within the Lydia Lane Sewer Assessment District for the Repayment of Bonds Issued for the Construction of Municipal Sanitary Sewers**

RECOMMENDATION
Adopt a Resolution confirming the levying of assessments for Fiscal Year 2025/26 within the Lydia Lane Sewer Assessment District for the repayment of bonds issued for the construction of municipal sanitary sewers.

BACKGROUND
The Lydia Lane Sewer Assessment District was formed to fund the installation of sanitary sewers and sewer laterals in the Lydia Lane and Verna Way area south of Clayton Road.

The City issued bonds to provide funding for the construction of the sewer improvements. The bonds are being repaid by the property owners through annual assessments collected by the County through each property owner’s property taxes. Along with the principal and interest, the assessments also include an administrative fee of $150.00 per parcel to cover District overhead costs.

The first assessment was levied in Fiscal Year 2002/03 and the final assessment will be levied in Fiscal Year 2031/32.

On June 6, 2022, the property owner of APN 120-052-011 paid off their assessment lien in full, and therefore will no longer be assessed annually.

The attached resolution confirms the proposed assessments for Fiscal Year 2025/26.

DISCUSSION
Staff recommends the City Council approve the attached Resolution confirming the levy of assessments for Fiscal Year 2025/26 within the Lydia Lane Sewer Assessment District for the repayment of bonds issued for the construction of municipal sanitary sewers.

FISCAL IMPACTS
The Fiscal Year 2025/26 assessments will generate approximately $16,816 for the District. If

this Resolution is not approved, the City will have to pursue separate action against each property owner to directly bill the annual assessment and if assessments are not billed and collected, the City may default on the bonds.

CEQA
NONE

ATTACHMENTS
Lydia Sewer.FY2025-26.res.docx

RESOLUTION NO. ___-2025

A RESOLUTION CONFIRMING THE LEVY OF ASSESSMENTS FOR FISCAL YEAR 2025/26 WITHIN THE LYDIA LANE SEWER ASSESSMENT DISTRICT FOR THE REPAYMENT OF BONDS ISSUED FOR THE CONSTRUCTION OF MUNICIPAL SANITARY SEWERS

THE CITY COUNCIL
City of Clayton, California

WHEREAS, by passage of Resolution 36-2002, the City Council ordered the formation of the Lydia Lane Sewer Assessment District in accordance with and pursuant to the Municipal Improvement Act of 1913; and

WHEREAS, the City of Clayton issued and sold bonds in the amount of $228,325 to fund the construction of municipal sanitary sewer Improvements in the Lydia Lane Assessment District which must be repaid by the real property owners within the assessment district; and

WHEREAS, the repayment of the bonds by the property owners is provided through the levy of annual assessments, for principal, interest, and administrative costs, on each property owner's County property tax bill; and

WHEREAS, the proposed assessments for Fiscal Year 2025/26 are shown on Exhibit A attached hereto;

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

1. Orders the levy of assessments for Fiscal Year 2025/26 on those parcels within the Lydia Lane Sewer Assessment District for repayment of bonds issued for the construction of municipal sanitary sewers within the assessment district.
2. Lists the annual assessment for each parcel in the assessment district as shown on Exhibit A attached hereto.
3. Orders the assessments to be levied and collected by the County of Contra Costa along with the regular property taxes.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 6th day of May 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

____
Kim Trupiano, Mayor

ATTEST:

____
City Clerk

EXHIBIT A

ANNUAL ASSESSMENT AMOUNTS FOR FISCAL YEAR 2025/26 FOR THE LYDIA LANE SEWER ASSESSMENT DISTRICT

Lydia Lane Sewer Assessment District	
Assessor Parcel Number (APN)	**Amount[1]**
120-042-005	$951.81
120-042-006	$951.81
120-043-007	$951.81
120-043-009	$951.81
120-051-007	$1,182.69
120-051-008	$1,182.69
120-051-010	$1,182.69
120-052-003	$1,182.69
120-052-004	$1,182.69
120-052-005	$1,182.69
120-052-006	$1,182.69
120-052-009	$1,182.69
120-052-015	$1,182.69
120-052-016	$1,182.69
120-052-017	$1,182.69
Total Assessment	**$16,816.83**

[1]The Amounts shown above may differ from the amounts placed on the Contra Costa County's secured property tax bill by $0.01 due to County rounding requirements.

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Larry Theis, General Manager

DATE: May 6, 2025

SUBJECT: Adopt a Resolution Ordering the Levying of a Special Tax for Fiscal Year 2025-26 Within the Oak Street Permanent Road Division for the Repayment of Funds Advanced for the Reconstruction of the Bridge and Future Maintenance, Pursuant to the Streets and Highway Code, Article 3, Section 1173, et seq.

RECOMMENDATION

Adopt a Resolution confirming the levying of assessments for Fiscal Year 2025/26 within the Oak Street Bridge Assessment District for the repayment of bonds issued for the construction and maintenance of roadway bridge improvements.

BACKGROUND

The Oak Street Permanent Road Division was formed in 2000 to provide a mechanism for the property owners to repay the City for funds advanced for the reconstruction of the Oak Street Bridge over Mitchell Creek. In addition, a portion of the annual levy is set aside to provide funds for the maintenance of the private portion of Oak Street.

The Redevelopment Agency funded the reconstruction of the bridge and repayment was spread over 20 years with a 7% interest rate. In addition, the annual levy included an amount dedicated to future road maintenance and an amount for administrative fees (10% of the levy for bridge construction and maintenance).

The portion of the special tax dedicated to repaying the City for construction costs related to the bridge has been paid. The bridge maintenance fee and District administrative fee remain in the special tax funds. Those fees remain in the Resolution as an annual charge. It is noted that seven parcels have a levy of $220.00, and two parcels have a levy of $110.00. The original Division included 8 parcels, all levied equally. Since that time, one parcel was subsequently subdivided (Caspar) and that levy was reapportioned equally between the two lots.

The first special tax for the repayment of the bridge construction costs was levied in Fiscal Year 2000/01 and the final special tax for construction costs was levied in Fiscal Year 2019/20. It should be noted that the portion of the special tax for maintenance and administration will continue indefinitely.

DISCUSSION
Staff recommends the City Council approve the attached Resolution ordering the levying of a Special Tax for Fiscal Year 2025/26 within the Oak Street Permanent Road Division for the future maintenance and administration.

FISCAL IMPACTS
If this Resolution is not approved, funds will not be collected for Division administration or the maintenance of the bridge over Mitchell Creek and the private portion of Oak Street. The annual special tax for this fiscal year will generate a total of $1,760.00.

CEQA
NONE

ATTACHMENTS
Oak St. Bridge Levy FY 2025-26.res.docx

RESOLUTION NO. ___-2025

A RESOLUTION ORDERING THE LEVY OF A SPECIAL TAX FOR FISCAL YEAR 2025/26 WITHIN THE OAK STREET PERMANENT ROAD DIVISION FOR THE REPAYMENT OF FUNDS ADVANCED FOR THE RECONSTRUCTION OF THE BRIDGE AND FUTURE MAINTENANCE PURSUANT TO THE STREETS AND HIGHWAY CODE, ARTICLE 3, SECTION 1173, et seq.

THE CITY COUNCIL
City of Clayton, California

WHEREAS, by passage of Resolution 66-99, the City Council ordered the formation of the Oak Street Permanent Road Division for the purpose of reconstructing and maintaining the Oak Street Bridge over Mitchell Creek and maintaining the private portion of Oak Street; and

WHEREAS, the City Council received petitions, signed by a majority of the property owners within the Division, requesting construction of a new bridge over Mitchell Creek and the levy of a special tax to pay for the construction and for the future maintenance of the bridge and road; and

WHEREAS, the City Council called for an election on May 1, 2000, to approve the levying of a special tax; and

WHEREAS, the City Clerk and City Engineer then certified that ballots approving the special tax were received from more than two-thirds of the property owners in both number and valuation; and

WHEREAS, said approved special tax must be re-levied each fiscal year;

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

1. Order the levy of special taxes for Fiscal Year 2025/26 on those parcels within the Oak Street Permanent Road Division for the maintenance of the bridge over Mitchell Creek and the maintenance of the private portion of Oak Street.
2. List the annual tax rates for each parcel for the reconstruction and maintenance as follows:

APN	OWNER	CONSTRUCTION	BRIDGE MAINTENANCE	DIVISION ADMIN	TOTAL
119-040-027	LAW ROBERT L & LAURA J	$0.00	$200.00	$20.00	$220.00
119-040-028	SCHWITTERS MITCHELL E & KITT E	$0.00	$200.00	$20.00	$220.00
119-040-029	GONZALEZ JOSE ENRIQUE TRE	$0.00	$200.00	$20.00	$220.00
119-040-030	MORRIS JAMES M	$0.00	$200.00	$20.00	$220.00
119-040-031	ENGLISH MARK A & CORI L TRE	$0.00	$200.00	$20.00	$220.00
119-040-032	GAINANT GERALD D & MAYDER E	$0.00	$200.00	$20.00	$220.00
119-040-033	WEBB PAULETTE M TRE	$0.00	$200.00	$20.00	$220.00
119-040-036	CASPAR JOANN G TRE	$0.00	$100.00	$10.00	$110.00
119-040-037	CASPAR JOANN G TRE CASPAR JEFFREY J	$0.00	$100.00	$10.00	$110.00
	Total Special Tax	**$0.00**	**$1,600.00**	**$160.00**	**$1,760.00**

3. Order that special taxes be levied and collected by the County of Contra Costa, California along with the regular property taxes in Fiscal Year 2025/26.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 6th day of May 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Kim Trupiano, Mayor

ATTEST:

City Clerk

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Larry Theis, General Manager

DATE: May 6, 2025

SUBJECT: Adopt a Resolution Confirming the Levying of Assessments for Fiscal Year 2025-26 Within the Oak Street Sewer Assessment District for the Repayment of Bonds Issued for the Construction of Municipal Sanitary Sewers

---

RECOMMENDATION

Adopt a Resolution confirming the levying of assessments for Fiscal Year 2025/26 within the Oak Street Sewer Assessment District for the repayment of bonds issued for the construction of municipal sanitary sewers.

BACKGROUND

The Oak Street Sewer Assessment District was formed to fund the construction of sanitary sewer improvements to the following properties:

Assessor Parcel Number (APN)	Street Address
119-040-021	5950 High Street
119-040-023	5900 High Street
119-040-024	6000 High Street
119-040-027	929 Oak Street
119-040-028	920 Oak Street
119-040-030	937 Oak Street
119-040-032	949 Oak Street
119-040-033	951 Oak Street
119-040-036	945 Oak Street
119-040-037	Oak Street
119-050-036	1027 Pine Hollow Court

The City issued bonds to provide funding for the construction of the sewer improvements. The bonds are being repaid by the property owners through annual assessments collected by the County through each property owner's property taxes. In addition to the assessment repaying the principal and interest, assessments include an administrative fee of $150.00 per parcel to cover the District's overhead costs.

In May 2015, Mr. Morgan paid off the assessment on APN 119-040-023 and therefore is no longer assessed annually.

The first assessment was levied in Fiscal Year 2003/04 and the final assessment will be levied in Fiscal Year 2026/27.

The attached resolution confirms and orders the levying of the proposed assessments for Fiscal Year 2025/26.

DISCUSSION

Staff recommends the City Council approve the attached Resolution confirming the levying of assessments for Fiscal Year 2025/26 within the Oak Street Sewer Assessment District for the repayment of bonds issued for the construction of municipal sanitary sewers.

FISCAL IMPACTS

The Fiscal Year 2025/26 assessments will generate approximately $11,109 for the District. If this Resolution is not approved, the City will have to pursue separate action against each property owner to directly bill the annual assessment and if assessments are not billed and collected, the City may default on the bonds.

CEQA

NONE

ATTACHMENTS

Oak Sewer Assessment FY2025-26.res.docx

RESOLUTION NO. ___-2025

A RESOLUTION CONFIRMING THE LEVYING OF ASSESSMENTS FOR FISCAL YEAR 2025/26 WITHIN THE OAK STREET SEWER ASSESSMENT DISTRICT FOR THE REPAYMENT OF BONDS ISSUED FOR THE CONSTRUCTION OF MUNICIPAL SANITARY SEWERS

THE CITY COUNCIL
City of Clayton, California

WHEREAS, by passage of Resolution 62-2002, the City Council ordered the formation of the Oak Street Sewer Assessment District in accordance with and pursuant to the Municipal Improvement Act of 1913; and

WHEREAS, the City of Clayton issued bonds in the amount of $187,000 to fund the construction of municipal sanitary sewers in the Oak Street Assessment District which must be repaid by the property owners within the assessment district; and

WHEREAS, the repayment of the bonds by the property owners is provided through the levy of an annual assessment, for principal, interest, and administrative costs, on each property owner's County property tax bill; and

WHEREAS, the proposed assessments for Fiscal Year 2025/26 are shown on Exhibit A attached hereto;

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

1. Orders the levy of assessments for Fiscal Year 2025/26 on those parcels within the Oak Street Sewer Assessment District for repayment of bonds issued for the construction of municipal sanitary sewers within the assessment district.
2. Lists the annual assessment for each parcel in the assessment district as shown on Exhibit A attached hereto.
3. Order that special assessments be levied and collected by the County of Contra Costa along with the regular property taxes.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 6th day of May 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

____

Kim Trupiano, Mayor

ATTEST:

____

City Clerk

EXHIBIT A

ANNUAL ASSESSMENT AMOUNTS FOR FISCAL YEAR 2025/26
FOR THE OAK STREET SEWER ASSESSMENT DISTRICT

Oak Street Sewer Assessment District	
Assessor Parcel Number (APN)	**Amount[1]**
119-040-021	$1,110.91
119-040-024	$1,110.91
119-040-027	$1,110.91
119-040-028	$1,110.91
119-040-030	$1,110.91
119-040-032	$1,110.91
119-040-033	$1,110.91
119-040-036	$1,110.91
119-040-037	$1,110.91
119-050-036	$1,110.91
Total Assessment	**$11,109.09**

[1]The Amounts shown above may differ from the amounts placed on the Contra Costa County's secured property tax bill by $0.01 due to County rounding requirements.

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

STAFF REPORT

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **Regina Rubier, Assistant City Manager**

DATE: **May 6, 2025**

SUBJECT: **Audited Annual Comprehensive Financial Report of the City of Clayton for the Fiscal Year Ending June 30, 2024**

RECOMMENDATION

It is respectfully recommended that the City Council:

1. Receive a presentation on the City of Clayton's Annual Comprehensive Financial Report, including the unmodified opinion of the Independent Auditors Report, issued by Chavan and Associates, LLP for the fiscal year ended June 30, 2024; and
2. Accept the City of Clayton's Annual Financial Report for the fiscal year 2023-24.

BACKGROUND

The City's independent audit firm, Chavan and Associates, has issued their opinion on the City of Clayton's financial statements for the fiscal year ended June 30, 2024 (FY 2023-24). In their opinion:

"the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Clayton, California as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America."

City management is responsible for ensuring that the financial statements are presented fairly in accordance with generally accepted accounting principles (GAAP). Additionally, management must design, implement, and maintain internal controls to support the accurate preparation and fair presentation of financial statements, minimizing the risk of material misstatement due to fraud or error. The City's independent auditors are responsible for expressing an opinion on the financial statements based on their audit. This audit is conducted in accordance with generally accepted auditing standards (GAAS) established by the

American Institute of Certified Public Accountants (AICPA) and generally accepted government auditing standards (GAGAS), also known as "Yellow Book" standards, issued by the Comptroller General of the United States.

DISCUSSION

Fund Financial Statements (Governmental Funds)

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $18,146,024. Of this amount, approximately $2.72M (15%) are committed funds; $4.24M (23.0%) is assigned fund balance.

The government-wide financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, and unlike the "modified accrual" governmental fund financial statements, the government-wide statements report long-term assets and liabilities in the Statement of Net Position. In the long run, increases or decreases in net position serve as a useful indicator of whether the financial position of the City of Clayton is improving or deteriorating. The City's net position decreased by $1,184,000 million and its change in net position was $1,940,000, less than the prior fiscal year. In Government Activities, tax revenues increased by $734,000, charges for services decreased by $294,000, operating grants and contributions decreased by $1,910,000, capital grants and contributions increased by $179,000 and investment earnings increased by $766,000.

General Fund

The City's General Fund reported a decrease in fund balance of $277,000 in the current fiscal year. This modest decrease is mostly attributable to an increase in expenses. As of June 30, 2024, the total fund balance of the General Fund is $7,467,481 and the unrestricted balance (the total of the committed, assigned and unassigned components of fund balance) was $6.96M or 111% of total general fund expenditure prior to transfers.

Landscape Maintenance District

Community Facilities District No. 2007-1, referred to as the Landscape Maintenance District special revenue fund, reported a decrease in fund balance of $53,245 (13%) in the current fiscal year. This decrease in fund balance is largely attributable to increases in operating costs such as water service and weed abatement, as well as an increase in project costs/capital outlay costs, primarily for upgraded irrigation controllers. Total fund balance of the Landscape

Maintenance District is $424,342 as of June 30, 2024, of which 100% is reported as restricted for public landscaping.

Successor Housing Agency

The Successor Housing Agency special revenue fund reported an increase in fund balance of $326,041 (5%) in the current fiscal year. This increase in fund balance resulted primarily from unspent program revenue on housing loan repayments as well as unrealized gains on the inventory of affordable income housing. Total fund balance of the Successor Housing Agency is $5,99,729 as of June 30, 2024, which is classified entirely as restricted.

FISCAL IMPACTS

The acceptance of the audited financial statements for the year ending June 30, 2024, does not have any direct fiscal impact on the City but reflects the overall financial health of the City.

CEQA
Not Applicable

ATTACHMENTS
2023-24 City of Clayton AFR_CALLP.pdf

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED

JUNE 30, 2024

City of Clayton
6000 Heritage Trail
Clayton, CA 94517

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CITY OF CLAYTON
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024
TABLE OF CONTENTS

INTRODUCTORY SECTION

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CITY ADMINISTRATION:
(925) 673-7300

MAINTENANCE:
(925) 673-7327

6000 HERITAGE TRAIL
CLAYTON, CALIFORNIA 94517-1250
TELEPHONE: (925) 673-7300
FAX: (925) 672-4917

April 7, 2025

The Honorable Mayor, Members of the City Council and Citizens of Clayton
Clayton, CA 94517

Dear Mayor, Members of the City Council and Citizens of Clayton,

We are pleased to submit the Annual Comprehensive Financial Report for the City of Clayton, California ("the City"), for the fiscal year (FY) ended June 30, 2024. Each year, the City publishes a complete set of financial statements that are presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited by an independent, certified public accounting firm.

The City's Finance Department prepared this report. Responsibility for both the accuracy of the data and the completeness and fairness of the information, including all disclosures, rests with the City. To the best of the City staff's knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner to fairly present the financial position and results of the operations of the various entities of the City. All disclosures necessary for the reader to understand the City's financial activities have been included. GAAP requires that management provide a narrative introduction overview and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal complements the MD&A, which can be found immediately following the report of the independent auditors.

INTERNAL CONTROLS

The Finance Department accounts for the City's programs and activities. In conjunction with the City's management, the Finance Department is responsible for maintaining the integrity of the City's recorded financial data and establishing and maintaining an internal control structure to ensure that the City's assets are protected from loss, theft or misuse. The internal control structure is designed to provide reasonable assurance these objectives are met, while recognizing that this assurance is not absolute. The concept of reasonable assurance recognizes: 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. City management believes the existing internal control systems are adequate to provide reasonable assurance the City's assets are safeguarded against loss and that the financial records are reliable for preparing financial statements and maintaining accountability for assets. This belief is supported by the "unmodified" audit opinion issued by the City's independent external auditors for the fiscal year ended June 30, 2024.

INDEPENDENT AUDIT

The City Council is responsible for: 1) assuring the City's management fulfills its responsibilities in the preparation of the financial statements and 2) engaging certified public accountants with whom the City Council reviews the scope of the audit and the accounting principles to be applied in financial reporting. The Government Code of the State of California requires general law cities, such as the City, to have its financial statements audited by an independent certified public accountant. Accordingly, this year's audit was completed by the accounting firm of Chavan & Associates LLC (Chavan). The firm was engaged by the City Council to render an opinion on the City's financial statements in accordance with auditing standards generally accepted in the United States of America. To ensure complete independence, Chavan presents the results of their assessment of the adequacy of internal accounting controls and the quality of financial reporting directly to the City Council. The auditor's report on the basic financial statements is the first item in the accompanying Financial Section.

PROFILE OF CLAYTON

The City of Clayton was incorporated in 1964 and is located in Contra Costa County, a suburban region in the eastern portion of the San Francisco-Bay Area. Pursuant to its adopted budget for the fiscal year ending June 30, 2023, the City has a permanent staff of 27.4 full-time equivalent employees which serves approximately 11,585 residents in a land area of approximately 4 square miles. Nestled in a small valley at the northern base of Mt. Diablo, the boundaries of the City are mostly developed with a strong community emphasis on open space preservation and maintenance of an extensive network of trails. The City continues to show strength as a safe community with attractive residential neighborhoods as a gateway to the fast paced and robust Bay Area economy.

The City operates under a Council-Manager form of government and provides many essential public services to the community. The City is governed by a five-member City Council elected at large, serving staggered terms of four years. The Mayor and Vice Mayor are selected by the City Council each year from its membership and serve one-year terms. The City Council is responsible for setting policies, adopting City ordinances, resolutions, the annual budget, appointing commissions and committees, and hiring the City Manager and City Attorney, among other key duties. The City Manager is responsible for implementing the City Council's policies, ordinances and directives, overseeing the daily operations of the City, and appointing all department heads and through them all other employees of the City.

As presented in the City's government-wide statement of activities, pursuant to GASBS 34, the City's numerous departments and restricted-use funds accounting for public services are consolidated into higher-level programs, which include: public safety, public works, parks and recreation services, community and economic development, and general government. The public safety program is composed of an in-house police department, staffed with eleven (11) full-time sworn police officers and two (2) administrative personnel dedicated to the function of police services. Public works tracks the maintenance of public landscaping (i.e. street medians and shoulders, sub-division entryways, etc.), facilities, transportation infrastructure (i.e. streets, lighting, traffic signals, etc.), as well as contract City engineering services for management of the City's Capital Improvement Program as well as land development regulatory needs. In their capacity of providing parks and recreation services, the City's in-house maintenance department oversees the maintenance of the Clayton Community Library, the Clayton Community Park, The Grove Park, various neighborhood parks, and the historic Endeavor Hall rental facility. The community and economic development program consists of two (2) in-house staff providing planning and land-use regulatory services as well as the functions of economic development and affordable housing. Finally, the general government program reports legislative and support costs indispensable in providing in-house public services and maintains compliance an ever-expanding list of legal, fiscal and other statutory requirements imposed by the State of California.

The City's fiscal year runs from July 1st through June 30th. Each year, the City Manager presents an annual budget to the City Council for adoption by Resolution on or before June 30th in accordance with Clayton Municipal Code section 3.02.040. On an interim basis the budget is monitored continually with the budgetary level of control maintained at the fund level.

ECONOMIC CONDITION AND FINANCIAL OUTLOOK

Essentially a cul-de-sac hugging the base of acclaimed Mt. Diablo, Clayton maintains a small-town atmosphere while its relative proximity to California State Highway 24 and neighboring city BART stations make it ideal for commuters. In addition, the semi-rural setting, low crime rate and excellent middle and elementary public schools make Clayton attractive to families of all types.

Its residents are generally highly educated with approximately 57.8% of adults greater than age 25 having a bachelor's degree or higher. In December of 2023, the unemployment rate of the City was 3.1%, compared to 4.1% and 5.9% for Contra Costa County and the State of California, respectively. In 2022 the median household income in the City was $172,226 compared to $96,334 for the state. The median age of Clayton residents is 44.3 as of the 2023 calendar year. The median sales price of homes in Clayton at June 30, 2023 was $1,099,000, a 0.09% decrease compared to June 30, 2022. These factors bode well for the City's major sources of revenue, as property and sales & use taxes maintain all-time high levels.

LONG-TERM FINANICAL PLANNING

As of the year ended June 30, 2024, the City of Clayton's financial condition remains sound. An indicator of financial condition is the level of fund balances, both reserved and unreserved, in the City's General Fund. The City Council has directed an absolute minimum reserve of $250,000 as its never-to-be-expended "catastrophic reserve." In practice, due to the effectiveness in fiscal management, this policy has been easily achieved, indicating perhaps this floor requirement should be elevated in the future. However, the standing Policy Goal of the City Council is to establish and retain an undesignated reserve of 50% the annual General Fund operating budget. At June 30, 2024, the total unassigned General Fund reserve balance is $7,467,481. The adopted General Fund operating budget for the fiscal year ending June 30, 2025 is $5,811,063.

The City of Clayton maintains a five-year Capital Improvement Program (CIP), which serves as its planning document to ensure its infrastructure is well maintained. The City prioritizes roads for maintenance and reconstruction based on the relative pavement condition index, with other infrastructure and facility improvement projects prioritized at the discretion of the City Council. Over the course of the last 10 years the City has invested approximately $1.0 million into facility and infrastructure capital improvements, funded by Highway User Tax Apportionments (i.e. HUTA or "gas taxes"), local Measure J taxes, redevelopment property tax increment allocations (prior to the dissolution of the Clayton Redevelopment Agency in 2012), and other state and federal grants. For the upcoming fiscal year ending June 30, 2025, the City's CIP is expected to invest an additional $2,485,563 into transportation and general infrastructure maintenance and improvement needs of the community.

ACKNOWLEDGEMENTS

A great deal of effort and attention to detail, representing many hours of work by staff members throughout the organization, is required to produce a report of this quality. We would like to express our appreciation to all of the City Departments who participated in the development of this year's Annual Comprehensive Financial Report. Special recognition is given to the Finance Department. We wish to thank and express our appreciation to the Mayor and the City Council for providing the policy direction used to prepare this Annual Comprehensive Financial Report and for their interest and support in planning and conducting the financial activities of the City in a responsible manner.

Respectfully submitted,

Kris Lofthus	*Regina Rubier*
Kris Lofthus	Regina Rubier
City Manager	Assistant City Manager -
	Administrative Services Director

DIRECTORY OF PRINCIPAL OFFICIALS AND ADVISORY BODIES

As of report issuance

CITY COUNCIL

Kim Trupiano, Mayor
Jeff Wan, Vice Mayor
Jim Diaz, Councilmember
Richard Enea, Councilmember
Holly Tillman, Councilmember

COMMISSIONS

Planning Commission

COMMITTEES

Financial Sustainability Committee
Trails and Landscaping Committee

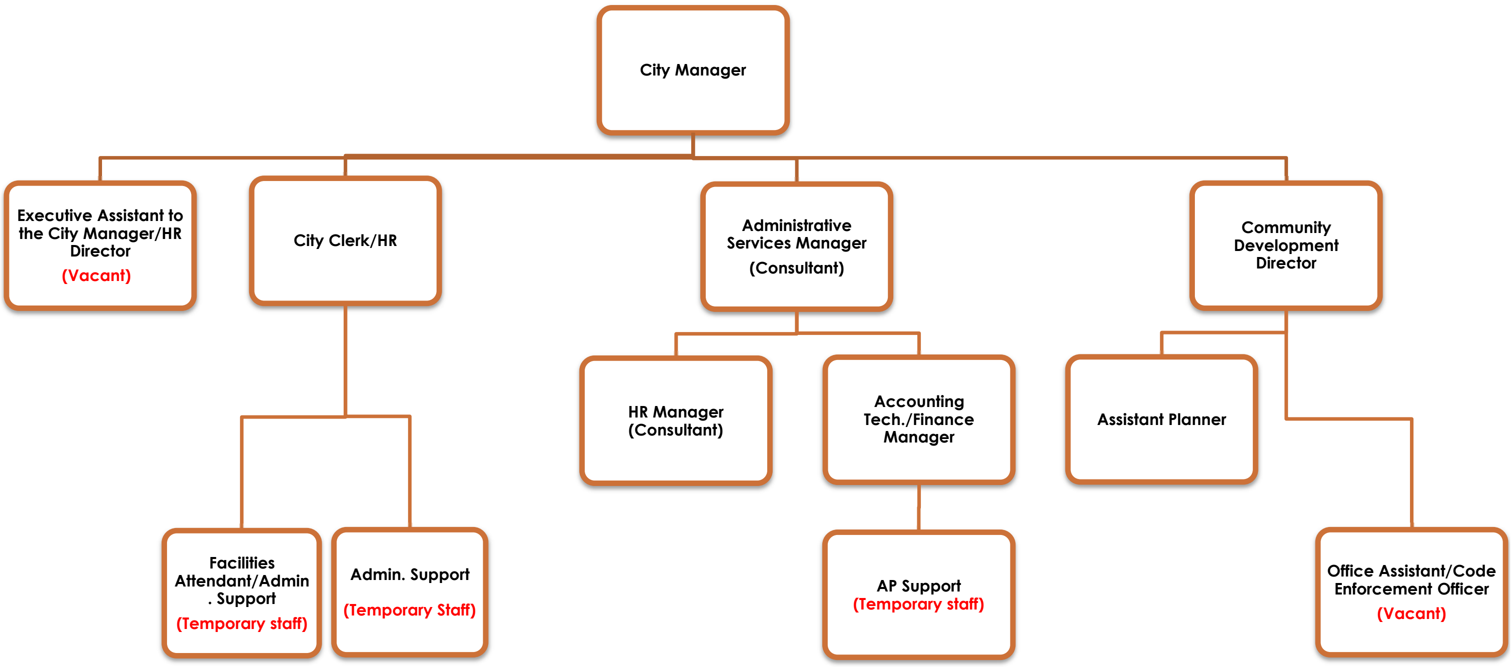
APPOINTED OFFICIALS AND DEPARTMENT HEADS

Kris Lofthus	City Manager
Hank Stratford	City Treasurer
Regina Rubier	Assistant City Manager
Don Mort	Chief of Police (Interim)
Stephanie Cabrera-Brown	City Clerk
Jim Warburton	Maintenance Superintendent
Malathy Subramanian	City Attorney (contract)
Larry Theis	City Engineer (contract)

FINANCE TEAM

Jennifer Giantvalley	Accountant
Richard Sanders	Sr. Accountant (consultant)

Organizational Chart



CITY OF CLAYTON

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Clayton
Clayton, California

Report on the audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Clayton (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Clayton, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

City management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAGAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements, schedules, and other information listed in the supplementary information section of the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the

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other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 2, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

C & A LLP

Chavan & Associates, LLP
Certified Public Accountants
April 2, 2025
Morgan Hill, California

CITY OF CLAYTON

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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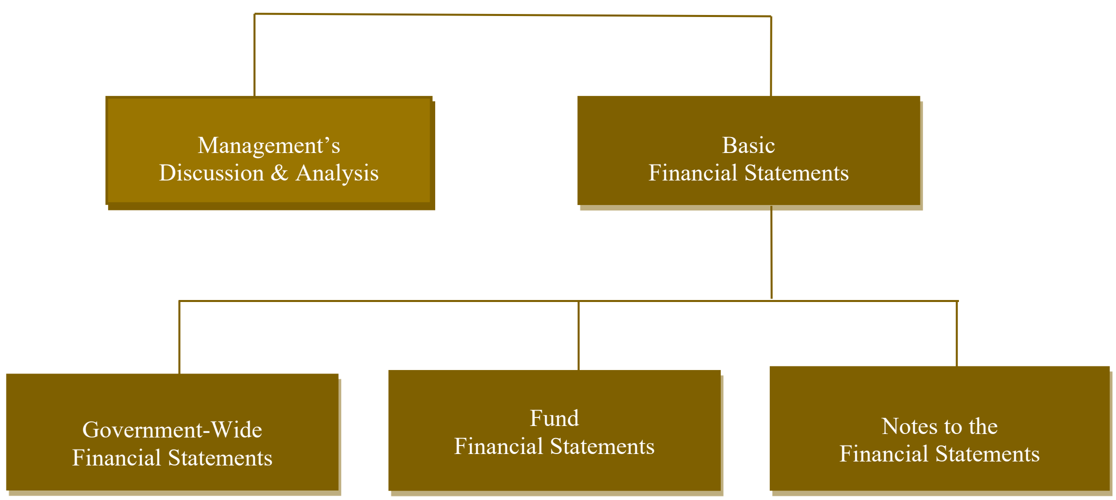
INTRODUCTION

As management of the City of Clayton (the City), we offer readers of the City's financial statements this narrative overview and analysis of financial activities of the City, for the fiscal year that ended on June 30, 2024. We encourage readers to consider the information presented here, in conjunction with additional information that we have furnished in our letter of transmittal. This information can be found on page i of this report. The required components of the report are listed below.

Required Components of the Annual Financial Report



FISCAL YEAR 2023/2024 FINANCIAL HIGHLIGHTS

Government-Wide Highlights

- The assets and deferred outflows of resources of the City exceeded the liabilities at the close of the most recent fiscal year by $45.35 million (net position). Of this amount, $29.56 million was classified as net investment in capital assets; $11.32 million as restricted; and $4.48 million as unrestricted net position.

- The City's net position decreased by $1.18 million and its change in net position was $1.94 million less than the prior fiscal year. In Governmental Activities, tax revenues increased by $734 thousand, charges for services decreased by $294 thousand, operating grants and contributions decreased by $1.91 million, capital grants and contributions increased by $179 thousand, and investment earnings increased by $766 thousand.

- Deferred outflows of resources increased by $240 thousand and deferred inflows of resources increased by $280 thousand mostly due to differences in expected and actual earnings, expected and actual experiences and changes in proportions related to the City's retirement plans. The City's pension liability in accordance with GASB 68 as of June 30, 2024, was $6.91 million, while its total OPEB liability for the fiscal year ending June 30, 2024, was $488 thousand.

- The City's noncurrent liabilities increased by $1.36 million or 18.71% in Fiscal Year 2023/2024 primarily from the issuance of the California Energy Commission loan.

- The City's net capital assets increased by $204 thousand, primarily due to additions to improvements net of depreciation.

Fund Highlights

- At the close of Fiscal Year 2023/2024, the City's governmental funds reported combined fund balances of $18.15 million, an increase of $574 thousand in comparison with the prior year. Approximately $2.72 million, or 14.99%, was classified as committed fund balance and $4.24 million, or 23.36%, was classified as assigned fund balance.

- At the end of the current fiscal year, the general fund's unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) was $6.96 million, or 111% of total general fund expenditures, prior to transfers.

- The fund balance in the General Fund decreased by $277 thousand, with revenues of $5.73 million and expenditures of $6.26 million, prior to transfers in of $247 thousand.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the City's financial statements. The City's basic financial statements are comprised of (1) Government-wide Financial Statements (2) Fund Financial Statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. Government-wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the City as a whole. Government-wide financial statements consist of the *Statement of Net Position* and the *Statement of Activities*.

The *Statement of Net Position* presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or declining.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This is consistent with a full accrual concept, which may result in the reporting of revenues and expenses in the current fiscal year, with cash flows occurring in future fiscal periods (e.g. uncollected revenues; and earned but not used vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities)*. An overview of the City's functions associated with each classification is listed below.

Governmental Activities – All of the City's basic services are considered to be governmental activities. This includes general administration, public safety, public works, community and economic development and parks and recreation. Property taxes, parcel taxes, assessments, sales and use taxes, business license taxes, franchise taxes, and state and federal grants finance most of these activities. Charges for services, which include are also used to help offset costs of providing certain services.

Business-Type Activities – This City's enterprise activities include Endeavor Hall operations. Unlike governmental services, these services are fully supported by charges paid by users based on the amount of services they use.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Fund financial statements provide detailed information about each of the City's most significant funds, called major funds. Major funds are presented individually, with all non-major funds summarized and presented only in a single column. Subordinate schedules present the details of these non-major funds. Major funds present the major activities of the City for the fiscal year and may change from year to year as a result of changes in the pattern of the City's activities. The City's funds are segregated into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same function reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. This represents a modified accrual basis of accounting, with capital assets, long-lived assets, and long-term liabilities excluded from the financial statements. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

The City maintains multiple governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the major fund as presented in the balance sheet. Data from the other governmental funds are combined into a single aggregated presentation presented as nonmajor funds. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report. A budgetary comparison statement has been provided as required supplementary information for the major funds to demonstrate compliance with this budget.

Proprietary Funds

The City has one *enterprise fund* which is a proprietary fund, the *Endeavor Hall Fund*, which is considered a major fund for the City. Enterprise funds provide the same type of information as business-type activities in the government-wide statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reported in the Government-Wide financial statements because the resources of these funds are not available to support the City's own programs. The accounting for fiduciary funds is much like that used for business type activities. The City maintained two types of fiduciary funds during Fiscal Year 2023/24, private purpose trust funds and custodial funds.

NOTES TO THE FINANCIAL STATEMENTS

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found immediately following the fund financial statements.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City's funding progress for its employee pension and OPEB benefit obligations. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the *required supplementary information* on pensions and OPEB as supplementary information. The City also provides combining statements for its sub-funds that comprise the intra fund transactions included in the General Fund. An unaudited statistical section provides historical and current data on financial trends, revenue and debt capacity, demographic and economic information, and operating information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, net position may serve as an indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $45.35 million at the close of the Fiscal Year 2023/2024. This represents an decrease of $1.18 million over the prior year.

The following table summarizes the City's ending net position:

Table 1 - Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	$ 22,160,653	$ 21,972,709	$ (151,523)	$ (118,216)	$ 22,009,130	$ 21,854,493
Capital assets	29,760,506	29,527,927	948,759	977,631	30,709,265	30,505,558
Total Assets	$ 51,921,159	$ 51,500,636	$ 797,236	$ 859,415	$ 52,718,395	$ 52,360,051
Deferred Outflows of Resources	$ 3,405,111	$ 3,165,399	$ -	$ -	$ 3,405,111	$ 3,165,399
Liabilities						
Current and other liabilities	$ 1,168,524	$ 1,028,687	$ 13,518	$ 10,263	$ 1,182,042	$ 1,038,950
Noncurrent liabilities	8,620,548	7,261,821	-	-	8,620,548	7,261,821
Total Liabilities	$ 9,789,072	$ 8,290,508	$ 13,518	$ 10,263	$ 9,802,590	$ 8,300,771
Deferred Inflows of Resources	$ 966,116	$ 685,716	$ -	$ -	$ 966,116	$ 685,716
Net Position						
Net investment in capital assets	$ 28,607,299	$ 29,286,912	$ 948,759	$ 977,631	$ 29,556,058	$ 30,264,543
Restricted	11,321,338	10,330,144	-	-	11,321,338	10,330,144
Unrestricted	4,642,445	6,072,755	(165,041)	(128,479)	4,477,404	5,944,276
Total Net Position	$ 44,571,082	$ 45,689,811	$ 783,718	$ 849,152	$ 45,354,800	$ 46,538,963

Net position of the City's governmental activities decreased $1.12 million. Approximately 10% of net position relating to governmental activities are unrestricted, and $29.29 million of the net position for governmental activities was for investments in capital assets, (e.g., land, buildings, general government infrastructure, equipment, etc.), less accumulated depreciation and any outstanding that was debt used to acquire or construct those assets. Capital assets represent infrastructure which provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the liabilities. Total liabilities related to governmental activities increased by $1.41 million mostly due to increases in pension liabilities and the California Energy Commission loan.

Total net position of the City's business-type activities decreased $65 thousand. At the end of the current fiscal year, the City was able to report a positive balance for the government as a whole.

With total revenues for Fiscal Year 2023/2024 at $9.52 million and total expenses at $10.7 million, the change in net position for current activity was a decrease of $1.18 million.

An analysis of the changes in revenues and expenses is as follows:

Table 2 - Statement of Changes in Net Position

Functions/Programs	Governmental Activities 2024	Governmental Activities 2023	Increase (Decrease)	Business-Type Activities 2024	Business-Type Activities 2023	Increase (Decrease)
Program Revenues						
Charges for services	$ 570,023	$ 863,754	$ (293,731)	$ 32,581	$ 34,665	$ (2,084)
Operating grants and contributions	901,357	2,812,484	(1,911,127)	-	-	-
Capital grants and contributions	294,025	114,959	179,066	-	-	-
Total Program Revenues	1,765,405	3,791,197	(2,025,792)	32,581	34,665	(2,084)
General Revenues						
Taxes	6,630,788	5,896,923	733,865	-	-	-
Payments in-lieu of taxes	177,935	181,493	(3,558)	-	-	-
Investment earnings	784,340	18,046	766,294	-	(65)	65
Other revenues	127,840	95,989	31,851	-	-	-
Total General Revenues	7,720,903	6,192,451	1,528,452	-	(65)	65
Expenses						
General government	2,731,875	2,018,902	712,973	-	-	-
Public safety	3,132,857	2,986,862	145,995	-	-	-
Public works	3,219,704	2,907,711	311,993	-	-	-
Community and economic dev.	462,643	341,335	121,308	-	-	-
Parks and recreation	1,080,088	939,695	140,393	-	-	-
Interest on fiscal charges	7,870	-	7,870	-	-	-
Endeavor Hall	-	-	-	98,015	65,587	32,428
Total Expenses	10,635,037	9,194,505	1,440,532	98,015	65,587	32,428
Increase / (Decrease) in Net Position	(1,148,729)	789,143	(1,937,872)	(65,434)	(30,987)	(34,447)
Net Position, Beginning of Year	45,689,811	44,900,668	789,143	849,152	880,139	(30,987)
Net Position, End of Year	$ 44,541,082	$ 45,689,811	$ (1,148,729)	$ 783,718	$ 849,152	$ (65,434)

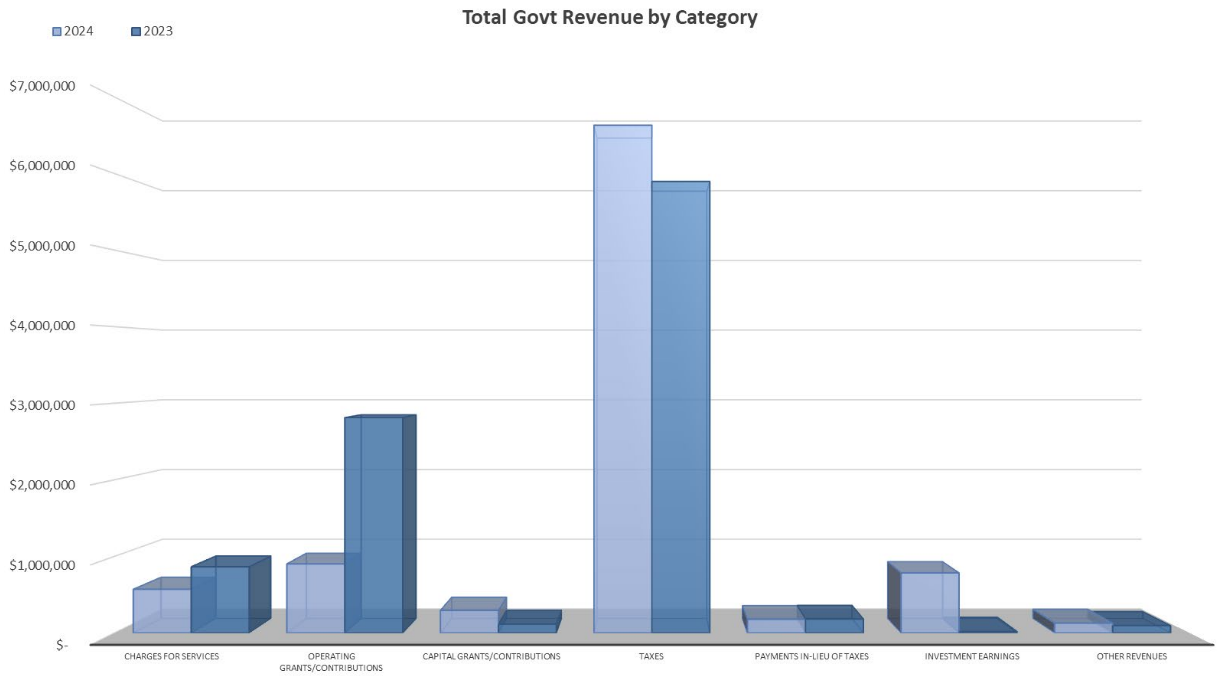
Governmental Activities

As shown in the following *Statement of Changes in Net Position* schedule, the net position for governmental activities decreased from $45.69 million in the prior year to $44.57 million in the current fiscal year. This increase is largely due to decreases in program revenues from charges for services and operating grants and contributions, and an increase in total expenses.

