



**Lewiston City Council
WORK SESSION AGENDA
November 4, 2024 - 3:00 PM
Lewiston Bell Building – Second Floor Conference Room – 215 D Street
Lewiston, Idaho 83501**

Seating will be available on a first-come, first-served basis. All others who wish to observe this meeting may watch and listen to the livestream on their own device(s) by visiting the City of Lewiston's website at cityoflewiston.org.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. CITIZENS COMMENTS

This is an opportunity for citizens to address the Council on agenda items or other items they wish to bring to the attention of the Council. Citizens are encouraged to discuss operational issues in advance with the Mayor. In consideration of others wishing to speak, please limit your remarks to three minutes.

IV. DISCUSSION ITEMS

Please note that identifying an item as an "Action Item" does not require the City Council to vote on that item.

- A. POLICE RETIREMENT & PERPETUAL CARE FUND:** An update on the Police Retirement and Perpetual Care Funds from Senior Portfolio Manager, Jeff Trudeau of US Bank - Action Item
- B. MAIN STREET CORRIDOR UPDATE:** An update on the Main Street "Reimagine Downtown Lewiston" project from project consultant, Welch Comer & Associates, Inc. - Action Item
- C. NORMAL HILL CEMETERY MASTER PLAN UPDATE:** An update on the progress of the Normal Hill Cemetery Master Plan and community input survey by Cemetery and Urban Forestry Commission Chair Shirley Phillips and Public Information Officer Maurer - Action Item
- D. SHIPPING CONTAINERS:** A review of proposed amendments to Lewiston City Code Sections 37-129 and 37-3 regarding shipping containers, presented by Community Development Director Grow - Action Item

V. UNFINISHED AND NEW BUSINESS

- A. CITY COUNCILOR COMMENTS:** Comments shall not be related to an item currently before the City Council or an item that may come before the City Council in the foreseeable future, and shall be limited to comments, not discussion.
- B. CITY BOARDS AND COMMISSIONS LIAISON UPDATES**
- C. MAYOR COMMENTS**

D. AGENDA TOPICS: Action Item

VI. ADJOURNMENT - Action Item

The City of Lewiston is committed to providing access and reasonable accommodation in its services, programs, and activities and encourages qualified persons with disabilities to participate. If you anticipate needing any type of accommodation or have questions about the physical access provided at this meeting, please contact Nikki Province, ADA Coordinator, at least forty-eight (48) hours in advance of the meeting at 208-746-3671 x 6211.



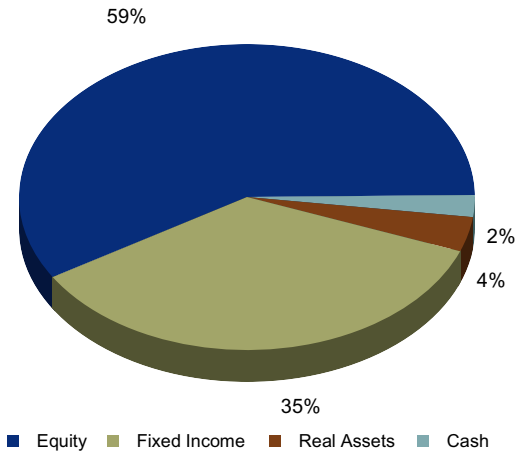
Account:

Holdings Method: Direct

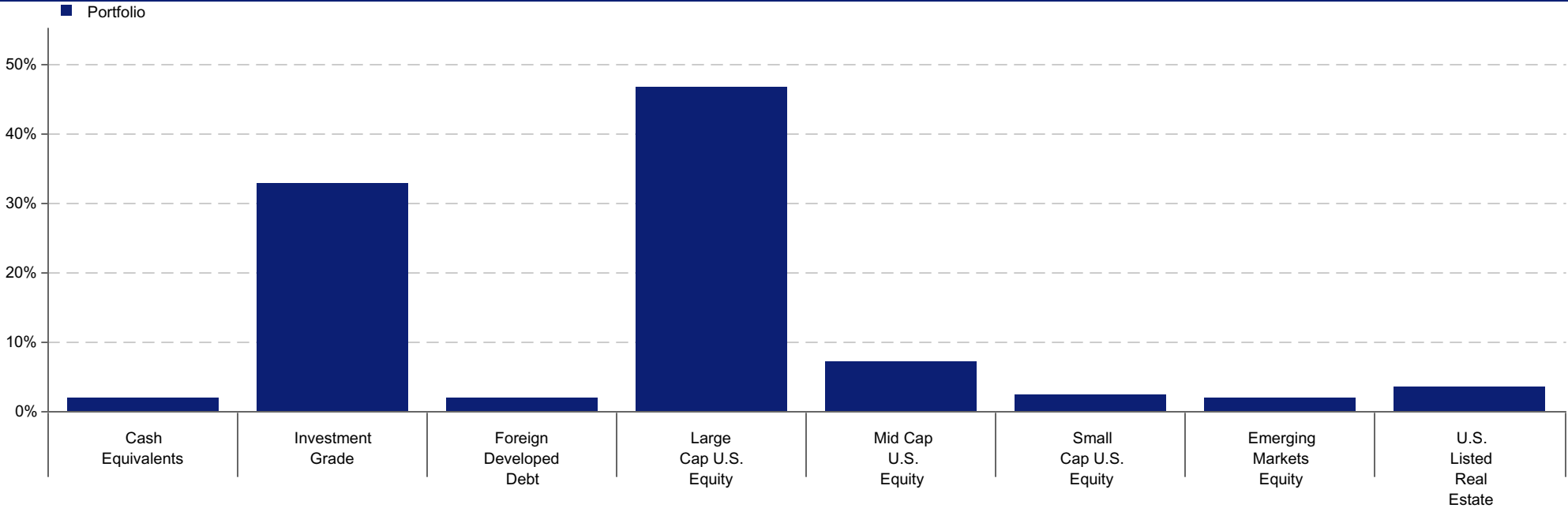
Report Date: 09/30/2024

Portfolio Summary	
Inv. Objective	Client Directed IPS
Total Portfolio Value	\$13,993,969
Net Realized Cap Gains YTD	\$306,639
Annual Income Projected	\$352,123
Current Yield	2.51%
Number of Securities	52
Portfolio Mgr.	Jeff Trudeau, CFA

Portfolio Asset Allocation			
Equity	\$8,245,286	58.92%	
Fixed Income	\$4,919,071	35.15%	
Real Assets	\$520,875	3.72%	
Cash	\$308,738	2.21%	
Invested Total	\$13,993,969	100.00%	



Portfolio Model Allocation



Selected Period Performance

	Market Value	Year to Date (9 Months)	1 Year	2 Years	5 Years	10 Years
Total Portfolio Net of Fees	14,049,599	10.61	19.94	17.25	9.60	7.26
Total Equity	8,247,145	15.79	31.29	25.28	13.89	10.47
Large Cap U.S. Equity	6,417,193	17.37	33.41	27.37	14.98	13.35
Russell 1000 Index		21.18	35.68	28.23	15.64	13.10
Mid Cap U.S. Equity	1,158,508	11.85	25.15	19.41	13.63	10.63
Russell Midcap Index		14.63	29.33	21.13	11.30	10.19
Small Cap U.S. Equity	374,389	9.28				
Russell 2000 Index		11.17	26.76	17.51	9.39	8.78
MSCI EAFE Index (Net)		12.99	24.77	25.21	8.20	5.71
Emerging Markets Equity	297,056					
MSCI Emerging Markets Index (Net)		16.86	26.05	18.66	5.75	4.02
Total Fixed Income	4,578,350	5.35	8.12	5.81	2.63	2.73
BBARC Intermediate US Aggregate Bond Index		4.64	10.39	5.81	.85	1.79
Total Real Assets	520,875	13.54	37.04	20.41	8.52	
Real Estate	520,875	13.54	37.04			
S&P US REIT Index		12.32	28.94	12.97	1.60	3.53
Total Cash and Equivalents	703,230	4.13	5.57	5.03	2.27	1.51



For performance and rate of return methodologies, as well as other important information, please refer to the Appendix/Disclosures provided.

