CITY OF CLAYTON

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FINANCIAL SUSTAINABILITY COMMITTEE
REGULAR MEETING AGENDA

MONDAY, OCTOBER 6, 2025
4:00 PM
Hoyer Hall
6125 Clayton Road, Clayton, CA 94517

Committee Members
Frank Gavidia
Hank Stratford
Howard Kaplan
Brian Mayhew

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1. CALL TO ORDER

(a) Roll Call

(b) Announcements

2. PUBLIC COMMENT ON NON-AGENDA ITEMS

Members of the public may address the Financial Sustainability Committee on non-agendized items within the Committee'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 Chair. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Committee 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 Committee.

3. MINUTES

(a) Approval of the Minutes of the September 17, 2025 Financial Sustainability Committee Special Meeting

(View)

4. BUDGET

5. RESERVES AND INVESTMENTS

(a) Provide Suggestions on Improving a Draft Quarterly Investment Report Template Per Section XIII of the May 2023 Council- Approved Investment Policy

(View)

6. FUTURE TOPICS

7. ADJOURN

Please visit www.claytonca.gov for information on the next regularly scheduled meeting of the Financial Sustainability Committee.

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 12:00 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.

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STAFF REPORT

TO: **FINANCIAL SUSTAINABILITY COMMITTEE**

FROM: **Dennis Bozanich**

DATE: **October 6, 2025**

SUBJECT: **Approval of the Minutes of the September 17, 2025 Financial Sustainability Committee Special Meeting**

RECOMMENDATION
Approve the minutes of the September 17, 2025 Special Meeting

BACKGROUND
None

CEQA
None

FISCAL IMPACT
None

DISCUSSION
None

ATTACHMENTS
MIN FSC 2025-09-17 DRAFT.pdf

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DRAFT – MEETING MINUTES
SPECIAL MEETING
FINANCIAL SUSTAINABILITY COMMITEE

Wednesday, September 17, 2025 4:00 PM

1. CALL TO ORDER

The meeting was called to order at 4:04 PM at Hoyer Hall, in the Clayton Community Library, 6125 Clayton Road, Clayton, California

COMMITTEE MEMBERS PRESENT:
Committee Member Hank Stratford
Committee Member Howard Kaplan
Committee Member Brain Mayhew
Committee Member Frank Gavidia

Staff Present:
Administrative Services Director, Dennis Bozanich
City Clerk, Leticia I. Miguel
Administrative Clerk, Skyler Aitken

2. HOUSEKEEPING

(a) Review and Discuss the Purpose and Duties of the Financial Sustainability Committee

Administrative Services Director, Dennis Bozanich, presented the item and responded to questions from the Financial Sustainability Committee.

No public comment was received.

The committee reviewed and discussed the Purpose and Duties of the Financial Sustainability Committee and provided the following comments:

a. The committee questioned its responsibilities and the representation of the Financial Sustainability Committee at the City Council meetings.
b. The committee raised for clarification as to how a majority is determined withing their committee.

(b) Review and Discuss the City's Investment Policy adopted by the City Council in May 2023

Administrative Services Director, Dennis Bozanich, presented the item and responded to questions from the Financial Sustainability Committee.

Public comment was received by Lauren Kendorf.

The committee reviewed and discussed the City's Investment Policy adopted by the Council in May 2023 and provided the following comments:

a. The committee requested clarification regarding pages 3 and 4, specifically under section VI. Investment Objectives, A. Safety of Principal.
b. The committee provided recommendations on the terminology to be used when describing the sections.
c. The committed requested clarification regarding Section VIII, Prohibited Investments and Transactions and Section XIII Reporting Requirements.

3. BUDGET

(a) Discussion on the Status of FY2024-25 Budget

Administrative Services Director, Dennis Bozanich, presented the item and responded to questions from the Financial Sustainability Committee.

No public comment was received.

The committee discussed the adoption of the FY2024-2025 Budget.

(b) Discussion on the Status of the FY2025-27 Budget

Administrative Services Director, Dennis Bozanich, presented the item and responded to questions from the Financial Sustainability Committee.

No public comment was received.