The decrease in charges for services was mostly attributed to programs allocated to public works and the reclassification of some charges to contributions.

The increase in expenses was mostly attributed to general government and public works services during the year, and an increase in pension expense adjustments across all departments.

The major components of governmental revenues are shown below:



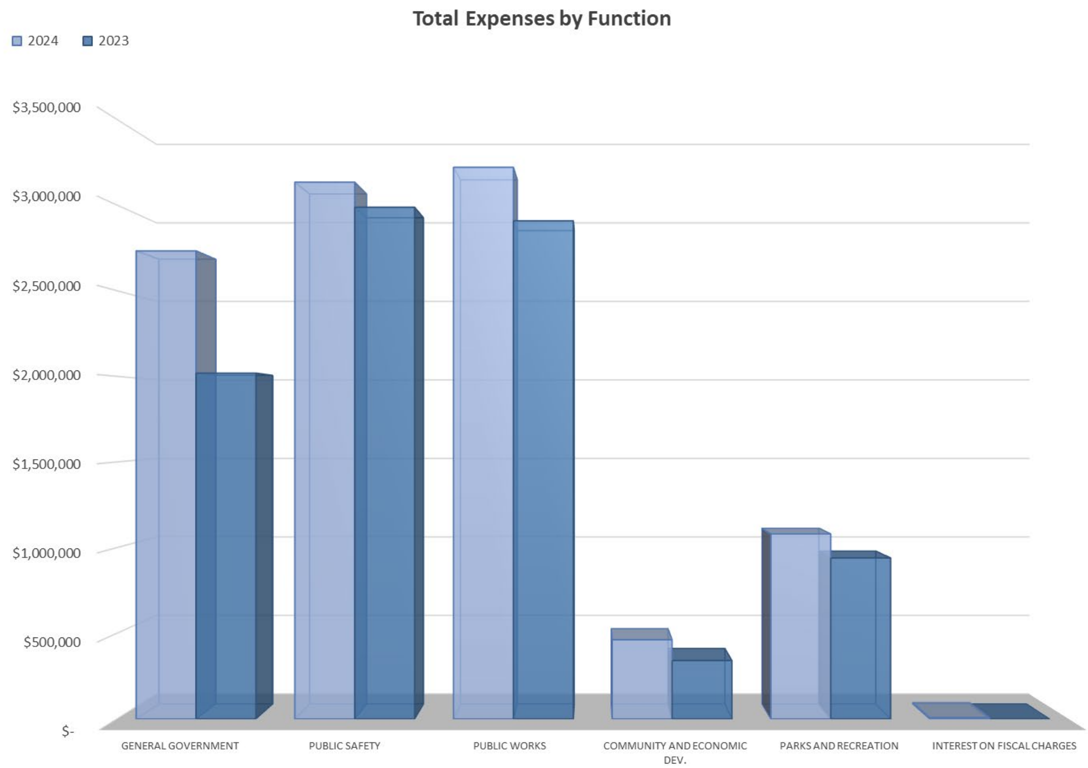
Taxes remained the largest revenue source in both years, with 2024 seeing an increase over 2023, reflecting higher tax collections driven by economic growth and housing turnover. Operating grants and contributions also rose significantly in 2024, suggesting increased financial support from federal and state grants.

Revenue from charges for services experienced moderate growth, likely due to higher usage, increased service fees, or expanded service offerings such as permits, utilities, and public transportation. Investment earnings saw a notable rise, indicating stronger financial returns from government investments, influenced by higher interest rates and improved portfolio management.

Capital grants and contributions showed a slight increase in 2024 but remained a small portion of overall revenue, reflecting the city's limited number of infrastructure projects. Payments in lieu of taxes saw minimal change, as these payments, made by tax-exempt entities in place of property taxes, remained steady. Other revenues also stayed relatively unchanged, encompassing miscellaneous sources with little fluctuation.

Overall, total revenue grew in 2024, primarily driven by increases in tax collections and operating grants. While taxes remain the dominant revenue source, diversification is evident, with notable gains in investment earnings and service charges. The government continues to rely heavily on taxes, but alternative funding sources, such as grants and investments, are playing an increasingly important role.

The major components of governmental expenses are shown below:



In 2024, most functional areas experienced an increase in spending compared to 2023. General Government Expenses saw a notable rise, reflecting a heightened allocation of resources toward administrative and operational costs. Public Safety expenditures also increased, though only slightly, suggesting a steady investment in law enforcement and emergency services. Public Works spending was higher in 2024 than in 2023, but the increase was not substantial, indicating a relatively stable investment in infrastructure and maintenance. Similarly, Community and Economic Development expenses experienced a slight uptick, highlighting continued but modest efforts to foster local growth and economic initiatives. Parks and Recreation expenditures also saw a minor increase, suggesting a consistent focus on community leisure and outdoor spaces.

On the other hand, Interest in Fiscal Charges remained relatively low and showed little to no change, indicating stable debt servicing costs. Among all categories, Public Safety and Public Works had the highest expenditures, underscoring their priority in budget allocation. Conversely, Community and Economic Development had the lowest expenses, suggesting a more conservative approach to funding in this area. Overall, the budget adjustments in 2024 indicate a stronger emphasis on General Government operations and Public Works, reflecting potential administrative growth and infrastructure investments.

Business-Type Activities

The City's business type activities represent Endeavor Hall operations. Total program revenues for business-type activities were $33 thousand from charges for services, a slight decrease of $2.1 thousand. Total expenses for business-type activities were $98 thousand, which was an increase of $32 thousand from prior year, primarily due to an increase in administration costs.

FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

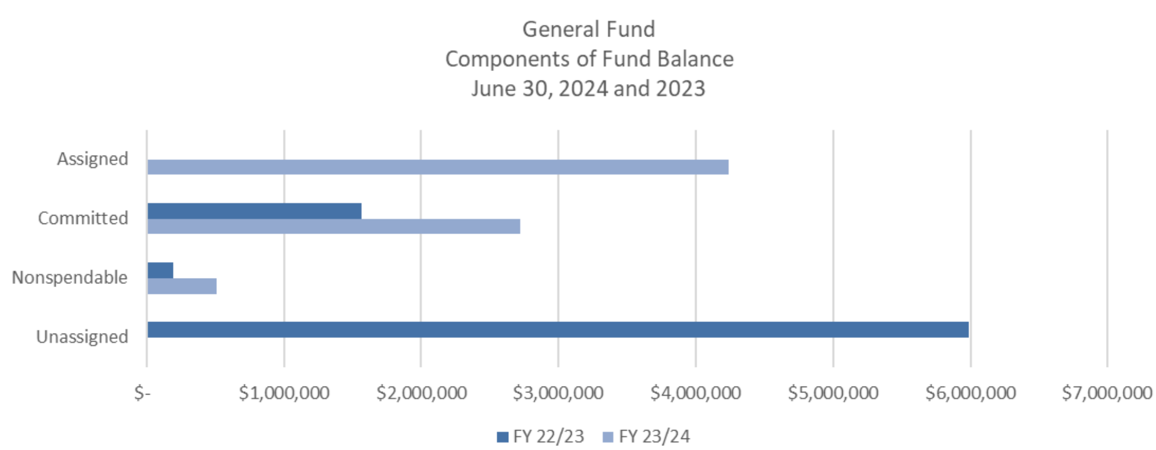
The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for particular purposes by the City's Council. The following table summarizes the changes in fund balance of the Major Funds and Other Nonmajor Governmental Funds:

Table 3 - Summary of Changes in Fund Balance - Governmental Funds

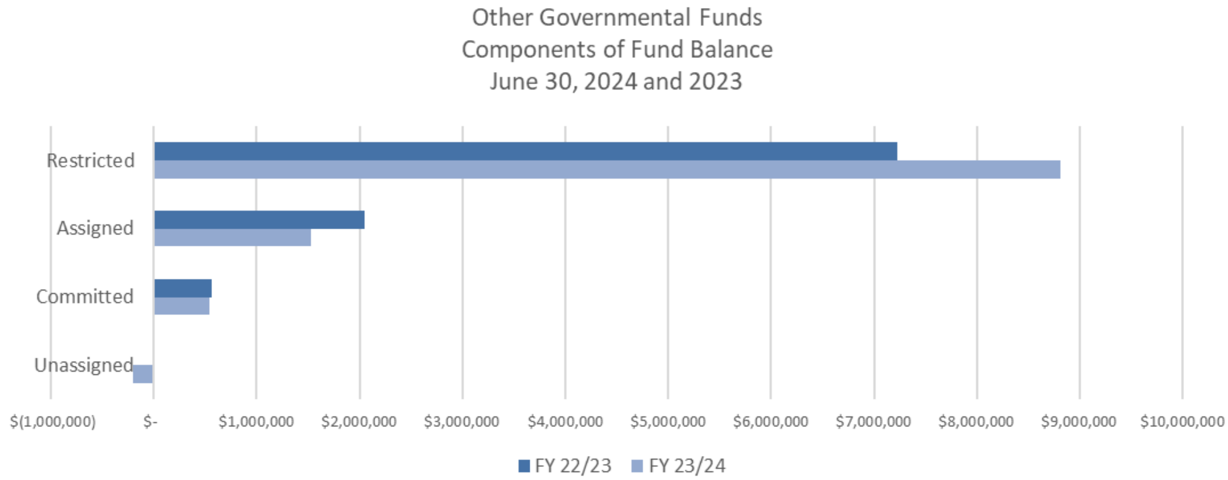
	Major Funds				
	General Fund	Landscape Maintenance District Fund	Successor Housing Agency Fund	Nonmajor Gov't Funds	Total
Total Revenues	$ 5,733,328	$ 1,307,427	$ 326,041	$ 2,350,714	$ 9,717,510
Total Expenditures	6,256,472	1,317,291	-	2,651,035	10,224,798
Revenues Over (Under) Exp.	(523,144)	(9,864)	326,041	(300,321)	(507,288)
Other Financing Sources	-	-	-	967,407	967,407
Transfers In	246,526	-	-	-	246,526
Transfers Out	-	(43,381)	-	(89,482)	(132,863)
Net Change in Fund Balances	(276,618)	(53,245)	326,041	577,604	573,782
Beginning Fund Balances	7,744,099	477,587	5,673,688	3,676,868	17,572,242
Ending Fund Balances	$ 7,467,481	$ 424,342	$ 5,999,729	$ 4,254,472	$ 18,146,024

General Fund

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the assigned fund balance of the general fund was $4.24 million and the total fund balance in the General Fund was $7.47 million. This is a decrease in fund balance of $277 thousand, or 4%, from the prior year. The major components of the fund balance are shown below:



The following chart displays the components of fund balance for governmental funds other than the General Fund:



CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2024, was $30.71 million (net of accumulated depreciation). This includes net capital assets from governmental activities of $29.76 million and net capital assets from business type activities at $949 thousand. The total increase in the City's capital assets during the fiscal year was approximately $204 thousand. This includes a net increase of $233 thousand related to Governmental Activities and a net decrease of $29 thousand related to Business-type Activities.

The following table summarizes the City's capital assets at the end of the year:

Table 4 - Capital Assets

	Governmental Activities		Business-type Activities		Total		
	2024	2023	2024	2023	2024	2023	% Change
Land	$ 2,086,965	$ 2,086,965	$ 167,738	$ 167,738	$ 2,254,703	$ 2,254,703	0.00%
Construction-in-progress	1,754,833	1,805,921	-	-	1,754,833	1,805,921	-2.83%
Infrastructure	17,732,109	18,338,729	-	-	17,732,109	18,338,729	-3.31%
Buildings	2,638,834	2,624,212	780,164	808,178	3,418,998	3,432,390	-0.39%
Imp. other than Buildings	4,778,424	3,895,633	857	1,715	4,779,281	3,897,348	22.63%
Machinery and Equipment	601,128	550,765	-	-	601,128	550,765	9.14%
Right of Use Assets	168,213	225,702	-	-	168,213	225,702	-25.47%
Total Capital Assets, Net	$ 29,760,506	$ 29,527,927	$ 948,759	$ 977,631	$ 30,709,265	$ 30,505,558	0.67%

Additional detail and information on capital asset activity is described in the notes to the financial statements, Note 6.

DEBT ADMINISTRATION

During the year, Long-Term Debt from governmental activities increased by $912 thousand, primarily due to draws from the California Energy Commission loan. The following table summarizes the City's debt at the end of the year:

Table 5 - Outstanding Long-Term Debt

	Governmental Activities		
	2024	2023	% Change
California Energy Commission Loan	$ 967,407	$ -	100.00%
Leases Payable	150,289	178,084	-15.61%
Subscriptions Payable	35,511	62,931	-43.57%
Total outstanding long-term debt	$ 1,153,207	$ 241,015	378.48%

Additional detail and information on long-term debt activity is described in the notes to the financial statements, Note 7.

GENERAL FUND BUDGETARY HIGHLIGHTS

Changes from the City's General Fund original budget to the final budget are detailed in the *Required Supplementary Information* section along with a comparison to actual activity for the year ended. In Fiscal Year 2023/2024, the City originally estimated that a $295 thousand deficit change in fund balance which would decrease overall fund balance. This "drawdown" from fund balance was needed to maintain normal operations, however due to higher-than-expected expenditures in general government, public works and parks and recreation departments, and capital outlay, the City's deficit change in fund balance ended the year at $523 thousand.

Revenues

The General Fund adopted and final revenue budgets were $5.44 million while actual revenues recorded were $5.73 million. Most of the increase in revenue was due to interest earnings which was $212 thousand over budget.

Expenditures

The General Fund adopted and final expenditures budget were $5.73 million. Actual expenditures totaled $6.26 million. The primary causes of the budgetary differences were identified in the preceding paragraphs.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

As the City of Clayton is largely a residential community the annual General Fund operating budget relies heavily on property taxes to finance annual operating appropriations rather than other sources of revenue larger and more commercially and industrial developed municipalities have access to (i. e. sales and transient occupancy taxes). The City strives to meet the ever-evolving needs of local residents and businesses within the constraints of limited and sometimes restrictive revenue sources.

There was an increase in adopted General Fund operating appropriations when compared to the actuals reported as of June 30, 2023, for the upcoming fiscal year ending June 30, 2024, of $89,880 (1.6%). The increase in appropriations is attributable primarily to labor wage and benefit costs of various City departments and capital improvement costs included as part of the general government. The annual June 2022 to June 2023 consumer price index inflationary factor is 2.9% as published by the U. S. Bureau of Labor and Statistics for the San Francisco-Oakland-Hayward region. The adopted budget for the fiscal year ending June 30, 2024, projects total General Fund revenues of $5,683,916 a decrease of approximately $1.3 million over the prior year actual. The projected revenue decrease is because the final disbursement of SLFRF fund was received in July 2022.

The City continues to recover from the negative economic impacts of COVID-19 pandemic. The primary focus for the City has been to update the Long Term Financial Forecast (LTFF), which will provide a forward look at the City's General Fund operating revenues and expenditures. Its purpose is to identify financial trends, shortfalls, opportunities and issues so the City can proactively address them. It does so by projecting the future fiscal results of continuing the City's current service levels and policies. The LTFF lays the foundation for the budget, aiding both the City Manager and City Council in establishing priorities and allocating resources appropriately.

REQUEST FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of the City of Clayton's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Office of the Finance Director, 6000 Heritage Trail, Clayton, California 94517.

CITY OF CLAYTON

Founded 1857 .. Incorporated 1964

BASIC FINANCIAL STATEMENTS

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City of Clayton
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and investments	$ 14,165,495	$ -	$ 14,165,495
Taxes receivable	533,482	-	533,482
Accounts receivable	439,941	-	439,941
Interest receivable	353	-	353
Prepaid items	584,179	1,635	585,814
Internal balances	153,158	(153,158)	-
Total Current Assets	15,876,608	(151,523)	15,725,085
Noncurrent Assets:			
Investment in affordable housing	3,073,750	-	3,073,750
Notes receivable	3,210,295	-	3,210,295
Capital Assets:			
Nondepreciable	3,841,798	167,738	4,009,536
Depreciable, net of accumulated depreciation	25,918,708	781,021	26,699,729
Total Capital Assets, Net	29,760,506	948,759	30,709,265
Total Noncurrent Assets	36,044,551	948,759	36,993,310
Total Assets	$ 51,921,159	$ 797,236	$ 52,718,395
DEFERRED OUTFLOWS OF RESOURCES			
Pension Adjustments	$ 3,405,111	$ -	$ 3,405,111
Total Deferred Outflows of Resources	$ 3,405,111	$ -	$ 3,405,111
LIABILITIES			
Current Liabilities:			
Accounts payable	$ 441,260	$ 7,018	$ 448,278
Accrued payroll and benefits	90,174	-	90,174
Deposits payable	98,539	6,500	105,039
Unearned revenue	395,127	-	395,127
Compensated absences, due within one year	103,975	-	103,975
Long-term debt, due within one year	39,449	-	39,449
Total Current Liabilities	1,168,524	13,518	1,182,042
Noncurrent Liabilities:			
Net pension liability	6,915,093	-	6,915,093
Net OPEB liability	487,722	-	487,722
Compensated absences, due in more than one year	103,975	-	103,975
Loans payable, due in more than one year	1,113,758	-	1,113,758
Total Noncurrent Liabilities	8,620,548	-	8,620,548
Total Liabilities	$ 9,789,072	$ 13,518	$ 9,802,590
`			
Pension Adjustments	$ 842,236	$ -	$ 842,236
OPEB Adjustments	123,880	-	123,880
Total Deferred Inflows of Resources	$ 966,116	$ -	$ 966,116
NET POSITION			
Net investment in capital assets	$ 28,607,299	$ 948,759	$ 29,556,058
Restricted for:			
Grant funded programs	204,218	-	204,218
The Grove Park (CFD 2006-1)	500,805	-	500,805
Transportation	1,682,499	-	1,682,499
Public landscaping	424,342	-	424,342
Affordable housing	8,505,169	-	8,505,169
Community facilities	4,305	-	4,305
Total Restricted	11,321,338	-	11,321,338
Unrestricted	4,642,445	(165,041)	4,477,404
Total Net Position	$ 44,571,082	$ 783,718	$ 45,354,800

The accompanying notes are an integral part of these financial statements.

City of Clayton
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Primary Government:							
Governmental Activities:							
General government	$ 2,731,875	$ 321,803	$ 149,112	$ 103,335	$ (2,157,625)		$ (2,157,625)
Public safety	3,132,857	40,464	218,999	-	(2,873,394)		(2,873,394)
Public works	3,219,704	61,341	513,246	190,690	(2,454,427)		(2,454,427)
Community and economic development	462,643	81,865	20,000	-	(360,778)		(360,778)
Parks and recreation	1,050,088	64,550	-	-	(985,538)		(985,538)
Interest and fiscal charges	7,870	-	-	-	(7,870)		(7,870)
Total Governmental Activities	$ 10,605,037	$ 570,023	$ 901,357	$ 294,025	(8,839,632)		(8,839,632)
Business-Type Activities:							
Endeavor Hall	$ 98,015	$ 32,581	$ -	$ -		(65,434)	(65,434)
Total Business-Type Activities	$ 98,015	$ 32,581	$ -	$ -		(65,434)	(65,434)
General Revenues:							
Taxes:							
Property taxes					3,193,850	-	3,193,850
Special parcel taxes and assessments					1,739,532	-	1,739,532
Sales and use tax					952,520	-	952,520
Business license tax					84,010	-	84,010
Franchise taxes					660,876	-	660,876
Total taxes					6,630,788	-	6,630,788
Payments in-lieu of taxes					177,935	-	177,935
Investment earnings					784,340	-	784,340
Other revenues					127,840	-	127,840
Total General Revenues					7,720,903	-	7,720,903
Change in Net Position					(1,118,729)	(65,434)	(1,184,163)
Net Position - Beginning of Year					45,689,811	849,152	46,538,963
Net Position - End of Year					$ 44,571,082	$ 783,718	$ 45,354,800

The accompanying notes are an integral part of these financial statements.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Governmental Funds are used to account for activities primarily supported by taxes, grants, and similar revenue sources. All governmental funds can be classified into Major and Nonmajor funds based on certain criteria identified by accounting standards.

The ***General Fund*** is the main operating fund of the City and is presented as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

The ***Landscape Maintenance District Fund*** accounts for real property voter-approved special parcel taxes collected to maintain arterial landscaping and open space within the City. This fund was established for the Community Facilities District No. 2007-1 which sunsets in 2027.

The ***Successor Housing Agency Fund*** accounts for the activities related to the assets assumed by the City as the Housing Successor to the housing activities of the former Redevelopment Agency of the City.

The ***Nonmajor Governmental Funds*** of the City are aggregated and presented on the face of the basic financial statements in one column.

City of Clayton
Balance Sheet
Governmental Funds
June 30, 2024

	Major Funds				
	General Fund	Landscape Maintenance District Fund	Successor Housing Agency Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 6,698,104	$ 502,987	$ 2,200,084	$ 4,383,550	$ 13,784,725
Taxes receivable	158,031	-	-	375,451	533,482
Accounts receivable	265,217	-	-	174,724	439,941
Interest receivable	353	-	-	-	353
Prepaid items	509,252	49,586	-	25,341	584,179
Notes receivable	-	-	3,073,750	-	3,073,750
Investment in affordable housing	-	-	3,210,295	-	3,210,295
Due from other funds	315,932	-	-	-	315,932
Total assets	$ 7,946,889	$ 552,573	$ 8,484,129	$ 4,959,066	$ 21,942,657
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 180,007	$ 119,179	$ -	$ 141,418	$ 440,604
Accrued payroll and benefits	182,272	9,052	-	2,825	194,149
Deposits payable	96,089	-	-	2,450	98,539
Unearned revenue	-	-	-	395,127	395,127
Due to other funds	-	-	-	162,774	162,774
Total liabilities	458,368	128,231	-	704,594	1,291,193
Deferred Inflows of Resources:					
Unavailable revenues	21,040	-	2,484,400	-	2,505,440
Total deferred inflows of resources	21,040	-	2,484,400	-	2,505,440
Fund Balances:					
Nonspendable					
Prepaid items	509,252	-	-	-	509,252
Total nonspendable	509,252	-	-	-	509,252
Restricted:					
Grant funded programs	-	-	-	204,218	204,218
The Grove Park (CFD 2006-1)	-	-	-	500,805	500,805
Transportation	-	-	-	1,682,499	1,682,499
Public landscaping	-	424,342	-	-	424,342
Affordable housing	-	-	5,999,729	-	5,999,729
Community facilities	-	-	-	4,305	4,305
Total restricted	-	424,342	5,999,729	2,391,827	8,815,898
Committed:					
Presley settlement	-	-	-	54,014	54,014
Development impact	-	-	-	487,755	487,755
Emergency Reserve	2,720,000	-	-	-	2,720,000
Total committed	2,720,000	-	-	541,769	3,261,769
Assigned:					
Budget contingency	680,000	-	-	-	680,000
Technology	300,000	-	-	-	300,000
Vehicle Replacement	500,000	-	-	-	500,000
Pensions	300,000	-	-	-	300,000
Capital projects	2,458,229	-	-	1,522,739	3,980,968
Total assigned	4,238,229	-	-	1,522,739	5,760,968
Unassigned	-	-	-	(201,863)	(201,863)
Total fund balances	7,467,481	424,342	5,999,729	4,254,472	18,146,024
Total liabilities, deferred inflows of resources and fund balances	$ 7,946,889	$ 552,573	$ 8,484,129	$ 4,959,066	$ 21,942,657

The accompanying notes are an integral part of these financial statements.

City of Clayton
Reconciliation of the Government Funds Balance Sheet to the Government-Wide Statement of Net Position
June 30, 2024

Total Fund Balances - Total Governmental Funds	$ 18,146,024
Amounts reported for governmental activities in the statement of net position were different because:	
Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. The capital assets were adjusted as follows:	
Capital assets	53,105,092
Less: accumulated depreciation	(23,945,714)
Total Capital Assets	29,159,378
Internal service funds are used by management to charge the costs of interdepartmental services to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	981,242
The differences from benefit plan assumptions and estimates versus actuals are not included in the plan's actuarial study until the next fiscal year and are reported as deferred inflows or deferred outflows of resources in the statement of net position.	2,438,995
Liabilities were reported for certain revenues that were not available to pay current period expenditures and were reported as deferred inflows of resources in the fund statements.	-
Long-term obligations were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. The long-term liabilities were adjusted as follows:	
Long-term debt	(1,153,207)
Compensated absences	(103,975)
Net pension liability	(6,915,093)
Total OPEB liability	(487,722)
Total Long-Term Obligations	(8,659,997)
Net Position of Governmental Activities	$ 42,065,642

The accompanying notes are an integral part of these financial statements.

City of Clayton
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	Major Funds					
	General Fund	Landscape Maintenance District Fund	Successor Housing Agency Fund	Capital Improvement Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes	$ 3,193,850	$ -	$ -	$ -	$ -	$ 3,193,850
Special parcel taxes and assessments	-	1,281,776	-	-	457,756	1,739,532
Sales and use tax	541,017	-	-	-	411,503	952,520
Business license tax	84,010	-	-	-	-	84,010
Permits, licenses and fees	147,256	-	-	-	65,420	212,676
Fines, forfeitures and penalties	99,304	-	-	-	-	99,304
Intergovernmental	118,999	-	-	-	1,233,427	1,352,426
Motor vehicle in-lieu fees	13,666	-	-	-	-	13,666
Other in-lieu fees	177,935	-	-	-	-	177,935
Franchise taxes	660,876	-	-	-	-	660,876
Charges for services	258,043	-	-	-	-	258,043
Use of money and property	345,554	25,651	326,041	-	182,587	879,833
Other revenue	92,818	-	-	-	21	92,839
Total Revenues	5,733,328	1,307,427	326,041	-	2,350,714	9,717,510
EXPENDITURES						
Current:						
General government	1,951,440	-	-	-	386,500	2,337,940
Public safety	2,772,022	-	-	-	-	2,772,022
Public works	402,961	1,316,917	-	-	653,448	2,373,326
Community and economic development	425,329	-	-	-	-	425,329
Parks and recreation	532,718	-	-	-	115,818	648,536
Capital outlay	108,917	374	-	-	1,495,269	1,604,560
Debt service						
Principal	55,215	-	-	-	-	55,215
Interest and fiscal charges	7,870	-	-	-	-	7,870
Total Expenditures	6,256,472	1,317,291	-	-	2,651,035	10,224,798
Excess (Deficiency) of Revenues over Expenditures	(523,144)	(9,864)	326,041	-	(300,321)	(507,288)
OTHER FINANCING SOURCES (USES)						
Transfers in	246,526	-	-	-	-	246,526
Transfers out	-	(43,381)	-	-	(89,482)	(132,863)
Debt issuance	-	-	-	-	967,407	967,407
Total Other Financing Sources (Uses)	246,526	(43,381)	-	-	877,925	1,081,070
Net Change in Fund Balances	(276,618)	(53,245)	326,041	-	577,604	573,782
Fund Balances Beginning	7,744,099	477,587	5,673,688	1,622,724	2,054,144	17,572,242
Prior Period Fund Reclassifications	-	-	-	(1,622,724)	1,622,724	-
Fund Balances Beginning, as Adjusted	7,744,099	477,587	5,673,688	-	3,676,868	17,572,242
Fund Balances Ending	$ 7,467,481	$ 424,342	$ 5,999,729	$ -	$ 4,254,472	$ 18,146,024

The accompanying notes are an integral part of these financial statements.

City of Clayton

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities

For the Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	$	573,782
Amounts reported for governmental activities in the Statement of Activities and Changes in net position were different because:		
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in net position, the cost of those assets was allocated over their estimated useful lives as depreciation expense.		
Capital asset additions		1,328,209
Depreciation expense		(1,145,994)
The governmental funds report debt proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. The net effect of these differences in the treatment of long-term debt and related items is as follows:		
Proceeds from debt issuance		(967,407)
Repayment of lease liabilities		27,795
Repayment of subscription liabilities		27,420
Compensated absences not required to be paid with current financial resources are not reported in the governmental funds, but are accrued as noncurrent liabilities in the Government Wide Statement Net Position. The change from prior year accrued compensated absences is reported in the applicable program expense.		(12,968)
Certain revenues were not recorded or recorded as unearned revenue in the governmental funds because they did not meet the revenue recognition criteria of availability. However, they were included as revenue in the Government-Wide Statement of Activities under the full accrual basis.		(360,739)
Internal service funds are used by management to charge the costs of interdepartmental services to individual funds. The revenue and expenses of the internal service funds are eliminated in the governmental activities in the statement of net activities.		(75,123)
In governmental funds, actual contributions to benefit plans are reported as expenditures in the year incurred. However, in the government-wide statement of activities, only the current year benefit expense as noted in the plans' valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.		(504,086)
Certain expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the fund statements as follows:		
Other postemployment benefits		(9,618)
Change in Net Position of Governmental Activities	$	(1,118,729)

The accompanying notes are an integral part of these financial statements.

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PROPRIETARY FUND FINANCIAL STATEMENTS

Proprietary funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges. The City's proprietary funds can be classified into two fund types: enterprise and internal service funds.

Enterprise Funds

Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services. The following is the City's sole major enterprise fund

The ***Endeavor Hall Fund*** Accounts for all rental activities related to operation of the underlying rental facility asset. The primary use of the rental facility has been for wedding receptions and other formal special events.

Internal Service Funds

The City's internal service funds account for activities that provide goods or services to other City funds, departments, or agencies on a cost reimbursement basis. All internal service funds of the City are aggregated and presented on the face of the proprietary fund financial statements in one column.

City of Clayton
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-Type Activities (Enterprise Fund)	Governmental Activities
	Endeavor Hall Fund	Internal Service Funds
ASSETS		
Current assets:		
Cash and investments	$ -	$ 380,770
Prepaid items	1,635	-
Total current assets	1,635	380,770
Noncurrent assets:		
Land	167,738	-
Depreciable capital assets, net	781,021	601,128
Total noncurrent assets	948,759	601,128
Total assets	$ 950,394	$ 981,898
LIABILITIES		
Current liabilities:		
Accounts payable	$ 7,018	$ 656
Deposits payable	6,500	-
Due to other funds	153,158	-
Total liabilities	$ 166,676	$ 656
NET POSITION		
Net Investment in capital assets	$ 948,759	$ 601,128
Unrestricted	(165,041)	380,114
Total net position	$ 783,718	$ 981,242

The accompanying notes are an integral part of these financial statements.

City of Clayton

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities (Enterprise Fund)	Governmental Activities
	Endeavor Hall Fund	Internal Service Funds
OPERATING REVENUES		
Charges for services	$ 32,581	$ 52,300
Total operating revenues	32,581	52,300
OPERATING EXPENSES		
Personnel	9,528	-
General and administration	59,615	5,099
Depreciation and amortization	28,872	138,198
Total operating expenses	98,015	143,297
Operating income (loss)	(65,434)	(90,997)
NONOPERATING REVENUES(EXPENSES)		
Investment income	-	25,907
Total nonoperating revenues(expenses)	-	25,907
Income (loss) before transfers	(65,434)	(65,090)
CONTRIBUTIONS AND TRANSFERS		
Capital contributions	-	103,335
Gain (loss) on disposal of capital assets	-	295
Transfers out	-	(113,663)
Net contributions and transfers	-	(10,033)
Change in net position	(65,434)	(75,123)
Total net position - beginning	849,152	1,056,365
Total net position - ending	$ 783,718	$ 981,242

The accompanying notes are an integral part of these financial statements.

City of Clayton
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities (Enterprise Fund)	Governmental Activities
	Endeavor Hall Fund	Internal Service Funds
Cash flows from operating activities:		
Receipts from customers	$ 33,581	$ 52,300
Payments to suppliers	(58,995)	(4,443)
Payments to employees	(9,528)	-
Net cash provided (used) by operating activities	(34,942)	47,857
Cash flows from noncapital financing activities:		
Interfund transactions	32,266	(113,663)
Net cash provided (used) by noncapital financing activities	32,266	(113,663)
Cash flows from capital financing activities:		
Acquisition of capital assets	-	(188,267)
Capital contributions	-	103,335
Net cash provided (used) by capital financing activities	-	(84,932)
Cash flows from investing activities:		
Investment income received	-	25,907
Net cash provided (used) by investing activities	-	25,907
Net increase (decrease) in cash and cash equivalents	(2,676)	(124,831)
Cash and cash equivalents - beginning	2,676	505,601
Cash and cash equivalents - ending	$ -	$ 380,770
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating income (loss)	$ (65,434)	$ (90,997)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	28,872	138,198
Changes in operating assets and liabilities:		
Prepaid items	(1,635)	-
Accounts payable	2,255	656
Deposits payable	1,000	-
Net cash provided (used) by operating activities	$ (34,942)	$ 47,857

The accompanying notes are an integral part of these financial statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

Fiduciary funds report assets held in a trustee or custodial capacity for others and therefore cannot be used to support the government's own programs. The City's fiduciary funds can be classified into two fund types: private purpose trust funds and custodial funds.

Private-Purpose Trust Funds

Private Purpose Trust Funds account for resources held for other individuals and entities in a manner similar to private enterprise. The Successor Agency Private Purpose Trust Fund includes the *Redevelopment Successor Agency Fund*. The Successor Agency was created as a result of the State order to dissolve California Redevelopment Agencies. These funds are used to track the activities by the Successor Agency Oversight Board and the City's Department of Finance in relation to the remaining assets and liabilities of the Successor Agency. The Housing Successor is governed by the City Council and is obligated to use the Housing Successor Agency's assets according to Redevelopment law for low and moderate-income housing.

Custodial Funds

Custodial funds account for assets held by the City in a purely custodial capacity and use the economic resources measurement focus. Custodial funds are not presented in the government-wide financial statements. The custodial funds are used to account for resources collected and spent on behalf of others.

City of Clayton
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2024

	Private-Purpose Trust Fund: Redevelopment Successor Agency Fund	Custodial Funds
ASSETS		
Current assets:		
Cash and investments	$ 383,298	$ 1,346,904
Cash with fiscal agent	127	12,971
Assessments receivable	-	145,753
Accounts receivable	-	28,135
Notes receivable	32,428	-
Total Assets	$ 415,853	$ 1,533,763
LIABILITIES		
Current liabilities:		
Accounts payable	$ -	$ 13,026
Accrued liabilities	-	909
Deposits payable	-	387,348
Interest payable	3,738	2,925
Bonds payable	390,000	113,325
Loans payable	-	32,428
Total Liabilities	$ 393,738	$ 549,961
NET POSITION		
Restricted for RDA obligation retirement (held in trust)	$ 22,115	$ -
Individuals, organizations and other governments	-	983,802
Total Net Position	$ 22,115	$ 983,802

The accompanying notes are an integral part of these financial statements.

City of Clayton
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2024

	Private-Purpose Trust Fund	
	Redevelopment Successor Agency Fund	Custodial Funds
ADDITIONS		
Taxes and assessments	$ 521,662	$ 126,816
Investment income:		
Interest	4,997	26,085
Changes in fair value	17,814	19,956
Total additions	544,473	172,857
DEDUCTIONS		
Administrative expenses	196,338	6,456
Materials and supplies	-	9,872
Professional services	2,155	71,548
Licenses and fees	-	500
Debt service	9,699	28,524
Total deductions	208,192	116,900
Change in net position	336,281	55,957
Total net position - beginning	(314,166)	-
Prior period adjustments	-	927,845
Total net position - beginning as adjusted	(314,166)	927,845
Total net position - ending	$ 22,115	$ 983,802

The accompanying notes are an integral part of these financial statements.

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CITY OF CLAYTON

Founded 1857 .. Incorporated 1964

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Clayton, California, (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Financial Reporting Entity

The City of Clayton (City) is primarily a residential community nestled in the foothills of Mount Diablo in Contra Costa County, California. The City was incorporated on March 3, 1964 under the laws of the State of California, and encompasses approximately four square miles with a population of 11,700. The City operates under the Council-Manager form of government, with five elected Council members served by a full-time City Manager providing the following services: public works, parks and recreation services, community and economic development, public safety, and general government.

The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the City. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. The city did not report any blended component units during the year.

B. Basis of Presentation, Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. These funds are established for the purpose of carrying out specific activities or certain objectives in accordance with specific regulations, restrictions, or limitations. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City's government-wide financial statements include a *Statement of Net Position* and a *Statement of Activities and Changes in Net Position*. These statements present summaries of governmental and business-type activities for the City. Fiduciary activities of the City are not included in these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources, are included in the accompanying *Statement of Net Position*. The *Statement of Activities* presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those clearly identifiable with a specific function or segment. Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Certain eliminations have been made as prescribed by GASB Statement No. 34 in-regards-to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Transfers in/Transfers out

Governmental Fund Financial Statements

Governmental fund financial statements include a *Balance Sheet* and a *Statement of Revenues, Expenditures and Changes in Fund Balances* for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the balance sheets. The *Statement of Revenues, Expenditures and Changes in Fund Balances* present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (up to 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues, and other taxes. Revenues from other governmental agencies (excluding property taxes) are deemed to be available if received within one hundred eighty (180) days after fiscal year end. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unearned revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unearned revenue is removed from the combined balance sheet and revenue is recognized.

The City reports the following funds as major funds:

General Fund
The General Fund is the general operating fund of the City. It is used to account for all financial resources except those that are required to be accounted for in another fund.

Landscape Maintenance District Fund
The Landscape Maintenance District Fund accounts for real property voter-approved special parcel taxes collected to maintain arterial landscaping and open space within the City. This fund was established for the Community Facilities District No. 2007-1 which sunsets in 2027.

Successor Housing Agency Fund
The Successor Housing Agency Fund accounts for the activities related to the assets assumed by the City as the Housing Successor to the housing activities of the former Redevelopment Agency of the City.

Additionally, the City reports the following nonmajor fund types of governmental funds:

Special Revenue Funds
Special revenue funds account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to specific purposes other than debt service or capital projects.

Capital Project Funds
Capital project funds account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets in governmental funds.

Proprietary Funds

In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the "economic resources measurement focus". This means all assets, deferred outflows of resources, liabilities (whether current or noncurrent) and deferred inflows of resources associated with their activities are included on their balance sheets. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the proprietary fund financial statements.

Proprietary fund financial statements include a statement of net position, a statement of revenues, expenses and change in fund net position, and a statement of cash flows for all proprietary funds. Internal service funds are presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements.

The City has the following enterprise fund that was reported as major:

Endeavor Hall
The Endeavor Hall Fund accounts for all activities related to use of the facility. The primary use has been for wedding receptions.

The City has the following internal service funds:

Capital Equipment Replacement Fund
This fund accounts for the operation, maintenance, and replacement of the City vehicles and equipment.

Self-Insurance Fund
This fund accounts for the administration of the City's self-insurance programs, payment of Employee Assistance Programs, and self-insured liability claim deductibles.

Pension Rate Stabilization Fund
This fund stabilizes major fluctuations in annual employer pension costs driven by market factors and actuarial changes.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Private Purpose Trust Funds
Private purpose trust funds account for resources held by the City as trustee for third party beneficiaries and are used to report both the fiduciary net position and changes in fiduciary net position of the Successor Agency to the former Redevelopment Agency. Private purpose trust funds are accounted for under the full accrual basis of accounting.

The Redevelopment Successor Agency Fund is used to account for the Clayton Successor Agency transactions. The Successor Agency was created as a result of the State order to dissolve California Redevelopment Agencies. These funds are used to track the activities by the Successor Agency Oversight Board and the City’s Department of Finance in relation to the remaining assets and liabilities of the Successor Agency. The Housing Successor is governed by the City Council and is obligated to use the Housing Successor Agency’s assets according to Redevelopment law for low and moderate-income housing.

Custodial Funds

Custodial funds account for assets held by the City in a purely custodial capacity and use the economic resources measurement focus. Custodial funds are not presented in the government-wide financial statements. The custodial funds are used to account for resources collected and spent on behalf of others.

C. Cash, Cash Equivalents and Investments

The City pools cash resources from all funds in order to facilitate the management of cash. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments. For the purpose of the statement of cash flows, the City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

Deposit and Investment Risk Disclosures - In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures* (Amendment of GASB Statement No. 3), certain disclosure requirements, if applicable, for Deposits and Investment Risks in the following areas: Interest Rate Risk, Overall Credit Risk, Custodial Credit Risk, Concentrations of Credit Risk, and Foreign Currency Risk.

Other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures. The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Asset Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining this amount, three valuation techniques are available:

- Market approach - This approach uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.
- Cost approach - This technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.
- Income approach - This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs have been maximized in fair value measures, and unobservable inputs have been minimized.

D. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources. The City considers all trade and property tax receivables to be fully collectible and therefore no allowance for uncollectible accounts is considered necessary.

E. Receivables

Billed, but unpaid, services provided to individuals or non-governmental entities are recorded as accounts receivable. Revenues earned but not collected by year-end are accrued. No allowance for uncollectible accounts receivable has been provided as management has determined that uncollectible accounts have historically been immaterial and the direct write-off method does not result in a material difference from the allowance method.

F. Prepaid Items

Prepaid expenses are also recognized under the consumption method. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid expenses in both government-wide and fund financial statements.

G. Notes Receivable

Repayments of outstanding loans are classified as a revenue source in the applicable funds when collected and expenditures in the years disbursed. The portion of loans receivable deemed to be unavailable have been offset by *Unavailable Revenues* in the accompanying financial statements, which is a part of deferred inflows of resources.

H. Investment in Affordable Housing

This City Successor Housing Agency special revenue fund has purchased and resold several housing properties located in Stranahan Circle to low and moderate income households. The City carries the difference between the cost and sale on these properties as an investment in affordable housing until the property is either bought back by the City or sold on the open market. The City participates in the profits on any sales of these properties to an outside party in the same proportion as what the low- and moderate-income purchaser acquired the property from the City at the below market subsidized value. The City reports the investment in affordable housing at its proportionate equity share of the fair market value of the underlying properties at year-end. Stranahan Circle properties are considered "level 2" investments. The City values their interest in the properties annually using third party published market inputs. As of June 30,2024 the fair value was $3,210,295.