Investment products and services are:
NOT A DEPOSIT • NOT FDIC INSURED • MAY LOSE VALUE • NOT BANK GUARANTEED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY



Account:

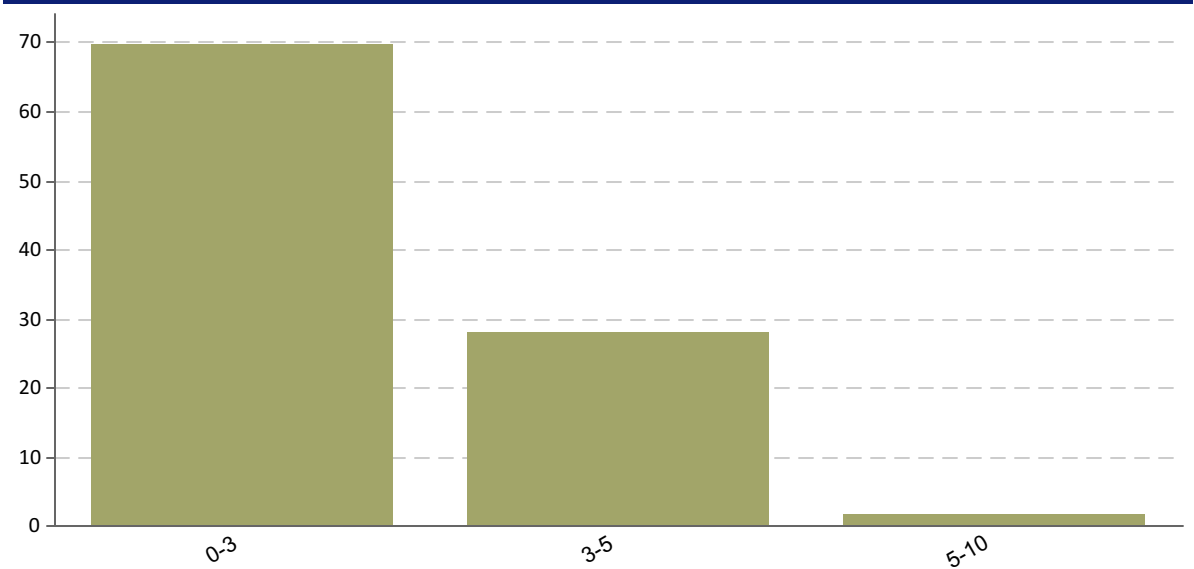
Holdings Method: Direct

Report Date: 09/30/2024

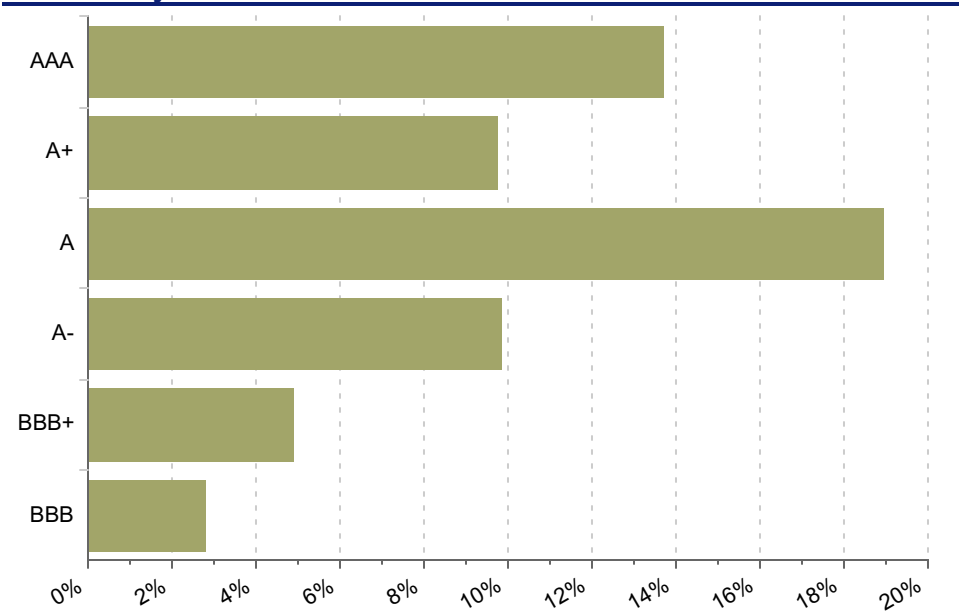
Bond Characteristics

	Portfolio	% Avail
Avg. Coupon (%)	3.73	100
Current Yield (%)	4.03	100
Yield to Maturity (%)	4.08	100
Yield to Worst (%)	4.08	100
Effective Maturity/Avg. Life (Yrs)	1.96	100
Effective Duration (Yrs)	1.80	100
Convexity	.06	100
Credit Quality	A	74
Number of Securities	27	100