The committee discussed the Status of the FY2025-27 Budget and provided the following comments:

a. The committee requested clarification on the deficit figures provided for FY2025-26
b. The committee sought clarification on the landscape maintenance numbers reported and revenue reported.

4. RESERVES

(a) Discussion on General Fund and Special Revenue Fund Balances

Administrative Services Director, Dennis Bozanich, presented the item and responded to questions from the Financial Sustainability Committee.

No public comment was received.
The committee discussed the General Fund and Special Revenue Fund Balances.

5. ADJOURN

Chair Gavidia adjourned the meeting at 5::44 p.m.

Agenda Item: 5.a

CITY OF CLAYTON
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STAFF REPORT

TO: FINANCIAL SUSTAINABILITY COMMITTEE

FROM: Dennis Bozanich

DATE: October 6, 2025

SUBJECT: Provide Suggestions on Improving a Draft Quarterly Investment Report Template Per Section XIII of the May 2023 Council- Approved Investment Policy

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BACKGROUND
As discussed at the September 22, 2025 Special Meeting of the Financial Sustainability Committee, the Council-adopted Investment policy (May 2023) requires the submission of a quarterly investment report to the Financial Sustainability Committee by the Finance Director of the City.

CEQA
None

FISCAL IMPACT
None

DISCUSSION
Staff has provided a Section XIII-compliant Quarterly Investment Report template for discussion and recommended changes by the committee.

ATTACHMENTS
DRAFT TEMPLATE Clayton_Quarterly_Investment_Report_2025.pdf

City of Clayton
Quarterly Investment Report
For the Calendar Year to Date Ended on June 30, 2025

I. Introduction & Background

This quarterly investment report is presented in compliance with the City's Investment Policy (May 2023) and California Government Code Sections 53601 and 53646. The objective of the investment portfolio is to meet the short and long-term cash flow demands of the City of Clayton. To achieve this objective, the portfolio will be structured to provide, in priority order, safety of principal, liquidity and return on investments.

For the two quarters ending June 30, 2025, the U.S. economy showed mixed dynamics. In Q1 2025, real GDP contracted by –0.6 % (annualized), largely due to an outsized surge in imports and pull-backs in government spending that more than offset gains in consumer and business demand. In Q2 2025, the economy rebounded strongly, with real GDP rising 3.8 % (annualized) in the third estimate, driven by a decline in imports (which mechanically boosts GDP) and renewed strength in consumer spending and fixed investment.

II. Portfolio Summary

As of June 30, 2025, the City's total investment portfolio had a book value of $XX,XXX,XXX and a market value of $XX,XXX,XXX.

• Weighted Average Maturity (WAM): XX months

• Liquidity: XXX% of investments are available within 90 days

• Compliance: The portfolio is in full compliance with the City's Investment Policy and State law.

III. Detailed Investment Holdings

Investment Type	Institution / Issuer	Maturity Date	Book Value	Market Value	Rate of Interest	Days to Maturity
LAIF	State of California	N/A	$XX,XXX,XXX	$XX,XXX,XXX	X.XX%	X
Cash Reserve Account	CAMP - JPA	N/A	$XX,XXX,XXX	$XX,XXX,XXX	X.XX%	X
Fixed Income	UBS	12/30/2026	$XX,XXX,XXX	$XX,XXX,XXX	X.XX%	XX
Totals		N/A	$XX,XXX,XXX	$XX,XXX,XXX	X.XX%	NA

IV. Compliance and Risk Review

The City's investment portfolio is in compliance with the adopted Investment Policy and California Government Code. All holdings meet credit quality standards and diversification requirements. No single issuer exceeds policy limits. The City's liquidity analysis indicates sufficient funds are available to meet anticipated expenditures for at least the next six months.

V. Economic & Market Outlook

Looking forward, staff anticipates the U.S. economy will grow modestly (1.0% -1.5%) in the fourth quarter of 2025 as consumer spending slows, and core inflation remains somewhat elevated at between 3.0% and 3.3%. The Federal Reserve is likely to hold interest rates steady while monitoring labor market softening. Financial markets may experience some volatility as investors assess inflation, interest rates, and fiscal pressures.

VI. Recommended Action

Staff and the Financial Sustainability Committee recommend that the City Council receive and file the Quarterly Investment Report for the two quarters ending June 30, 2025.