I. Capital Assets

Capital assets used in governmental fund operations, including infrastructure assets (i.e. roads, curbs, gutters, bridges, sidewalks, drainage systems, lighting systems, and other assets) are reflected in the government-wide financial statements, along with related depreciation. Capital assets are defined by the City as assets with an initial individual cost of more than $100,000 for infrastructure and $5,000 for all other capital assets with an estimated life in excess of 1 year. Purchased capital assets are valued at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are valued at acquisition value on the date donated. Capital assets acquired under lease or purchase agreements are capitalized when the City accumulates an ownership equity in the assets acquired.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Intangible right-to-use assets are amortized over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the City has determined is reasonably certain of being exercised, then the lease asset is amortized over the useful life of the underlying asset. Intangible right-to-use subscription assets are amortized over the shorter of the subscription term or the useful life of the underlying asset.

Depreciation and amortization is provided using the straight-line method whereby the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated or amortized.

The City has assigned the useful lives of the assets as follows:

Buildings	50 years
Improvements other than buildings	20-75 years
Machinery and equipment	5-10 years
Infrastructure	20-75 years

J. Deferred Outflows/Deferred Inflows

In addition to assets, the statement of financial position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

K. Long-Term Liabilities

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are expensed in year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Interest Payable

When apploicable, in the government-wide, proprietary and fiduciary fund financial statements, interest payable for long-term debt is recognized as an incurred liability. In the fund financial statements, governmental fund types do not recognize interest payable when the liability is incurred. Interest on long-term debt is recorded in the fund statements when the payment is made.

M. Compensated Absences

In the government-wide financial statements compensated absences are recorded as incurred and related expenses and liabilities are reported by activity. The long-term portion of governmental activities is liquidated primarily by the General Fund. In the governmental funds compensated absences are recorded as expenditures in the years paid, as it is the City's policy to liquidate any unpaid compensated absences at June 30th from future resources, rather than currently available financial resources. Compensated absences include vacation as well as compensated leave hours earned in-lieu of overtime. It is the policy of the City to pay up to and capped at a maximum of eighteen (18) times an employee's capped monthly vacation accrual upon retirement or termination.

N. Leases and Subscription Based Information Technology Arrangements (SBITAs)

The City is a lessee for noncancelable equipment leases and has entered into subscription-based information technology agreements (SBITAs). The City recognizes a lease and SBITA liability and an intangible right-to-use asset (lease and SBITA asset) in its financial statements. At the commencement of a lease or SBITA, the City initially measures the liability at the present value of payments expected to be made during the lease term. Subsequently, the liability is reduced by the principal portion of payments made. The right-of-use asset is initially measured as the initial amount of the lease or SBITA liability. Subsequently, the right-of-use asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) the lease or SBITA term, and (3) lease or SBITA payments.

O. Unearned Revenue

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred inflows from unearned revenue. In the governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have been recorded as deferred inflows from unavailable revenue.

P. Pension Expense

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Other Postemployment Benefit (OPEB) Expense

For purposes of measuring the Total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense information about the fiduciary net position of the City's Retiree Benefits Plan (the OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2024
Measurement Date	June 30, 2024
Measurement Period	June 30, 2023 to June 30, 2024

R. Fund Balances

In accordance with Government Accounting Standards Board 54*, Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Nonspendable
Nonspendable fund balance represents balances set aside to indicate items that do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed, or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted
Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed
Committed fund balances have constraints imposed by passage of a Resolution of the City Council which may be altered only by Resolution of the City Council. Encumbrances and nonspendable amounts subject to Council commitments are included along with spendable resources. The City considers Resolutions to be the highest level of action that can be taken by Council that constitutes the most binding constraint.

Assigned
Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Council or its designee and may be changed at the discretion of the City Council or its designee. The City Council has delegated the authority to make assignments of fund balance to the City Manager and Assistant City Manager.

Unassigned
Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

Flow Assumption / Spending Order Policy
When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to be spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to be spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has directed otherwise.

The City Council has formally adopted a policy requiring a minimum General Fund committed fund balance emergency reserve of $250,000.

S. Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets
This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that are attributed to the acquisition, construction, or improvement of the assets. In addition, deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position.

Restricted Net Position
This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position
This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

The detail of amounts reported for each of the above defined net position categories is reported in the government-wide Statement of Net Position.

Use of Restricted/Unrestricted Net Position
When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

T. Interfund Transactions

Interfund services provided and used are accounted for as revenue, expenditures or expenses, as appropriate. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursed fund. All other interfund transactions, except for interfund services provided and used and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as transfers.

U. Property Taxes and Special Assessments

The County of Contra Costa (the County) levies, bills, and collects property taxes and special assessments for the City. Property taxes levied are recorded as revenue when received.

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls constitute a lien against the property, may be paid in two installments the first is due November 1st of the fiscal year and is delinquent if not paid by December 10th and the second is due on February 1st of the fiscal year and is delinquent if not paid by April 10th. Unsecured personal property taxes do not constitute a lien against real property unless the tax becomes delinquent.

Property valuations are established by the Assessor of the County of Monterey for the secured and unsecured property tax rolls. Under the provisions of Article XIIIA of the State Constitution, properties are assessed at 100% of purchase price or value in 1978 whichever is later. From this base assessment, subsequent annual increases in valuation are limited to a maximum of 2 percent. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax levy dates are attached annually on January 1st preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1st and ends June 30th of the following year. Taxes are levied on both real and unsecured personal property, as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

V. Budgetary Information

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. By June 30, the City Manager submits to the City Council a proposed operating budget for the year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. Continuing appropriations are re-budgeted by the City Council as part of the adoption of subsequent year's budgets.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution during a City Council meeting in the month of June.
4. The City Manager is authorized to transfer budgeted amounts within an activity, within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.
5. Formal budgeting is employed as a management control device during the year for the general, certain special revenue and debt service funds. The Presley Settlement, Stormwater Treatment District Assessment, and Clayton Development Impact Fees funds are not budgeted for and thus do not have budget to actual comparison statements.
6. Budgets for the general, certain special revenue and debt service funds are adopted on a basis consistent with generally accepted accounting principles (US GAAP).
7. Budgets for capital projects funds are adopted on a project-life basis.

Budgeted amounts are as originally adopted or as amended by the City Council. Budget amendments were not material in relation to the original appropriations.

W. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

X. Implementation of New Accounting Pronouncements

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections in previously issued financial statements. This statement did not have a material impact on the financial statements.

Y. Upcoming New Accounting Pronouncements

The City is currently analyzing its accounting practices to identify the potential impact on the financial statements of the following GASB Statements:

GASB Statement No. 101, *Compensated Absences*

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, *Certain Risk Disclosures*

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions for (1) the concentration or constraint (2) each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements (3) actions taken by the government prior to the issuance of the financial statements to mitigate the risk. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

GASB Statement No. 103, *Financial Reporting Model Improvements*

This Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

This Statement establishes new accounting and financial reporting requirements or modifies existing requirements related to (a) Management's discussion and analysis (MD&A) (b) Unusual or infrequent items (c) Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position (d) Information about major component units in basic financial statements (5) Budgetary comparison information (6) Financial trend information in the statistical section. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

NOTE 2 - CASH AND INVESTMENTS

As of June 30, 2024, cash and investments were reported in the financial statements as follows:

	Government Wide Statement of Net Position		Fiduciary Funds	
	Governmental Activities	Business-Type Activities	Statement of Net Position	Total
Cash and investments	$ 14,165,495	$ -	$ 1,743,300	$ 15,908,795

Cash and investments consisted of the following as of June 30, 2024:

Deposits:		
Cash on hand	$	1,000
Cash with fiscal agents		13,098
Cash in banks		2,458,564
Total deposits		2,472,662
Investments:		
Local Agency Investment Fund (LAII		31,179
California Asset Management Progra		1,522,797
UBS Investments		11,882,157
Total investments		13,436,133
Total cash and investments	$	15,908,795

A. Cash Deposits

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest and places the City ahead of general creditors of the institution. The market value of pledged securities must equal at least 110 percent of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes that have a value of 150 percent of the City's total cash deposits. The City has waived the collateral requirements for cash deposits which are fully insured to $250,000 by the Federal Deposit Insurance Corporation (FDIC).

The bank balances before reconciling items totaled $3,092,557 at June 30, 2024 and were different from carrying amounts due to deposits in transit and outstanding checks. The amount uninsured was $2,842,557, which was collateralized by securities held by pledging financial institutions. The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the re*lated fund.*

B. Fair Value Measurements

GASB 72 established a hierarchy of inputs to the valuation techniques with three levels:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable
- Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.

1. Investment Policies

City Investment Policy

The following table identifies the investment types that are authorized for the City of Clayton by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in Anyone Issuer
Local Agency Investment Fund (LAIF)	N/A	None	None
CAMP	N/A	None	None
Municipal Bonds	N/A	30%	5%
U.S. Treasury Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Bank Deposits	N/A	None	None
Negotiable Time Certificates of Deposit	N/A	30%	5%

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustees. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in Anyone Issuer
Money Market Mutual Funds	N/A	N/A	N/A
U.S. Government Agency Issues	5 years	20%	None
Federal Housing Administration Debentures	N/A	N/A	N/A
Commercial paper	92 days	N/A	N/A
Demand or time deposits	366 days	N/A	N/A

The City's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates rise, the portfolio value will decline. If interest rates fall, the portfolio value will rise. Therefore, fund balance must reflect the portfolio's change in value. Generally, the City's practice is to buy and hold investments until maturity dates. Consequently, the City's investments are carried at fair value.

C. External Investment Pool

The City's investments with LAIF at June 30, 2024, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes
These are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities
The bulk of asset-backed securities are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The approved investments policy is listed on the LAIF website, located at http://www.treasurer.ca.gov/pmia-laif/.

D. California Asset Management Program (CAMP)

The California Asset Management Program ("CAMP" or the "Program") is a California Joint Powers Authority ("JPA") established in 1989 to provide California public agencies with professional investment services. Investments offered through the Cash Reserve Portfolio (the "Pool" or the "CAMP Pool") are permitted for all local agencies under California Government Code Section 53601(p). The Program also offers educational resources, market updates and arbitrage rebate compliance services. CAMP is a fully liquid net asset value (NAV) investment with an AAA rating from Standard & Poor's. CAMP is directed by a Board of Trustees separate from the City.

E. Risk Disclosures

Interest Rate Risk
Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the term of an investment's maturity, the greater the sensitivity to changes in market interest rates. One of the ways that the City's interest rate risk is mitigated is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk
Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. With the exception of U.S. Treasury obligations and authorized pools, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution to reduce the City's exposure to credit risks. As of June 30, 2024, the City's investments were in compliance with the ratings required by the City's investment policy and Government Code as noted in the following table of investments by type.

Concentrations of Credit Risk
The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2024, the City had no

investments in any one issuer (other than U.S. Treasury obligations, bonds, and the external investment pools) that represented 5% or more of the total City investments.

Custodial Credit Risk
For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

The following table summarizes the City's investments as of June 30, 2024:

	Maturity					
Investment Type	12 Months or Less	1-5 years	Fair Value	Concen-trations	Ratings	Fair Value Input Levels
LAIF	$ 31,179	$ -	$ 31,179	0.2%	n/a	n/a
UBS investments:						
Certificates of deposit	3,324,955	5,010,875	8,335,830	62.0%	n/a	Level 1
U.S. Treasury Obligations	543,021	2,837,277	3,380,298	25.2%	AAA	Level 1
Cash sweep	166,029	-	166,029	1.2%	n/a	n/a
CAMP	1,522,797	-	1,522,797	11.3%	AAA	n/a
Total Investments	$ 5,587,981	$ 7,848,152	$ 13,436,133			

NOTE 3 - NOTES RECEIVABLE

The following is a summary of notes receivable as of June 30, 2024:

Successor Housing Agency Fund	Balance July 01, 2023	Additions	Deletions	Balance June 30, 2024
Diamond Terrace P. A. M. Note	$ 2,605,800	$ -	$ 121,400	$ 2,484,400
Eden Affordable Housing Note	567,000	-	-	567,000
Stranahan Affordable Housing Notes	22,350	-	-	22,350
Total Notes Receivable	$ 3,195,150	$ -	$ 121,400	$ 3,073,750

Diamond Terrace Note
On September 21, 1999, the former RDA low-moderate housing fund made a no interest loan to the Professional Apartment Management, Inc. ("PAM") in the amount of $750,000 to construct and develop an affordable senior assisted living center on the site known as "Diamond Terrace." The note is secured by the Deed of Trust. The former RDA loaned an additional $1,286,000 on October 24, 2001. On December 1, 2003, PAM began drawing on a $2,000,000 loan from the former RDA in the amount of $200,000 annually. The principal balance was payable from October 1, 2005 through October 1, 2030.

Eden Housing Loan
On October 13, 1992, a non interest loan was made from the former RDA low-moderate housing fund to the Peace Grove, Inc. in the amount of $567,000. The proceeds from the loan were used to purchase land for a redevelopment and housing project that would benefit low-income mental health system clients. The loan is secured by the Deed of Trust. The principal balance is payable on December 18, 2052..

Stranahan Affordable Housing Loans
The former RDA low-moderate housing fund participated in a second mortgage assistance program, whereby qualified applicants were loaned money for a "silent second" down payment to purchase a home in the Stranahan Development within the City. There is one loan outstanding. Interest is accrued on the principal for the first 35 years and then the total of accrued interest and principal is forgiven over the last 10 years of the term of the lease. The collectability of the $34,126 in accrued interest on these notes was deemed to be doubtful and an allowance was recorded to offset the full amount.

NOTE 4 - INTERFUND TRANSACTIONS

Inter-fund Receivables and Payables
Amounts due to or due from other funds reflect inter-fund balances for services rendered or short-term loans expected to be repaid in the next fiscal year. Advances to or from other funds are long-term loans between funds that are to be repaid in their entirety over several years.

As of June 30, 2024, inter-fund receivables and payables consisted of the following:

Fund	Due from Other Funds	Due to Other Funds
General Fund	$ 315,932	$ -
Endeavor Hall	-	153,158
Nonmajor Funds	-	162,774
Total Due From/To	$ 315,932	$ 315,932

Transfers In/Out
With Council approval resources may be transferred from one fund to another. The following summarizes transfers between funds during the fiscal year ended June 30, 2024:

Fund	Transfer in	Transfer out
General Fund	$ 246,526	$ -
Landscape Maintenance District Fund	-	43,381
Pension Contribution Stabilization Fund	-	113,663
Nonmajor Funds	-	89,482
Total Transfers	$ 246,526	$ 246,526

The City transferred money into the General Fund from the funds noted above to reimburse the City for administrative support activities and cover pension contributions.

NOTE 5 - CAPITAL ASSETS

Capital assets for governmental activities consisted of the following as of June 30, 2024:

Governmental activities:	Balance July 01, 2023	Additions	Transfers	Deletions/ Adjustments	Balance 6/30/2024
Non-depreciable:					
Land	$ 2,086,965	$ -	$ -	$ -	$ 2,086,965
Construction in Progress	1,805,921	1,328,209	(1,379,297)	-	1,754,833
Total Non-Depreciable	3,892,886	1,328,209	(1,379,297)	-	3,841,798
Depreciable:					
Infrastructure	33,787,494	-	-	1	33,787,495
Buildings	5,937,106	-	-	266,404	6,203,510
Improvements other than Buildings	7,818,913	-	1,379,297	(266,404)	8,931,806
Machinery and Equipment	1,987,653	188,562	-	(44,395)	2,131,820
Right of Use Assets	340,483	-	-	-	340,483
Total Depreciable	49,871,649	188,562	1,379,297	(44,394)	51,395,114
Less Accumulated Depreciation for:					
Infrastructure	(15,448,765)	(606,621)	-	-	(16,055,386)
Buildings	(3,312,894)	(118,580)	-	(133,202)	(3,564,676)
Improvements other than Buildings	(3,923,280)	(363,304)	-	133,202	(4,153,382)
Machinery and Equipment	(1,436,888)	(138,198)	-	44,394	(1,530,692)
Right of Use Assets	(114,781)	(57,489)	-	-	(172,270)
Total Accumulated Depreciation	(24,236,608)	(1,284,192)	-	44,394	(25,476,406)
Total Depreciable Capital Assets - Net	25,635,041	(1,095,630)	1,379,297	-	25,918,708
Total Capital Assets - Net	$ 29,527,927	$ 232,579	$ -	$ -	$ 29,760,506

Depreciation expense for governmental activities was charged to the following programs during the year:

General government	$ 183,727
Public safety	117,645
Public works	638,164
Parks and recreation	344,656
Total depreciation expense	$ 1,284,192

Capital assets for business-type activities consisted of the following as of June 30, 2024:

Business-Type Activities:	Balance July 01, 2023	Additions	Transfers	Deletions/ Adjustments	Balance June 30, 2024
Non-depreciable:					
Land	$ 167,738	$ -	$ -	$ -	$ 167,738
Total Non-Depreciable	167,738	-	-	-	167,738
Depreciable:					
Buildings	1,400,744	-	-	-	1,400,744
Improvements other than Buildings	159,579	-	-	-	159,579
Machinery and Equipment	5,024	-	-	-	5,024
Total Depreciable	1,565,347	-	-	-	1,565,347
Less Accumulated Depreciation for:					
Buildings	(592,566)	(28,014)	-	-	(620,580)
Improvements other than Buildings	(157,864)	(858)	-	-	(158,722)
Machinery and Equipment	(5,024)	-	-	-	(5,024)
Total Accumulated Depreciation	(755,454)	(28,872)	-	-	(784,326)
Total Depreciable Capital Assets - Net	809,893	(28,872)	-	-	781,021
Total Capital Assets - Net	$ 977,631	$ (28,872)	$ -	$ -	$ 948,759

NOTE 6 - NONCURRENT LIABILITIES

The City's noncurrent liabilities consisted of the following as of June 30, 2024:

Description	Balance July 01, 2023	Additions	Retirements	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
California Energy Commission Loan (Direct)	$ -	$ 967,407	$ -	$ 967,407	$ -
Leases Payable	178,084	-	27,795	150,289	27,885
Subscriptions Payable	62,931	-	27,420	35,511	11,564
Net Pension Liabilities	6,327,815	6,483,609	5,896,331	6,915,093	-
Total OPEB Liabilities	601,984	43,537	157,799	487,722	-
Compensated Absences	182,014	116,943	91,007	207,950	103,975
Total Governmental Activities	$ 7,352,828	$ 7,611,496	$ 6,200,352	$ 8,763,972	$ 143,424
Fiduciary Funds					
Private Purpose Trust Funds:					
2014 Refunding Tax Allocation Bonds	$ 770,000	$ -	$ 380,000	$ 390,000	$ 390,000
Custodial Funds (Conduit Debt):					
High Street Bridge Loan Payable	7,092	-	1,028	6,064	1,090
Lydia Lane Sewer Assessment District Bonds	123,325	-	10,000	113,325	10,000
Oak Street Sewer Assessment Loan Payable	35,454	-	9,090	26,364	10,000
Total Custodial Funds	165,871	-	20,118	145,753	21,090
Total Fiduciary Funds	$ 935,871	$ -	$ 400,118	$ 535,753	$ 411,090

California Energy Commission Loan

On August 9, 2023, the City entered into a $1,902,113 loan agreement with the California Energy Resources Conservation and Development Commission (California Energy Commission). The loan is paid in tranches based on reimbursable expenses incurred by the City. As of June 30, 2024, the City had received $967,407 in loan proceeds. The interest rate on the loan is 1% per annum and debt service payments begin on August 9, 2025 and end on June 22, 2041.

Future debt service payments are as follows:

Year Ending June 30	Principal	Interest	Total
2025	$ -	$ -	$ -
2026	-	-	-
2027	102,736	35,327	138,063
2028	120,321	17,742	138,063
2029	121,575	16,488	138,063
2030-2034	626,367	63,948	690,315
2035-2039	658,413	31,902	690,315
2040-2044	272,701	3,425	276,126
Total	$ 1,902,113	$ 168,832	$ 2,070,945

Leases

The City has lease liabilities for two equipment leases. The discount rate used in the calculation of the lease liabilities were 3.69% and 5%. The initial liability for the leases was $178,084 at inception. Right-to-use assets, net of amortization, for the leases were $132,686 as of June 30, 2024.

Future debt service payments for the City's leases are as follows:

Year Ending June 30	Principal	Interest	Total
2025	$ 27,885	$ 5,640	$ 33,525
2026	28,931	4,594	33,525
2027	30,017	3,508	33,525
2028	31,143	2,381	33,524
2029	32,313	1,213	33,526
Total	$ 150,289	$ 17,336	$ 167,625

Subscription Based Information Technology Agreements (SBITAs)

The City has subscription liabilities for two SBITAs. The discount rate used in the calculation of the SBITAs was 2.356%. The initial liability for the SBITAs was $62,930 at inception. Right-to-use assets, net of amortization for the leases were $35,527 as of June 30, 2024.

Future debt service payments for the SBITAs are as follows:

Year Ending June 30	Principal	Interest	Total
2025	$ 11,564	$ 836	$ 12,400
2026	11,836	285	12,121
2027	12,111	285	12,396
Total	$ 35,511	$ 1,406	$ 36,917

Compensated Absences
Compensated absences include vacation and sick leave. It is the policy of the City to pay 100% of the capped accumulated vacation leave when a public safety employee retires or terminates, and up to 18 months of a general employee's maximum annual accrual allowed upon the same leave of employment action. The City recognizes the liability for its compensated absences in the governmental activities.

Fiduciary Fund Debt

2014 Refunding Tax Allocation Bonds
Refunding Tax Allocation Bonds, Series 2014, in the principal amount of $3,790,000 were issued on June 25, 2014 by the Successor Agency. Principal payments are payable on August 1 of each year, beginning on August 1, 2015. Interest payments are payable semi-annually on February 1 and August 1. The bonds are special obligations of the Successor Agency and are secured by the Successor Agency's tax increment revenue.

The 2014 refunding was exercised in order to take advantage of more favorable interest rates. The refunding decreased the City's total debt service payments by approximately $601,895. The transaction resulted in economic gain (difference between present value of the debt service on the old and new bonds) of approximately $580,184. For the current year, principal and interest paid were $375,000 and $18,429, respectively.

Future debt service payments are as follows:

Year Ending June 30	Principal	Interest
2025	$ 390,000	$ 4,485

Lydia Lane Sewer Assessment District Bonds (Conduit Debt)
Lydia Lane Sewer Assessment District Bonds in the principal amount of $228,325 were issued on August 5, 2002 by the City. Principal payments are payable on September 2 of each year. Interest payments are payable semi-annually on March 2 and September 2. The bonds are non-city obligations and are secured by sewer assessment district revenue.

The Lydia Lane Sewer Assessment District Bonds were issued by the City for the express purpose of providing capital financing for third parties that are not part of the primary government of the City. Although these conduit debt obligations may bear the name of the City, the City has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued.

NOTE 7 - RISK MANAGEMENT

The City participates in the Municipal Pooling Authority of Northern California (MPA), a joint powers agreement between twenty cities, which provides insurance coverage for liability, auto, property, and workers' compensation claims. Claims liabilities are accrued when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The MPA covers claims in an amount up to $34,500,000. The City has a deductible of $5,000 per claim for liability cases and no deductible for workers' compensation claims. Once the City's deductible is met, the MPA becomes responsible for payment of all claims and legal defense. The MPA is governed by a board consisting of one voting representative from each member municipality. The Board controls the operations of the MPA including selection of management, approval of operating budgets, and is independent of any influence by member municipalities beyond their representation on the Board. The City's general liability and workers' compensation premium payments made to MPA are in accordance with formulas established by the MPA. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating. Financial statements may be obtained from MPA at 1911 San Miguel Drive, Suite 200, Walnut Creek, CA 94596. The City has had no settlements which exceeded insurance coverage during the fiscal year ending June 30, 2024. Estimates of incurred, but not reported, liability claims are included in the City's claims estimates and based upon historical experiences as calculated by the MPA. There were no material unpaid and uninsured claims outstanding at the beginning or end of the last two fiscal years.

NOTE 8 - RETIREMENT PLANS

General Information about the Pension Plans

Plan Description
All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous risk pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors three miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided
CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (age 52 for Miscellaneous Plan members if membership date is on or after January 1, 2013) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Special Death Benefit (Safety only), the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous		
	Tier 1	Tier 2	PEPRA
Benefit formula	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 Years	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement age	50	50	52
Monthly ben. as a % of eligible comp	1.426% - 2.418%	1.092% - 2.418%	0.842% - 2.5%
Required employee contribution rates	7.00%	7.00%	7.75%
Required employer contribution rates	11.84%	10.10%	7.68%

	Safety		
	Tier 1	Tier 2	PEPRA
Benefit formula	3.0% @ 55	2.0% @ 50	2.7% @ 57
Benefit vesting schedule	5 Years	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement age	50	50	50
Monthly ben. as a % of eligible comp	2.4% - 3.0%	2.0% - 2.7%	2.0% - 2.7%
Required employee contribution rates	9.00%	9.00%	13.75%
Required employer contribution rates	22.83%	19.95%	13.54%

Employees Covered

At June 30, 2024, the following employees were covered by the benefit terms for the Plans:

	Miscellaneous	Safety
Active	15	10
Transferred	13	16
Separated	12	8
Retired	35	32
Total	75	66

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rates are the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2024, the City's contributions were as follows:

	Employer Contributions
Miscellaneous	$ 296,049
Safety	456,143
Total Employer Contributions	$ 752,192

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2024, the City reported a net pension liability for its proportionate share of the net pension liabilities as follows:

		Proportionate Share of Net Pension Liability/(Asset)
Miscellaneous	$	2,879,456
Safety		4,035,637
Total	**$**	**6,915,093**

The City's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2023, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plans as of June 30, 2023 and 2023 was as follows:

	Miscellaneous	Safety	Combined Plans
Proportion - June 30, 2023	0.05699%	0.05328%	0.05478%
Proportion - June 30, 2024	0.05758%	0.05399%	0.05543%
Change - Increase/(Decrease)	0.00060%	0.00071%	0.00065%

For the year ended June 30, 2024, the City recognized pension expense of $1,262,060.

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ 173,846	$ -
Differences between Expected and Actual Experience	147,098	22,818
Differences between Projected and Actual Investment Earnings	466,210	-
Differences between Employer's Contributions and Proportionate Share of Contributions	437,375	-
Change in Employer's Proportion	58,971	4,952
Pension Contributions Made Subsequent to Measurement Date	296,049	-
Total	$ 1,579,549	$ 27,770

	Safety	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Changes of Assumptions	$ 235,525	$ -
Differences between Expected and Actual Experience	296,290	25,366
Differences between Projected and Actual Investment Earnings	552,276	-
Differences between Employer's Contributions and Proportionate Share of Contributions	-	789,100
Change in Employer's Proportion	285,328	-
Pension Contributions Made Subsequent to Measurement Date	456,143	-
Total	$ 1,825,562	$ 814,465

	Misc. and Safety	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Changes of Assumptions	$ 409,371	$ -
Differences between Expected and Actual Experience	443,388	48,184
Differences between Projected and Actual Investment Earnings	1,018,486	-
Differences between Employer's Contributions and Proportionate Share of Contributions	437,375	789,100
Change in Employer's Proportion	344,299	4,952
Pension Contributions Made Subsequent to Measurement Date	752,192	-
Total	$ 3,405,111	$ 842,236

The City reported $752,192 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending	**Deferred Outflows/(Inflows) of Resources**		
June 30:	**Miscellaneous**	**Safety**	**Total**
2025	$ 476,607	$ 101,990	$ 578,596
2026	329,007	80,533	409,540
2027	436,739	357,015	793,754
2028	13,377	15,415	28,793
Total	$ 1,255,730	$ 554,953	$ 1,810,683

Actuarial Assumptions

The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.80%
Projected Salary Increase	(1)
Investment Rate of Return	6.8% (2)
Mortality	(3)

(1) Varies by entry age and service
(2) Net of pension plan investment expenses, including inflation
(3) Derived using CalPERS' membership data for all funds

Discount Rate

The discount rate used to measure the total pension liability was 6.9% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.9 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.9 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class (a)	Assumed Asset Allocation	Long-Term Expected Real Return (1)(2)
Global Equity Cap Weighted	30.00%	4.54%
Global Equity NonCap Weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

(1) An expected inflation of 2.3% used for this period.
(2) Figures are based on the 2021-22 Asset Liability Study.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability for the Plans, calculated using the discount rate for the Plans, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety	Total
1% Decrease	5.90%	5.90%	5.90%
Net Pension Liability	$ 4,365,903	$ 6,154,487	$ 10,520,390
Current	6.90%	6.90%	6.90%
Net Pension Liability	$ 2,879,456	4,035,637	$ 6,915,093
1% Increase	7.90%	7.90%	7.90%
Net Pension Liability	$ 1,655,982	2,303,327	$ 3,959,310

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description

The City administers a single employer defined-benefit post-employment healthcare plan (the Plan). Dependents are eligible to enroll, and benefits continue to surviving spouses.

Benefits Provided

The substantive plan provisions of the City of Clayton's OPEB plan include lifetime retiree health benefits for eligible employees who retire within 120 days of separation and receive CalPERS benefits. Spouses may continue coverage if the retiree opts for a survivor annuity, but no benefits are provided for surviving spouses of active employees. The City contributes the minimum required under PEMHCA, adjusted annually by the medical care CPI. Retirees must cover the remaining premiums. No subsidies are provided for dental, vision, life insurance, or Medicare Part B premiums. Premium rates vary by plan and coverage tier, with age-adjusted costs applied for active employees under 65. The plan assumes Medicare eligibility at 65, with Medicare reducing costs for the City thereafter .

Employees Covered by Benefit Terms

At June 30, 2024, the benefit terms covered the following employees:

Active employees	22
Inactive employees	10
Total employees	32

Contributions

The City makes contributions based on a pay-as-you-go basis as approved by the authority of the City Council. Total benefit payments included in the measurement period were $33,917. The City's contributions were 1.82% of covered employee payroll during the fiscal year ended June 30, 2024. Employees are not required to contribute to the plan. There have been no assets accumulated in a trust to provide for the benefits of this plan.

Actuarial Assumptions

The following summarized the actuarial assumptions for the OPEB plan included in this fiscal year:

Valuation Date:	June 30, 2024
Measurement Date:	June 30, 2024
Actuarial Cost Method:	Entry-Age Normal, Level Percentage of Salary
Amortization Period:	Open 20 year period
Asset Valuation Method:	Level percentage of payroll, closed
Actuarial Assumptions:	
Discount Rate	4.09%
Inflation	2.30%
Salary Increases	2.80%
Healthcare Trend Rate	6.80%
Investment Rate of Return	N/A - OPEB plan is unfunded
Mortality	Based on CalPERS Tables

Discount Rate
The discount rate used to measure the total OPEB liability is 4.09%. The City's OPEB Plan is an unfunded plan, therefore the discount rate was set to the rate of tax-exempt, high-quality 20-year municipal bonds, as of the valuation date.

Total OPEB Liability
The City's Total OPEB liability was measured as of June 30, 2024 (measurement date) and was determined by an actuarial valuation as of June 30, 2024 (valuation date) for the fiscal year ended June 30, 2024 (reporting date).

Changes in the Total OPEB Liability
The following summarizes the changes in the Total OPEB liability during the year ended June 30, 2024:

Fiscal Year Ended June 30, 2024	Total OPEB Liability
Balance at June 30, 2023	$ 601,984
Service cost	33,114
Interest in Total OPEB Liability	25,530
Balance of diff between actual and exp experience	(48,457)
Balance of changes in assumptions	(90,532)
Benefit payments	(18,708)
Implicit Rate Subsidy Credit	(15,209)
Net changes	(114,262)
Balance at June 30, 2024	$ 487,722
Covered Employee Payroll	$ 1,860,972
Total OPEB Liability as a % of Covered Employee Payroll	26.21%
Service Cost as a % of Covered Employee Payroll	1.78%

The City's plan is nonfunded, meaning there have not been assets placed into an irrevocable trust, therefore the plan fiduciary net position is zero.

Deferred Inflows and Outflows of Resources
At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	$ -	$ 43,189
Change in assumptions	-	80,691
Totals	$ -	$ 123,880

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2025	$ (15,109)
2026	(15,109)
2027	(15,109)
2028	(15,109)
2029	(15,109)
Thereafter	(48,335)
Total	$ (123,880)

OPEB Expense
The following summarizes the OPEB expense by source during the year ended June 30, 2024:

Service cost	$ 33,114
Interest in TOL	25,530
Rec. of Diff. between actual/expected experience	(5,268)
Recognition of Changes in assumptions	(9,841)
OPEB Expense	**$ 43,535**

The following summarizes changes in the Total OPEB liability as reconciled to OPEB expense during the year ended June 30, 2024:

Net OPEB liability ending	$ 487,722
Net OPEB liability beginning	(601,984)
Change in net OPEB liability	(114,262)
Changes in deferred inflows	123,880
Employer contributions	33,917
OPEB Expense	**$ 43,535**

Sensitivity to Changes in the Discount Rate
The Total OPEB liability of the City, as well as what the City's Total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher, is as follows:

	Discount Rate		
	(1% Decrease)	**4.09%**	**(1% Increase)**
Net OPEB Liability (Asset)	$ 542,095	$ 487,722	$ 441,695

Sensitivity to Changes in the Healthcare Cost Trend Rates
The Total OPEB liability of the City, as well as what the City's Total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates, is as follows:

	Trend Rate		
	(1% Decrease)	6.80%	(1% Increase)
Net OPEB Liability (Asset)	$ 475,506	$ 487,722	$ 502,171

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Lawsuits
The City is subject to certain matters of litigation that may arise in the normal course of conducting City business. City management believes, based upon consultation with legal counsel, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

Federal and State Grant Programs
The City participates in Federal and State grant programs. These programs are audited by the City's independent accountants if required by and in accordance with the provisions of the Uniform Guidance and applicable State requirements. Expenditures which may be disallowed, if any, by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

NOTE 11 - REDEVELOPMENT SUCCESSOR AGENCY ACTIVITIES

Background

On June 28, 2011, the California State Legislature adopted two pieces of legislation - AB IX 26 and AB IX 27 (the Bill) - that eliminated redevelopment agencies and provided cities with the opportunity to preserve their redevelopment agency if they agreed to make certain payments to the County Auditor Controller. On behalf of cities and redevelopment agencies throughout the State, the League of California Cities and California Redevelopment Association requested a stay on the implementation of both pieces of legislation and filed a lawsuit with the California Supreme Court challenging both pieces of legislation. The stay was rejected and on December 29, 2011, the Supreme Court validated AB IX 26 and overturned AB IX 27. Further, the Supreme Court indicated that all redevelopment agencies in the State of California were to be dissolved and cease operations as a legal entity as of February 1, 2012.

Under this law, redevelopment agencies in the State of California cannot enter into new projects, obligations, or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished project that were subject to legally enforceable contractual commitments).

In fiscal years subsequent to the statutory dissolution date, successor agencies are allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directed the California State Controller to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller was required to order the available assets to be transferred to the public body designated as the Successor Agency by the Bill.

Amongst numerous requirements, AB IX 26 required the following:

1. Subject to the control of a newly established oversight board, assets of the former redevelopment agency must be disposed expeditiously and property tax revenue generated by a former redevelopment agency can only be used to pay enforceable obligations (i.e. debt obligations and other third-party contractual obligations);

2. Either the city or another unit of local government may agree to serve as the "Successor Agency" to hold the net position until they are distributed to units of state and local government;

3. Successor agencies may transfer housing functions of the former redevelopment agency to the appropriate entity; and Any property tax revenue in excess of enforceable obligations is to be distributed by county auditor controllers to taxing entities, which includes the City, as surplus property tax.

As a result of the restrictions placed on the assets and liabilities of the former redevelopment agency, they were transferred to a private purpose trust fund on February 1, 2012. Prior to the transfer, the Redevelopment Agency was treated as a blended component unit of the City until the fiscal year ending June 30, 2012. On January 11, 2012, the City Council elected to become the Successor Agency to the former Redevelopment Agency in accordance with AB IX 26 as part of City resolution number 03-2012.

Subsequent to the adoption of AB IX 26 and AB IX 27, the California State Legislature adopted AB 1484 in June 2012. AB 1484 required the following:

1. A process to transfer housing assets of the former redevelopment agency to the entity designated to receive these assets. In the case of the City, assets with a total value of $14,057,320 and liabilities with a total value of $10,999,595 were transferred to the Successor Agency from the former Redevelopment Agency.

2. Requirements that the Successor Agency must complete due diligence reviews (DDRs) of the assets of the former Low and Moderate Income Housing Fund and all other funds of the former redevelopment agency. The DDRs of the Clayton Successor Agency were finalized and approved by the Oversight Board on October 9, 2014 via Resolution No. 2014-04 and 2014-05. These reports concluded that payments of $887,404 and $3,791,725 are required to be remitted to Contra Costa County by the Redevelopment Successor Agency and Successor Housing Agency respectively.

   The California Department of Finance (DOF) completed their review of the low and moderate income housing funds and issued a final determination letter to the City dated April 24, 2015 with no modifications. The Successor Housing Agency issued the payment specified by the DOF's low and moderate housing funds determination letter in the fiscal year ending June 30, 2015, resulting in a net extraordinary loss of $3,616,725 for the year then ended.

   On November 30, 2015, the DOF issued their final determination letter approving all other funds

DDR report with modifications. The modifications required an additional payment of $230,983 to the County Auditor-Controller, which was reported as an Extraordinary Loss of the City's General Fund in the fiscal year ending June 30, 2016. The Successor Agency issued the payment specified by the DOF's final all other funds determination letter to the County Auditor-Controller's office in the fiscal year ending June 30, 2016, resulting in an extraordinary loss of $1,025,396 for the year then ended.

Upon the DOF's approval of the DDRs, and the distribution of unobligated funds, the Successor Agency is authorized to apply for a "Finding of Completion". The Finding of Completion enables the Successor Agency to transfer and sell land and buildings of the former Redevelopment Agency, subject to the review and approval of a Property Management Plan by the State Department of Finance. In addition, by receiving the Finding of Completion, the City may establish loans between the City and the former Redevelopment Agency as enforceable obligations. The Clayton Successor Received its finding of completion from the DOF on December 30, 2015.

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CITY OF CLAYTON

Founded 1857 .. Incorporated 1964

REQUIRED SUPPLEMENTARY INFORMATION

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City of Clayton

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Property Taxes	$ 3,164,396	$ 3,164,396	$ 3,193,850	$ 29,454
Sales and use tax	571,831	571,831	541,017	(30,814)
Business license tax	158,147	158,147	84,010	(74,137)
Permits, licenses and fees	129,300	129,300	147,256	17,956
Fines, forfeitures and penalties	101,500	101,500	99,304	(2,196)
Intergovernmental	103,000	103,000	118,999	15,999
Motor vehicle in-lieu fees	12,000	12,000	13,666	1,666
Other in-lieu fees	175,000	175,000	177,935	2,935
Franchise fees	607,443	607,443	660,876	53,433
Charges for services	240,978	240,978	258,043	17,065
Use of money and property	133,795	133,795	345,554	211,759
Other revenue	40,003	40,003	92,818	52,815
Total Revenues	5,437,393	5,437,393	5,733,328	295,935
EXPENDITURES				
Current:				
General government	1,615,335	1,615,335	1,951,440	(336,105)
Public safety	2,881,736	2,881,736	2,772,022	109,714
Public works	376,979	376,979	402,961	(25,982)
Community and economic development	419,504	419,504	425,329	(5,825)
Parks and recreation	438,677	438,677	532,718	(94,041)
Capital outlay	-	-	108,917	(108,917)
Debt service				
Principal	-	-	55,215	(55,215)
Interest and fiscal charges	-	-	7,870	(7,870)
Total Expenditures	5,732,231	5,732,231	6,256,472	(524,241)
Excess (Deficiency) of Revenues over Expenditures	(294,838)	(294,838)	(523,144)	(228,306)
OTHER FINANCING SOURCES (USES)				
Transfers in	246,526	246,526	246,526	-
Total Other Financing Sources (Uses)	246,526	246,526	246,526	-
Net Change in Fund Balance	(48,312)	(48,312)	(276,618)	(228,306)
Fund Balance Beginning	7,744,099	7,744,099	7,744,099	-
Fund Balance Ending	$ 7,695,787	$ 7,695,787	$ 7,467,481	$ (228,306)

City of Clayton
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Landscape Maintenance District Fund
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Special parcel taxes and assessments	$ 1,278,285	$ 1,278,285	$ 1,281,776	$ 3,491
Use of money and property	-	-	25,651	25,651
Total Revenues	1,278,285	1,278,285	1,307,427	29,142
EXPENDITURES				
Current:				
Public works	1,301,297	1,301,297	1,316,917	(15,620)
Capital outlay	50,000	50,000	374	49,626
Total Expenditures	1,351,297	1,351,297	1,317,291	34,006
Excess (Deficiency) of Revenues over Expenditures	(73,012)	(73,012)	(9,864)	63,148
OTHER FINANCING SOURCES (USES)				
Transfers out	(43,381)	(43,381)	(43,381)	-
Total Other Financing Sources (Uses)	(43,381)	(43,381)	(43,381)	-
Net Change in Fund Balance	(116,393)	(116,393)	(53,245)	63,148
Fund Balance Beginning	477,587	477,587	477,587	-
Fund Balance Ending	$ 361,194	$ 361,194	$ 424,342	$ 63,148

City of Clayton
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Successor Housing Agency Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	$ 119,892	$ 119,892	$ 326,041	$ 206,149
Total Revenues	119,892	119,892	326,041	206,149
EXPENDITURES				
Total Expenditures	-	-	-	-
Net Change in Fund Balance	119,892	119,892	326,041	206,149
Fund Balance Beginning	5,673,688	5,673,688	5,673,688	-
Fund Balance Ending	$ 5,793,580	$ 5,793,580	$ 5,999,729	$ 206,149

City of Clayton
Schedule of Pension Contributions
June 30, 2024
(Last Ten Years)

Miscellaneous & Safety Plan					
Plan Measurement Date	**2014**	**2015**	**2016**	**2017**	**2018**
Fiscal Year Ended	**2015**	**2016**	**2017**	**2018**	**2019**
Contractually Required Contributions	$ 395,648	$ 530,690	$ 573,677	$ 612,898	$ 530,067
Contributions in Relation to Contractually Required Contributions	395,648	530,690	573,677	612,898	530,067
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	**$ 1,992,036**	**$ 1,975,806**	**$ 1,923,660**	**$ 2,008,101**	**$ 2,237,613**
Contributions as a % of Covered Payroll	**19.86%**	**26.86%**	**29.82%**	**30.52%**	**23.69%**

Miscellaneous & Safety Plan					
Plan Measurement Date	**2019**	**2020**	**2021**	**2022**	**2023**
Fiscal Year Ended	**2020**	**2021**	**2022**	**2023**	**2024**
Contractually Required Contributions	$ 577,733	$ 584,865	$ 653,073	$ 714,243	$ 752,192
Contributions in Relation to Contractually Required Contributions	577,733	584,865	653,073	714,243	752,192
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	**$ 1,960,538**	**$ 2,252,998**	**$ 2,287,078**	**$ 2,238,196**	**$ 2,221,971**
Contributions as a % of Covered Payroll	**29.47%**	**25.96%**	**28.55%**	**31.91%**	**33.85%**

Notes to Schedule:

Valuation Date: June 30, 2022

Assumptions Used: Entry Age Normal Cost Method used for Actuarial Cost Method
Level Percentage of Payroll and Direct Rate Smoothing
Remaining Amortization Period no more than 20 years
Inflation Assumed at 2.30%
Investment Rate of Returns set at 6.8%
The mortality table was developed based on CalPERS-specific data. The post-retirement mortality rates include 15 years of projected on-going mortality improvement using Scale MP 2016 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

The CalPERS discount rate was increased from 7.50% to 7.65% in FY2016, to 7.15% in FY2018, and then decreased to 6.90% in FY2023.
The CalPERS mortality assumptions was adjusted in fiscal year 2023.