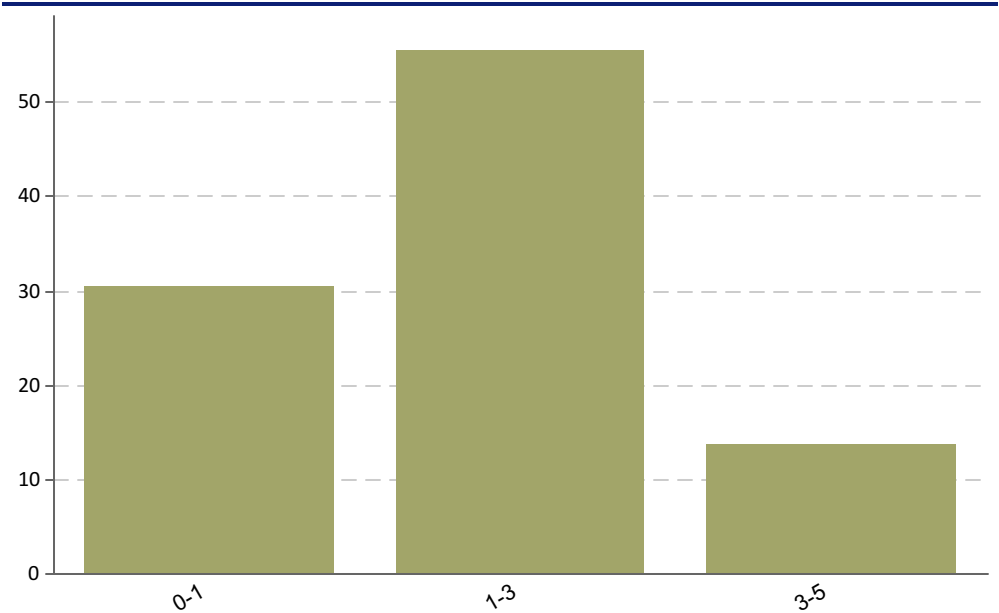
Bond Effective Maturity



Bond Quality Distribution



Bond Duration Distribution





Holdings Method: Direct

Report Date: 09/30/2024

	Symbol	% of Fixed Income	Portfolio Value	Estimated Annual Income	Current Yield (%)	Yield to Maturity (%)	Effective Duration (Yrs)	Eff. Mat./ Avg. Life (Yrs)	Avg. Quality
Total		100.00	4,919,071	203,126	4.12	4.08	1.80	1.96	A
Investment Grade		94.00	4,623,763	195,626	4.22	4.05	1.88	2.04	A
Corporate		81.60	4,015,138	167,954	4.18	4.09	2.02	2.20	A-
BANK OF AMERICA C D 5.350% 11/27/24	06051V5N2	5.10	250,170	13,375	5.35	4.71	0.15	0.16	--
CHARLES SCHWAB CORP 3.850% 5/21/25	808513AX3	3.00	149,249	5,775	3.87	4.64	0.59	0.64	A
TOYOTA MOTOR MTN 3.950% 6/30/25	89236TKC8	3.00	149,598	5,925	3.96	4.31	0.72	0.75	A+
COMMUNITY BK TR C D 4.950% 7/14/25	20347MAQ4	4.10	201,272	10,200	5.07	4.26	0.76	0.79	--
SIMON PROPERTY GROUP 3.500% 9/01/25	828807CV7	3.00	148,713	5,250	3.53	4.45	0.85	0.92	A-
INTERNATIONAL 4.500% 2/06/26	459200KW0	3.10	150,692	6,750	4.48	4.14	1.29	1.35	A-
INTEL CORP 4.875% 2/10/26	458140CD0	2.00	100,501	4,875	4.85	4.49	1.30	1.36	BBB+
HOME DEPOT INC 3.000% 4/01/26	437076BM3	3.00	147,897	4,500	3.04	3.97	1.35	1.50	A
TARGET CORP 2.500% 4/15/26	87612EBE5	3.00	147,500	3,750	2.54	3.62	1.48	1.54	A
HP INC 1.450% 6/17/26	40434LAF2	2.90	142,944	2,175	1.52	4.33	1.65	1.71	BBB
UNITED FID BK C D 4.800% 7/14/26	910286GR8	4.10	203,342	9,600	4.72	3.87	1.68	1.79	--
KROGER CO 2.650% 10/15/26	501044DE8	3.00	145,583	3,975	2.73	4.17	1.89	2.04	BBB+
AMERICAN EXP C D 5.150% 11/09/26	02589AF80	5.20	256,763	12,875	5.01	3.79	1.95	2.11	--
MORGAN STANLEY C D 5.150% 11/09/26	61690DGP7	5.20	256,763	12,875	5.01	3.79	1.95	2.11	--
PUBLIC STORAGE 3.094% 9/15/27	74460DAC3	3.00	146,229	4,641	3.17	4.00	2.72	2.96	A
UNITEDHEALTH GROUP 2.950% 10/15/27	91324PDE9	3.00	146,019	4,425	3.03	3.88	2.83	3.04	A+
MORGAN STANLEY C D 5.050% 11/08/27	61768EE66	5.30	259,130	12,625	4.87	3.78	2.81	3.11	--
UBS BK USA SALT C D 5.050% 11/08/27	90355GHP4	5.30	259,340	12,625	4.87	3.80	2.82	3.11	--
AMERICAN HONDA MTN 4.700% 1/12/28	02665WED9	2.10	101,786	4,700	4.62	4.11	2.99	3.28	A-
BANK OF NY MTN 3.400% 1/29/28	06406RAF4	4.00	195,838	6,800	3.47	4.07	3.02	3.33	A+
NATIONAL RURAL MTN 4.850% 2/07/29	63743HFN7	2.10	102,573	4,850	4.73	4.20	3.84	4.27	A
CUMMINS INC 4.900% 2/20/29	231021AV8	5.30	258,478	12,250	4.74	4.05	3.87	4.31	A
BAKER HUGHES LLC CO 3.138% 11/07/29	05723KAG5	1.90	94,761	3,138	3.31	4.29	4.53	5.10	A-
Mutual Funds & ETFs		4.40	215,497	13,074	6.07	NA	NA	NA	NA
iShares Preferred & Income Securities ETF	PFF	4.40	215,497	13,074	6.07	NA	NA	NA	NA
Treasury		8.00	393,129	14,598	3.64	3.64	0.43	0.44	AAA
U S TREASURY BILL 10/03/24	912797GW1	3.00	149,961	4,681	3.12	3.12	0.01	0.01	AAA
U S TREASURY BILL 6/12/25	912797LN5	4.90	243,168	9,917	3.97	3.97	0.68	0.70	AAA



Holdings Method: Direct

Report Date: 09/30/2024

			Symbol	% of Fixed Income	Portfolio Value	Estimated Annual Income	Current Yield (%)	Yield to Maturity (%)	Effective Duration (Yrs)	Eff. Mat./ Avg. Life (Yrs)	Avg. Quality
Foreign Developed Debt				6.00	295,308	7,500	2.54	4.60	0.68	0.70	AAA
Foreign Sovereign				6.00	295,308	7,500	2.54	4.60	0.68	0.70	AAA
STATOIL ASA	3.250%	11/10/24	85771PAX0	3.00	149,655	4,875	3.26	5.14	0.11	0.11	AAA
EQUINOR ASA	1.750%	1/22/26	29446MAJ1	3.00	145,653	2,625	1.80	4.04	1.27	1.31	AAA

Holdings Method: Direct and Indirect (securities held in mutual funds & ETFs)

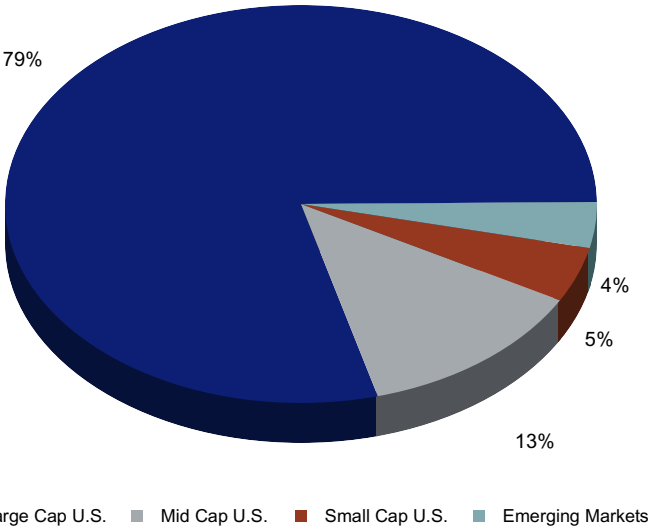
Report Date: 09/30/2024

Equity Summary

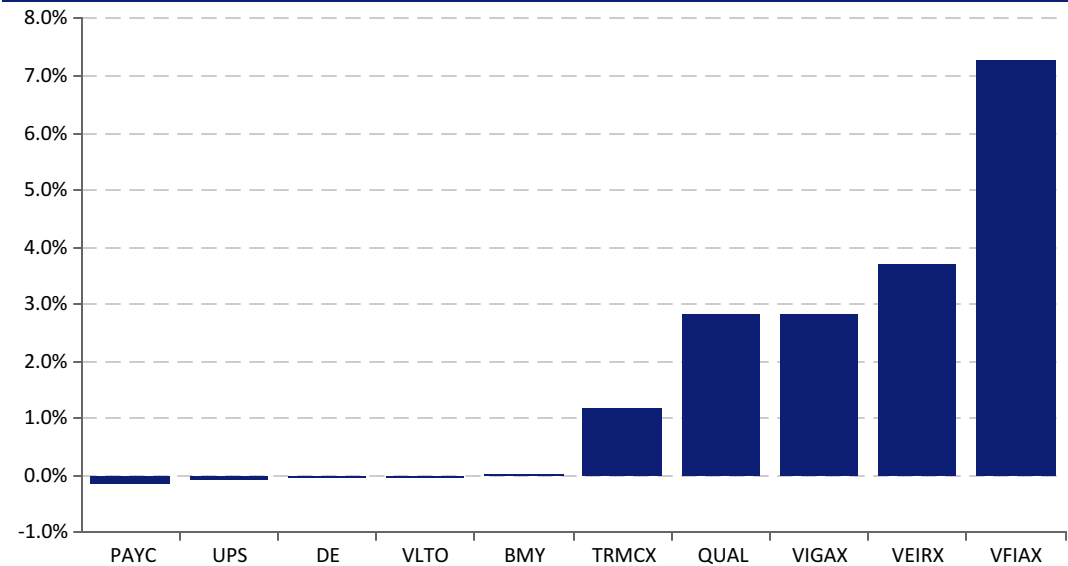
Inv. Objective	Client Directed IPS
Total Equity Value	\$8,245,286
Current Yield	1.45%
Annual Income Projected	\$119,503
Number of Securities	19
Portfolio Mgr.	Jeff Trudeau, CFA

Equity Asset Allocation

Large Cap U.S.	\$6,534,074	79.25%
Mid Cap U.S.	\$1,039,767	12.61%
Small Cap U.S.	\$374,389	4.54%
Emerging Markets	\$297,056	3.60%



Bottom 5/ Top 5 Contributors (Trailing 12 Months)



Equity Global Distribution



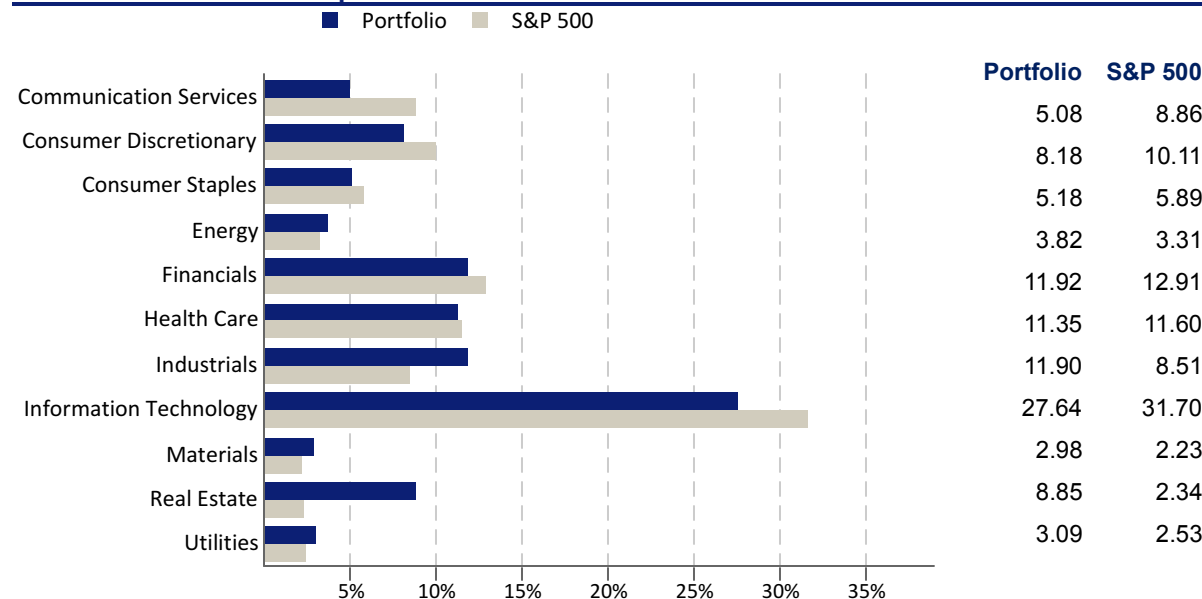
Equity Country Distribution



Top 10 Common Stock Holdings

	Stock Wt. (%)	Full Port Wt. (%)	Yield (%)	YTD Return (%)*	52 Wk Return (%)*
Apple Inc.	3.11	1.90	0.45	21.5	36.8
Microsoft Corporation	2.81	1.72	0.81	15.0	37.3
NVIDIA Corporation	2.71	1.66	0.03	145.3	179.3
Oracle Corporation	2.47	1.52	0.94	63.2	63.1
QUALCOMM Incorporated	2.04	1.25	2.00	19.3	56.3
Danaher Corporation	1.91	1.17	0.39	20.6	27.1
Advanced Micro Devices, Inc.	1.81	1.11	0.00	11.3	59.6
L3Harris Technologies Inc	1.58	0.97	1.95	14.7	39.6
Prologis, Inc.	1.56	0.96	3.04	-3.0	16.0
Micron Technology, Inc.	1.56	0.95	0.44	21.8	53.2

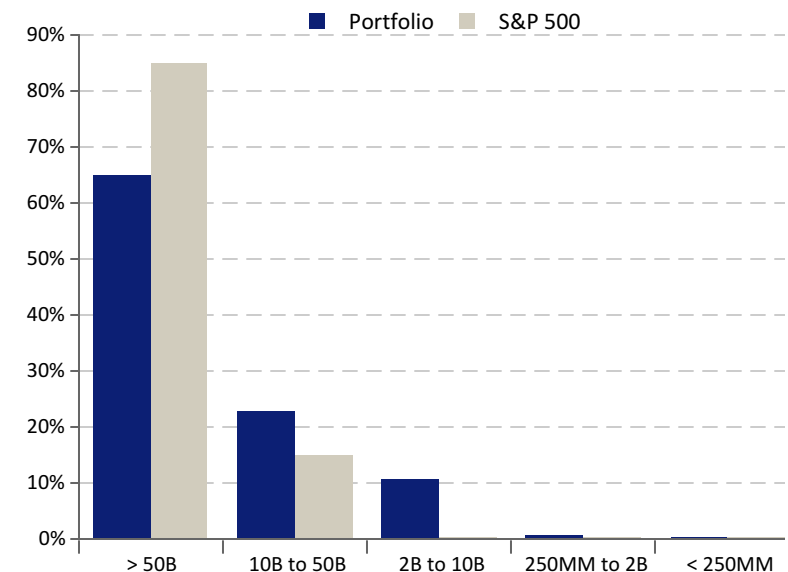
Common Stock Sector Exposures



Common Stock Characteristics

	Portfolio	S&P 500
Market Cap - Wtd Avg	\$485.3B	\$997.4B
Market Cap - Median	\$1.7B	\$38.0B
Dividend Yield (%)	1.77	1.46
P/E NTM	19.4	21.7
P/E LTM	25.1	27.1
ROE (%)	22.0	29.7
1 Yr Beta vs. S&P Composite	.99	1.01
Est 3-5 Yr EPS Growth (%)	13.1	14.8
Hist 3 Yr EPS Growth (%)	22.1	25.3
Number of Securities	4673	504

Common Stock Market Cap Distribution



*Specific to the security - does not represent performance in the portfolio.



Holdings Method: Direct

Report Date: 09/30/2024

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Total		100.0			13,993,969	11,325,073	2,668,897	2.51	352,123
Cash		2.21			308,738	308,738	0	4.82	14,868
Cash Equivalents		2.21			308,738	308,738	0	4.82	14,868
FIRST AM GOVT OB FD CL X	31846V336	2.21	1.00	308,738	308,738	308,738	0	4.82	14,868
Fixed Income		35.15			4,919,071	4,783,288	135,782	4.12	203,126
Investment Grade		33.04			4,623,763	4,496,020	127,742	4.22	195,626
Mutual Funds & ETFs		1.54			215,497	202,185	13,312	6.07	13,074
iShares Preferred & Income Securities ETF	PFF	1.54	33.23	6,485	215,497	202,185	13,312	6.07	13,074
Corporate		28.69			4,015,138	3,913,777	101,360	4.18	167,954
BANK OF AMERICA C D 5.350% 11/27/24	06051V5N2	1.79	100.07	250,000	250,170	250,000	170	5.35	13,375
CHARLES SCHWAB CORP 3.850% 5/21/25	808513AX3	1.07	99.50	150,000	149,249	153,432	-4,184	3.87	5,775
TOYOTA MOTOR MTN 3.950% 6/30/25	89236TKC8	1.07	99.73	150,000	149,598	150,663	-1,065	3.96	5,925
COMMUNITY BK TR C D 4.950% 7/14/25	20347MAQ4	1.44	100.64	200,000	201,272	199,800	1,472	5.07	10,200
SIMON PROPERTY GROUP 3.500% 9/01/25	828807CV7	1.06	99.14	150,000	148,713	144,278	4,436	3.53	5,250
INTERNATIONAL 4.500% 2/06/26	459200KW0	1.08	100.46	150,000	150,692	148,313	2,379	4.48	6,750
INTEL CORP 4.875% 2/10/26	458140CD0	.72	100.50	100,000	100,501	100,968	-467	4.85	4,875
HOME DEPOT INC 3.000% 4/01/26	437076BM3	1.06	98.60	150,000	147,897	147,323	575	3.04	4,500
TARGET CORP 2.500% 4/15/26	87612EBE5	1.05	98.33	150,000	147,500	141,327	6,173	2.54	3,750
HP INC 1.450% 6/17/26	40434LAF2	1.02	95.30	150,000	142,944	132,714	10,230	1.52	2,175
UNITED FID BK C D 4.800% 7/14/26	910286GR8	1.45	101.67	200,000	203,342	199,700	3,642	4.72	9,600
KROGER CO 2.650% 10/15/26	501044DE8	1.04	97.06	150,000	145,583	139,034	6,549	2.73	3,975
AMERICAN EXP C D 5.150% 11/09/26	02589AF80	1.83	102.71	250,000	256,763	249,875	6,888	5.01	12,875
MORGAN STANLEY C D 5.150% 11/09/26	61690DGP7	1.83	102.71	250,000	256,763	250,000	6,763	5.01	12,875
PUBLIC STORAGE 3.094% 9/15/27	74460DAC3	1.04	97.49	150,000	146,229	141,591	4,638	3.17	4,641
UNITEDHEALTH GROUP 2.950% 10/15/27	91324PDE9	1.04	97.35	150,000	146,019	139,178	6,842	3.03	4,425
MORGAN STANLEY C D 5.050% 11/08/27	61768EE66	1.85	103.65	250,000	259,130	249,750	9,380	4.87	12,625
UBS BK USA SALT C D 5.050% 11/08/27	90355GHP4	1.85	103.74	250,000	259,340	249,500	9,840	4.87	12,625
AMERICAN HONDA MTN 4.700% 1/12/28	02665WED9	.73	101.79	100,000	101,786	98,965	2,821	4.62	4,700
BANK OF NY MTN 3.400% 1/29/28	06406RAF4	1.40	97.92	200,000	195,838	187,934	7,904	3.47	6,800