City of Clayton
Schedule of Proportionate Share of Net Pension Liability
June 30, 2024
(Last Ten Years)

Miscellaneous and Safety Plan					
Plan Measurement Date	**2014**	**2015**	**2016**	**2017**	**2018**
Fiscal Year Ended	**2015**	**2016**	**2017**	**2018**	**2019**
Proportion of Net Pension Liability (Safety and Misc)	0.05936%	0.05236%	0.05100%	0.04942%	0.04849%
Proportionate Share of Net Pension Liability	$ 3,693,394	$ 3,593,771	$ 4,413,357	$ 4,901,330	$ 4,672,754
Covered Payroll	$ 1,963,054	$ 1,992,036	$ 1,975,806	$ 1,923,660	$ 2,008,101
Proportionate Share of NPL as a % of Covered Payroll	188.15%	180.41%	223.37%	254.79%	232.70%
Plan's Fiduciary Net Position as a % of the TPL	79.83%	75.37%	73.89%	73.86%	76.24%

Miscellaneous and Safety Plan					
Plan Measurement Date	**2019**	**2020**	**2021**	**2022**	**2023**
Fiscal Year Ended	**2020**	**2021**	**2022**	**2023**	**2024**
Proportion of Net Pension Liability (Safety and Misc)	0.04757%	0.04897%	0.05103%	0.05478%	0.08778%
Proportion of Net Pension Liability (Misc Plan Only)	0.12174%	0.12633%	0.14534%	0.13523%	0.13829%
Proportionate Share of Net Pension Liability	$ 4,874,908	$ 5,328,676	$ 2,759,739	$ 6,327,815	$ 6,915,093
Covered Payroll	$ 2,237,613	$ 1,960,538	$ 2,252,998	$ 2,287,078	$ 2,238,196
Proportionate Share of NPL as a % of Covered Payroll	217.86%	271.80%	122.49%	276.68%	308.96%
Plan's Fiduciary Net Position as a % of the TPL	76.59%	76.52%	88.23%	74.70%	73.84%

The CalPERS discount rate was increased from 7.50% to 7.65% in FY2016, to 7.15% in FY2018, and then decreased to 6.90% in FY2023.

The CalPERS mortality assumptions was adjusted in fiscal year 2023.

City of Clayton
Schedule of Changes in Total OPEB Liability
June 30, 2024
(Last Ten Years)

Fiscal Year Ended	2018	2019	2020	2021	2022	2023	2024
Total OPEB liability							
Service cost	$ 27,530	$ 28,428	$ 21,745	$ 18,521	$ 18,942	$ 32,489	$ 33,114
Interest	15,800	15,783	15,090	13,536	11,706	24,351	25,530
Changes of benefit terms	45,605	-	-	-	-	-	-
Diff. expected and actual experience	22,654	-	(11,405)	-	57,970	726	(48,457)
Changes of assumptions	(526)	11,986	(1,139)	18,602	(13,653)	(2,744)	(90,532)
Benefit payments	(30,226)	(31,408)	(58,507)	(54,031)	(29,178)	(16,804)	(18,708)
Implicit subsidy fulfilled	-	-	-	-	-	(14,349)	(15,209)
Net change in Total OPEB Liability	80,837	24,789	(34,216)	(3,372)	45,787	23,669	(114,262)
Total OPEB Liability - beginning	464,490	545,327	570,116	535,900	532,528	578,315	601,984
Total OPEB Liability - ending	$ 545,327	$ 570,116	$ 535,900	$ 532,528	$ 578,315	$ 601,984	$ 487,722
Covered Employee Payroll	$ 1,995,400	$ 2,106,021	$ 2,307,289	$ 2,244,193	$ 2,361,666	$ 2,097,192	$ 1,860,972
TOL as a % of covered employee payroll	27.33%	27.07%	23.23%	23.73%	24.49%	28.70%	26.21%

Other Notes

GASB 75 requires a schedule of contributions for the last ten fiscal years, or for as many years as are available if less than ten years are available. GASB 75 was adopted as of June 30, 2018.

The discount rate decreased from 4.13% to 4.09% in fiscal year 2024.

Healthcare trend rates decreased from 7% to 6.8% in fiscal year 2024.

BUDGETARY PRINCIPLES

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. By June 30, the City Manager submits to the City Council a proposed operating budget for the year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. Continuing appropriations are re-budgeted by the City Council as part of the adoption of subsequent year's budgets.

2. Public hearings are conducted to obtain taxpayer comments.

3. The budget is legally enacted through passage of a resolution during a City Council meeting in the month of June.

4. The City Manager is authorized to transfer budgeted amounts within an activity, within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

5. Formal budgeting is employed as a management control device during the year for the general, certain special revenue and debt service funds. The Presley Settlement, Stormwater Treatment District Assessment, and Clayton Development Impact Fees funds are not budgeted for and thus do not have budget to actual comparison statements.

6. Budgets for the general, certain special revenue and debt service funds are adopted on a basis consistent with generally accepted accounting principles (US GAAP).

7. Budgets for capital projects funds are adopted on a project-life basis.

Budgeted amounts are as originally adopted or as amended by the City Council. Budget amendments were not material in relation to the original appropriations.

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CITY OF CLAYTON

Founded 1857 .. Incorporated 1964

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Stormwater Assessment District - Accounts for real property assessments collected to comply with the National Pollution Discharge Elimination System (NPDES).

Gas Tax HUTA - Accounts for taxes raised under Street and Highway Code Sections 2106, 2107 and 2107. 5, used for the maintenance and construction of City streets.

Gas Tax RMRA - Accounts for taxes raised under Road Maintenance and Rehabilitation Account (SB1), used for the maintenance and construction of City streets.

The Grove Park District - Accounts for voter-approved real property special parcel taxes restricted for the operation, maintenance, repair and replacement landscaping, irrigation, hardscaping, lighting, public restroom, gazebo, and playground equipment for “The Grove Park” in the downtown area.

Oakhurst Geological Hazard Abatement District - Accounts for voter-approved real property assessments collected from Oakhurst parcels to provide preventive maintenance measures and to mitigate potential landslides and other hazardous geological conditions within the benefit assessment district boundaries.

Presley Settlement - Accounts for litigation settlement proceeds restricted for specific programs and projects.

Neighborhood Street Lighting District - Accounts for assessments collected to maintain residential street lighting within the defined benefit assessment district boundaries.

Measure J - Accounts for a $0.05 sales tax extended by voters in 2004 to provide transportation and street improvements, a growth management process, and a regional planning process to address quality of life issues. A portion of their county wide voter-approved tax is returned to local governments.

Grants - Accounts for grants received for specific programs and projects.

Community Facilities District 2022-01 - Accounts for annual assessments against property owners within the boundaries of the District and related improvement and maintenance costs.

Development Impact Fees - Accounts for projects funded with the development impact fees.

Capital Projects Funds

Energy Conservation Assistance Fund - This fund accounts for energy conservation capital projects funded by state loans, transfers from the general fund and other available resources.

Capital Improvement Program - Accounts for the projects identified in the capital improvement program funded by various federal and state grants as well as through transfers from the General Fund.

City of Clayton

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds			
	Stormwater Assessment Fund	Gas Tax HUTA Fund	Gas Tax RMRA Fund	The Grove Park District Fund
ASSETS				
Cash and investments	$ 250	$ 311,486	$ 629,721	$ 518,703
Taxes receivable	30,243	26,323	23,031	-
Accounts receivable	15,618	-	-	-
Prepaid items	5,785	2,479	-	5,785
Total assets	$ 51,896	$ 340,288	$ 652,752	$ 524,488
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 6,616	$ 11,874	$ -	$ 20,999
Accrued payroll and benefits	-	31	-	234
Deposits payable	-	-	-	2,450
Unearned revenue	-	-	-	-
Due to other funds	78,379	-	-	-
Total liabilities	84,995	11,905	-	23,683
Fund Balances:				
Restricted:				
Grant funded programs	-	-	-	-
The Grove Park (CFD 2006-1)	-	-	-	500,805
Transportation	-	328,383	652,752	-
Community facilities	-	-	-	-
Committed:				
Presley settlement	-	-	-	-
Development impact	-	-	-	-
Assigned:				
Capital projects	-	-	-	-
Unassigned	(33,099)	-	-	-
Total fund balances	(33,099)	328,383	652,752	500,805
Total liabilities and fund balances	$ 51,896	$ 340,288	$ 652,752	$ 524,488

Cont'd

City of Clayton
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds				
	Oakhurst Geological Hazard Abatement District Fund	Presley Settlement Fund	Neighborhood Street Lighting District Fund	Measure J Fund	Grants Fund
ASSETS					
Cash and investments	$ -	$ 54,014	$ -	$ 641,531	$ 197,425
Taxes receivable	-	-	-	295,854	-
Accounts receivable	-	-	-	59,833	99,273
Prepaid items	-	-	-	-	11,292
Total assets	$ -	$ 54,014	$ -	$ 997,218	$ 307,990
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 934	$ -	$ 10,730	$ -	$ 2,001
Accrued payroll and benefits	-	-	62	-	2,498
Deposits payable	-	-	-	-	-
Unearned revenue	-	-	-	295,854	99,273
Due to other funds	9,229	-	67,498	-	-
Total liabilities	10,163	-	78,290	295,854	103,772
Fund Balances:					
Restricted:					
Grant funded programs	-	-	-	-	204,218
The Grove Park (CFD 2006-1)	-	-	-	-	-
Transportation	-	-	-	701,364	-
Community facilities	-	-	-	-	-
Committed:					
Presley settlement	-	54,014	-	-	-
Development impact	-	-	-	-	-
Assigned:					
Capital projects	-	-	-	-	-
Unassigned	(10,163)	-	(78,290)	-	-
Total fund balances	(10,163)	54,014	(78,290)	701,364	204,218
Total liabilities and fund balances	$ -	$ 54,014	$ -	$ 997,218	$ 307,990

Cont'd

City of Clayton
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds		Capital Projects Funds		
	Community Facilities District 2022-01 Fund	Development Impact Fees Fund	Energy Conservation Assistance Fund	Capital Improvements Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash and investments	$ 4,305	$ 487,755	$ -	$ 1,538,360	$ 4,383,550
Taxes receivable	-	-	-	-	375,451
Accounts receivable	-	-	-	-	174,724
Prepaid items	-	-	-	-	25,341
Total assets	$ 4,305	$ 487,755	$ -	$ 1,538,360	$ 4,959,066
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ -	$ 72,643	$ 15,621	$ 141,418
Accrued payroll and benefits	-	-	-	-	2,825
Deposits payable	-	-	-	-	2,450
Unearned revenue	-	-	-	-	395,127
Due to other funds	-	-	7,668	-	162,774
Total liabilities	-	-	80,311	15,621	704,594
Fund Balances:					
Restricted:					
Grant funded programs	-	-	-	-	204,218
The Grove Park (CFD 2006-1)	-	-	-	-	500,805
Transportation	-	-	-	-	1,682,499
Community facilities	4,305	-	-	-	4,305
Committed:					
Presley settlement	-	-	-	-	54,014
Development impact	-	487,755	-	-	487,755
Assigned:					
Capital projects	-	-	-	1,522,739	1,522,739
Unassigned	-	-	(80,311)	-	(201,863)
Total fund balances	4,305	487,755	(80,311)	1,522,739	4,254,472
Total liabilities and fund balances	$ 4,305	$ 487,755	$ -	$ 1,538,360	$ 4,959,066

Concluded

City of Clayton

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds			
	Stormwater Assessment Fund	Gas Tax HUTA Fund	Gas Tax RMRA Fund	The Grove Park District Fund
REVENUES				
Special parcel taxes and assessments	$ 73,233	$ 50,054	$ -	$ 153,003
Sales and use tax	-	-	-	-
Permits, licenses and fees	61,341	-	-	4,079
Intergovernmental	-	306,692	279,897	-
Use of money and property	7	10,303	15,486	21,706
Other revenue	-	21	-	-
Total Revenues	134,581	367,070	295,383	178,788
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	142,209	239,829	-	250
Parks and recreation	-	-	-	115,818
Capital outlay	-	-	-	-
Total Expenditures	142,209	239,829	-	116,068
Excess (Deficiency) of Revenues over Expenditures	(7,628)	127,241	295,383	62,720
OTHER FINANCING SOURCES (USES)				
Transfers out	(43,645)	(9,238)	-	(9,034)
Debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	(43,645)	(9,238)	-	(9,034)
Net Change in Fund Balances	(51,273)	118,003	295,383	53,686
Fund Balances Beginning	18,174	210,380	357,369	447,119
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	18,174	210,380	357,369	447,119
Fund Balances Ending	$ (33,099)	$ 328,383	$ 652,752	$ 500,805

Cont'd

City of Clayton

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2024

	Special Revenue Funds				
	Oakhurst Geological Hazard Abatement District Fund	Presley Settlement Fund	Neighborhood Street Lighting District Fund	Measure J Fund	Grants Fund
REVENUES					
Special parcel taxes and assessments	$ 49,089	$ -	$ 126,121	$ -	$ -
Sales and use tax	-	-	-	411,503	-
Permits, licenses and fees	-	-	-	-	-
Intergovernmental	-	-	-	5,616	456,148
Use of money and property	2,528	2,479	-	14,461	3,713
Other revenue	-	-	-	-	-
Total Revenues	51,617	2,479	126,121	431,580	459,861
EXPENDITURES					
Current:					
General government	-	-	-	-	386,500
Public works	53,246	-	180,895	35,112	-
Parks and recreation	-	-	-	-	-
Capital outlay	53,722	-	-	-	31,245
Total Expenditures	106,968	-	180,895	35,112	417,745
Excess (Deficiency) of Revenues over Expenditures	(55,351)	2,479	(54,774)	396,468	42,116
OTHER FINANCING SOURCES (USES)					
Transfers out	(8,496)	-	(13,526)	(5,543)	-
Debt issuance	-	-	-	-	-
Total Other Financing Sources (Uses)	(8,496)	-	(13,526)	(5,543)	-
Net Change in Fund Balances	(63,847)	2,479	(68,300)	390,925	42,116
Fund Balances Beginning	53,684	51,535	(9,990)	310,439	162,102
Prior Period Fund Reclassifications	-	-	-	-	-
Fund Balances Beginning, as Adjusted	53,684	51,535	(9,990)	310,439	162,102
Fund Balances Ending	$ (10,163)	$ 54,014	$ (78,290)	$ 701,364	$ 204,218

Cont'd

City of Clayton

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds		Capital Projects Funds		
	Community Facilities District 2022-01 Fund	Development Impact Fees Fund	Energy Conservation Assistance Fund	Capital Improvements Fund	Total Nonmajor Governmental Funds
REVENUES					
Special parcel taxes and assessments	$ 6,256	$ -	$ -	$ -	$ 457,756
Sales and use tax	-	-	-	-	411,503
Permits, licenses and fees	-	-	-	-	65,420
Intergovernmental	-	-	-	185,074	1,233,427
Use of money and property	(44)	34,423	142	77,383	182,587
Other revenue	-	-	-	-	21
Total Revenues	6,212	34,423	142	262,457	2,350,714
EXPENDITURES					
Current:					
General government	-	-	-	-	386,500
Public works	1,907	-	-	-	653,448
Parks and recreation	-	-	-	-	115,818
Capital outlay	-	-	1,047,860	362,442	1,495,269
Total Expenditures	1,907	-	1,047,860	362,442	2,651,035
Excess (Deficiency) of Revenues over Expenditures	4,305	34,423	(1,047,718)	(99,985)	(300,321)
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	-	-	(89,482)
Debt issuance	-	-	967,407	-	967,407
Total Other Financing Sources (Uses)	-	-	967,407	-	877,925
Net Change in Fund Balances	4,305	34,423	(80,311)	(99,985)	577,604
Fund Balances Beginning	-	453,332	-	-	2,054,144
Prior Period Fund Reclassifications	-	-	-	1,622,724	1,622,724
Fund Balances Beginning, as Adjusted	-	453,332	-	1,622,724	3,676,868
Fund Balances Ending	$ 4,305	$ 487,755	$ (80,311)	$ 1,522,739	$ 4,254,472

Concluded

City of Clayton
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Stormwater Assessment Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Special parcel taxes and assessments	$ 77,017	$ 77,017	$ 73,233	$ (3,784)
Sales and use tax	-	-	-	-
Permits, licenses and fees	59,708	59,708	61,341	1,633
Intergovernmental	-	-	-	-
Use of money and property	-	-	7	7
Other revenue	-	-	-	-
Total Revenues	136,725	136,725	134,581	(2,144)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	183,668	183,668	142,209	41,459
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	183,668	183,668	142,209	41,459
Excess (Deficiency) of Revenues over Expenditures	(46,943)	(46,943)	(7,628)	39,315
OTHER FINANCING SOURCES (USES)				
Transfers in	32,000	32,000	-	(32,000)
Transfers out	(43,645)	(43,645)	(43,645)	-
Total Other Financing Sources (Uses)	(11,645)	(11,645)	(43,645)	(32,000)
Net Change in Fund Balances	(58,588)	(58,588)	(51,273)	7,315
Fund Balances Beginning	18,174	18,174	18,174	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	18,174	18,174	18,174	-
Fund Balances Ending	$ (40,414)	$ (40,414)	$ (33,099)	$ 7,315

Cont'd

City of Clayton
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Gas Tax HUTA Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Special parcel taxes and assessments	$ 44,250	$ 44,250	$ 50,054	$ 5,804
Sales and use tax	-	-	-	-
Permits, licenses and fees	-	-	-	-
Intergovernmental	341,000	341,000	306,692	(34,308)
Use of money and property	-	-	10,303	10,303
Other revenue	-	-	21	21
Total Revenues	385,250	385,250	367,070	(18,180)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	255,200	255,200	239,829	15,371
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	255,200	255,200	239,829	15,371
Excess (Deficiency) of Revenues over Expenditures	130,050	130,050	127,241	(2,809)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(9,238)	(9,238)	(9,238)	-
Total Other Financing Sources (Uses)	(9,238)	(9,238)	(9,238)	-
Net Change in Fund Balances	120,812	120,812	118,003	(2,809)
Fund Balances Beginning	210,380	210,380	210,380	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	210,380	210,380	210,380	-
Fund Balances Ending	$ 331,192	$ 331,192	$ 328,383	$ (2,809)

Cont'd

City of Clayton
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Gas Tax RMRA Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Special parcel taxes and assessments	$ -	$ -	$ -	$ -
Sales and use tax	-	-	-	-
Permits, licenses and fees	-	-	-	-
Intergovernmental	235,000	235,000	279,897	44,897
Use of money and property	-	-	15,486	15,486
Other revenue	-	-	-	-
Total Revenues	235,000	235,000	295,383	60,383
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	235,000	235,000	295,383	60,383
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	235,000	235,000	295,383	60,383
Fund Balances Beginning	357,369	357,369	357,369	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	357,369	357,369	357,369	-
Fund Balances Ending	$ 592,369	$ 592,369	$ 652,752	$ 60,383

Cont'd

City of Clayton

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	The Grove Park District Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Special parcel taxes and assessments	$ 155,515	$ 155,515	$ 153,003	$ (2,512)
Sales and use tax	-	-	-	-
Permits, licenses and fees	4,000	4,000	4,079	79
Intergovernmental	-	-	-	-
Use of money and property	-	-	21,706	
Other revenue	-	-	-	-
Total Revenues	159,515	159,515	178,788	(2,433)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	250	(250)
Parks and recreation	159,318	159,318	115,818	43,500
Capital outlay	15,000	15,000	-	15,000
Total Expenditures	174,318	174,318	116,068	58,250
Excess (Deficiency) of Revenues over Expenditures	(14,803)	(14,803)	62,720	77,523
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(9,034)	(9,034)	(9,034)	-
Total Other Financing Sources (Uses)	(9,034)	(9,034)	(9,034)	-
Net Change in Fund Balances	(23,837)	(23,837)	53,686	77,523
Fund Balances Beginning	447,119	447,119	447,119	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	447,119	447,119	447,119	-
Fund Balances Ending	$ 423,282	$ 423,282	$ 500,805	$ 77,523

Cont'd

City of Clayton

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Oakhurst Geological Hazard Abatement District Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Special parcel taxes and assessments	$ 49,500	$ 49,500	$ 49,089	$ (411)
Sales and use tax	-	-	-	-
Permits, licenses and fees	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	2,528	2,528
Other revenue	-	-	-	-
Total Revenues	49,500	49,500	51,617	2,117
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	59,255	59,255	53,246	6,009
Parks and recreation	-	-	-	-
Capital outlay	57,953	57,953	53,722	4,231
Total Expenditures	117,208	117,208	106,968	10,240
Excess (Deficiency) of Revenues over Expenditures	(67,708)	(67,708)	(55,351)	12,357
OTHER FINANCING SOURCES (USES)				
Transfers in	49,991	49,991	-	(49,991)
Transfers out	(8,496)	(8,496)	(8,496)	-
Total Other Financing Sources (Uses)	41,495	41,495	(8,496)	(49,991)
Net Change in Fund Balances	(26,213)	(26,213)	(63,847)	(37,634)
Fund Balances Beginning	53,684	53,684	53,684	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	53,684	53,684	53,684	-
Fund Balances Ending	$ 27,471	$ 27,471	$ (10,163)	$ (37,634)

Cont'd

City of Clayton
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Presley Settlement Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Special parcel taxes and assessments	$ -	$ -	$ -	$ -
Sales and use tax	-	-	-	-
Permits, licenses and fees	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	2,479	2,479
Other revenue	-	-	-	-
Total Revenues	-	-	2,479	2,479
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	75,900	75,900	-	75,900
Parks and recreation	-	-	-	-
Capital outlay	58,000	58,000	-	58,000
Total Expenditures	133,900	133,900	-	133,900
Excess (Deficiency) of Revenues over Expenditures	(133,900)	(133,900)	2,479	136,379
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(133,900)	(133,900)	2,479	136,379
Fund Balances Beginning	51,535	51,535	51,535	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	51,535	51,535	51,535	-
Fund Balances Ending	$ (82,365)	$ (82,365)	$ 54,014	$ 136,379

Cont'd

City of Clayton
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Neighborhood Street Lighting District Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special parcel taxes and assessments	$ 126,500	$ 126,500	$ 126,121	$ (379)
Sales and use tax	-	-	-	-
Permits, licenses and fees	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	
Other revenue	-	-	-	-
Total Revenues	126,500	126,500	126,121	(379)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	169,940	169,940	180,895	(10,955)
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	169,940	169,940	180,895	(10,955)
Excess (Deficiency) of Revenues over Expenditures	(43,440)	(43,440)	(54,774)	(11,334)
OTHER FINANCING SOURCES (USES)				
Transfers in	50,000	50,000	-	(50,000)
Transfers out	(13,526)	(13,526)	(13,526)	-
Total Other Financing Sources (Uses)	36,474	36,474	(13,526)	(50,000)
Net Change in Fund Balances	(6,966)	(6,966)	(68,300)	(61,334)
Fund Balances Beginning	(9,990)	(9,990)	(9,990)	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	(9,990)	(9,990)	(9,990)	-
Fund Balances Ending	$ (16,956)	$ (16,956)	$ (78,290)	$ (61,334)

Cont'd

City of Clayton
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Measure J Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Special parcel taxes and assessments	$ -	$ -	$ -	$ -
Sales and use tax	80,000	80,000	411,503	331,503
Permits, licenses and fees	-	-	-	-
Intergovernmental	-	-	5,616	5,616
Use of money and property	-	-	14,461	14,461
Other revenue	-	-	-	-
Total Revenues	80,000	80,000	431,580	351,580
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	33,000	33,000	35,112	(2,112)
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	33,000	33,000	35,112	(2,112)
Excess (Deficiency) of Revenues over Expenditures	47,000	47,000	396,468	349,468
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(5,543)	(5,543)	(5,543)	-
Total Other Financing Sources (Uses)	(5,543)	(5,543)	(5,543)	-
Net Change in Fund Balances	41,457	41,457	390,925	349,468
Fund Balances Beginning	310,439	310,439	310,439	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	310,439	310,439	310,439	-
Fund Balances Ending	$ 351,896	$ 351,896	$ 701,364	$ 349,468

Cont'd

City of Clayton

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Grants Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Special parcel taxes and assessments	$ -	$ -	$ -	$ -
Sales and use tax	-	-	-	-
Permits, licenses and fees	-	-	-	-
Intergovernmental	175,000	175,000	456,148	281,148
Use of money and property	-	-	3,713	3,713
Other revenue	-	-	-	-
Total Revenues	175,000	175,000	459,861	284,861
EXPENDITURES				
Current:				
General government	225,914	225,914	386,500	(160,586)
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	50,000	50,000	31,245	18,755
Total Expenditures	275,914	275,914	417,745	(141,831)
Excess (Deficiency) of Revenues over Expenditures	(100,914)	(100,914)	42,116	143,030
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(100,914)	(100,914)	42,116	143,030
Fund Balances Beginning	162,102	162,102	162,102	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	162,102	162,102	162,102	-
Fund Balances Ending	$ 61,188	$ 61,188	$ 204,218	$ 143,030

Cont'd

City of Clayton
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Community Facilities District 2022-01 Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Special parcel taxes and assessments	$ -	$ -	$ 6,256	$ 6,256
Sales and use tax	-	-	-	-
Permits, licenses and fees	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	(44)	(44)
Other revenue	-	-	-	-
Total Revenues	-	-	6,212	6,212
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	1,907	(1,907)
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	1,907	(1,907)
Excess (Deficiency) of Revenues over Expenditures	-	-	4,305	4,305
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	4,305	4,305
Fund Balances Beginning	-	-	-	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	-	-	-	-
Fund Balances Ending	$ -	$ -	$ 4,305	$ 4,305

Cont'd

City of Clayton

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Development Impact Fees Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Special parcel taxes and assessments	$ -	$ -	$ -	$ -
Sales and use tax	-	-	-	-
Permits, licenses and fees	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	34,423	
Other revenue	-	-	-	-
Total Revenues	-	-	34,423	-
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	34,423	34,423
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	34,423	34,423
Fund Balances Beginning	453,332	453,332	453,332	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	453,332	453,332	453,332	-
Fund Balances Ending	$ 453,332	$ 453,332	$ 487,755	$ 34,423

Cont'd

City of Clayton
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Energy Conservation Assistance Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Special parcel taxes and assessments	$ -	$ -	$ -	$ -
Sales and use tax	-	-	-	-
Permits, licenses and fees	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	142	
Other revenue	-	-	-	-
Total Revenues	-	-	142	-
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	1,047,860	(1,047,860)
Total Expenditures	-	-	1,047,860	(1,047,860)
Excess (Deficiency) of Revenues over Expenditures	-	-	(1,047,718)	(1,047,718)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	967,407	967,407
Net Change in Fund Balances	-	-	(80,311)	(80,311)
Fund Balances Beginning	-	-	-	-
Prior Period Fund Reclassifications	-	-	-	-
Fund Balances Beginning, as Adjusted	-	-	-	-
Fund Balances Ending	$ -	$ -	$ (80,311)	$ (80,311)

Cont'd

City of Clayton
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Capital Improvements Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Special parcel taxes and assessments	$ -	$ -	$ -	$ -
Sales and use tax	-	-	-	-
Permits, licenses and fees	-	-	-	-
Intergovernmental	-	-	185,074	185,074
Use of money and property	-	-	77,383	77,383
Other revenue	-	-	-	-
Total Revenues	-	-	262,457	262,457
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	2,377,263	2,377,263	362,442	2,014,821
Total Expenditures	2,377,263	2,377,263	362,442	2,014,821
Excess (Deficiency) of Revenues over Expenditures	(2,377,263)	(2,377,263)	(99,985)	2,277,278
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(2,377,263)	(2,377,263)	(99,985)	2,277,278
Fund Balances Beginning	-	-	-	-
Prior Period Fund Reclassifications	-	-	1,622,724	-
Fund Balances Beginning, as Adjusted	-	-	1,622,724	-
Fund Balances Ending	$ (2,377,263)	$ (2,377,263)	$ 1,522,739	$ 2,277,278

Concluded

City of Clayton
Statement of Net Position
Internal Service Funds
June 30, 2024

	Self-Insurance Fund	Capital Equipment Replacement Fund	Pension Rate Stabilization Fund	Total
ASSETS				
Current assets:				
Cash and investments	$ 19,992	$ 177,172	$ 183,606	$ 380,770
Noncurrent assets:				
Depreciable capital assets, net	-	601,128	-	601,128
Total assets	$ 19,992	$ 778,300	$ 183,606	$ 981,898
LIABILITIES				
Current liabilities:				
Accounts payable	$ 656	$ -	$ -	$ 656
Total liabilities	$ 656	$ -	$ -	$ 656
NET POSITION				
Net Investment in capital assets	$ -	$ 601,128	$ -	$ 601,128
Unrestricted	19,336	177,172	183,606	380,114
Total net position	$ 19,336	$ 778,300	$ 183,606	$ 981,242

The accompanying notes are an integral part of these financial statements.

City of Clayton
Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2024

	Self-Insurance Fund	Capital Equipment Replacement Fund	Pension Rate Stabilization Fund	Total
OPERATING REVENUES				
Charges for services	$ -	$ 52,300	$ -	$ 52,300
Total operating revenues	-	52,300	-	52,300
OPERATING EXPENSES				
General and administration	1,275	3,824	-	5,099
Depreciation and amortization	-	138,198	-	138,198
Total operating expenses	1,275	142,022	-	143,297
Operating income (loss)	(1,275)	(89,722)	-	(90,997)
NONOPERATING REVENUES(EXPENSES)				
Investment income	944	9,802	15,161	25,907
Total nonoperating revenues(expenses)	944	9,802	15,161	25,907
Income (loss) before transfers	(331)	(79,920)	15,161	(65,090)
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	-	103,335	-	103,335
Gain (loss) on disposal of capital assets	-	295	-	295
Transfers out	-	-	(113,663)	(113,663)
Net contributions and transfers	-	103,630	(113,663)	(10,033)
Change in net position	(331)	23,710	(98,502)	(75,123)
Total net position - beginning	19,667	754,590	282,108	1,056,365
Total net position - ending	$ 19,336	$ 778,300	$ 183,606	$ 981,242

The accompanying notes are an integral part of these financial statements.

City of Clayton

Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2024

	Self-Insurance Fund	Capital Equipment Replacement Fund	Pension Rate Stabilization Fund	Total
Cash flows from operating activities:				
Receipts from customers	$ -	$ 52,300	$ -	$ 52,300
Payments to suppliers	(619)	(3,824)	-	(4,443)
Net cash provided (used) by operating activities	(619)	48,476	-	47,857
Cash flows from noncapital financing activities:				
Interfund transactions	-	-	(113,663)	(113,663)
Net cash provided (used) by noncapital financing activities	-	-	(113,663)	(113,663)
Cash flows from capital financing activities:				
Acquisition of capital assets	-	(188,267)	-	(188,267)
Capital contributions	-	103,335	-	103,335
Net cash provided (used) by capital financing activities	-	(84,932)	-	(84,932)
Cash flows from investing activities:				
Investment income received	944	9,802	15,161	25,907
Net cash provided (used) by investing activities	944	9,802	15,161	25,907
Net increase (decrease) in cash and cash equivalents	325	(26,654)	(98,502)	(124,831)
Cash and cash equivalents - beginning	19,667	203,826	282,108	505,601
Cash and cash equivalents - ending	$ 19,992	$ 177,172	$ 183,606	$ 380,770
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	$ (1,275)	$ (89,722)	$ -	$ (90,997)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	-	138,198	-	138,198
Changes in operating assets and liabilities:				
Accounts payable	656	-	-	656
Net cash provided (used) by operating activities	$ (619)	$ 48,476	$ -	$ 47,857

The accompanying notes are an integral part of these financial statements.

City of Clayton
Custodial Funds
Combining Statement of
Fiduciary Net Position
June 30, 2024

	High Street Bridge Benefit Assessment District Fund	Oak Street Bridge Benefit Assessment District Fund	Lydia Lane Sewer Benefit Assessment District Fund	Oak Street Sewer Benefit Assessment District Fund	Diablo Estate Benefit Assessment District Fund
ASSETS					
Current assets:					
Cash and investments	$ 6,730	$ 24,343	$ 66,800	$ (444)	$ 350,229
Cash with fiscal agent	-	-	12,971	-	-
Assessments receivable	6,064	-	113,325	26,364	-
Accounts receivable	-	-	-	-	-
Total Assets	$ 12,794	$ 24,343	$ 193,096	$ 25,920	$ 350,229
LIABILITIES					
Current liabilities:					
Accounts payable	$ -	$ -	$ -	$ -	$ 5,097
Accrued liabilities	-	-	-	-	-
Deposits payable	-	-	-	-	-
Interest payable	-	-	2,266	659	-
Bonds payable	-	-	113,325	-	-
Loans payable	6,064	-	-	26,364	-
Total Liabilities	$ 6,064	$ -	$ 115,591	$ 27,023	$ 5,097
NET POSITION					
Restricted for:					
Individuals, organizations and other governments	$ 6,730	$ 24,343	$ 77,505	$ (1,103)	$ 345,132
Total Net Position	$ 6,730	$ 24,343	$ 77,505	$ (1,103)	$ 345,132

Continued

City of Clayton
Custodial Funds
Combining Statement of Fiduciary Net Position
June 30, 2024

	Deposits Fund	Clayton Financing Authority Fund	Clayton Financing Authority Middle School Community Facilities District Fund	Clayton Financing Authority 2017 Refunding Bonds Fund	Total Custodial Funds
ASSETS					
Current assets:					
Cash and investments	$ 368,051	$ 549,500	$ (18,305)	$ -	$ 1,346,904
Cash with fiscal agent	-	-	-	-	12,971
Assessments receivable	-	-	-	-	145,753
Accounts receivable	28,135	-	-	-	28,135
Total Assets	$ 396,186	$ 549,500	$ (18,305)	$ -	$ 1,533,763
LIABILITIES					
Current liabilities:					
Accounts payable	$ 7,929	$ -	$ -	$ -	$ 13,026
Accrued liabilities	909	-	-	-	909
Deposits payable	387,348	-	-	-	387,348
Interest payable	-	-	-	-	2,925
Bonds payable	-	-	-	-	113,325
Loans payable	-	-	-	-	32,428
Total Liabilities	$ 396,186	$ -	$ -	$ -	$ 549,961
NET POSITION					
Restricted for:					
Individuals, organizations and other governments	$ -	$ 549,500	$ (18,305)	$ -	$ 983,802
Total Net Position	$ -	$ 549,500	$ (18,305)	$ -	$ 983,802

Concluded

City of Clayton

Custodial Funds

Combining Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2024

	High Street Bridge Benefit Assessment District Fund	Oak Street Bridge Benefit Assessment District Fund	Lydia Lane Sewer Benefit Assessment District Fund	Oak Street Sewer Benefit Assessment District Fund	Diablo Estate Benefit Assessment District Fund
ADDITIONS					
Taxes and assessments	$ 1,754	$ 1,760	$ 17,937	$ 11,654	$ 93,711
Investment income:					
Interest	185	614	2,267	104	8,453
Changes in fair value	144	451	1,527	57	5,219
Transfers	-	-	-	-	-
Total additions	2,083	2,825	21,731	11,815	107,383
DEDUCTIONS					
Administrative expenses	573	831	836	832	2,659
Materials and supplies	-	-	-	-	9,872
Professional services	-	-	2,400	1,241	33,917
Licenses and fees	-	-	500	-	-
Debt service	1,454	-	17,142	9,928	-
Tranfers	-	-	-	-	-
Total deductions	2,027	831	20,878	12,001	46,448
Change in net position	56	1,994	853	(186)	60,935
Total net position - beginning	-	-	-	-	-
Prior period adjustments	6,674	22,349	76,652	(917)	284,197
Total net position - beginning as adjusted	6,674	22,349	76,652	(917)	284,197
Total net position - ending	$ 6,730	$ 24,343	$ 77,505	$ (1,103)	$ 345,132

Continued

City of Clayton

Custodial Funds

Combining Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2024

	Deposits Fund	Clayton Financing Authority Fund	Clayton Financing Authority Middle School Community Facilities District Fund	Clayton Financing Authority 2017 Refunding Bonds Fund	Total Custodial Funds
ADDITIONS					
Taxes and assessments	$ -	$ -	$ -	$ -	$ 126,816
Investment income:					
Interest	-	14,462	-	-	26,085
Changes in fair value	-	12,298	260	-	19,956
Transfers	-	-	501,785	-	501,785
Total additions	-	26,760	502,045	-	674,642
DEDUCTIONS					
Administrative expenses	-	670	55	-	6,456
Materials and supplies	-	-	-	-	9,872
Professional services	-	15,480	18,510	-	71,548
Licenses and fees	-	-	-	-	500
Debt service	-	-	-	-	28,524
Tranfers	-	-	-	501,785	501,785
Total deductions	-	16,150	18,565	501,785	618,685
Change in net position	-	10,610	483,480	(501,785)	55,957
Total net position - beginning	-	-	-	-	-
Prior period adjustments	-	538,890	(501,785)	501,785	927,845
Total net position - beginning as adjusted	-	538,890	(501,785)	501,785	927,845
Total net position - ending	$ -	$ 549,500	$ (18,305)	$ -	$ 983,802

Concluded

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CITY OF CLAYTON

Founded 1857 .. Incorporated 1964

INDEPENDENT AUDITORS REPORT
IN ACCORDANCE WITH
GENERALY ACCEPTED GOVERNMENTAL
AUDITING STANARDS

Chavan and Associates, llp
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the City Council
of the City of Clayton
Clayton, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of Clayton (the "City") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 2, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses and significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not

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express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

C & A LLP

Morgan Hill, California
April 2, 2025

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info@cnallp.com • www.cnallp.com

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Kris Lofthus, City Manager

DATE: May 6, 2025

SUBJECT: City Council / Committees

RECOMMENDATION

Receive report on councilmember activities since the last meeting.

Councilmember Diaz:

- April 17 Attended County Connection Board Meeting
  - Received Reports on PEPRA & Federal Grants
  - Received Electric Bus Update
- April 19 Participated at Clayton Cleans-Up
- April 20 Celebrated Easter Sunday
- April 24 Attended Kelok Way Resident Meeting
- April 25-27 Participated in Clayton Art & Wine Festival
- April 28 Attended Clayton Special Events Committee Meeting
- May 5 Celebrated Cinco de Mayo

Councilmember Enea:

- Met with City Manager.
- Attended the East Bay League of California Cities dinner in Pleasant Hill
- Worked at the Art and Wine Festival on Saturday and Sunday

Councilmember Tillman:

- April 17 East Bay Division Board meeting to set agenda for our upcoming events.
  - East Bay Division General meeting: guest speakers were Senate Pro Tem Mike McGuire who provided an update on wildfires, the CA state budget, insurance rates. We also heard from Senator Tim Grayson that he is moving forward with a wildfire Roundtable in late May that aims to create a strategic plan for the East Bay which will bring together cities, Fire, mitigation (Parks District), and PG&E. This collaboration will help our region move in the right direction of wildfire prevention and emergency preparedness
- April 19 people of all ages spent the morning beautifying our city and were rewarded with grilled hot dogs and burgers. Thank you to everyone who participated, and to the CBCA, Republic Services, the Pioneer, and my dear friend and former mayor, Peter Cloven, for making Clayton Cleans Up a success again this year

- April 20 fielded questions regarding the GHAD and encouraged residents to attend the Zoom meeting on April 30th to receive direct answers from the consultants.
- April 21, 22, 24-29, Oakhurst Firewise discussions with residents and ConFire. There will be Wildfire Community Preparedness Day on Saturday, May 3rd, from 9 am to 12 pm. This ConFire inaugural event is open to families and will include interactive experiences and demonstrations and will be located at 2945 Treat Blvd, Concord.
- April 26-27
  - Co-hosted the CBCA Art & Wine Festival vendor breakfast with former Mayor Cloven. We welcomed vendors with a light continental breakfast both Saturday and Sunday mornings. A special thanks to Lucky's Supermarket and Clayton Station Starbuck's for their donations of fruit, donuts, and coffee.
- April 27-28 Trails and Landscaping Committee requests for meetings, and discussions with residents regarding weed abatement.

Vice Mayor Wan:

- Attended the Budget and Audit Committee meeting
- Discussed GHAD with several residents
- Phone calls with constituents

Mayor Trupiano:

- April 17
  - Conversation with constituent about landscaping and roadways/striping/speeding
  - City Manager, Kris, and I met with the new owners of the Clayton Valley Shopping Center (Phillips Edison Co or PECO) and they have plans to make some major improvements at the Center including:
    - Repaving and restriping
    - Exterior painting
    - Landscaping improvements
    - New trash and recycling receptacles
    - New seating
    - New tenants (stay tuned for more details about that)
  - League of Cal Cities East Bay Division, Legislative Dinner at DVC
    - Presentations by Senate President Pro Tem Mike McGuire and our State Senator, Tim Grayson, with topics about housing, fire safety, changes in State and Federal funding, budget challenges and more.
- April 19 Clayton Cleans Up, tabling for and weeding at the Library. Great turnout and thank you to CBCA, Republic Services and The Pioneer for sponsoring.
- April 21
  - One-on-one with Regina Rubier to talk about Budget 2025-2026 / 2026-2027
  - Budget & Audit committee meeting with staff to review the first pass of the new two-year budget
- April 23-25 League of Cal Cities, City Leaders Summit, Sacramento
  - Review of League's Advocacy Priorities for 2025-2026
  - City Manager, Kris Lofthus, and I met with Senator Grayson and his team to discuss our stalled Housing Element and to arrange for a meeting with HCD. We also met with Anamarie Avila Farias' Chief of Staff, Carlos Gonzalez, planning a site visit to Clayton and one-on-one meetings with Assemblymember Avila Farias. Sessions on Thursday and Friday included: Aligning Goal Setting with Performance Evaluations, Building Strong Partnerships between Elected Officials and Professional Staff, California's Economic Outlook and Earning Public Trust: Practical Strategies for Transparent and Effective

Leadership

- April 27 Attended Art & Wine Festival, which was very nice
- April 28
  - East Contra Costa Habitat Conservancy Governing Board Meeting (Brentwood)
    - A review of the 2024 audit and the new Annual Report, the selection of a new member of the Conservancy's Public Advisory Committee.
  - City Sponsored Special Events Committee meeting
    - Discussion about the expansion of Hispanic Heritage Month (Sept-Oct)
    - Finalizing details for Memorial Day Ceremony, May 26th at 10 am at The Grove
    - Finalizing all Concerts in the Grove marketing and advertising materials, street banners and stage banners
    - Finalizing details with both PFC organizations (elementary and middle school) for Concerts
    - 4th of July preparation: new chair Sarah Brinkman and new emcee, CW Wolfe
- April 29
  - Picked up banners for Concerts in the Grove from the printer
  - Met with City Manager
- April 30 attended GHAD webinar at 6 pm
- May 1
  - Meeting with new 4th of July Chair, Sarah Brinkman and Janessa Torres (City staff) at City Hall
  - Zoom meeting with Library Foundation and Lesher Foundation to talk about grant opportunity for library refresh project
  - Attended the Mayor's Conference in City of Pleasant Hill

BACKGROUND

The City Council provides a report of activities that took place between the city council meetings.