CITY OF LEWISTON POLICE RET UMA

Portfolio Holdings

Holdings Method: Direct

Report Date: 09/30/2024

		Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
NATIONAL RURAL MTN	4.850% 2/07/29	63743HFN7	.73	102.57	100,000	102,573	98,001	4,572	4.73	4,850
CUMMINS INC	4.900% 2/20/29	231021AV8	1.85	103.39	250,000	258,478	251,428	7,050	4.74	12,250
BAKER HUGHES LLC CO	3.138% 11/07/29	05723KAG5	.68	94.76	100,000	94,761	90,006	4,755	3.31	3,138
Treasury			2.81			393,129	380,058	13,070	3.64	14,598
U S TREASURY BILL	10/03/24	912797GW1	1.07	99.97	150,000	149,961	142,223	7,738	3.12	4,681
U S TREASURY BILL	6/12/25	912797LN5	1.74	97.27	250,000	243,168	237,835	5,332	3.97	9,917
Foreign Developed Debt			2.11			295,308	287,268	8,040	2.54	7,500
Foreign Sovereign			2.11			295,308	287,268	8,040	2.54	7,500
STATOIL ASA	3.250% 11/10/24	85771PAX0	1.07	99.77	150,000	149,655	146,652	3,003	3.26	4,875
EQUINOR ASA	1.750% 1/22/26	29446MAJ1	1.04	97.10	150,000	145,653	140,616	5,037	1.80	2,625
Equity			58.92			8,245,286	5,821,825	2,423,460	1.45	119,503
Large Cap U.S. Equity			46.69			6,534,074	4,467,251	2,066,823	1.53	99,837
Health Care			1.11			154,857	127,385	27,473	0.39	602
Danaher Corporation		DHR	1.11	278.02	557	154,857	127,385	27,473	0.39	602
Industrials			1.61			225,013	189,256	35,757	3.28	7,376
L3Harris Technologies Inc		LHX	.84	237.87	492	117,032	89,975	27,057	1.92	2,244
United Parcel Service, Inc. Class B		UPS	.77	136.34	792	107,981	99,281	8,700	4.75	5,132
Information Technology			5.23			731,249	472,949	258,301	1.00	7,309
Advanced Micro Devices, Inc.		AMD	.97	164.08	830	136,186	81,739	54,448	0.00	0
Analog Devices, Inc.		ADI	.90	230.17	550	126,594	101,339	25,255	1.60	2,024
Micron Technology, Inc.		MU	.91	103.71	1,224	126,941	113,189	13,752	0.44	563
Oracle Corporation		ORCL	1.42	170.40	1,166	198,686	124,775	73,911	0.94	1,866
QUALCOMM Incorporated		QCOM	1.02	170.05	840	142,842	51,906	90,936	2.00	2,856
Mutual Funds & ETFs			38.75			5,422,955	3,677,662	1,745,293	1.56	84,551
Invesco S&P 500 Equal Weight ETF		RSP	4.92	179.16	3,845	688,870	636,770	52,101	1.48	10,178
iShares MSCI USA Quality Factor ETF		QUAL	5.04	179.30	3,933	705,187	312,951	392,236	1.01	7,115
Vanguard 500 Index Fd Admiral Shs		VFIAX	15.66	531.71	4,121	2,191,325	1,482,716	708,609	1.27	27,909
Vanguard Equity Income Fund Admiral Sha...		VEIRX	9.18	95.74	13,416	1,284,417	1,046,206	238,211	2.85	36,571
Vanguard Growth Index Fd Admiral Shs		VIGAX	3.95	197.71	2,798	553,155	199,019	354,136	0.50	2,778



CITY OF LEWISTON POLICE RET UMA

Portfolio Holdings

Holdings Method: Direct

Report Date: 09/30/2024

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Mid Cap U.S. Equity		7.43			1,039,766	763,463	276,304	0.90	9,350
Mutual Funds & ETFs		7.43			1,039,766	763,463	276,304	0.90	9,350
SPDR S&P Midcap 400 ETF Trust	MDY	2.76	569.66	678	386,229	251,444	134,786	1.15	4,442
T. Rowe Price Mid-Cap Growth Fund, Inc.	RPMGX	1.53	109.65	1,950	213,784	156,091	57,692	0.06	120
T. Rowe Price Mid-Cap Value Fund, Inc.	TRMCX	1.56	36.43	6,012	218,999	147,619	71,380	0.98	2,146
Vanguard Extended Market ETF	VXF	1.58	181.99	1,213	220,754	208,308	12,446	1.20	2,641
Small Cap U.S. Equity		2.68			374,389	320,746	53,643	1.29	4,834
Mutual Funds & ETFs		2.68			374,389	320,746	53,643	1.29	4,834
iShares Core S&P Small Cap ETF	IJR	2.68	116.96	3,201	374,389	320,746	53,643	1.29	4,834
Emerging Markets Equity		2.12			297,056	270,366	26,690	1.85	5,483
Mutual Funds & ETFs		2.12			297,056	270,366	26,690	1.85	5,483
iShares MSCI Emerging Markets ex China...	EMXC	2.12	61.11	4,861	297,056	270,366	26,690	1.85	5,483
Real Assets		3.72			520,875	411,221	109,654	2.81	14,626
U.S. Listed Real Estate		3.72			520,875	411,221	109,654	2.81	14,626
American Tower Corporation	AMT	.79	232.56	475	110,466	83,868	26,598	2.71	2,997
Digital Realty Trust, Inc.	DLR	.57	161.83	489	79,135	45,441	33,694	3.02	2,386
iShares Core U.S. REIT ETF	USRT	1.65	61.57	3,754	231,134	192,371	38,763	2.80	6,483
Prologis, Inc.	PLD	.72	126.28	793	100,140	89,541	10,599	2.76	2,760



Holdings Method: Direct

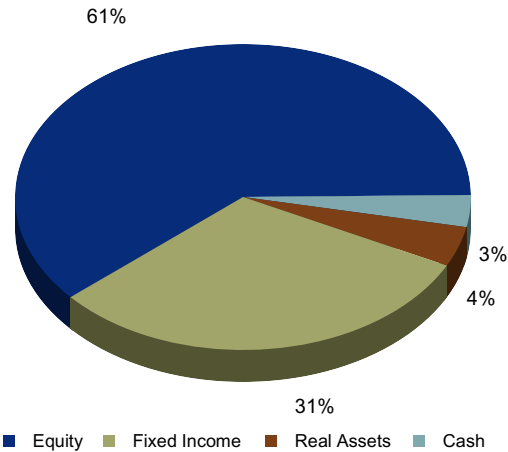
Report Date: 09/30/2024

Portfolio Summary

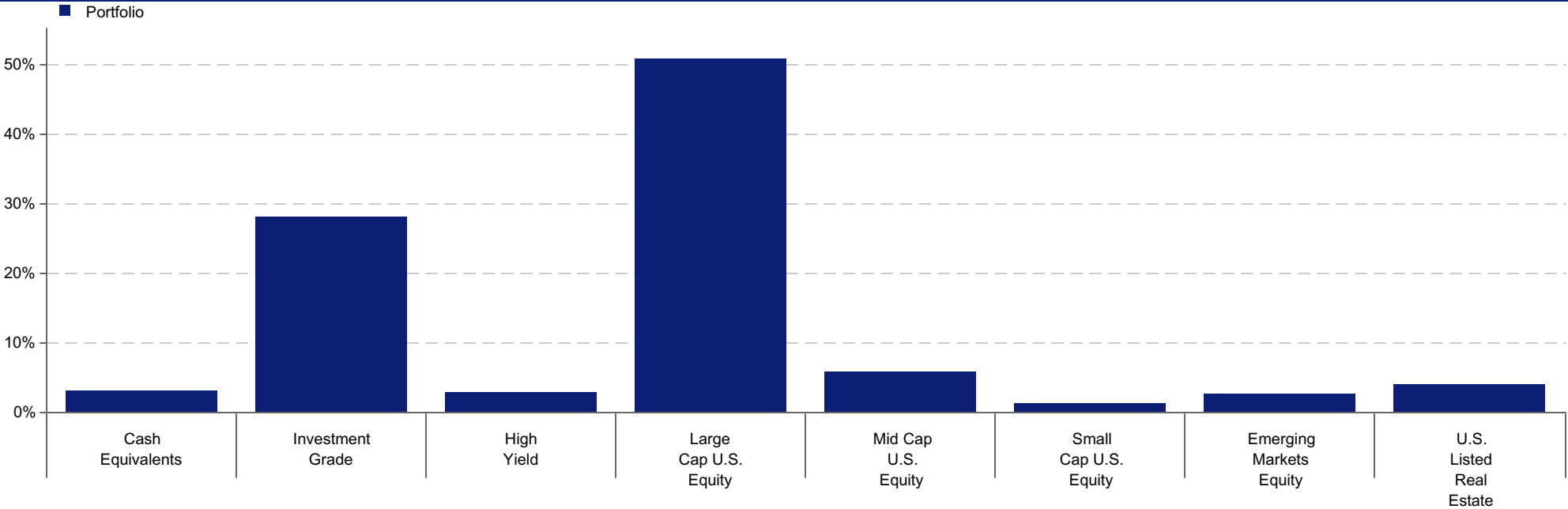
Inv. Objective	Client Directed IPS
Total Portfolio Value	\$1,175,918
Net Realized Cap Gains YTD	\$5,787
Annual Income Projected	\$29,989
Current Yield	2.55%
Number of Securities	23
Portfolio Mgr.	Jeff Trudeau, CFA