FISCAL IMPACTS

n/a

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Kris Lofthus, City Manager

DATE: May 6, 2025

SUBJECT: Adopt a Resolution Authorizing the Addition of a Full-Time Classification for a City Engineer/Public Works Director and the Related Specifications, Pay Ranges and Benefits to the FY 2025-26 Annual Budget and Update the Police Chief's Salary to Align with Other Department Head Salaries.

RECOMMENDATION
Please see attached Staff Report.

BACKGROUND

FISCAL IMPACTS

ATTACHMENTS
Exhibit A - City Engineer Public Works Director Job Description.pdf
Exhibit B - Proposed FY 2025-26 Org Chart.pdf
Exhibit C - Functional Org Chart FY 2025-26.pdf
Exhibit D - FY 2025-26 Detailed salary schedule.pdf
Staff Report - City Engineer and Police Chief 05062025
Resolution 05 06 2025 City Engineer Police Chief Staffing Position.docx

City of Clayton Class Specification
FLSA Status: Exempt
Date Revised: May 6, 2025

CLASS TITLE

PUBLIC WORKS DIRECTOR – CITY ENGINEER

DEFINITION

Under general direction, manages and oversees the operations of the Maintenance Department and Assessment District, including engineering functions, maintenance activities, and contract administration related to public works and infrastructure improvements. Coordinates assigned initiatives with other divisions, departments, and external agencies, while providing high-level, complex administrative support to the City Manager.

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from the City Manager. Exercises direct supervision over Maintenance staff and contract staff.

CLASS CHARACTERISTICS

The Public Works Director /City Engineer is an executive management-level classification that oversees the city's public works operations and infrastructure development. The incumbent is responsible for planning, organizing, directing and coordinating activities across engineering, construction, maintenance and public service delivery functions. The incumbent exercises a considerable degree of independence and judgment in establishing priorities and carrying out activities consistent with City policy, goals, and objectives. This position requires registration as a licensed Professional Engineer (P.E.) and combines technical engineering expertise with executive leadership responsibilities.

The Public Works Director-City Engineer is considered a department director with responsibility for directing the activities of the department within the city. Positions at this class level serve as a member of the city's executive team and provide advice and counsel to the city manager regarding strategic policy and problem-solving issues relating to the city.

EXAMPLES OF TYPICAL JOB FUNCTIONS

Class specifications are intended to present examples of the duties performed by employees in the classification. Any one position may not include all of the duties listed, nor do the listed examples include all tasks that may be performed by positions in this class.

- Provide comprehensive leadership and oversight of all department operations, including Engineering, Maintenance, and Assessment Districts. Supervise capital improvement projects, project design, contract engineering, inspections, and facility maintenance; establish and enforce departmental policies and procedures.
- Obtain and maintain current certification as a Registered Professional Civil Engineer in the State of California through participation in all required certification programs.
- Lead the development and execution of department goals, objectives, policies, and priorities across all service areas, including capital improvement and maintenance initiatives; perform engineering designs when appropriate.
- Manage departmental work plans by directing staff activities; delegate projects and responsibilities, evaluate work methods, and meet regularly with staff to address and resolve operational issues.
- Monitor workloads, administrative systems, and internal structures to identify opportunities for increased efficiency and effectiveness; oversee and implement necessary improvements.
- Collaborate with architects, engineers, and contractors regarding the interpretation and application of codes, laws, ordinances, and policies related to drainage, traffic, access, and land use. Develop and revise city codes and standards for streets, drainage systems, subdivisions, and flood control.
- Negotiate with developers and consultants on development code requirements and conditions of approval for mapping and land use projects.
- Review and assess plans and programs related to capital improvement and maintenance projects; propose recommendations for enhancements and increased impact.
- Oversee the preparation and review of legal and planning documents such as agreements, dedications, easements, vacations, and land development submissions for City Council and Planning Commission consideration.
- Manage the inspection and maintenance of city-owned facilities and properties, coordinate maintenance schedules
- Draft formal correspondence including grant proposals, RFPs, contract bids, and City Council agenda materials; facilitate the dissemination of key information to division personnel.
- Lead staff recruitment, training, evaluation, and professional development; address performance issues and implement disciplinary actions as necessary.
- Direct the formulation and administration of the departmental budget and the city’s annual Capital Improvement Program (CIP); authorize expenditures and ensure proper allocation of resources.
- Advocate for department programs and initiatives; address and resolve contentious or sensitive issues through negotiation and strategic communication.
- Represent the Public Works Department in interactions with other city departments, government officials, external agencies, and the public; coordinate interdepartmental and interagency activities.
- Support the City Manager by preparing detailed reports, attending committee meetings, and serving on relevant boards and commissions.
- Participate in industry meetings and stay informed of emerging trends and advancements in the public works sector.

- Address complex public inquiries and resolve citizen complaints with professionalism and responsiveness.
- Maintain physical and mental fitness necessary to effectively carry out job responsibilities.
- Perform other duties and responsibilities as assigned.

Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions.

QUALIFICATIONS

The requirements listed below are representative of the minimum qualifications for entry into the classification and do not necessarily convey the qualifications of incumbents in the position.

Knowledge of:

- Operational functions, services, and activities involved in engineering and public works maintenance programs.
- Principles and methods of civil engineering related to the planning, development, and management of public works projects.
- Best practices for program development, management, and administration.
- Techniques and strategies for successful contract negotiation.
- Procedures and strategies for preparing and managing municipal budgets.
- Administrative processes for securing and managing current and future local, state, and federal grants and funding sources
- Materials, methods, and construction techniques commonly used in public works projects.
- Recent trends, publications, and key sources of information relevant to municipal public works management.
- Fundamentals of construction program planning and execution.
- Techniques for professional business correspondence and effective report writing.
- Best practices in supervision, employee training, and performance evaluation.
- Applicable federal, state, and local laws, codes, and regulations governing public works operations.

Ability to:

- **Lead and Manage Public Works Programs -** Oversee comprehensive engineering and public works initiatives, including Maintenance and Assessment Districts.
- **Strategic Planning and Administration -** Develop and implement departmental goals, objectives, policies, and procedures to ensure operational effectiveness.
- **Program Evaluation and Adjustment -** Analyze programs, policies, and operational needs; recommend and implement necessary adjustments.
- **Community and Organizational Engagement -** Identify, assess, and respond to sensitive community and organizational issues, concerns, and needs.
- **Staff Leadership and Development -** Plan, organize, direct, and coordinate the work of assigned staff; delegate authority and responsibility as appropriate.
  Select, supervise, train, and evaluate staff to build a high-performing team.

- **Grant Management -** Research and prepare grant applications for state, federal, and other programs supporting capital project maintenance and construction.
- **Problem Solving and Decision Making -** Analyze problems, explore alternative solutions, assess potential impacts, and implement recommendations aligned with organizational goals.
- **Service Innovation -** Research, analyze, and evaluate new service delivery methods, programs, and techniques to enhance efficiency and effectiveness.
- **Administrative Reporting -** Prepare clear, concise, and comprehensive administrative reports.
- **Program and Budget Administration -** Develop, administer, and oversee large and complex public works programs and budgets.
- **Regulatory Compliance -** Interpret and apply relevant federal, state, and local policies, laws, and regulations to departmental operations.
- **Technical Proficiency -** Operate office equipment proficiently, including computers and associated word processing and spreadsheet applications.
- **Effective Communication -** Communicate clearly and concisely, both orally and in writing.
- **Relationship Building -** Establish and maintain effective working relationships with colleagues, community members, and stakeholders.
- **Information Processing and Decision Making -** Assimilate information logically, evaluate options thoroughly, and make sound, informed decisions.
- **Physical and Mental Fitness -** Maintain the physical and mental capacities necessary to perform assigned duties, including effective audio-visual discrimination and perception for observation, communication, reading, writing, and operating equipment.

Education and Experience:
Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

Equivalent to a bachelor's degree from an accredited college or university with major course work in civil engineering or a related field.

and

Six (6) years of increasingly responsible experience including three years in municipal public works.

Licenses and Certifications:

Possession of a current Certificate of Registration as a professional civil engineer in the State of California.
Possession of or ability to obtain a valid California driver's license.
Possession of or ability to obtain a valid California State Pesticide Certificate B & C; maintain all pesticide records and provide training to staff fin order to spray and pre-emerge weeds.

PHYSICAL DEMANDS
These physical demands may be performed with or without reasonable accommodation:

- Mobility to work in a standard office setting and in the field, using standard office and field equipment, including a computer.
- Sit at a desk and in meetings on a continuous basis for long periods of time.
- Sit in and drive work vehicles frequently.
- Occasionally stand and walk between work areas and in the field.
- Finger dexterity and strength is needed to access, enter, and retrieve data using a computer keyboard and to operate and grasp tools and equipment.
- Perform repetitive keystrokes on a computer keyboard.
- Perform simple gripping, grasping, and fine manipulation to write, use a computer mouse, and operate office equipment.
- Normal color vision to read printed materials, identify maintenance parts and systems as well as operate computers and software effectively.
- Normal hearing and speech to communicate in person and over the phone.
- Lift, carry, push, and pull materials and objects weighing up to 25 pounds.
- Occasionally bend, stoop, kneel, reach, twist, turn, push, and pull to use equipment or traverse field terrain.

ENVIRONMENTAL AND WORKING CONDITIONS

These described work environment characteristics are representative of those an employee encounters while performing the essential functions of this job:

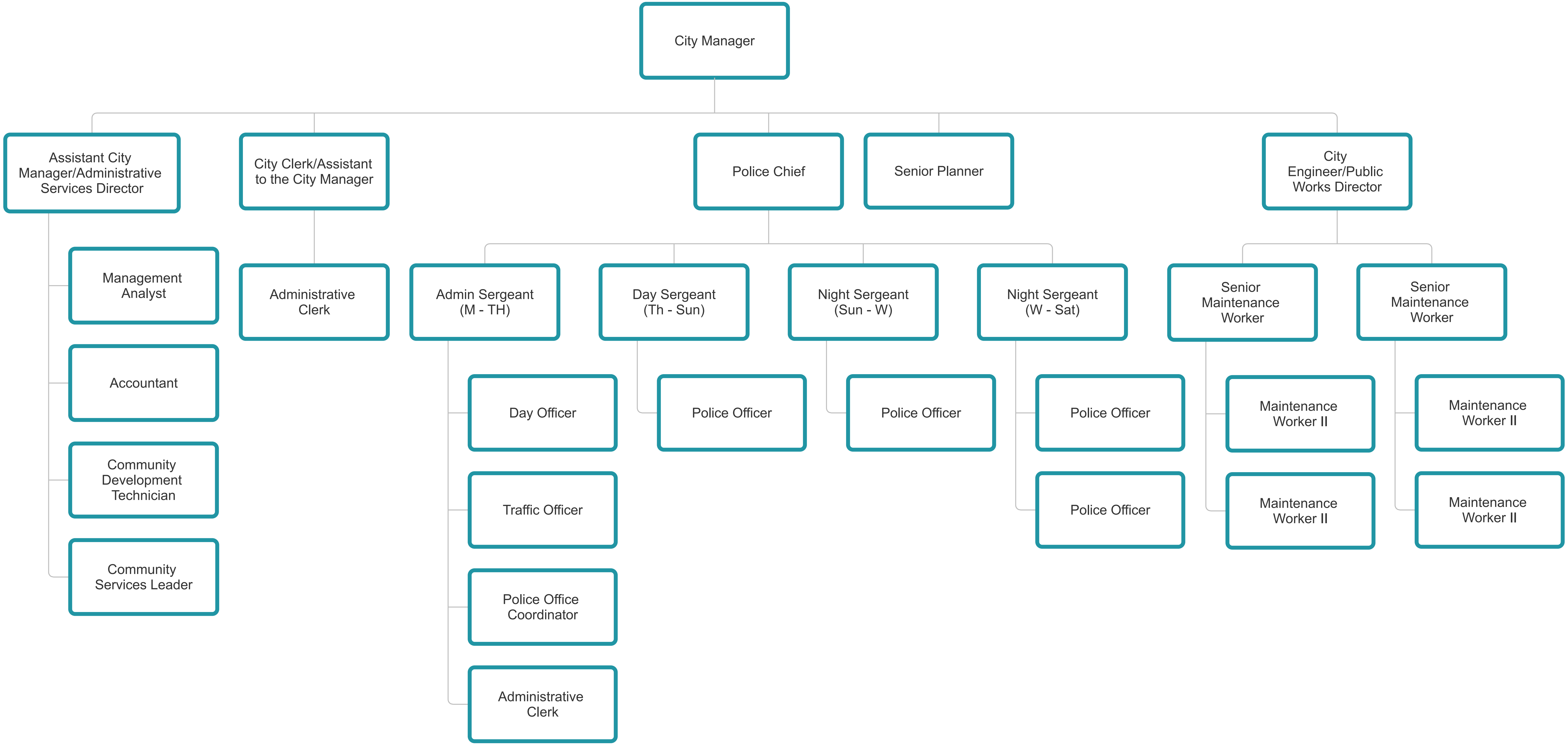
- Work is performed in both indoor and outdoor environments with moderate noise levels.
- Work is frequently performed in an office environment with controlled temperature conditions and natural and florescent lighting at a desk and in front of a computer.
- Work is occasionally performed outdoors in an environment of constant noise around machinery with moving parts, in varying weather conditions and on various terrains.
- Occasional exposure to smoke, fumes, gas dust, allergens, grease, oil, pesticides, chemicals and electrical energy.
- Occasionally subject to vibration while operating equipment.
- Work is frequently disrupted by the need to respond to in-person and phone inquiries.

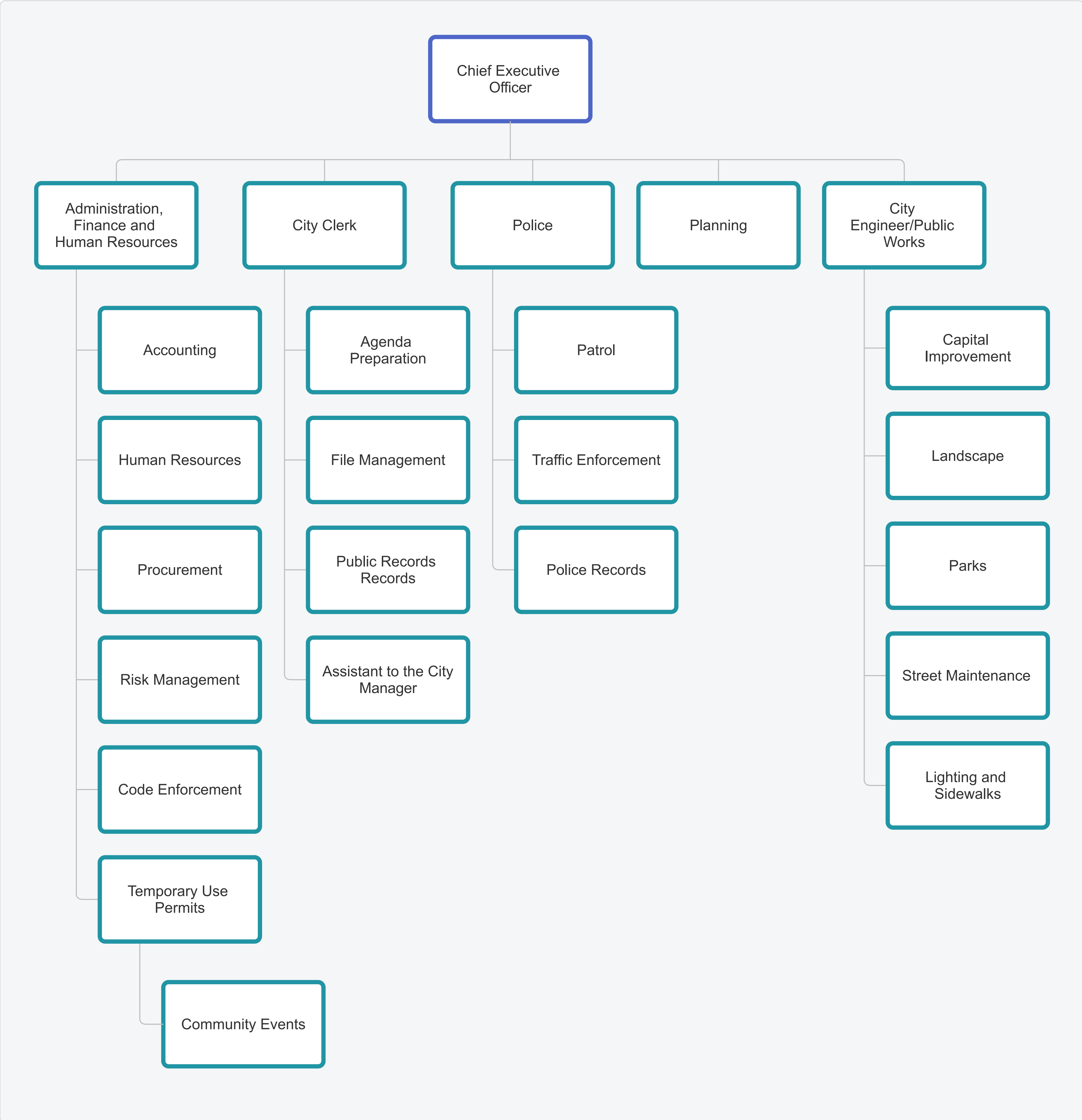
ADDITIONAL REQUIREMENTS

Must respond to emergency situations and certain activities or meetings during off-hours and on regular days off as necessary.

Positions in this classification require at least the following pre-employment screening measures before an offer of employment can be made:

- Background screening (Livescan)


City Manager
Assistant City Manager/Administrative Services Director
City Clerk/Assistant to the City Manager
Police Chief
Senior Planner
City Engineer/Public Works Director
Management Analyst
Accountant
Community Development Technician
Community Services Leader
Administrative Clerk
Admin Sergeant (M - TH)
Day Sergeant (Th - Sun)
Night Sergeant (Sun - W)
Night Sergeant (W - Sat)
Senior Maintenance Worker
Senior Maintenance Worker
Day Officer
Traffic Officer
Police Office Coordinator
Administrative Clerk
Police Officer
Police Officer
Police Officer
Police Officer
Maintenance Worker II
Maintenance Worker II
Maintenance Worker II
Maintenance Worker II


Chief Executive Officer
Administration, Finance and Human Resources
City Clerk
Police
Planning
City Engineer/Public Works
Accounting
Human Resources
Procurement
Risk Management
Code Enforcement
Temporary Use Permits
Community Events
Agenda Preparation
File Management
Public Records Records
Assistant to the City Manager
Patrol
Traffic Enforcement
Police Records
Capital Improvement
Landscape
Parks
Street Maintenance
Lighting and Sidewalks

City of Clayton Salary Schedule FY 2024-25

Proposed May 6, 2025

Administration				A	B	C	D	E
City Manager	City Manager	Effective 6/16/24	Monthly	[redacted]			20,000.00	20,833.33
			Hourly				115.38	120.19
			Annually				240,000.00	250,000.00
Assistant City Manager/ Administrative Services Director	Miscellaneous City Employee	Effective 6/16/24	Monthly	15,768.75	16,557.19	17,385.05	18,254.30	19,166.67
			Hourly	90.97	95.52	100.30	105.31	110.58
			Annually	189,225.00	198,686.25	208,620.56	219,051.59	230,000.00
City Clerk/Assistant to the City Manager	Miscellaneous City Employee	Effective 6/16/24	Monthly	8,693.75	9,128.44	9,583.33	10,062.50	10,565.63
			Hourly	50.16	52.66	55.29	58.05	60.96
			Annually	104,325.00	109,541.25	115,000.00	120,750.00	126,787.50
Management Analyst	Miscellaneous City Employee	Effective 1/22/25	Monthly	7,583.17	7,962.33	8,360.44	8,778.46	9,217.39
			Hourly	43.75	45.94	48.23	50.64	53.18
			Annually	90,998.00	95,547.90	100,325.30	105,341.56	110,608.64
Accountant	Miscellaneous City Employee	Effective 6/16/24	Monthly	6,727.08	7,063.44	7,416.67	7,787.50	8,176.88
			Hourly	38.81	40.75	42.79	44.93	47.17
			Annually	80,725.00	84,761.25	89,000.00	93,450.00	98,122.50
Administrative Clerk	Miscellaneous City Employee	Effective 1/22/25	Monthly	4,548.36	4,775.78	5,014.57	5,265.29	5,528.56
			Hourly	26.24	27.55	28.93	30.38	31.90
			Annually	54,580.31	57,309.33	60,174.79	63,183.53	66,342.71
Community Development Technician	Miscellaneous City Employee	Effective 1/22/25	Monthly	5,139.63	5,396.61	5,666.44	5,949.76	6,247.25
			Hourly	29.65	31.13	32.69	34.33	36.04
			Annually	61,675.53	64,759.31	67,997.27	71,397.14	74,966.99
Community Services Leader	Miscellaneous City Employee	Effective 1/22/25	Monthly	$4,415.88	$4,636.68	$4,868.51	$5,111.94	$5,367.53
			Hourly	$17.92	$18.82	$19.76	$20.74	$21.78
Maintenance				A	B	C	D	E
City Engineer/Public Works Director	Miscellaneous City Employee	Effective 7/1/25	Monthly	14,247.50	14,959.88	15,707.87	16,493.26	17,317.93
			Hourly	82.20	86.31	90.62	95.15	99.91
			Annually	170,970.00	179,518.50	188,494.43	197,919.15	207,815.10
Maintenance Senior	Miscellaneous City Employee	Effective 7/1/24	Monthly	5,482.14	5,756.25	6,044.06	6,346.26	6,663.58
			Hourly	31.63	33.21	34.87	36.61	38.44
			Annually	65,785.70	69,074.98	72,528.73	76,155.17	79,962.93
Maintenance Worker I	Miscellaneous City Employee	Effective 7/1/24	Monthly	4,537.84	4,764.73	5,002.96	5,253.11	5,515.77
			Hourly	26.18	27.49	28.86	30.31	31.82
			Annually	54,454.02	57,176.73	60,035.56	63,037.34	66,189.21
Maintenance Worker II	Miscellaneous City Employee	Effective 7/1/24	Monthly	5,003.77	5,253.96	5,516.66	5,792.49	6,082.11
			Hourly	28.87	30.31	31.83	33.42	35.09
			Annually	60,045.23	63,047.50	66,199.87	69,509.86	72,985.36
Planning				A	B	C	D	E
Senior Planner	Miscellaneous City Employee	Effective 1/22/25	Monthly	9,001.75	9,451.84	9,924.43	10,420.65	10,941.68
			Hourly	51.93	54.53	57.26	60.12	63.13
			Annually	108,021.00	113,422.05	119,093.15	125,047.81	131,300.20
Police				A	B	C	D	E
Chief of Police	Police Chief	Effective 7/1/25	Monthly	14,247.50	14,959.88	15,707.87	16,493.26	17,317.93
			Hourly	82.20	86.31	90.62	95.15	99.91
			Annually	170,970.00	179,518.50	188,494.43	197,919.15	207,815.10
Police Administrative Clerk	Miscellaneous City Employee	Effective 7/1/24	Monthly	4,548.36	4,775.78	5,014.57	5,265.29	5,528.56
			Hourly	26.24	27.55	28.93	30.38	31.90
			Annually	54,580.31	57,309.33	60,174.80	63,183.54	66,342.71
Police Office Coordinator	Miscellaneous City Employee	Effective 7/1/24	Monthly	5,139.63	5,396.61	5,666.44	5,949.76	6,247.25
			Hourly	29.65	31.13	32.69	34.33	36.04
			Annually	61,675.53	64,759.30	67,997.27	71,397.13	74,966.99
Police Officers	Police Officers' Association	Effective 7/1/24	Monthly	7,662.65	8,045.78	8,448.07	8,870.47	9,314.00
			Hourly	44.21	46.42	48.74	51.18	53.73
			Annually	91,951.79	96,549.38	101,376.85	106,445.69	111,767.98
Police Sergeant	Police Officers' Association	Effective 7/1/24	Monthly	9,003.35	9,453.52	9,926.19	10,422.50	10,943.63
			Hourly	51.94	54.54	57.27	60.13	63.14
			Annually	108,040.20	113,442.21	119,114.32	125,070.03	131,323.53

(Back to Agenda)

City Council Agenda Item

STAFF REPORT

TO: **Honorable Mayor and Councilmembers**

FROM: **Kris Lofthus, City Manager**

DATE: **May 6, 2025**

SUBJECT: **Adopt a Resolution Authorizing the addition of a full-time classification for a City Engineer/Public Works Director and the related specifications, pay ranges and benefits to the FY 2025-26 annual budget and update the Police Chief's salary to align with other department head salaries.**

RECOMMENDATION

Staff recommends, that the City Council approve a resolution authorizing:

1. A Full-time-time classification of City Engineer/Public Works Director to include the related job specification, benefit package and pay range with a low annual salary of $170,970 and a high annual salary of $207,815.10.
2. Update the Police Chief's salary to align with other department head salaries with a low annual salary of $170,970 and a high annual salary of $207,815.10.

PREVIOUS ACTION

On March 15, 2022, the City Council approved a contract for an outside engineering firm to handle the services of City Engineer and the City has had an approved Maintenance Superintendent position in the budget. Oversight is needed to successfully run the various programs the Public Works Department oversees. The on-going cost of the engineering firm has been determined not cost effective, therefore, it is staff's recommendation to add a City Engineer/Public Works Director to address the various Public Works duties.

In addition, on February 18, 2025, the Council took action to increase the salary of the Police Chief, in advance of the upcoming recruitment.

BACKGROUND

The City maintains a detailed Classification and Compensation Plan, which is publicly supported by the Master Pay Schedule and the Approved Position List. Together, these resources offer a transparent and comprehensive overview of all City employment roles, including job descriptions, employee classifications, salary ranges, and the number of authorized positions across departments.

As part of the Fiscal Year 2025–26 budget development process, there was extensive discussion surrounding the costs associated with external consulting services. Although a majority of the engineering-related fees paid to consultants are funded from sources outside the General Fund, it was recognized that the overall expenditure on consulting services remains significant.

Through a thorough analysis and budgetary review, City leadership evaluated the financial impact of these ongoing consultant payments. It was ultimately determined that the creation of an internal City Engineer/Public Works Director position would represent a more cost-effective and sustainable solution. This newly established role would not only reduce reliance on external consultants but also bring critical expertise in-house. The individual in this position would be responsible for the strategic oversight and day-to-day management of the Public Works Department, fostering greater efficiency, accountability, and continuity in the City's infrastructure and maintenance operations.

DISCUSSION

The City currently needs assistance with the following role. From March 2022 through current, the City is using outside consultants to provide some of these services. External contracting is far more expensive, and the time in the office is limited. In addition, it has been determined by management that fulfilling this position with a city employee better serves the community. Currently, the City's official list of job classifications includes a Maintenance Supervisor, and the unofficial list includes a City Engineer. To improve efficiency and make better use of available resources, staff is proposing to merge these two roles into a single position titled City Engineer/Public Works Director. This proposed restructuring is intended to streamline departmental operations by reducing redundancy and fostering a more cohesive approach to public works tasks. The financial savings and reallocation resulting from this consolidation would be directed toward providing support for a variety of public works activities. By reorganizing the department in this manner, the City aims to align its staffing structure with evolving community needs, ensuring more effective service delivery while maintaining fiscal responsibility. This change is expected to result in a more dynamic and responsive team capable of better serving residents and supporting the City's growth objectives.

Staff is prepared to recruit for this position. When making a salary recommendation, we first look to the regional labor market and the City's comparable entities; we looked at all cities in Contra Costa County with populations less than 40,000 and found a representative data set to find classifications that are most comparable Clayton's classification. Then we look internally at parity throughout the City's compensation plan. Thus, the need to increase the Police Chief's salary to align with other department head salaries.

City Engineer/Public Works Director Salary Steps:

A	B	C	D	E
170,970.00	179,518.50	188,494.43	197,919.15	207,815.10

Police Chief Salary Steps

A	B	C	D	E
170,970.00	179,518.50	188,494.43	197,919.15	207,815.10

FISCAL IMPACT

These positions will not require a budget adjustment for FY 2024-25. We anticipate, if the City Council approves the motion on May 6, 2025, that these positions will be staffed during the first part of the FY 2025-26 fiscal year and are included in the proposed budget this evening. Staff anticipates a cost savings of approximately $100,000 by this action.

CEQA IMPACT

None.

Attachments:

Resolution
Exhibit A – Job Specifications for City Engineer/Public Works Director
Exhibit B – Proposed FY 2025-26 Org. Chart
Exhibit C – Functional Org. Chart
Exhibit D - FY 2025-26 Revised Pay Schedule

RESOLUTION NO. XX-2025

APPROVING THE ADDITION OF A FULL-TIME CITY ENGINEER/PUBLIC WORKS DIRECTOR AND UPDATING THE POLICE CHIEF SALARY
THE CITY COUNCIL
City of Clayton, California

WHEREAS, The City has established Classification and Compensation Plans, a Master Pay Schedule, and a Position Allocation Table detailing all job classifications, salary ranges, and allocations of personnel; and

WHEREAS, The City desires to add a full-time City Engineer/Public Works Director with the job description included and incorporated herein as Exhibit A; and

WHEREAS, The revision and addition of this position will provide additional means for accomplishment of the City's mission in an efficient and cost-effective manner; and

WHEREAS, The revision of the salary for the Police Chief position to align with other department head positions will provide additional means for the accomplishment of the City's mission in an efficient and cost-effective manner; and

WHEREAS, the net fiscal impact of these changes will not require additional FY 2024-2025 budget authority; and

WHEREAS, It is necessary to authorize the City Manager to amend the City's Classification Plan effective May 7, 2025, to incorporate the above changes.

NOW, THEREFORE BE IT RESOLVED that the City of Clayton does hereby approve the job description for classification of full-time City Engineer/Public Works Director attached and included herein as Exhibit A and authorize the City Manager to amend the City's Classification Plan , effective May 7, 2025, to incorporate the above changes.

BE IT FURTHER RESOLVED that the City of Clayton does hereby approve the revision of the salary for the Police Chief position to align with other department head positions.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California, at a regular public meeting thereof held on the 6th day of May 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

____
Kim Trupiano, Mayor

ATTEST:

____
Stephanie Cabrera-Brown, City Clerk

Exhibit A: Classification specifications for the full-time position of City Engineer/Public Works Director.

Agenda Item: 8.b

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Regina Rubier, Assistant City Manager

DATE: May 6, 2025

SUBJECT: Budget Overview, Discussion, and Schedule

a. **Update on the Fiscal Year (FY) 2025-26 Budget**
b. **Updated FY 2024-25 YTD Actual Revenue and Expenses, and Budget Amendment**

RECOMMENDATION
Please see attached Staff Report.

ATTACHMENTS
Staff Report FY 2025-26 Budget Workshop 05 06 2025.pdf
FY 25-26 Preliminary City of Clayton Budget 05 01 2025.pdf
City of Clayton Budget Workshop PPT 05 05 2025.pdf

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Kris Lofthus, City Manager
Regina Rubier, Assistant City Manager

DATE: May 6, 2025

SUBJECT: Study Session on the Proposed Biennial Budget for Fiscal Years 2025-26 and 2026-27 General Fund, Landscape Maintenance District Fund, Fiduciary Funds and Other Fund Budgets Workshop

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RECOMMENDATION
Receive report and provide direction if necessary on the proposed City of Clayton's first biennial operating budget for Fiscal Years (FY) 2025-26 and 2026-27 of the General Fund, Landscape Maintenance District Fund, Fiduciary Funds and Other Fund Budgets Workshop.

BACKGROUND

The City of Clayton remains firmly dedicated to exercising strong fiscal stewardship, ensuring full transparency, and upholding a high standard of accountability in the management of public funds. This commitment reflects the City's core belief that taxpayer dollars must be handled with integrity and in alignment with the priorities of the community.

Through collaborative efforts between the City Council and City staff, the City ensures that all budgeting and financial policy decisions are made with careful consideration of the community's evolving needs. This partnership plays a central role in crafting a financial framework that not only supports current operations but also sustains long-term public services.

The proposed Biennial Operating Budget for Fiscal Years 2025–26 and 2026–27 serves as the City's principal financial and policy blueprint. Once adopted by the City Council,

this document defines the service levels, operational goals, and capital improvement projects that will be delivered to residents over the two-year period.
Designed to reflect and respond to community priorities, the budget outlines how the City will allocate its financial and human resources to preserve essential services and maintain the quality of life that Clayton residents expect. To support this goal, the budget includes a planned use of General Fund reserves amounting to approximately $655,458 in FY 2025–26 and $809,166 in FY 2026–27. These reserves are being strategically applied to bridge funding gaps while continuing the provision of vital programs and services without significant reductions.

Beyond simply outlining expenditures, the budget provides a clear and logical framework for organizing the City's numerous departments, programs, and initiatives. It establishes a structured system for managing and controlling both revenues and expenditures, thereby promoting operational efficiency and financial accountability.

Importantly, the biennial budget document is made widely accessible to the public, allowing residents, stakeholders, and interested parties to gain insights into the City's financial planning and operational priorities. This openness reinforces Clayton's commitment to transparent governance and encourages informed civic participation.

DISCUSSION

The City of Clayton officially commenced its Biennial Budgeting Process in February 2025 in preparation for the Fiscal Years 2025–2026 and 2026–2027 Operating Budget cycle. This comprehensive planning effort marks a strategic step toward aligning financial resources with the City's evolving priorities and community needs.

Since the outset of the process, Finance Department staff have engaged in a series of collaborative meetings with departmental leaders across all City divisions. These consultations have been instrumental in identifying both ongoing operational requirements and proposed capital improvement initiatives. This collaborative approach ensures that the budget accurately reflects the distinct needs and goals of each department.

In addition to assessing departmental requests, staff have undertaken a thorough reconciliation of existing contracts. This step was essential to verify that all anticipated expenditures, including contractual obligations, are fully captured and accurately represented in the proposed budget.

A key feature of this year's approach has been the adoption of a "zero-based" or "bottom-up" budgeting methodology. Rather than applying a uniform percentage increase across all departments, staff have built the budget from the ground up. This means every expenditure must be justified based on actual needs and strategic objectives, leading to a more accountable, data-driven allocation of public funds.

Strategic Plan Initiatives

In January 2024, the City started a Strategic Plan which evaluated the priorities, costs, and timing for implementation of various options to improve current and future service. This budget was created with feedback received by the Strategic Planning Survey where the residents want better city services, improved communication from city employees, efficient handling of applications, simplification of ordinances, fair compensation for city staff, and better unity within the city council for effective decision-making. City staff will work with the City Council in the upcoming months to create an implementation action plan.

Staff also ensured that the City Council's priorities as discussed at the February 20, 2024, City Council meeting. Those goals include:

- Public Safety and Infrastructure: Enhance the provision of public safety resources, invest in technological solutions, and maintain, repair, and improve public facilities and infrastructure.
- Community Parks and Recreation: To improve the physical, social, and environmental well-being of all residents by expanding equitable access to quality parks, recreational programming, and green spaces.
- Economic and Community Development: Promote effective use of existing amenities and resources to create future opportunities that enrich the community.
- Financial Stability and Sustainability (Balanced Budget): Support fiscal health through long-term planning, cost control, heightened efficiency, increased revenue, and cost recovery.
- Landscape Maintenance District: Prioritize funding for the Landscape Maintenance District (LMD) to develop a comprehensive maintenance and repair strategy, including detailed mapping and a timeline that identifies repair locations, completion schedules, and associated costs.

This budget aims to be in alignment with the City's Mission Statement and Values of being dedicated to serving the needs and desires of our citizens:

- Mission Statement: Enhance the City of Clayton by providing quality of service through:
  - Responsible Stewardship
  - Effective Collaboration
  - Continuous Progress
- Values
  - Excellence
  - Integrity
  - Respect
  - Teamwork

At the April 21, 2025, Budget and Audit Committee meeting, the Assistant City Manager discussed a draft version of the General Fund, Landscape Maintenance District Fund, Fiduciary Funds and Other Fund Budgets. The budgets presented herein include minor updates and adjustments made consistent with comments received during this budget review process.

FY 2024-25 General Fund Budget Summary

The FY 2024-25 General Fund Budget of $5,811,063 was adopted on June 4, 2024. As of 4/30/2025 (with two months remaining in the fiscal year), Operating Revenue is $4.5 million and Operating Expenses are $5.7 million, resulting in a deficit of $1.2M; the year end projected amount is anticipated at approximately $200K.

The City's FY 2024-25 anticipates its Operating Revenues and expenses to come in closer to budget and the new total anticipated Operating Reserve as of the end of FY2024-25 is anticipated to be $7,643,208. On March 5, 2024, the City established a General Fund reserve policy of 40% of the General Fund Operating Expenditures. The policy goes on to state that "the minimum General Reserve level will be calculated annually using the prior fiscal year's estimated General Fund Operating Expenditures, excluding any major one-time transfers. General Reserve levels will be evaluated as part of the annual budget process or more often, if needed. Therefore, the Fund Balance of $7,386,301 exceeds the 40% target of $2.4 million. The Operating Budget Reserves will remain available to finance future inflationary operating cost increases and one-time capital and equipment costs. It is anticipated that a significant portion of the excess funding will be used over the next several years to implement Strategic Plan Initiatives.

Proposed Fiscal Year 2025-26 Operating Budget Detail

Effects of the Economy

As the City prepares to enter Fiscal Year 2025–26, economic indicators suggest a shift toward moderation following several years of robust post-pandemic recovery. Both local and national economies, which had previously experienced strong rebounds, are now exhibiting signs of stabilization. In light of this evolving landscape, the City is adopting a cautious and strategically forward-thinking approach to financial planning. This prudent stance is designed to uphold long-term fiscal health and ensure continued service delivery amidst potential economic uncertainties.

A key element of the City's financial strategy involves careful stewardship of the General Fund Operating Budget, which remains heavily dependent on tax-related revenues. For FY 2025–26, tax revenues are projected to account for approximately 61% of the total General Fund revenues—equivalent to $3.9 million out of the $6.2 million total budget.

Although a modest year-over-year increase of 4% in property tax revenues is forecasted, this growth is relatively restrained. It reflects a conservative revenue outlook shaped by anticipated softness in several critical revenue streams. Specifically, downward adjustments have been made to projections for the Sales Tax which plays an important role in supporting the City's core services and operations.

Given these factors, the City's budgetary approach emphasizes careful risk management and proactive planning to address potential revenue volatility, while continuing to invest in essential services and strategic priorities.

General Fund Revenue
Based on the Finance Committee's direction received on April 21, 2025, staff submits the proposed budget. The total General Fund revenue budget proposed for the Fiscal Year 2025-26 of $6,025,920 plus a transfer of $655,458 from the fund balance for total resources of $6,681,378. The proposed summary of the General Fund for the Fiscal Year 2025-26 is illustrated in Table 1 below.

The total General Fund revenues appropriated included nine key revenue sources: (1) property tax (2) sales and use tax; (3) other tax; (4) license fees; (5) franchise fees; and (6) other allocations and revenue; (7) permit fees; (8) rental/use fees and (9) transfers. Each of these revenue sources is described in detail below. Table 1 illustrates the proposed revenue budget for the Fiscal Year 2025-26.

Table 1 – General Fund Revenue

A	B	C	D	E
	FY 2024-25 Adopted Budget ($)	**FY 2025-26 Proposed Budget ($)**	**FY 2026-27 Proposed Budget ($)**	**Changes ($) C - B**
Revenue				
Property Tax	2,795,381	2,906,359	3,021,320	110,978
Sales and Use Tax	594,704	609,572	630,907	14,868
Other Tax	194,480	200,314	205,322	5,834
Business License Fees	164,473	169,407	173,642	4,934
Franchise Fees	631,741	667,526	684,214	35,785
Other Allocations and Revenue	1,058,835	1,090,600	1,120,417	31,765
Permit Fees	115,440	118,903	121,876	3,463
Rental/Use Fees	117,832	121,367	124,401	3,535
Transfers	138,178	141,871	145,619	3,694
				-
Total Revenues	5,811,063	6,025,920	6,227,719	204,165

The proposed Operating Budget includes revenue from six primary sources as explained below:

- Property Tax: Is an ad valorem tax on real estate, including land, buildings, and tangible personal property. Collected by the County and distributed per state law, it funds cities, counties, schools, and special districts. In Clayton, property owners pay a base rate of 1% of the assessed property value. The City receives about 6.6¢ per dollar collected, with the rest primarily supporting schools, community colleges, and Contra Costa County. The City partners with HDL Coren & Cone to estimate property tax revenue, considering five key factors:
    - Property turnover rate
    - Market pricing and appeals

- New construction
- Proposition 8 reductions
- Proposition 13's inflation cap

Estimates include both secured and unsecured property taxes. Property taxes account for 48% of Clayton's General Fund revenue, primarily from the secured portion. For FY 2025–26, secured property tax revenue is projected to rise by 4%, totaling $2.9 million, which includes $510,459 from the Redevelopment Property Tax Trust Fund. Also included is property tax in-lieu of vehicle license fees (VLF). Originally a tax on vehicle ownership collected by the DMV, VLF revenue has been replaced with property tax allocations that reflect changes in assessed property values. For FY 2025–26, in-lieu VLF revenue is expected to increase by $60,811 (5.02%).

- Sales and Use Tax: California sales tax is imposed on the total retail price of any tangible personal property (excluding a variety of state mandated exemptions), while use tax is imposed on the purchaser for eligible transactions when sales tax has not been collected. Although the unadjusted general state-wide sales tax rate applied to transactions is 7.25%, the basic local rate (aka "Bradley-Burns" rate) returned to local agencies (i.e., City of Clayton) is only one percent (1%). This local share is unrestricted and must be received into the General Fund. In the City of Clayton, the applicable sales tax rate is currently 8.75% due to a combination of other additional local and regional voter-approved measures. The City to-date has received $456,788 or 77% of the budgeted sales tax for the current fiscal year. The sales tax receipts are paid to the City two months in arrears.