Portfolio Asset Allocation

Equity	\$722,504	61.44%
Fixed Income	\$365,798	31.11%
Real Assets	\$49,564	4.21%
Cash	\$38,052	3.24%
Invested Total	\$1,175,918	100.00%



Portfolio Model Allocation



Selected Period Performance

	Market Value	Year to Date (9 Months)	1 Year	2 Years	5 Years	10 Years
Total Portfolio Net of Fees	1,180,137	14.03	22.96	18.14	7.42	6.60
Total Equity	723,130	20.00	33.75	26.65	11.10	9.13
Large Cap U.S. Equity	598,224	20.84	35.29	29.48	12.85	11.16
Russell 1000 Index		21.18	35.68	28.23	15.64	13.10
Mid Cap U.S. Equity	71,889	14.46	28.03	19.68	9.02	9.59
Russell Midcap Index		14.63	29.33	21.13	11.30	10.19
Small Cap U.S. Equity	18,490					
Russell 2000 Index		11.17	26.76	17.51	9.39	8.78
MSCI EAFE Index (Net)		12.99	24.77	25.21	8.20	5.71
Emerging Markets Equity	34,527					
MSCI Emerging Markets Index (Net)		16.86	26.05	18.66	5.75	4.02
Total Fixed Income	368,849	5.55	7.88	5.33	1.81	2.34
BBARC Intermediate US Aggregate Bond Index		4.64	10.39	5.81	.85	1.79
Total Real Assets	49,564	15.66	34.23	17.74		
Real Estate	49,564	15.66	34.23			
S&P US REIT Index		12.32	28.94	12.97	1.60	3.53
Total Cash and Equivalents	38,594	3.84	5.36	4.81	2.12	1.37



For performance and rate of return methodologies, as well as other important information, please refer to the Appendix/Disclosures provided.

Investment products and services are:
NOT A DEPOSIT • NOT FDIC INSURED • MAY LOSE VALUE • NOT BANK GUARANTEED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY



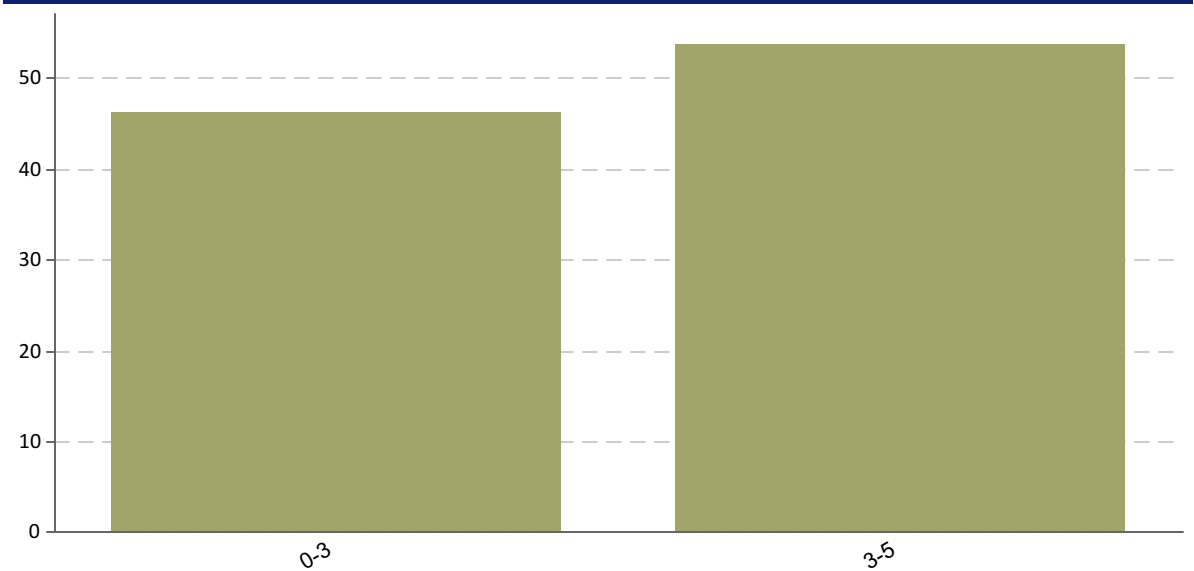
Holdings Method: Direct

Report Date: 09/30/2024

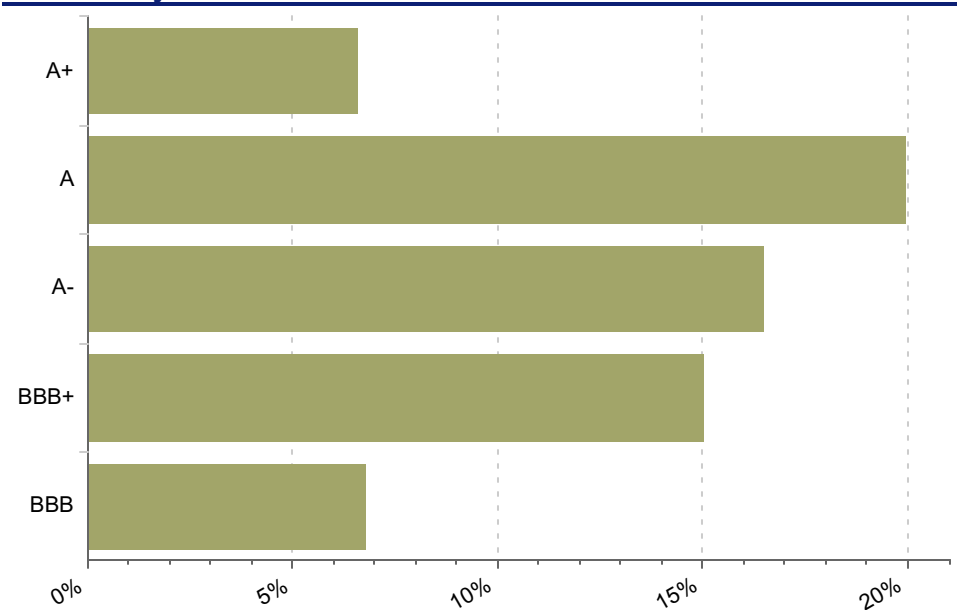
Bond Characteristics

	Portfolio	% Avail
Avg. Coupon (%)	4.06	100
Current Yield (%)	4.05	100
Yield to Maturity (%)	4.15	100
Yield to Worst (%)	4.15	100
Effective Maturity/Avg. Life (Yrs)	2.58	100
Effective Duration (Yrs)	2.34	100
Convexity	.09	100
Credit Quality	BBB+	75
Number of Securities	12	100

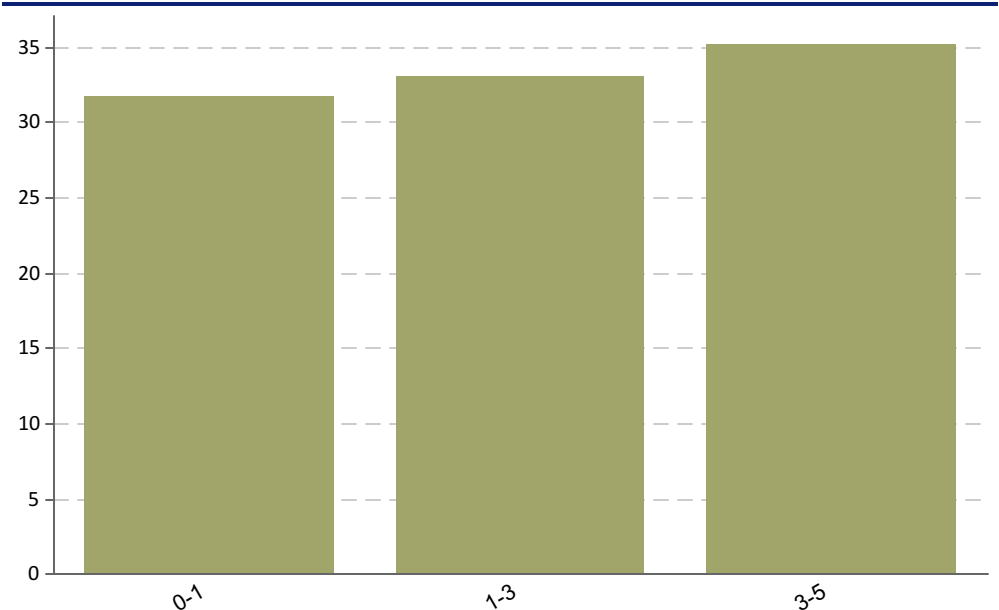
Bond Effective Maturity



Bond Quality Distribution



Bond Duration Distribution





Holdings Method: Direct and Indirect (securities held in mutual funds & ETFs)