- Other Tax: This category includes Motor Vehicle In-Lieu and Other In-Lieu taxes, which together account for approximately 3% of the City's total revenue. Although they contribute a relatively small portion to the overall budget, these revenues still play a supportive role in funding municipal operations and services.

- Business License Fees: Business license fees are charged by the City to legally permit a business to operate within the city limits. These fees vary based on the size of the business. The City requires businesses to obtain a license annually, with fees serving as a source of revenue for regulatory enforcement, public safety, and administrative services. These fees ensure compliance with local ordinances and help maintain standards that protect the public and support fair business practices.

- Franchise Fee: The third largest revenue source, making up 11% of General Fund budgeted revenues for FY 2025-26 is franchise fees. Franchise fees are rents paid by utilities or other businesses for the privilege of using the City's right-of-way (i.e., streets, sidewalks, etc.) to locate utility lines, operate vehicles, and/or conduct private business for profit. The City currently collects a 1% franchise fee from Pacific Gas & Electric and a 5% franchise fee from cable operators (i.e., Comcast and AT&T/Pacific Bell). In addition, the City collects a 10% franchise fee from Republic Services for its collection, transportation, disposal and diversion of solid waste and recyclable materials. For Fiscal Year 2025-26, the Franchise Fee revenues are projected to increase by a total of $35,785 when compared to the current year budget. This revenue source can fluctuate for the cable television franchise fees due to a shift from customers to change to digital

- Other Allocations and Revenue: at 18% of the General Fund budgeted revenues for FY 2025-26, this is the City's second largest revenue source. It encompasses Redevelopment Property Tax Trust Fund, Public Safety Allocation, Abandoned Vehicle Abatement, POST Reimbursement, Well Water Usage Charge, Misc. City Services, Unrealized Investment Gains/Losses, Fiduciary Funds Administration and Fines and Forfeitures.

- Permit Fees: This fee is a charge imposed by the City for the issuance of various permits, such as construction, land development, business operations, environmental impacts or special events. These fees serve multiple purposes: it helps cover the administrative costs of processing applications, ensures regulatory compliance and may contribute to funding related public services or infrastructure. The amount of the permit fee can vary based on the complexity of the project or type of permit requested. By requiring and charging for permits, the City aims to promote safety, environmental stewardship and orderly development while generating revenue to support governance and oversight functions.

- Rental Use Fees: Are charges levied by the city to entities for the use of publicly owned facilities, land or equipment. These fees are typically applied when individuals, businesses, or organizations wish to temporarily utilize the City's property for events, construction staging, or other private purposes. The intent behind such fees is to ensure that public resources are used responsibly and to help offset the costs associated with maintenance, administration, and potential wear and tear.

- Transfers: Allows for the movement of resources from one governmental fund to another within the City. These transfers are made to allocate financial resources according to the entity's operational, capital, or strategic needs, and they do not constitute revenues or expenditures in themselves. Instead, they are recorded as "other financing sources" and "uses" to maintain proper fund accounting and transparency. Such transfers help ensure that restricted funds are used in compliance with legal or policy constraints, and that resources are properly aligned with budgetary priorities.

General Fund Expenses

Total General Fund expenditures proposed for the Fiscal Year 2025-26 is $6,681,378. Table 2 below illustrates the General Fund proposed expenditures for the Fiscal Year 2025-26 and Table 3, the Staffing Model.

Table 2 - General Fund Expenses

	FY 2024-25 Adopted Budget ($)	FY 2025-26 Proposed Budget ($)	FY 2026-27 Proposed Budget ($)
Expenditures			
Salaries and Benefits	3,968,661	4,504,916	4,683,654
Operating Expenditures	2,151,889	2,176,462	2,381,860
Total Expenditures	6,120,550	6,681,378	7,065,514

The proposed FY 2025-26 General Fund Budget identifies anticipated expenses under the staffing model shown below. Operational personnel include 11 sworn police personnel, 1 City Engineer/Public Works Director, 6 maintenance positions and 9.6 administrative positions. The administrative staff includes 1 City Manager, 1 Assistant City Manager/Administrative Services Director, 1 Accountant, 1 City Clerk/Assistant to the City Manager, 1 Administrative Assistant, 1 Management Analyst, 1 Senior Planner, 2 Police Administrative professionals and 0.6 for a Community Services Leader. I

Table 3

Staffing Model	**FY 2025-26 Budget**
Full Time Personnel	27.6
Administrative Positions	9.6
Maintenance Positions	7
Sworn Police Positions	11

Salary and Benefits Expenditures

Salary and benefit costs are projected at $4.5 million and are based on potential new agreements with the applicable employee unions and associations. The Police Officers are included in the representation from the Clayton Police Officers Association (CPOA) under an agreement that expires on June 30, 2027. The City's contract with the City Manager lasts through September 16, 2027. The staffing budget is based on full-time positions filled at the top step for each pay grade. The Miscellaneous Employees Group MOU expires on June 30, 2025, and negotiations are still underway.

Group Benefits include medical insurance, vision insurance, dental insurance, short- and long-term disability insurance, accidental death and dismemberment insurance and life insurance. The City participates in the CalPERS health plan, which provides employees with options of medical providers such as Kaiser, Healthnet, Blue Shield, and Blue Cross. Supplemental insurance coverages, FSA plan, and 457 plans are contracted directly by the City and are reviewed annually. The City covers 50k in life insurance for each employee. Everything other than medical and dental are 100% the employee's cost.

The City participates in the California Public Employees Retirement System (CalPERS) This is a defined-benefit pension system administered by an independent retirement board. The City has no control over the administration of this retirement plan. The City is current on required contributions and the budget includes the City making all assessed actuarially required employer contributions. Additionally, the City's employees are fully responsible for and make all the required employee contributions except for Miscellaneous Tier 1 employees (which the City pays). The pension contribution included in the proposed General Fund Budget is based on the announced FY 2025-26 contribution rates.

Services, Supplies & Other Charges

The Services & Supplies Charges are projected at $2,176,472 for FY 2025-26. The budget for Services and Supplies was reviewed over the past few months of the fiscal year and expenses have been properly identified and charged to the correct accounts. The Services and Supplies Budget includes contracts with outside agencies and vendors for the following services:

- Information Technology Services (Apex)
- Dispatch Services (City of Concord)
- Animal Control Services (Contra Costa County)
- Audit Services (Chavan & Associates)
- CFD Administration (NBS)

This budget was designed as a "zero base" or "bottom up" budget to let the City continue to function. Most expense items remained relatively neutral apart from Police Dispatch costs from the City of Concord and Animal Control costs from Contra Costa County. Staff has identified the following expenditures that force the deficit spending:

Salaries[3]	100,189
PERS[3]	98,205
PERS UAL[3]	152,687
Worker's Comp[3]	32,443
Granicus (D & S)[1]	30,000
Apex (PEG)[2]	48,000
Council/Committee AV	30,000
Insurance[3]	51,500
Dispatch[3]	54,000
HdL Fees (D & S)[1]	17,000
Lexipool (D & S)[1]	9,500
Nixle (D & S)[1]	5,600

[1] Dues and Subscriptions currently not budgeted
[2] Previously paid with Public Education Grant (PEG) Funds
[3] Annual increase

Animal Services[3]	26,334
Deficit	**$ 655,458**

Other Funds

The City's Non-Major Governmental Funds are reported as Special Revenue Funds (SRF); whereby, the revenues collected are for specific expenditures. These funds should be self-balanced with the appropriate receipts and expenditures. The City of Clayton has a number of SRF's that are operating in a deficit spending each year. The City staff will evaluate the deficit spending funds in the fall of 2025 to provide the Council with some of the mitigating measures to address the budget shortfall. Below is a summary of some of the Non-Major Governmental Funds that will require additional revenues or a reduction in expenditures to be balanced in future years.

Rainy Day Fund

The estimated fund balance in the Rainy-Day Fund as of June 30, 2025, is approximately $70,000. There is no proposed appropriation in this fund except for the distribution of the interest earning estimated at approximately $1,500 for the Fiscal Year 2025-26.

Landscape Maintenance District Fund

In calendar year 2007, the City established Communities Facility District 2007-01 for a Landscape Maintenance District (LMD). CFD 2007-01 a special assessment district created to fund the upkeep and enhancement of landscaped areas within the City. The areas include public parks, medians, greenbelts, and other open communal spaces that contribute to the aesthetic and environmental quality of the neighborhood. The funding for the LMD comes from assessments levied on the properties that benefit from the maintained landscapes. The collected funds are used for activities such as mowing, planting, irrigation, pest control, and general maintenance. When the City established the LMD, it ensured that the shared outdoor spaces are well-maintained, visually appealing, and conducive to a higher quality of life for residents.

Special Revenue Funds

The City maintains various funds that have been formed pursuant to State law or City policies. These funds are earmarked for specific uses and their revenues and expenditures are restricted. The following summarizes the various funds:

- ❖ Development Impact Fee - These fees are collected under Government Code Section 66000 to mitigate the impacts of new development on city facilities. Funds may only be used for facilities, not operations, and are to provide necessary facilities and equipment as a result of growth.
- ❖ Capital Equipment – The City maintains a capital equipment fund and makes annual contributions to these funds to prefund major equipment and machinery replacement costs. For FY 2025-26, proposed contributions are $52,300 to the Capital Equipment Fund.

- ❖ Capital Improvement - The City maintains a capital improvement fund and makes annual contributions to these funds to prefund major road and sidewalk repair costs. For FY 2025-26, proposed contributions are $717,173 to the Capital Improvement Fund.
- ❖ Successor Housing Fund is a financial mechanism established to manage and allocate resources for affordable housing projects and initiatives, often following the dissolution of a redevelopment agency. When redevelopment agencies are dissolved, their housing assets and responsibilities are transferred to a successor agency, which in this case is the City. The Successor Housing Fund is then used to continue the work of providing, improving, and maintaining affordable housing within the community. This fund supports various housing-related activities, including the development of new affordable housing units, rehabilitation of existing housing, and assistance programs for low- and moderate-income households. The goal of the Successor Housing Fund is to ensure the continuity and effectiveness of local affordable housing efforts, even after the original redevelopment agency is no longer in operation.
- ❖ Gas Tax - The primary purpose of the gas tax is to generate revenue for maintaining and developing transportation infrastructure, such as roads, bridges, and highways.
- ❖ Grants – Federal, state and local grants received by the City.
- ❖ Grove Park District – The park district is a special-purpose governmental entity created to manage and maintain public parks, recreational facilities, and open spaces within a designated area. Funded through taxes, grants, and user fees, park districts are responsible for the development, upkeep, and programming of parks, playgrounds, sports fields, swimming pools, community centers, and nature reserve.
- ❖ Other Funds

Assessment Districts

- ❖ Neighborhood Street Lighting – This assessment district is designed to enhance local safety and security by improving street lighting. The City operates by funding the installation and maintenance of streetlights through assessments levied on the properties that benefit from the improved illumination.
- ❖ Stormwater Assessment - Is aimed at managing and improving stormwater infrastructure to prevent flooding and enhance water quality. The City funds projects through assessments levied on properties that benefit from better stormwater management. This collaborative approach ensures that the costs are equitably shared among property owners, leading to improved drainage systems, reduced flood risk, and healthier local waterways, ultimately contributing to a more resilient and sustainable community.

Geological Hazard Abatement and Presley Settlement Funds (GHAD)

- ❖ Is a specialized entity formed to identify, mitigate, and manage geological hazards such as landslides, soil erosion, and seismic activity within a specific area. Funded through assessments levied on properties that benefit from these protective measures, GHAD plays a crucial role in safeguarding lives and property by implementing proactive strategies and interventions. These may include slope stabilization, erosion control projects, and ongoing monitoring of geological conditions. By establishing GHAD, communities can ensure a coordinated and sustained approach to addressing geological risks, enhancing public safety, property values, and overall community resilience.

FISCAL IMPACTS

There is no fiscal impact from the City Council's action on this item

ATTACHMENTS

General Fund Budget
Landscape Maintenance District Fund Budget
Assessment Districts Fund Budgets
Special Revenue Fund Budgets
Geological Hazard Abatement Fund Budgets

GENERAL FUND BUDGET

27.6 Full Time Employees

Budget Summary

	Budget			Budget			
	2024-25		%	2025-26	%	2026-27	%
	Final Budget	YTD (4/30/2025)	Increase Over Prior Year Budget	Preliminary	Increase	Preliminary	Increase
Starting Fund Balance	**$7,695,787**			**$7,386,301**		**$6,730,843**	**-12.54%**
Revenue							
Revenue	5,811,063	4,526,556	2.24%	6,025,920	3.70%	6,227,719	3.35%
Total Revenue	**$5,811,063**	**$4,526,556**	**2.24%**	**6,025,920**	3.70%	**$6,227,719**	**7.17%**
Expenditures							
Salaries and Benefits	3,968,661	3,232,244	6.72%	4,504,916	13.51%	4,683,654	18.02%
Services and Supplies	2,151,889	2,499,810	9.50%	2,176,462	1.14%	2,381,860	10.69%
Total Expenditures	**6,120,550**	**$5,732,054**	**7.68%**	**$6,681,378**		**7,065,514**	**15.44%**
Revenues over (under) Expenditures	**($309,486)**	**($1,205,499)**		**($655,458)**		**($837,795)**	
Ending Fund Balance	**$7,386,301**			**$6,730,843**		**$5,893,048**	

City of Clayton
FY 2025 - 26 PRELIMINARY GENERAL FUND BUDGET

Revenue Budget

		2024-25		%	2025-26	%	2026-27	%
		Final Budget	YTD (4/30/2025)	Increase	Preliminary	Increase	Preliminary	Increase
	Revenue							
101-4100	Property Tax In-Lieu of VLF	1,323,067	677,607	-48.79%	1,375,990	4.00%	1,431,029	4.00%
101-4101	Property Taxes - Secured	1,305,423	1,083,511	-17.00%	1,357,639	4.00%	1,411,945	4.00%
101-4102	Property Taxes - Unsecured	46,333	55,253	19.25%	48,186	4.00%	50,114	4.00%
101-4103	Property Taxes - Unitary Tax	17,107	19,117	11.75%	17,791	4.00%	18,503	4.00%
101-4104	Property Taxes - Supplemental	10,400	2,152	-79.30%	10,816	4.00%	11,249	4.00%
101-4106	Property Taxes - Other	9,360	4,144	-55.73%	9,734	4.00%	10,124	4.00%
101-4502	Real Property Transfer Tax	83,691	65,770	-21.41%	86,202	3.00%	88,357	0.00%
101-4301	Sales and Use Tax	594,704	456,788	-23.19%	609,572	2.50%	630,907	3.50%
101-5203	Motor Vehicle In Lieu	12,480	-	-100.00%	12,854	3.00%	13,176	2.50%
101-5205	Other In Lieu	182,000	92,591	-49.13%	187,460	3.00%	192,147	2.50%
101-5401	Franchises - Comcast Cable	202,800	150,103	-25.98%	208,884	3.00%	214,106	2.50%
101-5402	Franchises - Garbage Fees	238,518	285,065	19.52%	245,673	3.00%	251,815	2.50%
101-5403	Franchises - PG&E	169,623	185,966	9.63%	191,545	12.92%	196,333	2.50%
101-5404	Franchises - Equilon Pipe	20,800	22,283	7.13%	21,424	3.00%	21,960	2.50%
101-5101	Business Licenses	164,473	143,554	-12.72%	169,407	3.00%	173,642	2.50%
101-5602	Park Use Fee	36,400	58,614	61.03%	37,492	3.00%	38,429	2.50%
101-5603	Meeting Room Fee	3,120	7,331	134.95%	3,214	3.00%	3,294	2.50%
101-5608	Cattle Grazing Lease Rent	11,336	11,264	-0.63%	11,676	3.00%	11,968	2.50%
101-5609	Cell Tower Lease Rent	39,520	36,796	-6.89%	40,706	3.00%	41,723	2.50%
101-5303	City Hall Rental Fees	-		#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-5613	Clayton Community Gymnasium Rent	27,456	24,425	-11.04%	28,280	3.00%	28,987	2.50%
101-5103	Building Permit Remit Fees (Surcharge)	78,000	75,514	-3.19%	80,340	3.00%	82,349	2.50%
101-5106	Engineering Service Fees	6,240	2,395	-61.62%	6,427	3.00%	6,588	2.50%
101-5301	Planning Permits/Fees	10,400	18,245	75.44%	10,712	3.00%	10,980	2.50%
101-5302	Police Permits/Fees	10,400	10,752	3.38%	10,712	3.00%	10,980	2.50%
101-5304	Planning Service Charges	10,400	-	-100.00%	10,712	3.00%	10,980	2.50%
101-4108	Redevelopment Property Tax Trust Fund - Distribution	495,591	307,537	-37.95%	510,459	3.00%	525,773	3.00%
101-5201	Public Safety Allocation	104,000	94,489	-9.14%	107,120	3.00%	109,798	2.50%
101-5405	AT&T Mobility Francise Fees	-		#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-5202	Abandoned Veh Abate (AVA)	3,120	4,663	49.46%	3,214	3.00%	3,294	2.50%
101-5214	POST Reimbursements	6,760	1,872	-72.30%	6,963	3.00%	7,137	2.50%
101-5306	Well Water Usage Charge	18,000	-	-100.00%	18,540	3.00%	19,004	2.50%
101-5319	Miscellaneous City Services	104	156	50.00%	107	3.00%	110	2.50%
101-5605	Inv. Premium/Discount	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-5606	Unrealized Inv. Gain/Loss	-		#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-5322	Fiduciary Funds Administration	229,713	229,713	0.00%	236,605	3.00%	242,520	2.50%
101-5501	Fines and Forfeitures	20,800	20,504	-1.42%	21,424	3.00%	21,960	2.50%
101-5502	Administrative Citation Fee		500					
101-5610	Fountain Use Fee	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-5601	Interest	139,147	221,130	58.92%	143,321	3.00%	146,904	2.50%
101-5701	Reimbursements/Refunds	15,600	6,717	-56.94%	16,068	3.00%	16,470	2.50%
101-5790	Other Revenues	5,200	3,555	-31.63%	5,356	3.00%	5,490	2.50%
101-5791	Overhead Cost Recovery	20,800	8,302	-60.09%	21,424	3.00%	21,960	2.50%
101-5217	State Mandated Cost Reimbursement	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-5789	Other Financing Sources	-		#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-6002	Admin Exp Rec - Measure J Fund	5,765	5,765	0.00%	5,938	3.00%	6,116	3.00%
101-6003	Trx. From CIP Fund	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-6004	Admin Exp Rec - HUTA Gas Tax Fund	9,608	9,608	0.00%	9,896	3.00%	10,193	3.00%
101-6005	Admin Exp Rec - Neighborhood Street Lights Fund	14,067	14,067	0.00%	14,489	3.00%	14,924	3.00%
101-6006	Admin Exp Rec - GHAD Fund	8,836	8,836	0.00%	9,101	3.00%	9,374	3.00%
101-6007	Admin Exp Rec - Landscape Maint CFD Fund	45,116	45,116	0.00%	46,018	2.00%	46,939	2.00%
101-6008	Trx. From RDA Project Fund 301	-		#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-6009	Trx. From RDA Housing Fund 302	-		#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-6010	Trx. From OAD Debt	-		#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-6011	Admin Exp Rec - The Grove Park CFD Fund	9,395	9,395	0.00%	9,677	3.00%	9,919	2.50%
101-6014	Trx From CFD 1990-1	-		#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-6015	Trx From CFD 1990-2	-		#DIV/0!	-	#DIV/0!	-	#DIV/0!
101-6016	Admin Exp Rec - Stormwater Assessment Fund	45,391	45,391	0.00%	46,753	3.00%	48,155	3.00%
	TOTAL	**5,811,063**	**4,526,556**		**6,025,920**		**6,227,719**	

City of Clayton
FY 2025 - 26 PRELIMINARY GENERAL FUND BUDGET

Expense Budget

		2024-25 Final Budget	YTD (4/30/2025)	% Increase	2025-26 Preliminary Budget	% Increase	2026-27 Preliminary Budget	% Increase
Salaries and Benefits								
101-7111	Regular Salaries	2,642,633	1,914,414	13.04%	2,849,335	7.82%	2,963,308	4.0%
101-7113	Overtime	162,030	175,369	13.31%	168,000	3.68%	174,720	4.0%
101-7115	Council/Commission Compensation	35,400	26,920	0.00%	36,452	2.97%	36,452	0.0%
101-7218	Long/Short Term Disability Insurance	16,822	15,486	-17.65%	19,345	15.00%	20,118	4.0%
101-7219	Deferred Compensation Retirement	17,819	2,954	3.00%	3,500	-80.36%	3,640	4.0%
101-7220	PERS Retirement-Normal Cost	282,264	234,037	-3.89%	380,469	34.79%	395,688	4.0%
101-7221	PERS Retirement - Unfunded Liability	322,915	440,461	-14.46%	475,602	47.28%	494,626	4.0%
101-7231	Workers' Compensation	83,274	110,761	-16.65%	115,717	38.96%	120,346	4.0%
101-7232	Unemployment Compensation	2,015	3,469	3.02%	-	-100.00%	-	#DIV/0!
101-7233	FICA Taxes	35,241	31,472	3.00%	50,949	44.57%	52,987	4.0%
101-7246	Benefit Insurance	348,987	260,213	3.00%	386,285	10.69%	401,737	4.0%
101-7247	OPEB Contributions (Health Plan)	19,261	16,688	3.00%	19,261	0.00%	20,031	4.0%
	Subtotal	**3,968,661**	**3,232,244**		**4,504,916**	11.90%	**4,683,654**	
Services and Supplies								
101-7341	Buildings/Grounds Maintenance	37,580	2,000	4.39%	28,068	-25.31%	28,629	2.00%
101-7342	Machinery/Equipment Maintenance	4,363	306	2.66%	3,339	-23.47%	3,506	5.00%
101-7343	Vehicle Maintenance	36,129	2,954	0.50%	37,109	2.71%	38,965	5.00%
101-7345	Office Equip-Maint/Repairs	3,200	3,370	0.00%	-	-100.00%	-	#DIV/0!
101-7346	HVAC Mtn & Repairs	31,930	272,113	3.00%	30,506	-4.46%	31,116	2.00%
101-7441	Dog Park Operating Costs	8,240	12,762	3.00%	8,487	3.00%	8,742	3.00%
101-7307	Irrigation Supplies and Materials	6,695	-	3.00%	3,500	-47.72%	3,570	2.00%
101-7311	General Supplies	29,875	44,418	1.27%	16,500	-44.77%	16,830	2.00%
101-7312	Office Supplies/Expense	13,240	-	1.85%	14,000	5.74%	14,280	2.00%
101-7314	Postage	4,935	1,607	2.81%	5,306	7.52%	5,412	2.00%
101-7321	Printing and Binding	2,001	21,412	2.62%	755	-62.27%	770	2.00%
101-7323	Books/Periodicals	206	15,466	3.00%	150	-27.18%	153	2.00%
101-7324	Dues and Subscriptions	46,402	2,941	4.51%	101,213	118.12%	103,237	2.00%
101-7325	EBRCSA System Subscription	12,500	681	0.00%	15,000	20.00%	15,300	2.00%
101-7331	Rentals/Leases	51,035	-	89.02%	49,570	-2.87%	50,561	2.00%
101-7344	Vehicles: Gas, Oil & Supplies	45,835	11,400	0.30%	42,867	-6.48%	43,724	2.00%
101-7389	Misc. Expense	2,060	3,637	3.00%	-	-100.00%	-	#DIV/0!
101-7241	Auto Allowance/Mileage	18,416	91,039	3.00%	4,800	-73.94%	4,896	2.00%
101-7242	Uniform Allowance	12,360	4,022	3.00%	14,400	16.50%	14,688	2.00%
101-7301	Recruitment/Pre-employment	10,150	18,538	1.50%	5,500	-45.81%	5,610	2.00%
101-7351	Insurance Premiums	254,433	162	3.00%	305,940	20.24%	312,059	2.00%
101-7362	City Promotional Activity	4,635	-	3.00%	1,000	-78.43%	1,020	2.00%
101-7380	Recording Fees	515	8,770	3.00%	525	2.00%	536	2.00%
101-7381	Property Tax Admin. Costs	9,790	172,164	3.00%	9,986	2.00%	10,186	2.00%
101-7382	Election Services	-			500	#DIV/0!	22,000	4300.00%
101-7384	Legal Notices	2,060	-	3.00%	2,100	1.94%	2,142	2.00%
101-7420	Merchant Fees	10,300	101,172	3.00%	12,000	16.50%	12,360	3.00%
101-7427	CAL ID	18,471	37,147	42.08%	20,000	8.28%	20,600	3.00%
101-7429	Animal/Pest Control Services	132,049	44,769	27.63%	167,746	27.03%	172,778	3.00%
101-7433	Integrated Justice System	11,000	505,527	0.00%	11,330	3.00%	11,670	3.00%
101-7486	CERF Charges	96,800	13,416	868.00%	-	-100.00%	99,704	#DIV/0!
101-7363	Business Meeting Expense	715	9,551	2.14%	800	11.89%	816	2.00%
101-7364	Employee Recognition	1,436	20,400	2.57%	2,400	67.13%	2,448	2.00%
101-7371	Travel	2,163	10,646	3.00%	24,475	1031.53%	25,454	4.00%
101-7372	Conferences/Meetings	3,605	18,412	3.00%	8,945	148.13%	9,571	7.00%
101-7373	Education & Training	20,000	61,709	5.26%	13,427	-32.86%	13,696	2.00%
101-7332	Telecommunications	30,497	67,407	2.00%	46,532	52.58%	47,463	2.00%
101-7335	Gas & Electricity	126,690	12,648	3.00%	126,489	-0.16%	129,019	2.00%
101-7338	Water Services	126,087	10,419	3.00%	116,002	-8.00%	118,322	2.00%
101-7408	Crossing guard services	64,217	772	16.48%	61,835	-3.71%	63,072	2.00%
101-7410	Professional Engineering Services	155,736	-	3.00%	-	-100.00%	-	#DIV/0!
101-7411	Legal Services Retainer	135,031	8,381	2.70%	158,081	17.07%	161,242	2.00%
101-7413	Legal Services	10,300	23,631	3.00%	18,300	77.67%	19,215	5.00%
101-7414	Audit & Financial Reporting Services	45,922	108,266	3.00%	55,000	19.77%	56,650	3.00%
101-7415	Computer/IT Services	7,828	88,342	3.00%	48,000	513.18%	49,440	3.00%
101-7417	Janitorial Service	55,927	26,772	2.81%	58,813	5.16%	60,578	3.00%
101-7419	Other Professional Services	40,000	137,706	-35.06%	99,675	149.19%	102,665	3.00%
101-7424	Dispatch Services	356,265	24,215	5.00%	410,000	15.08%	422,300	3.00%
101-7425	Crime Lab	14,000	33,895	0.00%	15,000	7.14%	15,450	3.00%
101-7435	Contract Seasonal Labor	16,480	439,567	3.00%	11,670	-29.19%	12,020	3.00%
101-7440	Tree Trimming Services	21,785	5,277	3.00%	16,889	-22.47%	17,396	3.00%
	Subtotal	**2,151,889**	**2,499,810**		**2,176,462**		**2,381,860**	9.44%

City of Clayton
FY 2025-26 Budget
Expenses by Department

		Legislative (01)			Administration (02)		
		FY 2024-25 Budget	YTD (4/30/2025)	FY 2025-26 Budget	FY 2024-25 Budget	YTD (4/30/2025)	FY 2025-26 Budget
101-7111	Regular Salaries	-		-	697,141	562,779	889,749
101-7113	Overtime	-		-			-
101-7115	Council/Commission Compensation	29,036	26,320	29,036			-
101-7218	Long/Short Term Disability Insurance	-		-	5,293	3,526	4,953
101-7219	Deferred Compensation Retirement	-		-	15,038	2,954	3,500
101-7220	PERS Retirement-Normal Cost	-		-	73,446	40,260	77,938
101-7221	PERS Retirement - Unfunded Liability	-		-	89,303	102,018	123,073
101-7231	Workers' Compensation	1,310	1,410	-	30,303	32,617	2,900
101-7232	Unemployment Compensation	2,015		-			-
101-7233	FICA Taxes	2,222	1,868	2,222	9,739	8,119	12,444
101-7246	Benefit Insurance	-		-	106,222	65,999	132,173
101-7247	OPEB Contributions (Health Plan)	-		-			
	Total Salaries and Benefits By Department	**34,583**	**29,598**	**31,258**	**1,026,485**	**818,271**	**1,246,730**
Services and Supplies							
101-7341	Buildings/Grounds Maintenance	-		-	47,500	47,123	-
101-7342	Machinery/Equipment Maintenanc	-		-			-
101-7343	Vehicle Maintenance	-		-			-
101-7345	Office Equip-Maint/Repairs	-		-			-
101-7346	HVAC Mtn & Repairs	-		-			-
101-7441	Dog Park Operating Costs	-		-			-
101-7307	Irrigation Supplies and Materials	-		-			-
101-7311	General Supplies	-	313	500			-
101-7312	Office Supplies/Expense	-		-			-
101-7314	Postage	-		-			-
101-7321	Printing and Binding	721	407	500			-
101-7323	Books/Periodicals	-		150			-
101-7324	Dues and Subscriptions	14,420	43,754	43,500	2,884	6,180	9,058
101-7325	EBRCSA System Subscription	-		-			-
101-7331	Rentals/Leases	-		-			-
101-7344	Vehicles: Gas, Oil & Supplies	-		-			-
101-7389	Misc. Expense	-		-	2,060	-	-
101-7241	Auto Allowance/Mileage	-		-	8,940	2,954	4,800
101-7242	Uniform Allowance	-		-			-
101-7301	Recruitment/Pre-employment	-		-			-
101-7351	Insurance Premiums	-		-			-
101-7362	City Promotional Activity	4,635	162	1,000			-
101-7380	Recording Fees	-		-			-
101-7381	Property Tax Admin. Costs	-		-			-
101-7382	Election Services	-	20,400	500			
101-7384	Legal Notices	-		-			-
101-7420	Merchant Fees	-		-			-
101-7427	CAL ID	-		-			-
101-7429	Animal/Pest Control Services	-		-			-
101-7433	Integrated Justice System	-		-			-
101-7486	CERF Charges	-		-			-
101-7363	Business Meeting Expense	515	746	800		70	-
101-7364	Employee Recognition	206	36	100			-
101-7371	Travel	-		-	103	2,180	7,875
101-7372	Conferences/Meetings	-	1,053	2,520	1,030	4,165	5,925
101-7373	Education & Training	-		-	5,150	3,622	-
101-7332	Telecommunications	-		-	7,622	10,893	10,000
101-7335	Gas & Electricity	-		-			-
101-7338	Water Services	-		-			-
101-7408	Crossing guard services	-		-			-
101-7410	Professional Engineering Services	-		-			-
101-7411	Legal Services Retainer	-		-	85,318	89,626	125,000
101-7413	Legal Services	-		-	5,150	11,799	12,000
101-7414	Audit & Financial Reporting Services	-		-	45,922	33,895	55,000
101-7415	Computer/IT Services	-	1,780	1,700	7,828	8,840	7,000
101-7417	Janitorial Service	-		-			-
101-7419	Other Professional Services	5,000	10,420	30,000	10,000	141,355	-
101-7424	Dispatch Services	-		-			-
101-7425	Crime Lab	-		-			-
101-7435	Contract Seasonal Labor	-		-			-
101-7440	Tree Trimming Services	-		-			-
	Total Services and Supplies	**25,497**	**79,070**	**81,270**	**229,507**	**362,701**	**236,658**

City of Clayton
FY 2025-26 Budget
Expenses by Department

		Public Works (03)			Community Development (04)			General Services (05)		
		FY 2024-25 Budget	YTD (4/30/2025)	FY 2025-26 Budget	FY 2024-25 Budget	YTD (4/30/2025)	FY 2025-26 Budget	FY 2024-25 Budget	YTD (4/30/2025)	FY 2025-26 Budget
101-7111	Regular Salaries	32,035	12,922	40,213	247,746	29,963	244,913	-		-
101-7113	Overtime	1,030	0	1,000			-	-		-
101-7115	Council/Commission Compensation	-	-	-	7,416	600	7,416	-		-
101-7218	Long/Short Term Disability Insurance	314	1,584	435	2,322	58	1,768	-		-
101-7219	Deferred Compensation Retirement			-			-	-		-
101-7220	PERS Retirement-Normal Cost	2,824	14,141	5,470	21,554	610	16,233	-		-
101-7221	PERS Retirement - Unfunded Liability	5,488	6,269	5,877	29,032	33,166	43,955	-		-
101-7231	Workers' Compensation	1,513	1,629	1,871	11,179	12,033	1,200	-		-
101-7232	Unemployment Compensation			-			-	-	3,469	-
101-7233	FICA Taxes	486	23	557	4,052	423	3,796	-		-
101-7246	Benefit Insurance	6,651	31,532	7,223	43,554	6,045	41,838	-		-
101-7247	OPEB Contributions (Health Plan)							19,261	16,688	19,261
	Total Salaries and Benefits By Department	**50,341**	**68,101**	**62,646**	**366,855**	**82,897**	**361,119**	**19,261**	**20,157**	**19,261**
Services and Supplies										
101-7341	Buildings/Grounds Maintenance	19,570	23,186	10,000	-	-	-	-	-	-
101-7342	Machinery/Equipment Maintenance	1,803	2,854	1,839	-	-	-	-	-	-
101-7343	Vehicle Maintenance	1,545	902	1,622	-	-	-	-	-	-
101-7345	Office Equip-Maint/Repairs	-	-	-	-	-	-	-	-	-
101-7346	HVAC Mtn & Repairs	21,630	10,859	20,000	-	-	-	-	-	-
101-7441	Dog Park Operating Costs	8,240	-	8,487	-	-	-	-	-	-
101-7307	Irrigation Supplies and Materials	-	-	-	-	-	-	-	-	-
101-7311	General Supplies	7,210	11,034	7,500	515	25	-	-	-	-
101-7312	Office Supplies/Expense	-	-	-	-	-	500	8,240	11,778	8,500
101-7314	Postage	-	-	-	-	-	-	4,635	2,802	5,000
101-7321	Printing and Binding	-	-	-	-	-	-	1,030	274	
101-7323	Books/Periodicals	-	-	-	206	-	-	-	-	-
101-7324	Dues and Subscriptions	103	-	105	13,905	2,399	3,175	-	-	17,000
101-7325	EBRCSA System Subscription	-	-	-	-	-	-	-	-	-
101-7331	Rentals/Leases	-	-	-	-	-	-	17,510	7,535	12,566
101-7344	Vehicles: Gas, Oil & Supplies	1,030	410	1,082	-	-	-	-	-	-
101-7389	Misc. Expense	-	-	-	-	-	-	-	306	-
101-7241	Auto Allowance/Mileage	-	-	-	4,264	-	-	-	-	-
101-7242	Uniform Allowance	-	-	-	-	-	-	-	-	-
101-7301	Recruitment/Pre-employment	-	-	-	-	-	-	5,150	716	500
101-7351	Insurance Premiums	-	-	-	-	-	-	254,433	272,113	305,940
101-7362	City Promotional Activity	-	-	-	-	-	-	-	-	-
101-7380	Recording Fees	-	-	-	515	-	525	-	-	-
101-7381	Property Tax Admin. Costs	-	-	-	-	-	-	9,790	9,551	9,986
101-7384	Legal Notices	-	-	-	2,060	-	2,100	-	-	-
101-7420	Merchant Fees	-	-	-	-	-	-	10,300	10,646	12,000
101-7427	CAL ID	-	-	-	-	-	-	-	-	-
101-7429	Animal/Pest Control Services	1,751	1,480	1,804	-	-	-	-	-	-
101-7433	Integrated Justice System	-	-	-	-	-	-	-	-	-
101-7486	CERF Charges	75,364	85,664	-	-	-	-	-	-	-
101-7363	Business Meeting Expense	-	-	-	-	-	-	-	-	-
101-7364	Employee Recognition	-	-	-	-	-	-	1,030	3,007	2,000
101-7371	Travel	-	-	-	2,060	-	2,100	-	-	-
101-7372	Conferences/Meetings	-	-	-	515	-	500	-	-	-
101-7373	Education & Training	1,030	1,045	1,102	3,090	-	-	-	-	-
101-7332	Telecommunications	3,708	3,650	3,782	721	691	750	5,665	2,882	5,000
101-7335	Gas & Electricity	56,650	48,551	43,337	-	-	-	-	-	-
101-7338	Water Services	20,600	4,805	18,911	-	-	-	-	-	-
101-7408	Crossing guard services	-	-	-	-	-	-	-	-	-
101-7410	Professional Engineering Services	-	-	-	-	-	-	-	-	-
101-7411	Legal Services Retainer	1,354	-	1,381	27,085	7,387	10,000	-	-	-
101-7413	Legal Services	-	-	-	5,150	4,155	6,300	-	-	-
101-7414	Audit & Financial Reporting Services	-	-	-	-	-	-	-	-	-
101-7415	Computer/IT Services	-	-	-	-	-	-	-	26,527	39,300
101-7417	Janitorial Service	14,317	12,753	14,747	-	-	-	-	-	-
101-7419	Other Professional Services	-	-	-	5,150	287,881	5,000	5,000	29,152	23,000
101-7424	Dispatch Services	-	-	-	-	-	-	-	-	-
101-7425	Crime Lab	-	-	-	-	-	-	-	-	-
101-7435	Contract Seasonal Labor	3,090	3,292	-	-	-	-	-	-	-
101-7440	Tree Trimming Services	5,305	3,372	5,464	-	-	-	-	-	-
	Total Services and Supplies	**244,300**	**213,857**	**141,163**	**65,236**	**302,539**	**30,950**	**322,783**	**377,289**	**440,792**

City of Clayton
FY 2025-26 Budget
Expenses by Department

		Police (06)			Library (07)			Egineering (08)			Parks and Recreation (09)		
		FY 2024-25 Budget	YTD (4/30/2025)	FY 2025-26 Budget	FY 2024-25 Budget	YTD (4/30/2025)	FY 2025-26 Budget	FY 2024-25 Budget	YTD (4/30/2025)	FY 2025-26 Budget	FY 2024-25 Budget	YTD (4/30/2025)	FY 2025-26 Budget
101-7111	Regular Salaries	1,387,257	1,272,833	1,603,734	7,121	5,857	13,772	-	-	-	56,117	30,060	56,953
101-7113	Overtime	161,009	172,375	165,000				-	-	-	2,060	2,993	2,000
101-7115	Council/Commission Compensation	-	-	-				-	-	-	-	-	-
101-7218	Long/Short Term Disability Insurance	11,513	10,156	11,492	67	28	131	-	-	-	530	136	566
101-7219	Deferred Compensation Retirement	2,781	-	-				-	-	-	-	-	-
101-7220	PERS Retirement-Normal Cost	222,600	177,182	271,180	552	285	1,879	-	-	-	4,766	1,559	7,770
101-7221	PERS Retirement - Unfunded Liability	258,053	291,073	285,706	1,072	1,225	2,665	-	-	-	5,874	6,710	14,327
101-7231	Workers' Compensation	55,443	59,677	106,500	324	349	626	-	-	-	2,831	3,047	2,620
101-7232	Unemployment Compensation	-	-	-				-	-	-	-	-	-
101-7233	FICA Taxes	17,817	20,353	30,948	104	85	191	-	-	-	821	601	791
101-7246	Benefit Insurance	180,044	152,764	192,870	1,294	609	2,339	-	-	-	11,222	3,265	9,841
101-7247	OPEB Contributions (Health Plan)	-	-	-	-	-	-	-	-	-	-	-	-
	Total Salaries and Benefits By Department	**2,296,517**	**2,156,413**	**2,667,430**	**10,534**	**8,437**	**21,603**				**84,221**	**48,371**	**94,868**
Services and Supplies													
101-7341	Buildings/Grounds Maintenance	-	-	-	15,450	14,639	16,068	-	-	-	2,060	6,091	2,000
101-7342	Machinery/Equipment Maintenance	500	782	1,000	-	350	500	-	-	-	2,060	36	-
101-7343	Vehicle Maintenance	30,000	15,503	34,000	464	313	487	-	-	-	4,120	1,820	1,000
101-7345	Office Equip-Maint/Repairs	3,200	-	-	-	-	-	-	-	-	-	-	-
101-7346	HVAC Mtn & Repairs	-	-	-	10,300	33,559	10,506	-	-	-	-	-	-
101-7441	Dog Park Operating Costs	-	-					-	-		-	-	
101-7307	Irrigation Supplies and Materials	-	-	-	-	-	-	-	-	-	6,695	1,607	3,500
101-7311	General Supplies	17,000	8,758	7,500	-	135	-	-	-	-	5,150	1,147	1,000
101-7312	Office Supplies/Expense	5,000	3,687	5,000	-	-	-	-	-	-	-	-	-
101-7314	Postage	300	139	306	-	-	-	-	-	-	-	-	-
101-7321	Printing and Binding	250	-	255	-	-	-	-	-	-	-	-	-
101-7323	Books/Periodicals	-	-	-	-	-	-	-	-	-	-	-	-
101-7324	Dues and Subscriptions	12,000	13,743	27,875	-	-	-	3,090	1,331	500	-	-	-
101-7325	EBRCSA System Subscription	12,500	12,648	15,000	-	-	-	-	-	-	-	-	-
101-7331	Rentals/Leases	33,525	2,883	37,004	-	-	-	-	-	-	-	-	-
101-7344	Vehicles: Gas, Oil & Supplies	41,200	27,255	38,000	515	161	541	-	-	-	3,090	817	3,245
101-7389	Misc. Expense	-	-	-	-	-	-	-	-	-	-	-	-
101-7241	Auto Allowance/Mileage	4,944	-	-	-	-	-	-	-	-	-	-	-
101-7242	Uniform Allowance	12,360	11,400	14,400	-	-	-	-	-	-	-	-	-
101-7301	Recruitment/Pre-employment	5,000	2,654	5,000	-	-	-	-	-	-	-	-	-
101-7351	Insurance Premiums	-	-	-	-	-	-	-	-	-	-	-	-
101-7362	City Promotional Activity	-	-	-	-	-	-	-	-	-	-	-	-
101-7380	Recording Fees	-	-	-	-	-	-	-	-	-	-	-	-
101-7381	Property Tax Admin. Costs	-	-	-	-	-	-	-	-	-	-	-	-
101-7384	Legal Notices	-	-	-	-	-	-	-	-	-	-	-	-
101-7420	Merchant Fees	-	-	-	-	-	-	-	-	-	-	-	-
101-7427	CAL ID	18,471	18,412	20,000	-	-	-	-	-	-	-	-	-
101-7429	Animal/Pest Control Services	127,414	58,237	162,972	1,854	1,214	1,910	-	-	-	1,030	779	1,061
101-7433	Integrated Justice System	11,000	8,770	11,330	-	-	-	-	-	-	-	-	-
101-7486	CERF Charges	86,500	86,500	-				-	-				
101-7363	Business Meeting Expense	200	-	-	-	-	-	-	-	-	-	-	-
101-7364	Employee Recognition	200	630	300	-	-	-	-	-	-	-	-	-
101-7371	Travel	-	772	14,500	-	-	-	-	-	-	-	-	-
101-7372	Conferences/Meetings	-	-		-	-	-	-	-	-	-	-	-
101-7373	Education & Training	10,730	7,336	12,325	-	-	-	-	-	-	-	-	-
101-7332	Telecommunications	10,000	7,034	12,000	2,781	9,374	15,000	-	-	-	-	-	-
101-7335	Gas & Electricity	-	-	-	66,950	56,891	80,000	-	-	-	3,090	2,824	3,152
101-7338	Water Services	-	-	-	2,487	1,864	2,537	-	-	-	103,000	81,673	94,554
101-7408	Crossing guard services	64,217	26,772	61,835	-	-	-	-	-	-	-	-	-
101-7410	Professional Engineering Services	-	-	-	-	-	-	155,736	137,706	-	-	-	-
101-7411	Legal Services Retainer	13,148	746	13,411	-	-	-	8,126	3,412	8,289	-	-	-
101-7413	Legal Services	-	8,261	-	-	-	-	-	-	-	-	-	-
101-7414	Audit & Financial Reporting Services	-	-	-	-	-	-	-	-	-	-	-	-
101-7415	Computer/IT Services	-	-	-	-	-	-	-	-	-	-	-	-
101-7417	Janitorial Service	3,500	2,025	3,605	24,720	19,478	25,462	-	-	-	13,390	10,513	15,000
101-7419	Other Professional Services	14,850	36,719	41,675	-	-	-	-	-	-	-	-	-
101-7424	Dispatch Services	356,265	439,567	410,000	-	-	-	-	-	-	-	-	-
101-7425	Crime Lab	14,000	5,277	15,000	-	-	-	-	-	-	-	-	-
101-7435	Contract Seasonal Labor	-	-		2,060	2,090	-	-	-	-	11,330	7,381	11,670
101-7440	Tree Trimming Services	-	-		3,090	-	3,183	-	-	-	13,390	10,044	8,242
	Total Service and Supplies	**908,274**	**806,510**	**964,293**	**130,671**	**140,068**	**156,193**	**166,952**	**142,449**	**8,789**	**168,405**	**124,732**	**144,423**