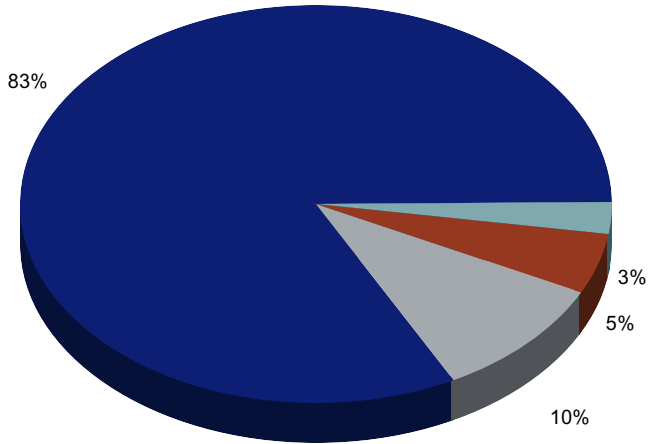
Report Date: 09/30/2024

Equity Summary

Inv. Objective	Client Directed IPS
Total Equity Value	\$722,504
Current Yield	1.49%
Annual Income Projected	\$10,771
Number of Securities	8
Portfolio Mgr.	Jeff Trudeau, CFA

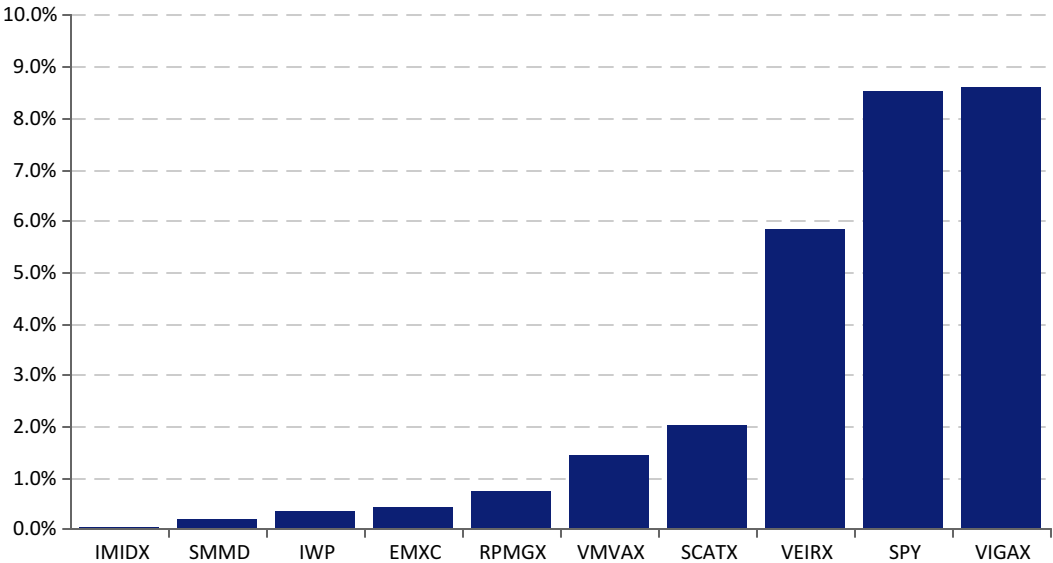
Equity Asset Allocation

Large Cap U.S.	\$597,598	82.71%
Mid Cap U.S.	\$71,889	9.95%
Emerging Markets	\$34,527	4.78%
Small Cap U.S.	\$18,490	2.56%



Large Cap U.S. Mid Cap U.S. Emerging Markets Small Cap U.S.

Bottom 5/ Top 5 Contributors (Trailing 12 Months)



Equity Global Distribution



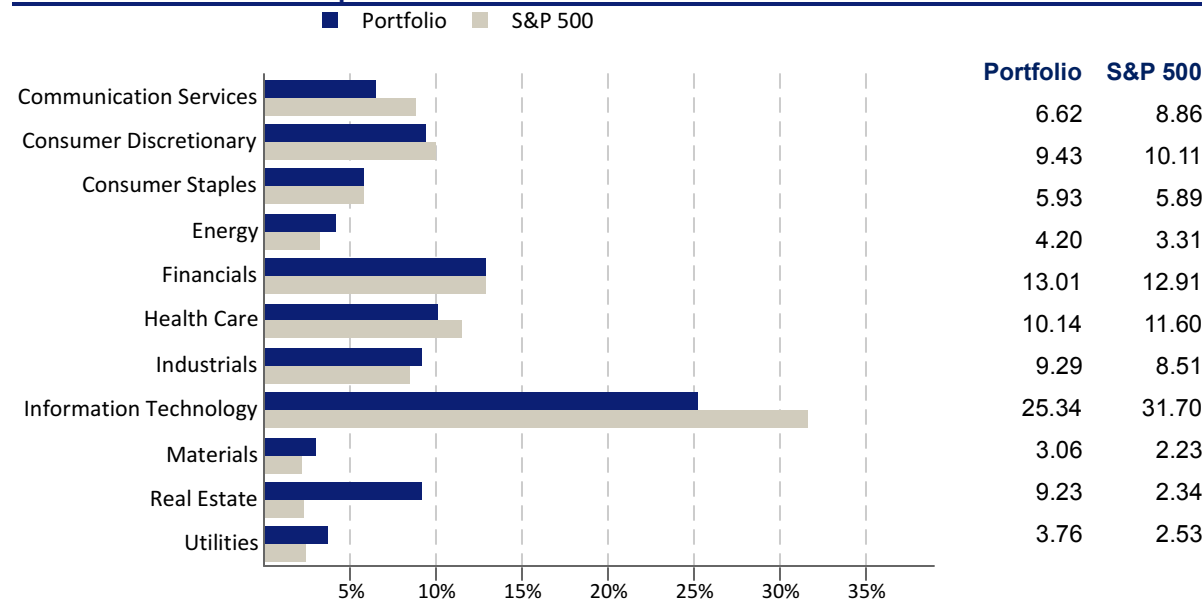
Equity Country Distribution



Top 10 Common Stock Holdings

	Stock Wt. (%)	Full Port Wt. (%)	Yield (%)	YTD Return (%)*	52 Wk Return (%)*
Apple Inc.	4.65	2.98	0.45	21.5	36.8
Microsoft Corporation	4.32	2.77	0.81	15.0	37.3
NVIDIA Corporation	3.89	2.49	0.03	145.3	179.3
Amazon.com, Inc.	2.31	1.48	0.00	22.6	46.6
Meta Platforms Inc Class A	1.76	1.13	0.35	62.2	91.3
Broadcom Inc.	1.47	0.94	1.26	56.2	110.9
Alphabet Inc. Class A	1.28	0.82	0.47	19.0	27.1
JPMorgan Chase & Co.	1.20	0.77	2.24	26.2	49.1
Alphabet Inc. Class C	1.05	0.67	0.46	18.9	27.1
Eli Lilly and Company	1.04	0.67	0.63	52.7	66.0