City of Clayton
FY 2025-26 PRELIMINARY
210 - Landscape Maintenance District Fund

		2024-25 Final Budget	YTD (4/30/2025)	% Increase	2025-26 Preliminary Budget	% Increase	2026-27 Preliminary Budget	% Increase
PROJECTED BEGINNING FUND BALANCE		**424,342**			**514,574**		**695,108**	
REVENUES								
210-4604	LMD Special Tax Rate	1,320,856	1,254,806	-5%	1,373,690	9%	714,319	-48%
210-5601	Interest	7,000	-	-100%	7,280	4%	7,571	4%
	Net Investment Gain (Loss)							
	Other							
Total Revenue		**1,327,856**	**1,254,806**		**1,380,970**		**721,890**	
EXPENDITURES								
210-7111	Regular Salaries	265,021	327,678	24%	356,535	35%	370,797	4%
210-7113	Overtime	2,500	289	-88%	1,000	-60%	1,040	4%
210-7218	Long/Short Term Disability Insurance	2,618	1,716	-34%	3,077	18%	3,077	0%
210-7220	PERS Retirement-Normal Cost	24,309	18,649	-23%	39,137	61%	40,702	4%
210-7221	PERS Retirement - Unfunded Liability	43,406	49,586	14%	84,613	95%	87,997	4%
210-7231	Workers' Compensation	11,928	12,839	8%	16,103	35%	16,747	4%
210-7233	FICA Taxes	4,051	4,763	18%	5,185	28%	5,392	4%
210-7246	Benefit Insurance	55,565	39,428	-29%	100,061	80%	104,063	4%
210-7301	Recruitment/Pre-employment	258		-29%	-	-100%	-	#DIV/0!
210-7306	Trail Fixture Repairs/Replacement	25,750	182	-65%	25,000	-3%	26,000	4%
210-7307	Irrigation Supplies and Materials	10,000	8,909	-70%	6,000	-40%	6,240	4%
210-7308	Weed Abatement Supplies and Materials	10,000	3,027	-88%	10,000	0%	10,400	4%
210-7309	Plant Nutrition Supplies and Materials	10,000	1,153	-55%	10,000	0%	10,000	0%
210-7311	General Supplies	4,120	4,456	-97%	4,500	9%	4,500	0%
210-7316	Landscape Replacement Plants (Shrubs, Trees, Etc.)	15,000	116	-99%	15,000	0%	15,300	2%
210-7326	Pavement Repair Supplies		109					
210-7335	Gas & Electric Services	10,000	27,472	175%	22,500	125%	22,950	2%
210-7338	Water Services	206,000	211,125	2%	189,108	-8%	192,890	2%
210-7340	Traffic Safety Supplies	1,000	47	-95%	1,000	0%	1,020	2%
210-7341	Buildings/Grounds Maintenance	10,000	7,750	-22%	10,000	0%	10,200	2%
210-7342	Machinery/Equipment Maintenanc	10,000	21,857	119%	15,000	50%	15,300	2%
210-7343	Vehicle Maintenance	25,000	21,110	-16%	10,000	-60%	10,200	2%
210-7344	Vehicle Gas, Oil, and Supplies	20,000	10,138	-49%	15,200	-24%	15,504	2%
210-7381	Property Tax Admin. Costs	4,635	3,565	-23%	4,728	2%	4,822	2%
210-7419	Other Professional Services	10,000	6,024	-40%	5,000	-50%	5,100	2%
210-7429	Animal/Pest Control Services	30,000	24,630	-18%	30,600	2%	31,212	2%
210-7435	Contract Seasonal Labor	160,000	110,727	-31%	50,000	-69%	51,000	2%
210-7440	Tree Trimming Services	162,074	78,384	-52%	45,794	-72%	46,710	2%
210-7445	Weed Abatement Services	115,000	64,404	-44%	75,600	-34%	77,112	2%
210-7486	CERF Charges/Depreciation	30,900	30,900	0%	-	-100%	32,148	#DIV/0!
210-7520	Project Program Costs	-		#DIV/0!	-	#DIV/0!	-	#DIV/0!
210-7615	CCC Property Tax	3,605	3,369	-7%	3,677	2%	3,751	2%
Total Expenditures		**1,282,740**	**1,094,403**		**1,154,418**		**1,222,175**	
OTHER FINANCING SOURCES								
	Transfers From SRF To GF	45,116	45,116	-	46,018		46,939	
	Other							
Total Other Financing Sources		(45,116)	(45,116)		(46,018)		(46,939)	
NET CHANGE IN FUND BALANCES		**90,232**	**205,519**		**180,534**		**(453,346)**	
ENDING FUND BALANCES		**514,574**	**629,861**		**695,108**		**241,762**	

City of Clayton
FY 2025-26 PRELIMINARY BUDGET

Special Revenue Funds - Gas Tax

201 - Gax Tax HUTA

	2024-25 Final Budget	2024-25 YTD	2025-26 Preliminary	% Increase	2026-27 Preliminary	% Increase
PROJECTED BEGINNING FUND BALANCE 07/01/2024	**340,288**		**317,484**		**440,371**	
REVENUES						
52XX Program Revenue	400,660	317,829	416,686	4%	429,187	3%
5601 Interest	-			#DIV/0!		#DIV/0!
Total Revenue	**400,660**	**317,829**	**416,686**		**429,187**	
EXPENDITURES						
7111 Regular Salaries	13,816	27,690	28,210	104%	29,056	3%
7112 Temporary Salaries	515	-	-	-100%	-	#DIV/0!
7218 Long/Short Term Disability Insurance	131	111	254	94%	262	3%
7220 PERS Retirement-Normal Cost	1,180	983	3,197	171%	3,293	3%
7221 PERS Retirement - Unfunded Liability	2,170	2,479	6,830	215%	7,035	3%
7231 Workers' Compensation	630	678	1,321	110%	1,361	3%
7233 FICA Taxes	203	401	425	109%	438	3%
7242 Uniform Allowance	-	-	-	#DIV/0!	-	#DIV/0!
7246 Benefit Insurance	2,779	2,167	8,398	202%	8,650	3%
7311 General Supplies	1,030	64	1,030	0%	1,061	3%
7321 Printing and Binding	-	-	-	#DIV/0!	-	#DIV/0!
7324 Dues and Subscriptions	-	-	-	#DIV/0!	-	#DIV/0!
7326 Pavement Repair Supplies	5,150	657	5,305	3%	5,464	3%
7327 Arterial Street Light Supplies	1,030	-	1,061	3%	1,093	3%
7331 Rentals/Leases	-	-	-	#DIV/0!	-	#DIV/0!
7332 Telecommunications	-	-	-	#DIV/0!	-	#DIV/0!
7335 Gas & Electricity	51,500	37,546	53,045	3%	54,636	3%
7338 Water Service	-	-	-	#DIV/0!	-	#DIV/0!
7340 Traffic Safety Supplies	10,300	2,455	10,609	3%	10,927	3%
7341 Building/Grounds Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7342 Machinery/Equipment Maintenance	515	-	530	3%	546	3%
7343 Vehicle Maintenance	1,030	955	1,061	3%	1,093	3%
7344 Vehicles: Gas, Oil & Supplies	1,030	620	1,061	3%	1,093	3%
7349 Traffic Signal Maintenance	41,200	24,484	42,436	3%	43,709	3%
7350 Pavement Repairs/Maintenance	77,250	16,346	79,568	3%	81,955	3%
7360 Advertising & Promotion	-	-	-	#DIV/0!	-	#DIV/0!
7381 Property Tax Admin. Costs	412	348	424	3%	437	3%
7384 Legal Notices	-	-	-	#DIV/0!	-	#DIV/0!
7385 TRANSPAC Fees	-	-	-	#DIV/0!	-	#DIV/0!
7412 Engineering/Inspection Service	-	-	-	#DIV/0!	-	#DIV/0!
7415 Computer/IT Support	-	-	-	#DIV/0!	-	#DIV/0!
7417 Janitorial Services	-	-	-	#DIV/0!	-	#DIV/0!
7419 Other Professional Services	41,200	-	42,436	3%	43,709	3%
7429 Animal/Pest Control Services	-	-	-	#DIV/0!	-	#DIV/0!
7435 Contract Seasonal Labor	-	-	-	#DIV/0!	-	#DIV/0!
7440 Tree Trimming Services	-	-	-	#DIV/0!	-	#DIV/0!
7445 Weed Abatement Services	-	-	-	#DIV/0!	-	#DIV/0!
7450 Street Light Maintenance	5,150	-	5,305	3%	5,464	3%
7484 Capital Outlay - Structures & Improvement	-	-	-	#DIV/0!	-	#DIV/0!
7485 Capital Outlay - Equipment & Machinery	-	-	-	#DIV/0!	-	#DIV/0!
7486 CERF Charges	4,635	4,635	4,774	3%	4,917	3%
7520 Project Costs	151,000	-	31,000	-79%	186,000	500%
7611 Principal (RDA Successor Agency)	-		-	#DIV/0!	-	#DIV/0!
7612 Interest	-		-	#DIV/0!	-	#DIV/0!
7615 CCC Property Tax	-		-	#DIV/0!	-	#DIV/0!
Total Expenditures	**413,856**	**122,621**	**328,279**		**492,197**	
OTHER FINANCING SOURCES						
Transfers From Gax Tax to Streetlight	-		24,583		22,371	
Transfers From SRF Fund To GF	9,608	9,608	9,896		10,193	
Total Other Financing Sources	**(9,608)**	**(9,608)**	**34,479**		**32,564**	
NET CHANGE IN FUND BALANCES	(22,804)	185,600	122,887		(30,446)	
ENDING FUND BALANCES	**317,484**		**440,371**		**409,925**	

202 - Gas Tax RMRA

	2024-25 Final Budget	2024-25 YTD	2025-26 Preliminary	% Increase	2026-27 Preliminary	% Increase
PROJECTED BEGINNING FUND BALANCE 07/01/2024	**652,752**		**463,396**		**500,203**	
REVENUES						
52XX Program Revenue	287,000	249,143	295,610	3%	304,478	3%
5601 Interest	8,500	-	8,755	3%	9,018	3%
Total Revenue	**295,500**	**249,143**	**304,365**		**313,496**	
EXPENDITURES						
7111 Regular Salaries	-	-	76,151	#DIV/0!	-	-100%
7112 Temporary Salaries	-	-	-	#DIV/0!	-	#DIV/0!
7218 Long/Short Term Disability Insurance	-	-	654	#DIV/0!	-	-100%
7220 PERS Retirement-Normal Cost	-	-	8,652	#DIV/0!	-	-100%
7221 PERS Retirement - Unfunded Liability	-	-	19,107	#DIV/0!	-	-100%
7231 Workers' Compensation	-	-	3,533	#DIV/0!	-	-100%
7233 FICA Taxes	-	-	1,138	#DIV/0!	-	-100%
7242 Uniform Allowance	-	-	-	#DIV/0!	-	#DIV/0!
7246 Benefit Insurance	-	-	18,323	#DIV/0!	-	-100%
7311 General Supplies	-	-	-	#DIV/0!	-	#DIV/0!
7321 Printing and Binding	-	-	-	#DIV/0!	-	#DIV/0!
7324 Dues and Subscriptions	-	-	-	#DIV/0!	-	#DIV/0!
7326 Pavement Repair Supplies	-	-	-	#DIV/0!	-	#DIV/0!
7327 Arterial Street Light Supplies	-	-	-	#DIV/0!	-	#DIV/0!
7331 Rentals/Leases	-	-	-	#DIV/0!	-	#DIV/0!
7332 Telecommunications	-	-	-	#DIV/0!	-	#DIV/0!
7335 Gas & Electricity	-	-	-	#DIV/0!	-	#DIV/0!
7338 Water Service	-	-	-	#DIV/0!	-	#DIV/0!
7340 Traffic Safety Supplies	-	-	-	#DIV/0!	-	#DIV/0!
7341 Building/Grounds Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7342 Machinery/Equipment Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7343 Vehicle Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7344 Vehicles: Gas, Oil & Supplies	-	-	-	#DIV/0!	-	#DIV/0!
7349 Traffic Signal Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7350 Pavement Repairs/Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7360 Advertising & Promotion	-	-	-	#DIV/0!	-	#DIV/0!
7381 Property Tax Admin. Costs	-	-	-	#DIV/0!	-	#DIV/0!
7384 Legal Notices	-	-	-	#DIV/0!	-	#DIV/0!
7385 TRANSPAC Fees	-	-	-	#DIV/0!	-	#DIV/0!
7412 Engineering/Inspection Service	-	-	-	#DIV/0!	-	#DIV/0!
7415 Computer/IT Support	-	-	-	#DIV/0!	-	#DIV/0!
7417 Janitorial Services	-	-	-	#DIV/0!	-	#DIV/0!
7419 Other Professional Services	-	-	-	#DIV/0!	-	#DIV/0!
7429 Animal/Pest Control Services	-	-	-	#DIV/0!	-	#DIV/0!
7435 Contract Seasonal Labor	-	-	-	#DIV/0!	-	#DIV/0!
7440 Tree Trimming Services	-	-	-	#DIV/0!	-	#DIV/0!
7445 Weed Abatement Services	-	-	-	#DIV/0!	-	#DIV/0!
7450 Street Light Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7484 Capital Outlay - Structures & Improvement	-	-	-	#DIV/0!	-	#DIV/0!
7485 Capital Outlay - Equipment & Machinery	-	-	-	#DIV/0!	-	#DIV/0!
7486 CERF Charges	-	-	-	#DIV/0!	-	#DIV/0!
7520 Project Costs	484,856	-	140,000	-71%	710,000	407%
7611 Principal (RDA Successor Agency)	-	-	-	#DIV/0!	-	#DIV/0!
7612 Interest	-	-	-	#DIV/0!	-	#DIV/0!
7615 CCC Property Tax	-	-	-	#DIV/0!	-	#DIV/0!
Total Expenditures	**484,856**		**267,558**		**710,268**	
OTHER FINANCING SOURCES						
Transfers From Gax Tax to Streetlight	-		-		-	
Transfers From SRF Fund To GF	-		-		-	
Total Other Financing Sources	**-**		**-**		**-**	
NET CHANGE IN FUND BALANCES	(189,356)		36,807		(396,772)	
ENDING FUND BALANCES	**463,396**		**500,203**		**103,431**	

220 - Measure J

	2024-25 Final Budget	2024-25 YTD	2025-26 Preliminary	% Increase	2026-27 Preliminary	% Increase
PROJECTED BEGINNING FUND BALANCE 07/01/2024	**997,218**		**861,874**		**608,693**	
REVENUES						
52XX Program Revenue	300,000	810,129	309,000	3%	318,270	3%
5601 Interest						
Total Revenue	**300,000**	**810,129**	**309,000**		**318,270**	
EXPENDITURES						
7111 Regular Salaries	-	-	-	#DIV/0!	-	#DIV/0!
7112 Temporary Salaries	-	-	-	#DIV/0!	-	#DIV/0!
7218 Long/Short Term Disability Insurance	-	-	-	#DIV/0!	-	#DIV/0!
7220 PERS Retirement-Normal Cost	-	-	-	#DIV/0!	-	#DIV/0!
7221 PERS Retirement - Unfunded Liability	-	-	-	#DIV/0!	-	#DIV/0!
7231 Workers' Compensation	-	-	-	#DIV/0!	-	#DIV/0!
7233 FICA Taxes	-	-	-	#DIV/0!	-	#DIV/0!
7242 Uniform Allowance	-	-	-	#DIV/0!	-	#DIV/0!
7246 Benefit Insurance	-	-	-	#DIV/0!	-	#DIV/0!
7311 General Supplies	-	-	-	#DIV/0!	-	#DIV/0!
7321 Printing and Binding	-	-	-	#DIV/0!	-	#DIV/0!
7324 Dues and Subscriptions	-	1,710	1,761	#DIV/0!	1,814	3%
7326 Pavement Repair Supplies	-	-	-	#DIV/0!	-	#DIV/0!
7327 Arterial Street Light Supplies	-	-	-	#DIV/0!	-	#DIV/0!
7331 Rentals/Leases	-	-	-	#DIV/0!	-	#DIV/0!
7332 Telecommunications	-	-	-	#DIV/0!	-	#DIV/0!
7335 Gas & Electricity	-	-	-	#DIV/0!	-	#DIV/0!
7338 Water Service	-	-	-	#DIV/0!	-	#DIV/0!
7340 Traffic Safety Supplies	-	-	-	#DIV/0!	-	#DIV/0!
7341 Building/Grounds Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7342 Machinery/Equipment Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7343 Vehicle Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7344 Vehicles: Gas, Oil & Supplies	-	-	-	#DIV/0!	-	#DIV/0!
7349 Traffic Signal Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7350 Pavement Repairs/Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7360 Advertising & Promotion	-	-	-	#DIV/0!	-	#DIV/0!
7381 Property Tax Admin. Costs	-	-	-	#DIV/0!	-	#DIV/0!
7384 Legal Notices	-	-	-	#DIV/0!	-	#DIV/0!
7385 TRANSPAC Fees	-	33,637	36,903	#DIV/0!	38,010	3%
7412 Engineering/Inspection Service	-	-	-	#DIV/0!	-	#DIV/0!
7415 Computer/IT Support	-	-	-	#DIV/0!	-	#DIV/0!
7417 Janitorial Services	-	-	-	#DIV/0!	-	#DIV/0!
7419 Other Professional Services	-	-	-	#DIV/0!	-	#DIV/0!
7429 Animal/Pest Control Services	-	-	-	#DIV/0!	-	#DIV/0!
7435 Contract Seasonal Labor	-	-	-	#DIV/0!	-	#DIV/0!
7440 Tree Trimming Services	-	-	-	#DIV/0!	-	#DIV/0!
7445 Weed Abatement Services	-	-	-	#DIV/0!	-	#DIV/0!
7450 Street Light Maintenance	-	-	-	#DIV/0!	-	#DIV/0!
7484 Capital Outlay - Structures & Improvement	-	-	-	#DIV/0!	-	#DIV/0!
7485 Capital Outlay - Equipment & Machinery	-	-	-	#DIV/0!	-	#DIV/0!
7486 CERF Charges	-	-	-	#DIV/0!	-	#DIV/0!
7520 Project Costs	429,579	-	517,579	20%	591,000	14%
7611 Principal (RDA Successor Agency)	-	-	-	#DIV/0!	-	#DIV/0!
7612 Interest	-	-	-	#DIV/0!	-	#DIV/0!
7615 CCC Property Tax	-	-	-	#DIV/0!	-	#DIV/0!
Total Expenditures	**429,579**	**35,347**	**556,243**		**630,824**	
OTHER FINANCING SOURCES						
Transfers From Gax Tax to Streetlight						
Transfers From SRF Fund To GF	5,765	5,765	5,938	3%	6,116	3%
Total Other Financing Sources	**(5,765)**	**(5,765)**	**(5,938)**		**(6,116)**	
NET CHANGE IN FUND BALANCES	(135,344)		(253,181)		(318,670)	
ENDING FUND BALANCES	**861,874**		**608,693**		**290,023**	

Special Revenue Funds - GHAD

		212 - Oakhurst GHAD Assessment						213 - Presley Settlement					
		2024-25		2025-26	%	2026-27	%	2024-25		2025-26	%	2026-27	%
		Final Budget	YTD	Preliminary	Increase	Preliminary	Increase	Final Budget	YTD	Preliminary	Increase	Preliminary	Increase
PROJECTED BEGINNING FUND BALANCE		**(10,163)**		**(10,695)**		**10,394**		**54,014**		-		-	
REVENUES													
4100	Program Revenue	103,471	48,393	50,390	-51%	51,902	3%	-		-	#DIV/0!	-	#DIV/0!
5601	Interest							1,000		-	-100%	-	#DIV/0!
5801	Sale of Assets												
Total Revenue		**103,471**	**48,393**	**50,390**		**51,902**		**1,000**		**-**		**-**	
EXPENDITURES													
7314	Postage	1,000	-	1,000	0%	1,050	5%	-	-	-	#DIV/0!	-	#DIV/0!
7381	Property Tax Admin. Costs	700	1,043	700	0%	750	7%	-	-	-	#DIV/0!	-	#DIV/0!
7412	Engineering/Inspection Service	30,000		18,000	-40%	19,000	6%	-	-	-	#DIV/0!	-	#DIV/0!
7413	Special Legal Service	4,000	5,096	500	-88%	500	0%	-	-	-	#DIV/0!	-	#DIV/0!
7419	Other Professional Services	20,000	60,127	-	-100%	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7520	Project Costs	39,467	2,974	-	-100%	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
Total Expenditures		**95,167**	**69,240**	**20,200**		**21,300**		**-**					
OTHER FINANCING SOURCES													
	Transfers From General Fund (To)	-						-	-	-	#DIV/0!	-	#DIV/0!
8101	Transfers From SRF Fund To GF	8,836	8,836	9,101	3%	9,374	3%	-	-	-	#DIV/0!	-	#DIV/0!
	Other	-						**55,014**	-	-	-100%	-	#DIV/0!
Total Other Financing Sources		**(8,836)**	**(8,836)**	**(9,101)**		**(9,374)**		**(55,014)**		**-**		**-**	
NET CHANGE IN FUND BALANCES		**(532)**	**(29,683)**	**21,089**		**21,228**		**(54,014)**		**-**	-100%	**-**	#DIV/0!
ENDING FUND BALANCES		**(10,695)**		**10,394**		**31,622**		**-**		**-**		**-**	

City of Clayton
FY 2025-26 PRELIMINARY BUDGET

Special Revenue Funds

	303 - Capital Improvement						502 - Capital Equipment and Replacement					
	2024-25		2025-26	%	2026-27	%	2024-25		2025-26	%	2026-27	%
	Final Budget	YTD	Preliminary	Increase	Preliminary	Increase	Final Budget	YTD	Preliminary	Increase	Preliminary	Increase
PROJECTED BEGINNING FUND BALANCE	1,522,739		1,180,739		1,606,752		778,300		745,000		560,474	
REVENUES												
4100 Program Revenue	-	-	717,173	#DIV/0!	-	-100%	52,300	140,369	53,869	3%	55,485	3%
5601 Interest	28,000	-	28,840	3%	29,705	3%	3,500	0%	3,605	3%	3,713	3%
5801 Sale of Assets	-		-		-				-		-	
Total Revenue	**28,000**	**-**	**746,013**		**29,705**		**55,800**	**140,369**	**57,474**		**59,198**	
EXPENDITURES												
7485 Capital Outlay - Equipment & Machinery	-		-	#DIV/0!	-	#DIV/0!	89,100	85,759	242,000	172%	249,260	3%
7520 Project Costs	-	2,359	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7551 Project Costs - Planning/Design	-	227,841	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7552 Project Costs - Construction/Execution	370,000	709,083	320,000	-14%	884,000	176%	-	-	-	#DIV/0!	-	#DIV/0!
7554 Project Costs - Close-out/Punch List	0	36,914	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
Total Expenditures	**370,000**	**976,197**	**320,000**		**884,000**		**89,100**	**85,759**	**242,000**		**249,260**	
NET CHANGE IN FUND BALANCES	**(342,000)**	**(976,197)**	**426,013**		**(854,295)**		**(33,300)**	**54,610**	**(184,526)**		**(190,062)**	
ENDING FUND BALANCES	1,180,739	(976,197)	1,606,752		752,457		745,000	54,610	560,474		370,412	

City of Clayton
FY 2025-26 PRELIMINARY BUDGET

Special Revenue Funds - Assessment Districts

		211 - Grove Park District						214 - Neighborhood Street Lighting District					
		2024-25		2025-26	%	2026-27	%	2024-25		2025-26	%	2026-27	%
		Final Budget	YTD	Preliminary	Increase	Preliminary	Increase	Final Budget	YTD	Preliminary	Increase	Preliminary	Increase
PROJECTED BEGINNING FUND BALANCE		**423,282**		**400,237**		**385,632**		**(16,956)**		**(95,468)**		**(95,468)**	
REVENUES													
5602	Park use fee		430										
4100	Program Revenue	165,896	149,733	170,873	3%	175,999	3%	126,122	119,816	129,906	3%	133,803	3%
5601	Interest												
Total Revenue		165,896	150,163	170,873		175,999		**126,122**	**119,816**	**129,906**		**133,803**	
EXPENDITURES													
7111	Regular Salaries	32,237	8,604	37,827	17%	38,962	3%	-	980	-	#DIV/0!	-	#DIV/0!
7112	Temporary Salaries	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7113	Overtime	-	2,950	1,500	#DIV/0!	1,545	3%	-	470	-	#DIV/0!	-	#DIV/0!
7130	Concert Performer	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7218	Long/Short Term Disability Insurance	305	38	411	35%	423	3%	-	-	-	#DIV/0!	-	#DIV/0!
7220	PERS Retirement-Normal Cost	2,753	402	3,540	29%	3,646	3%	-	-	-	#DIV/0!	-	#DIV/0!
7221	PERS Retirement - Unfunded Liability	5,064	5,785	3,231	-36%	3,328	3%	-	-	-	#DIV/0!	-	#DIV/0!
7231	Workers' Compensation	1,471	1,583	1,770	20%	1,823	3%	-	-	-	#DIV/0!	-	#DIV/0!
7233	FICA Taxes	473	125	569	20%	586	3%	-	-	-	#DIV/0!	-	#DIV/0!
7246	Benefit Insurance	6,484	852	12,665	95%	13,045	3%	-	-	-	#DIV/0!	-	#DIV/0!
7311	General Supplies	2,884	392	500	-83%	515	3%	-	-	-	#DIV/0!	-	#DIV/0!
7314	Postage	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7321	Printing and Binding	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7324	Dues and Subscriptions	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7326	Pavement Repair Supplies	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7327	Arterial Street Light Supplies	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7331	Rentals/Leases	3,090	-	-	-100%	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7332	Telecommunications	2,060	2,146	2,122	3%	2,185	3%	-	-	-	#DIV/0!	-	#DIV/0!
7335	Gas & Electricity	1,854	1,850	1,910	3%	1,967	3%	150,000	70,765	120,000	-20%	120,000	0%
7338	Water Service	20,600	24,305	21,218	3%	21,855	3%	-	-	-	#DIV/0!	-	#DIV/0!
7341	Building/Grounds Maintenance	10,300	4,868	10,000	-3%	10,300	3%	-	-	-	#DIV/0!	-	#DIV/0!
7342	Machinery/Equipment Maintenance	515	-	530	3%	546	3%	-	-	-	#DIV/0!	-	#DIV/0!
7343	Vehicle Maintenance	1,030	450	1,061	3%	1,093	3%	-	-	-	#DIV/0!	-	#DIV/0!
7344	Vehicles: Gas, Oil & Supplies	15,450	221	5,000	-68%	5,150	3%	-	-	-	#DIV/0!	-	#DIV/0!
7381	Property Tax Admin. Costs	4,120	3,571	4,244	3%	4,371	3%	6,500	3,696	7,000	8%	7,250	4%
7409	Street Sweeping	-	-	-	#DIV/0!	-	#DIV/0!	-	-		#DIV/0!		#DIV/0!
7412	Engineering/Inspection Service	-	-	-	#DIV/0!	-	#DIV/0!	5,000	4,569	5,500	10%	6,000	9%
7413	Special Legal Service	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7415	Computer/IT Support	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7417	Janitorial Services	10,300	11,006	12,000	17%	12,360	3%	-	-	-	#DIV/0!	-	#DIV/0!
7419	Other Professional Services	10,300	5,379	6,000	-42%	6,180	3%	-	-	-	#DIV/0!	-	#DIV/0!
7420	Administrative Costs	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7429	Animal/Pest Control Services	773	-	796	3%	820	3%	-	-	-	#DIV/0!	-	#DIV/0!
7435	Contract Seasonal Labor	12,875	12,645	13,261	3%	13,659	3%	-	-	-	#DIV/0!	-	#DIV/0!
7440	Tree Trimming Services	15,450	-	15,914	3%	16,391	3%	-	-	-	#DIV/0!	-	#DIV/0!
7445	Weed Abatement Services	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7450	Street Light Maintenance	-	-	-	#DIV/0!	-	#DIV/0!	15,000	3,799	7,500	-50%	8,000	7%
7481	State Regional Annual Discharge Fee	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7484	Capital Outlay - Structures & Improvement	15,450	-	15,914	3%	16,391	3%	-	-	-	#DIV/0!	-	#DIV/0!
7485	Capital Outlay - Equipment & Machinery	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7486	CERF Charges	3,090	3,090	3,183	3%	3,278	3%	-	-	-	#DIV/0!	-	#DIV/0!
7615	CCC Property Tax	618	-	637	3%	656	3%	-	-	-	#DIV/0!	-	#DIV/0!
8101	Transfer to General Fund	9,395	9,395	9,677	0	9,967	0	14,067	14,067	-	-100%	-	#DIV/0!
Total Expenditures		**188,941**	**99,657**	**185,478**		**191,042**		**190,567**	**98,346**	**140,000**		**141,250**	
OTHER FINANCING SOURCES													
	Transfers From Fund 201 to Fund 214	-		-		-			36,476	24,583		22,371	
	Transfers From Fund 214 To GF	-		-		-		(14,067)		(14,489)		(14,924)	
	Other	-		-		-				-			
Total Other Financing Sources		**0**		**0**		**0**		**(14,067)**		**10,094**		**7,447**	
NET CHANGE IN FUND BALANCES		**(23,045)**		**(14,605)**		**(15,043)**		**(78,512)**		**(0)**		**(0)**	
ENDING FUND BALANCES		**400,237**		**385,632**		**370,589**		**(95,468)**		**(95,468)**		**(95,469)**	

Special Revenue Funds - Assessment Districts

		216 - Stormwater Assessment						231 - Diablo Estates Assessment District					
		2024-25		2025-26	%	2026-27	%	2024-25		2025-26	%	2026-27	%
		Final Budget	YTD	Preliminary	Increase	Preliminary	Increase	Final Budget	YTD	Preliminary	Increase	Preliminary	Increase
PROJECTED BEGINNING FUND BALANCE		**51,896**		**(7,197)**		**(40,742)**		**345,132**		**383,792**		**435,972**	
REVENUES													
4100	Program Revenue	175,474	82,187	180,738	3%	186,160	3%	97,460	92,587	100,384	3%	103,395	3%
5601	Interest							3,500	0	3,605	3%	3,713	3%
5324	Street Sweeping fees		62,608										
Total Revenue		**175,474**	**144,795**	**180,738**		**186,160**		**100,960**	**92,587**	**103,989**		**107,108**	
EXPENDITURES													
7111	Regular Salaries	32,237	14,744	35,649	11%	36,718	3%	-	-	-	#DIV/0!	-	#DIV/0!
7112	Temporary Salaries	-		-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7113	Overtime	-		-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7130	Concert Performer	-		-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7218	Long/Short Term Disability Insurance	305	98	242	-21%	249	3%	-	-	-	#DIV/0!	-	#DIV/0!
7220	PERS Retirement-Normal Cost	2,753	854	5,064	84%	5,216	3%	-	-	-	#DIV/0!	-	#DIV/0!
7221	PERS Retirement - Unfunded Liability	5,064	5,785	16,496	226%	16,990	3%	-	-	-	#DIV/0!	-	#DIV/0!
7231	Workers' Compensation	1,471	1,583	1,689	15%	1,740	3%	-	-	-	#DIV/0!	-	#DIV/0!
7233	FICA Taxes	473	216	545	15%	561	3%	-	-	-	#DIV/0!	-	#DIV/0!
7242	Uniform Allowance	-	-	-	#DIV/0!	-	#DIV/0!	-	-	-	#DIV/0!	-	#DIV/0!
7246	Benefit Insurance	6,484	1,888	10,986	69%	11,316	3%	-	-	-	#DIV/0!	-	#DIV/0!
7311	General Supplies	1,030	-	1,061	3%	1,093	3%	-	-	-	#DIV/0!	-	#DIV/0!
7314	Postage	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7321	Printing and Binding	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7324	Dues and Subscriptions	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7326	Pavement Repair Supplies	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7327	Arterial Street Light Supplies	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7331	Rentals/Leases	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7332	Telecommunications	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7335	Gas & Electricity	-	-	-	#DIV/0!	-	#DIV/0!	800	41	824	3%	849	3%
7338	Water Service	-	-	-	#DIV/0!	-	#DIV/0!	7,500	6,335	7,725	3%	7,957	3%
7340	Traffic Safety Supplies	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7341	Building/Grounds Maintenance	2,060	2,735	2,122	3%	2,185	3%	-	-	-	#DIV/0!	-	#DIV/0!
7342	Machinery/Equipment Maintenance	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7343	Vehicle Maintenance	1,030	822	1,061	3%	1,093	3%	-	-	-	#DIV/0!	-	#DIV/0!
7344	Vehicles: Gas, Oil & Supplies	1,030	544	1,061	3%	1,093	3%	-	-	-	#DIV/0!	-	#DIV/0!
7349	Traffic Signal Maintenance	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7350	Pavement Repairs/Maintenance	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7351	Liability Insurance	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7352	Insurance Claim Deductables	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7360	Advertising & Promotion	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7381	Property Tax Admin. Costs	-	-	-	#DIV/0!	-	#DIV/0!	500	257	515	3%	530	3%
7384	Legal Notices	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7385	TRANSPAC Fees	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7389	Misc. Expense	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7409	Street Sweeping	61,800	42,525	63,654	3%	65,564	3%	-	-	-	#DIV/0!	-	#DIV/0!
7412	Engineering/Inspection Service	20,600	20,587	-	-100%	-	#DIV/0!	2,500	-	2,575	3%	2,652	3%
7413	Special Legal Service	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7415	Computer/IT Support	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7417	Janitorial Services	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7419	Other Professional Services	25,750	-	-	-100%	-	#DIV/0!	27,000	19,970	27,810	3%	28,644	3%
7420	Administrative Costs	-		-	#DIV/0!	-	#DIV/0!	12,000	12,841	-	-100%	-	#DIV/0!
7429	Animal/Pest Control Services	-		-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7435	Contract Seasonal Labor	6,180	11,848	6,365	3%	6,556	3%	-	-	-	#DIV/0!	-	#DIV/0!
7440	Tree Trimming Services	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7445	Weed Abatement Services	-	-	-	#DIV/0!	-	#DIV/0!	12,000	-	12,360	3%	12,731	3%
7450	Street Light Maintenance	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7481	State Regional Annual Discharge Fee	15,450	14,865	15,914	3%	16,391	3%	-	-	-	#DIV/0!	-	#DIV/0!
7484	Capital Outlay - Structures & Improvement	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7485	Capital Outlay - Equipment & Machinery	-	-	-	#DIV/0!	-	#DIV/0!		-	-	#DIV/0!	-	#DIV/0!
7486	CERF Charges	4,944	4,944	5,092	3%	5,245	3%	-	-	-	#DIV/0!	-	#DIV/0!
7520	Project Costs	515	-	530	3%	546	3%	-	-	-	#DIV/0!	-	#DIV/0!
Total Expenditures		**189,176**	**124,038**	**167,531**		**172,557**		**62,300**	**39,443**	**51,809**		**53,363**	
OTHER FINANCING SOURCES													
	Transfers From Fund 201 to Fund 214	-		-	#DIV/0!	-	#DIV/0!	-	-	-	-	-	-
	Transfers From Fund 216 To GF	(45,391)	(45,391)	(46,753)	3%	(48,155)	3%	-	-	-	-	-	-
	Other				-								
Total Other Financing Sources		**(45,391)**	**(45,391)**	**(46,753)**		**(48,155)**		**0**		**0**		**0**	
NET CHANGE IN FUND BALANCES		**(59,093)**	**(24,634)**	**(33,545)**		**(34,552)**		**38,660**		**52,180**		**53,745**	
ENDING FUND BALANCES		**(7,197)**		**(40,742)**		**(75,294)**		**383,792**		**435,972**		**489,717**	

City of Clayton
FY 2025-26 PRELIMINARY BUDGET

Special Revenue Funds

		304 - Development Impact Fees						616 - Successor Housing					
		2024-25 Final Budget	2024-25 YTD	2025-26 Preliminary	% Increase	2026-27 Preliminary	% Increase	2024-25 Final Budget	2024-25 YTD	2025-26 Preliminary	% Increase	2026-27 Preliminary	% Increase
PROJECTED BEGINNING FUND BALANCE		**487,755**		**496,305**		**505,112**		**22,115**		**22,115**		**0**	
REVENUES													
4108	RPTTF							126,256	126,400				
4100	Program Revenue	-		-		-		-		-		-	
5601	Interest	8,550		8,807		9,071		-		-		-	
5801	Sale of Assets												
Total Revenue		**8,550**		**8,807**		**9,071**		**0**		**0**		**0**	
EXPENDITURES													
7485	Capital Outlay - Equipment & Machinery	-		-		-		-		-		-	
7486	CERF Charges	-		-		-		-		-		-	
7520	Project Costs	-		-		-		-		-		-	
7551	Project Costs - Planning/Design	-		-		-		-		-		-	
7552	Project Costs - Construction/Execution	-		-		-		-		-		-	
7611	Principal (RDA Successor Agency)	-		-		-		-		-		-	
7612	Interest	-		-		-		-		-		-	
7613	Paying Agent Fee	-		-		-		-		-		-	
7615	CCC Property Tax	-		-		-		-		-		-	
8101	Transfer to General Fund	-		-		-		-		-		-	
Total Expenditures		**0**		**0**		**0**		**0**		**0**		**0**	
OTHER FINANCING SOURCES													
	Transfers From General Fund (To)	-		-				-		-			
	Transfers From 616 Fund To 101 - GF	-		-				-		(22,115)			
	Other	-		-				-		-			
Total Other Financing Sources		**-**		**-**				**-**		**(22,115)**			
NET CHANGE IN FUND BALANCES		**8,550**		**8,807**		**9,071**		**-**		**(22,115)**		**-**	
ENDING FUND BALANCES		**496,305**		**505,112**		**514,182**		**22,115**		**-**		**-**	

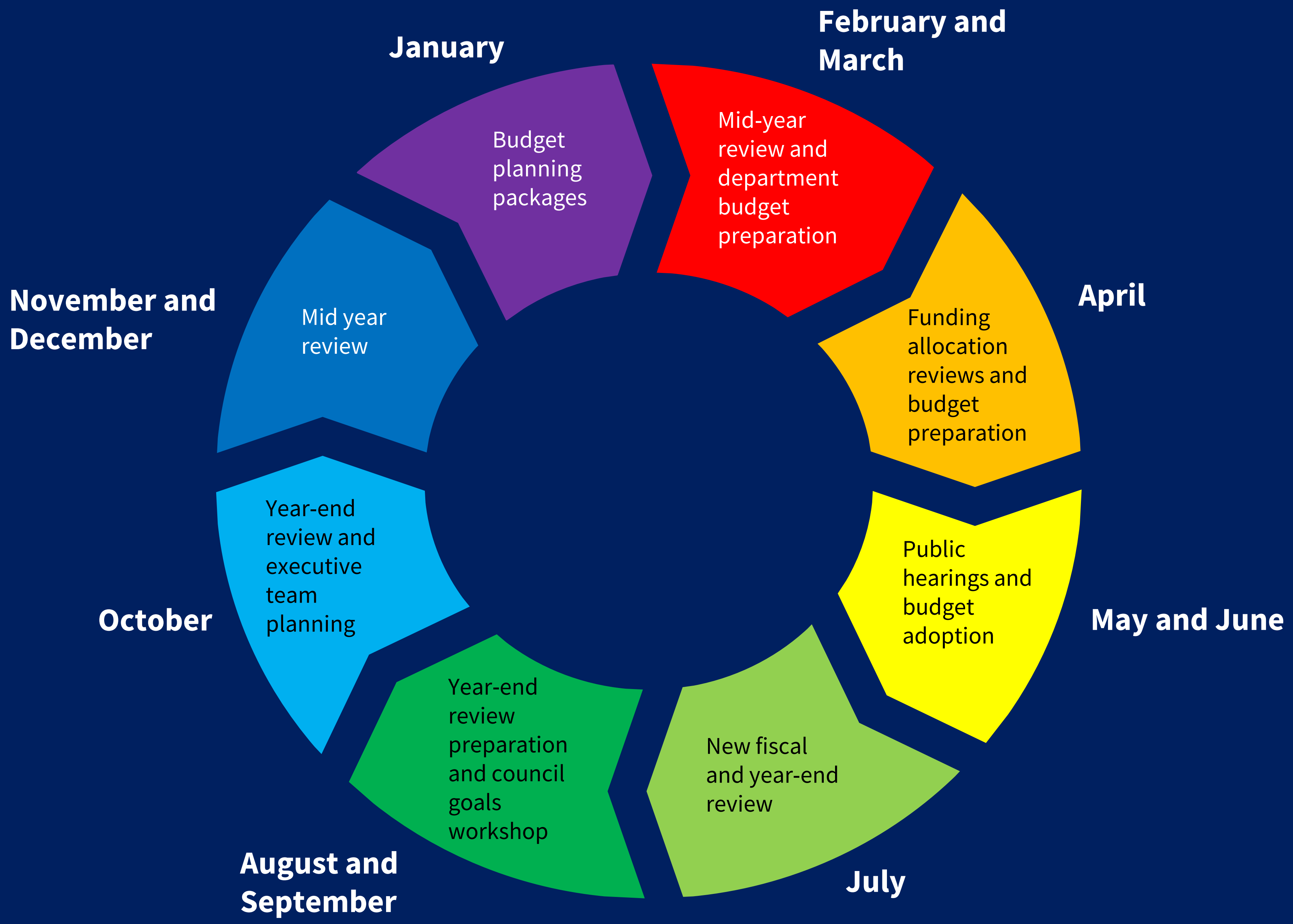
City of Clayton Budget Workshop

May 6, 2025

Today's Budget Program

- Budget Timeline
- City Council Priorities
- FY 2024-25 Adjusted Budget Status
- Overview of the City's Budget – 2-Year Budget
- Review of FY2025-27 Revenue and Expense Projections
- Departmental Request Presentations
- Five-Year Budget and Reserve Forecast

Annual City Budget Cycle



Budget Timeline

February 2025	Departments started their budgets
April 21, 2025	Budget Kickoff-Budget & Audit Committee
May 6, 2025	Community Budget Workshop
May 12, 2025	Budget and Audit Committee Meeting
June 3, 2025	Budget Hearing – City Council
June 10, 2025	Special Budget Meeting (as needed)
June 17, 2025	Budget Adoption (if not approved June 3)
July 1, 2025	New Budget Begins

City Council Priorities

1. Public Safety, infrastructure, and accessibility
2. Community Parks and Recreation
3. Economic Development - promoting available spaces, growing number of families into community, improved downtown activity
4. Balancing the budget
5. Maintain the aesthetic of the City of Clayton

FY 2024-25 Adjusted Budget Status

		2024-25 Final Budget	YTD as of 4/30/2025	Increase over Prior Year Budget
Starting Fund Balance	$7,695,787			
Revenue				
Revenue		5,811,063	4,526,556	2.24%
Total Revenue		$5,811,063	$4,526,556	2.24%
Expenditures				
Salaries and Benefits		3,968,661	3,232,244	6.72%
Services and Supplies		2,151,889	2,499,810	9.50%
Total Expenditures		$6,120,550	$5,732,054	7.68%
Revenues over (under) Expenditures		($309,486)	($1,205,499)	
Ending Fund Balance	$7,386,301			

Economic Conditions Influencing the next Budget

- Residents still wary of the economy
  - Inflation has eased, but purchasing power remains an issue[1]
  - Housing access and affordability are ongoing challenges[2]
- Cities need to prepare for ongoing economic shifts
  - Risks of recession are higher, but growth continues[2]
  - Prepare for structural imbalances
- State and federal reductions have economic impacts
  - Unknown where, when and how[2]
- Bottom line – Uncertainty abounds, stay focused

Sources:

[1] Public Policy Institute of California, Sarah Bohn, et.al., *Making Sense of California's Economy*, February 2025.

[2] Beacon Economics, Chris Thornberg, *2025 HD Repair Forum*, Autobody News, and *Beacon Outlook: California*, April 2025.

Annual Budget

The annual budget is developed to create an expenditure plan, based on anticipated revenues and coordinated with City Council priorities. The City's annual budget operates on a fiscal year July-June calendar.

This year, the City will adopt a 2-year budget.

Why A 2-Year Budget

- Focuses attention on future and long-term fiscal health
- Ensures budgeted initiatives are sustainable and desirable
- Provides residents with clarity about the direction of services
- Retains accountability through quarterly reviews and adjustments

Budget Development Includes

- Establishing goals and priorities
- Allocating resources aligning with City Council goals and priorities
- Comparing revenues, expenditures and make necessary adjustments
- Create pathway for long term forecasting and sustainability

Budget by Fund

City of Clayton has 29 funds:

- General Fund (2)
- Agency Funds (7)
- Capital Projects Funds (2)
- Enterprise (1)
- Special Revenue Funds (13)
- Internal Service Funds (3)
- Debt Services Fund (1)

FY 2025-27 Preliminary GF - Revenue

27.6 FTE Personnel

	2025-26 Projection	% Increase	2026-27 Projection	% Increase
Starting Fund Balance	$7,386,301		$6,730,843	-12.54%
Revenue				
Revenue	6,025,920	3.70%	6,227,719	3.35%
Total Revenue	$6,025,920	3.70%	$6,227,719	7.17%
Expenditures				
Salaries & Benefits	4,504,916	13.51%	4,683,654	18.02%
Services & Supplies	2,176,462	1.14%	2,381,860	10.69%
Total Expenditures	$6,681,378		$7,065,514	15.44%
Revenues over (under) Expenditures			($655,458)	($837,795)
Ending Fund Balance	$6,730,843			$5,893,048

Budget Baseline – Revenue Sources

Taxes

- Property Tax
  - Ad Valorem
  - In-Lieu of VLF
  - Real Property Transfer Tax
- Sales and Use Tax
- Other taxes

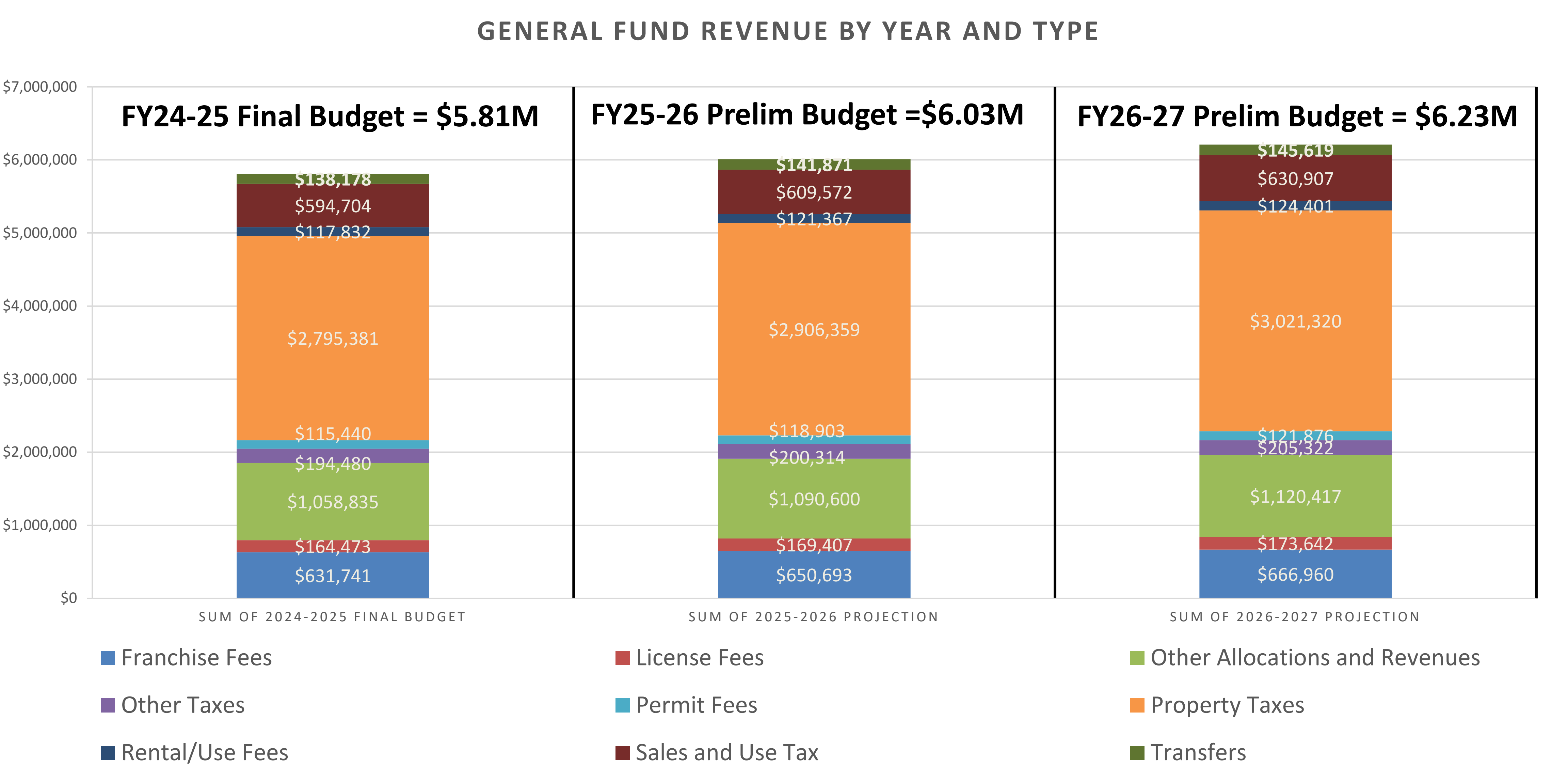
Fees

- Franchise Fee
- License Fee
- Permit Fee
- Rental/Use Fee

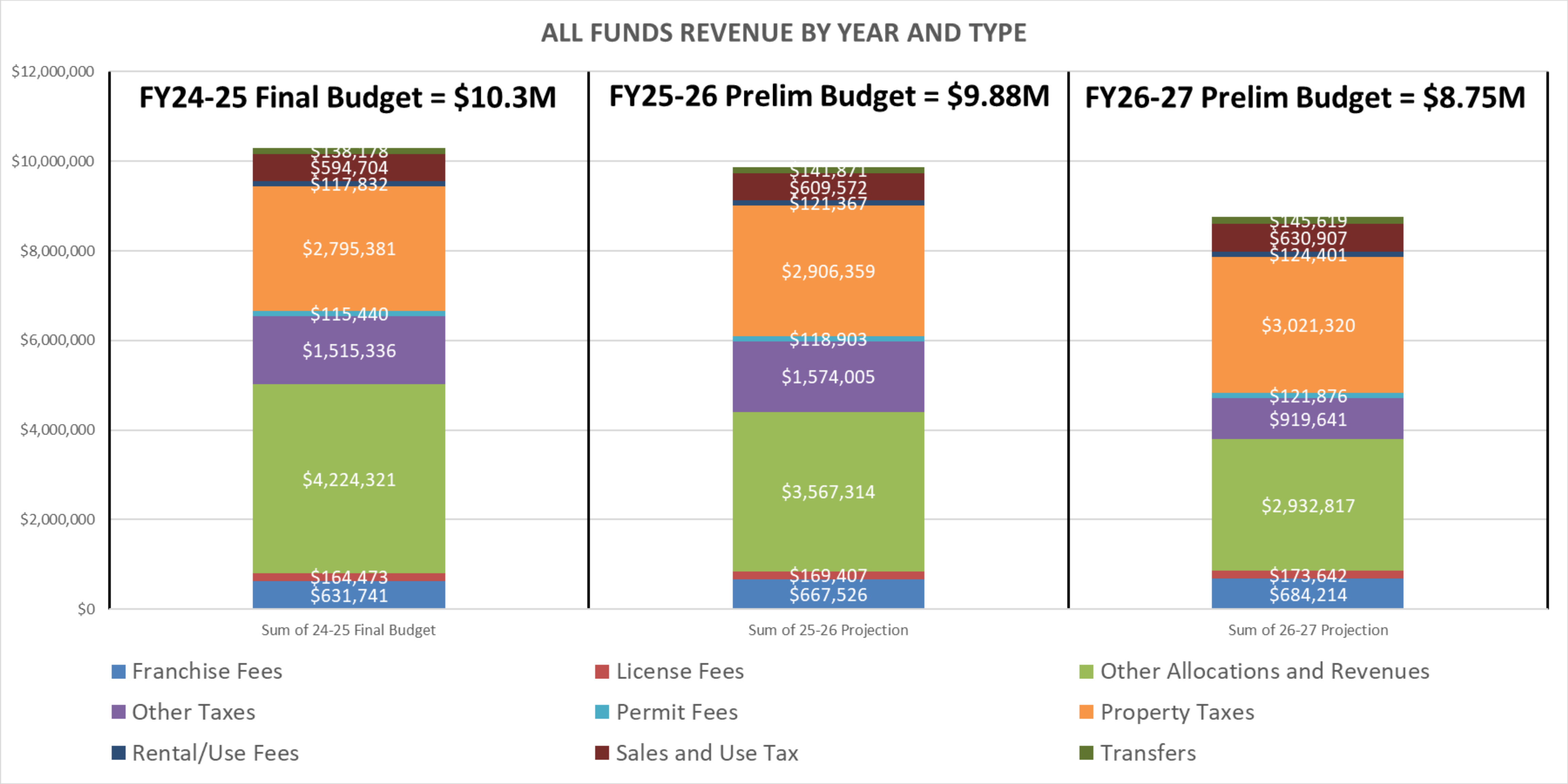
Other Financial Sources

- Other Allocations & Revenues
- Transfers

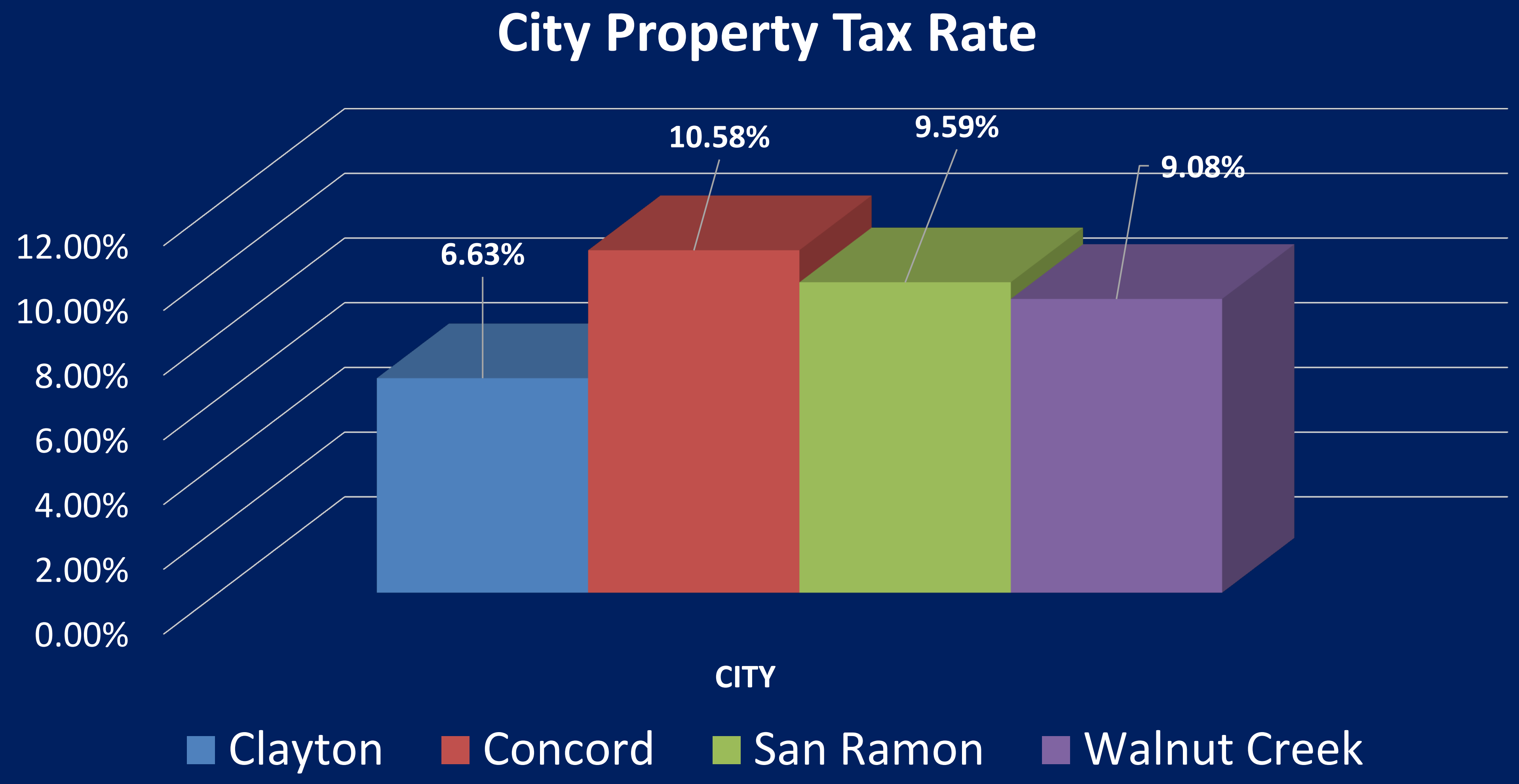
GF Revenue – FY24-25, 25-26 & 26-27



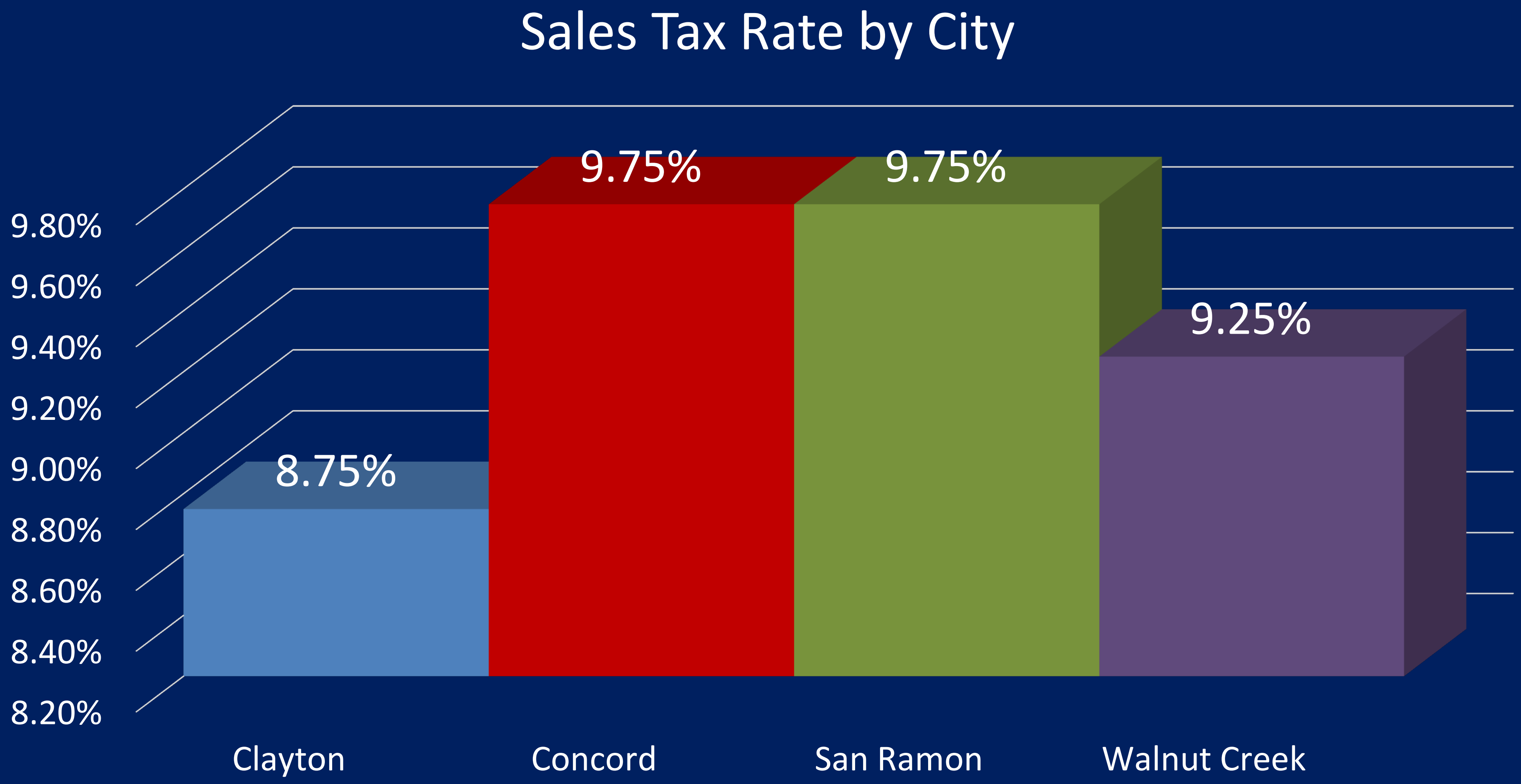
All Funds Revenue – FY24-25, 25-26 & 26-27



How We Compare – Property Tax (Ad Valorem)



How We Compare – Sales Tax



FY 2025-27 Preliminary GF - Expenditures

27.6 Full Time Employees

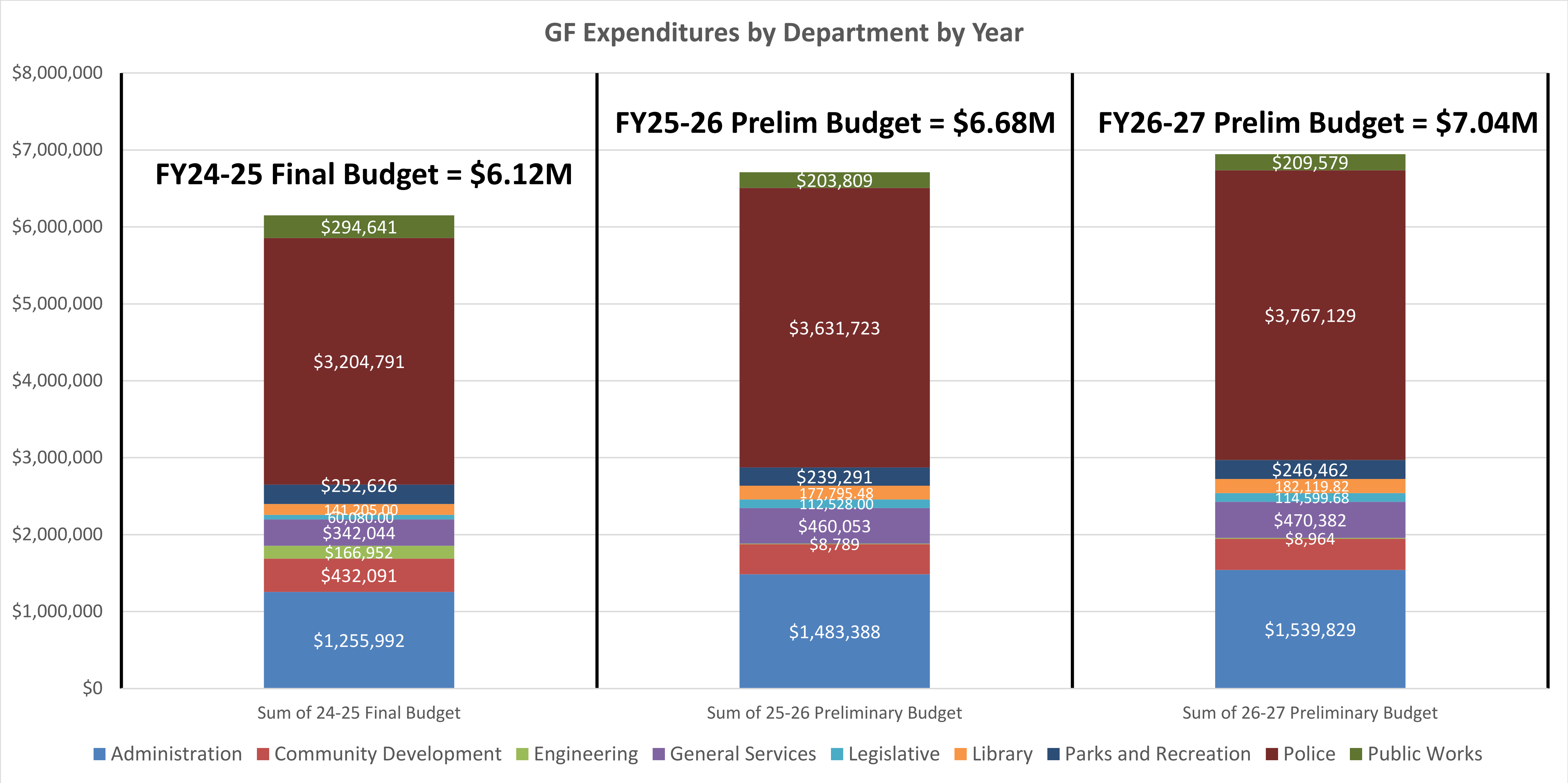
	2025-26 Preliminary	% Increase	2026-27 Preliminary	% Increase
Starting Fund Balance	$7,386,301		$6,730,843	-12.54%
Revenue				
Revenue	6,025,920	3.70%	6,227,719	3.35%
Total Revenue	6,025,920	3.70%	$6,227,719	7.17%
Expenditures				
Salaries and Benefits	4,504,916	13.51%	4,683,654	18.02%
Services and Supplies	2,176,462	1.14%	2,381,860	10.69%
Total Expenditures	$6,681,378		7,065,514	15.44%
Revenues over (under) Expend.	($655,458)		($837,795)	
Ending Fund Balance	$6,730,843		$5,893,048	

FY25-26 Expenditure Increase Drivers

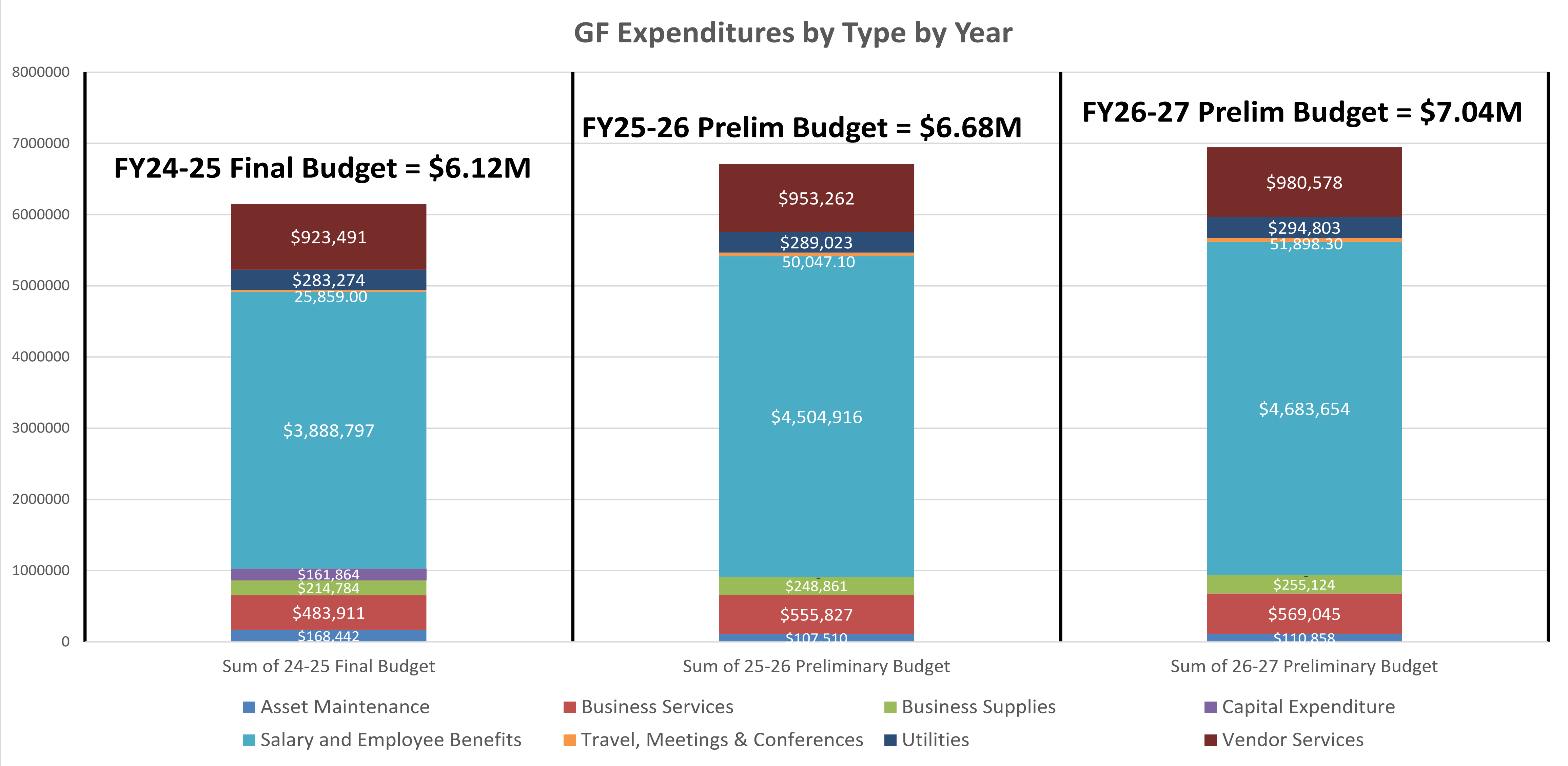
Explaining the $655,458 budget gap

• Salaries	$100,189
• PERS	$ 98,205
• PERS UAL	$152,687
• Worker's Comp	$ 32,443
• Granicus (D & S)	$ 30,000
• Apex (PEG)	$ 48,000
• Council/Committee AV	$ 30,000
• Insurance	$ 51,500
• Dispatch	$ 54,000
• HdL Fees (D & S)	$ 17,000
• Lexipool (D & S)	$ 9,500
• Nixle (D & S)	$ 5,600
• Animal Services	$ 26,334

GF Expense Budget – FY24-25, 25-26 & 26-27



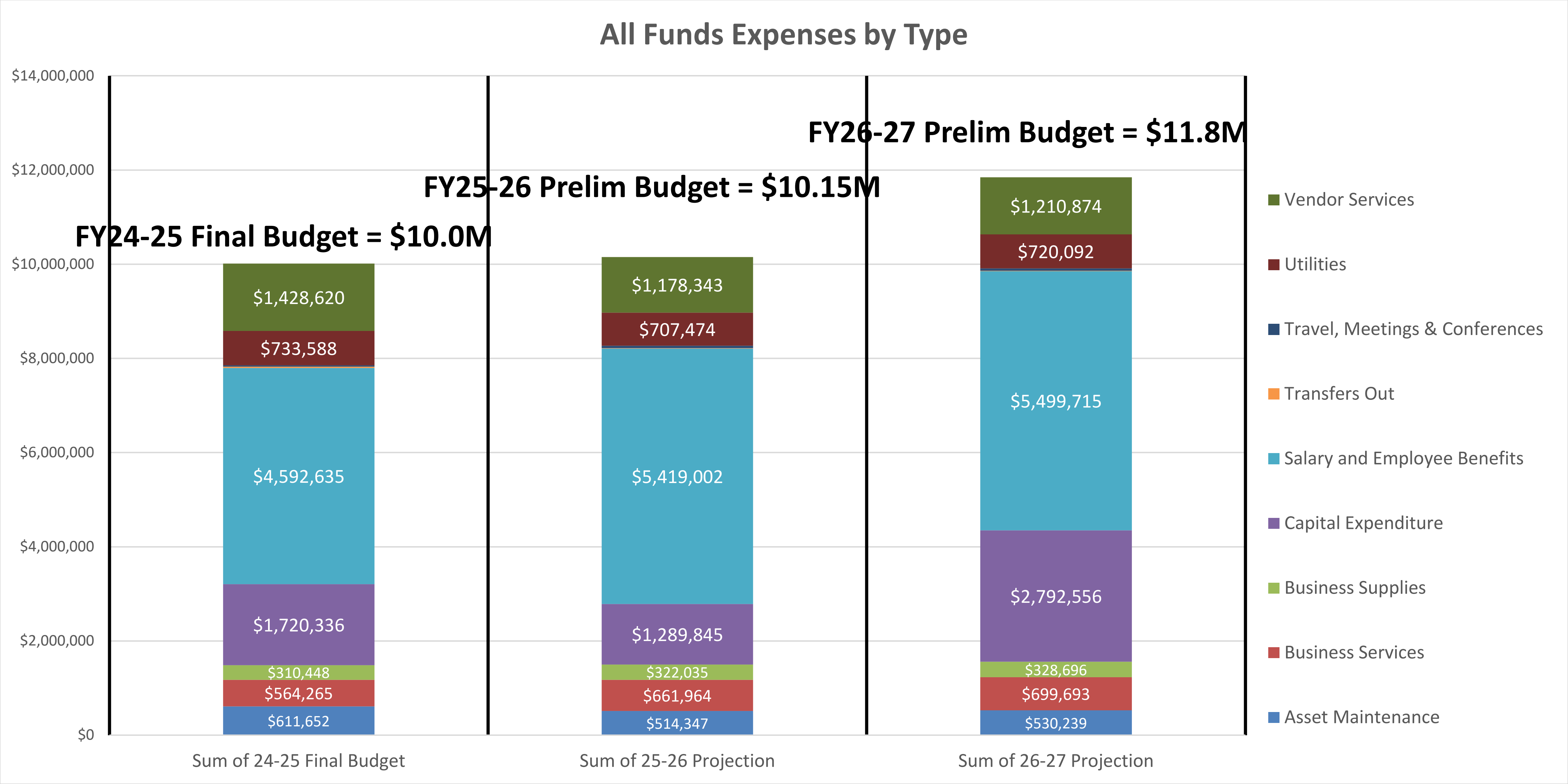
GF Expense Budget – FY24-25, 25-26 & 26-27



All Funds Expense Budget – FY24-25, 25-26 & 26-27

Department	24-25 Final Budget	25-26 Projection	26-27 Projection
101 - General Fund	$6,120,550	$6,709,446	$7,065,514
201 - Gas Tax HUTA	413,856	328,279	492,197
202 - Gas Tax RMRA	484,856	267,558	710,268
210 - LMD	1,282,740	1,154,418	1,222,175
211 - Grove Park District	188,941	185,478	191,042
212- Oakhurst GHAD	95,167	20,200	21,300
213- Presley Settlement	0	0	0
214 - Neighborhood Street Lighting District	190,567	140,000	141,250
216 - Stormwater Assessment	189,176	167,531	172,557
220 - Measure J	429,579	556,243	630,824
230 - Grants	96,093	0	0
231 - Diablo Estates Assessment District	62,300	51,809	53,363
303 - Capital Improvement	370,000	320,000	884,000
502 - Capital Equipment and Replacement	89,100	251,773	259,326
616 - Other Funds	0	0	0
	$10,012,925	**$10,152,734**	**$11,843,816**

All Funds Expense Budget – FY24-25, 25-26 & 26-27



Departmental Requests

- Administration
- Police Department
- Maintenance

Departmental Request - Administration

- Budget software that works with financial software (***not*** included in budget)
  - Cost ~$26,000
    - $13,000 one-time funding
    - $13,000 annual subscription
  - Need – increases accuracy and efficiency of budget development and quarterly financial reporting

Departmental Request - Administration

- Phase I - Library Refresh Project (***not*** included in budget)
  - Cost ~$230,000
    - $ 70,000 moving/storage of books
    - $100,000 flooring
    - $ 60,000 paint
  - Need – Library is 30 years old and there has not been a refresh
  - *Multiple phases of Refresh Project – County provided design & architect services; Clayton Community Library Foundation (CCLF) providing furniture*

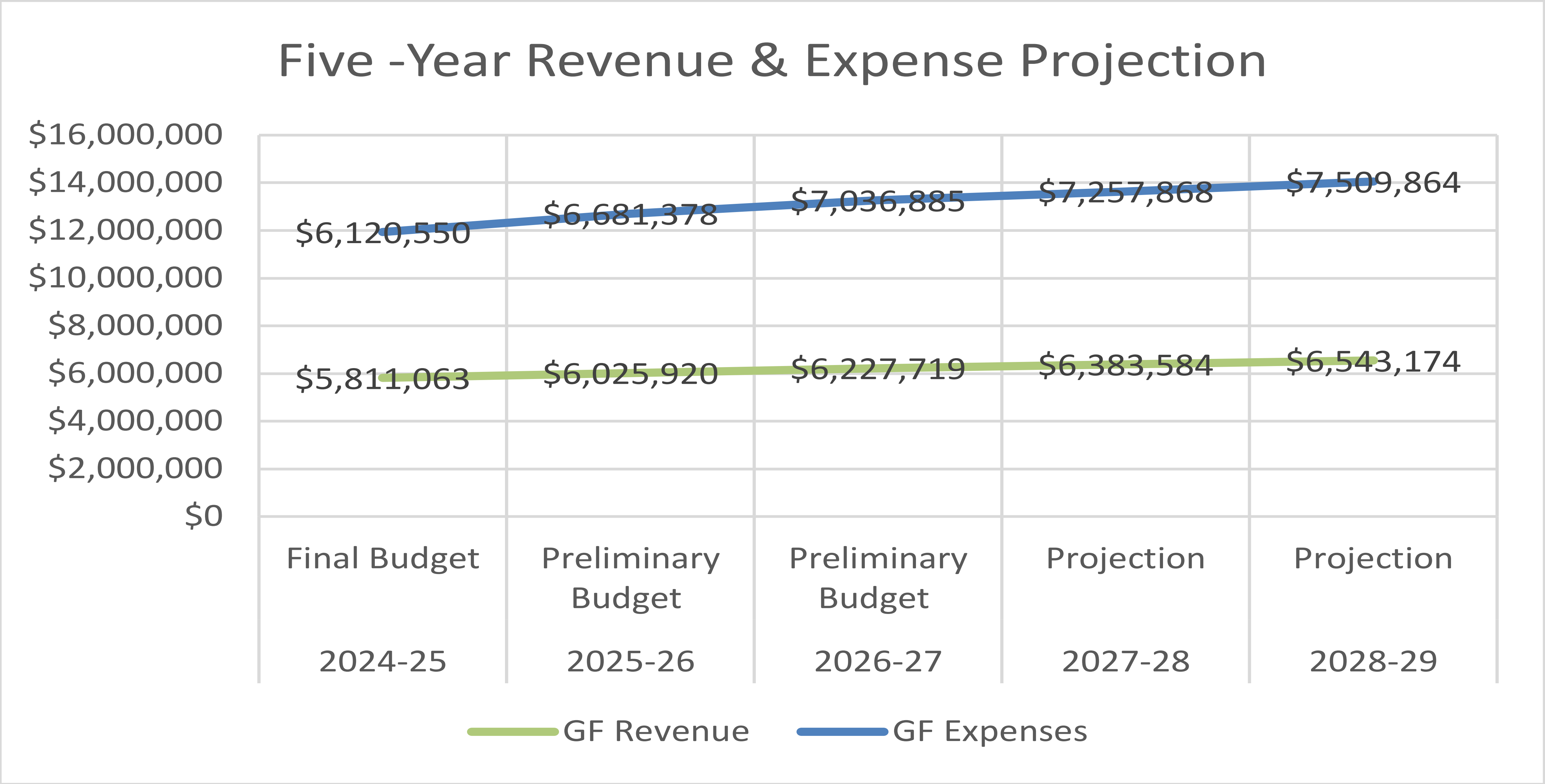
Departmental Requests – Police Department

- One Police vehicle (included in the Capital budget)
- Cost – Fully equipped, approximately $90,000
- Need – Annual car rotation due to excessive mileage

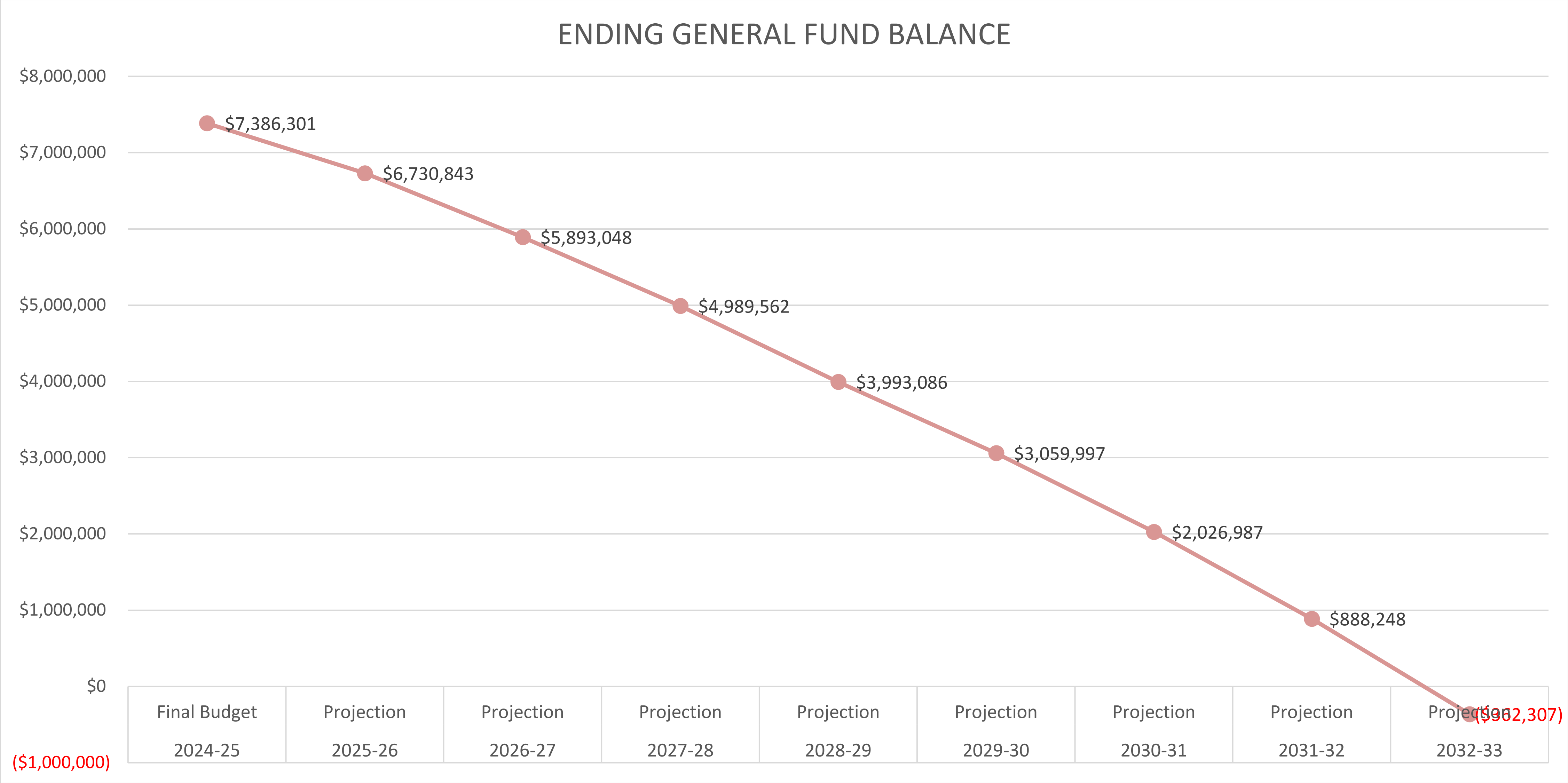
Departmental Requests - Maintenance

- Two Maintenance vehicles (included in the Capital budget)
- Cost – Fully equipped, approximately $76,000 each
- Need – Maintenance Department has an exceptionally old fleet with the average age of vehicles at 23 years

General Fund Forecast



General Fund Balance (Reserves)



What is Next?

May 12, 2025	Budget and Audit Committee Meeting
June 3, 2025	Budget Hearing – City Council
June 10, 2025	Special Budget Meeting (as needed)
June 17, 2025	Budget Adoption (if not approved June 3)
July 1, 2025	New Budget Begins

What's Important to You

- As part of public comment tonight, please share your priorities.

Questions