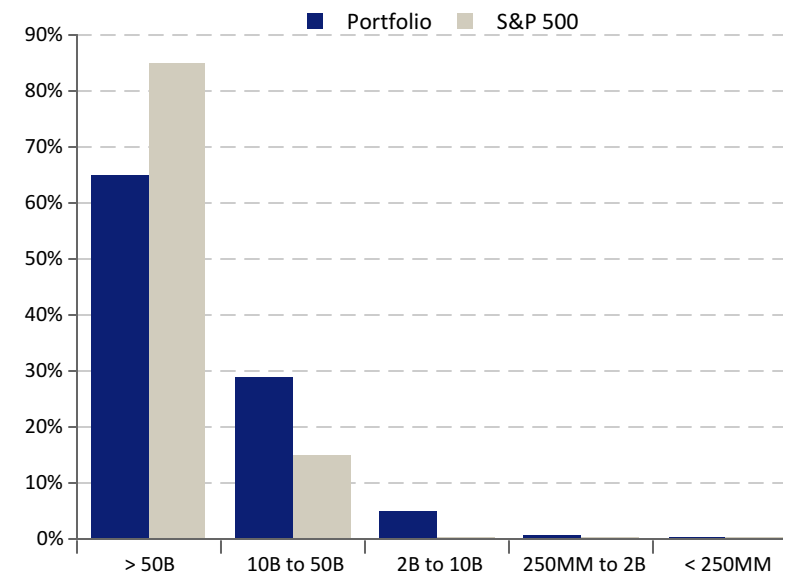
Common Stock Sector Exposures



Common Stock Characteristics

	Portfolio	S&P 500
Market Cap - Wtd Avg	\$653.1B	\$997.4B
Market Cap - Median	\$3.6B	\$38.0B
Dividend Yield (%)	1.84	1.46
P/E NTM	19.9	21.7
P/E LTM	24.1	27.1
ROE (%)	24.6	29.7
1 Yr Beta vs. S&P Composite	.95	1.01
Est 3-5 Yr EPS Growth (%)	14.0	14.8
Hist 3 Yr EPS Growth (%)	25.0	25.3
Number of Securities	3661	504

Common Stock Market Cap Distribution



*Specific to the security - does not represent performance in the portfolio.



CITY OF LEWISTON PERPETUAL CARE

Portfolio Holdings

Holdings Method: Direct

Report Date: 09/30/2024

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Total		100.0			1,175,918	1,003,374	172,543	2.55	29,989
Cash		3.24			38,052	38,052	0	4.82	1,832
Cash Equivalents		3.24			38,052	38,052	0	4.82	1,832
FIRST AM GOVT OB FD CL X	31846V336	3.24	1.00	38,052	38,052	38,052	0	4.82	1,832
Fixed Income		31.11			365,798	359,501	6,297	4.37	15,995
Investment Grade		28.15			331,048	325,377	5,670	4.05	13,395
Corporate		28.15			331,048	325,377	5,670	4.05	13,395
QUALCOMM INC 3.450% 5/20/25	747525AF0	2.11	99.43	25,000	24,858	24,879	-21	3.47	863
CLAREMONT SVGS C D 5.050% 7/28/25	180227AN0	2.57	100.74	30,000	30,222	29,970	252	5.01	1,515
CATERPILLAR FINL MTN 3.650% 8/12/25	14913R2Z9	2.12	99.51	25,000	24,877	25,035	-159	3.67	913
HP ENTERPRISE CO 4.900% 10/15/25	42824CAW9	2.13	100.08	25,000	25,021	24,834	187	4.90	1,225
SCHWAB CHARLES CORP 1.150% 5/13/25	808513BR5	2.03	95.32	25,000	23,830	22,767	1,063	1.21	288
BANK OF NY MTN 2.450% 8/17/26	06406FAE3	2.07	97.34	25,000	24,335	23,825	510	2.52	613
WELLS FARGO BK C D 5.100% 11/22/27	949764JA3	2.65	103.97	30,000	31,191	30,000	1,191	4.91	1,530
GENESEE REGL BK C D 4.100% 12/27/27	37173RAK9	2.58	101.05	30,000	30,316	30,000	316	4.06	1,230
AUTOZONE INC 4.500% 2/01/28	053332BC5	2.57	100.88	30,000	30,265	29,431	834	4.46	1,350
AMERICAN HONDA MTN 5.650% 11/15/28	02665WEV9	2.70	105.64	30,000	31,693	31,091	602	5.35	1,695
IBM CORP 3.500% 5/15/29	459200KA8	2.48	97.19	30,000	29,158	28,203	955	3.60	1,050
PARKER HANNIFIN 4.500% 9/15/29	701094AS3	2.15	101.14	25,000	25,284	25,343	-59	4.45	1,125
High Yield		2.96			34,750	34,124	626	7.47	2,600
Mutual Funds & ETFs		2.96			34,750	34,124	626	7.47	2,600
Artisan High Income Fund - Institutional Sh...	APHFX	2.96	9.18	3,785	34,750	34,124	626	7.47	2,600
Equity		61.44			722,504	565,159	157,345	1.49	10,771
Large Cap U.S. Equity		50.82			597,598	457,562	140,036	1.50	8,970
Mutual Funds & ETFs		50.82			597,598	457,562	140,036	1.50	8,970
Invesco S&P 500 Equal Weight ETF	RSP	5.01	179.16	329	58,944	52,951	5,993	1.48	871
SPDR S&P 500 ETF Trust	SPY	17.52	573.76	359	205,980	162,355	43,625	1.22	2,515
Vanguard Equity Income Fund Admiral Sha...	VEIRX	14.19	95.74	1,743	166,874	129,524	37,350	2.85	4,751
Vanguard Growth Index Fd Admiral Shs	VIGAX	14.10	197.71	839	165,800	112,732	53,069	0.50	833



CITY OF LEWISTON PERPETUAL CARE

Portfolio Holdings

Holdings Method: Direct

Report Date: 09/30/2024

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Mid Cap U.S. Equity		6.11			71,889	58,408	13,481	1.30	935
Mutual Funds & ETFs		6.11			71,889	58,408	13,481	1.30	935
iShares Russell Mid-Cap Growth ETF	IWP	2.99	117.29	300	35,187	31,703	3,484	0.46	163
Vanguard Mid-Cap Value Index Fd Admiral	VMVAX	3.12	86.88	422	36,702	26,704	9,998	2.11	773
Small Cap U.S. Equity		1.57			18,490	16,941	1,549	1.24	229
Mutual Funds & ETFs		1.57			18,490	16,941	1,549	1.24	229
iShares Russell 2500 ETF	SMMD	1.57	67.73	273	18,490	16,941	1,549	1.24	229
Emerging Markets Equity		2.94			34,527	32,249	2,278	1.85	637
Mutual Funds & ETFs		2.94			34,527	32,249	2,278	1.85	637
iShares MSCI Emerging Markets ex China...	EMXC	2.94	61.11	565	34,527	32,249	2,278	1.85	637
Real Assets		4.21			49,564	40,662	8,902	2.80	1,390
U.S. Listed Real Estate		4.21			49,564	40,662	8,902	2.80	1,390
iShares Core U.S. REIT ETF	USRT	4.21	61.57	805	49,564	40,662	8,902	2.80	1,390



October 2, 2024

Market views – October 2024

The big picture: The gradual descent of interest rates, inflation and consumer activity



Upfront conclusions

- 1 We maintain a glass-half full perspective for diversified portfolios as we enter the year's final quarter, recognizing how strong total returns have been thus far in 2024. We are watching the interplay of consumer and business activity, inflation and interest rates, with all three variables expected to trend lower although not necessarily on a linear path.
- 2 Investors have already discounted favorable outcomes across several variables: Aggressive interest rate cuts from the Federal Reserve (Fed), 14% earnings growth for large companies throughout 2025, consumer and business activity gradually slowing but still positive, and a benign election outcome for asset prices.
- 3 Our mosaic approach to global capital market analysis includes focus on consumer spending trends, liquidity/capital flows, central bank activity, the labor market, commercial real estate and global election developments. We recommend a neutral portfolio orientation, but our views remain fluid based on incoming data and macroeconomic developments.



Growth: Decelerating but reasonably solid impulses expected

Recent upward revisions in U.S. economic growth projections reflect ongoing momentum in broad growth impulses led by consumer spending. Growth expectations remain reasonably good.

Bloomberg consensus expectations for U.S. real gross domestic product (GDP) year-over-year

Revision date	Forecasted Gross Domestic Product (GDP Growth)							
	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25
Sep-24	2.9	3.0	2.4	2.0	2.0	1.8	1.8	1.9
Jun-24	2.9	3.0	2.1	1.6	1.7	1.7	1.8	2.0
Mar-24	2.9	2.8	1.9	1.4	1.4	1.6	1.8	1.9
Dec-23	2.2	1.7	0.7	0.8	1.1	1.5		
Sep-23	1.2	0.8	0.6	0.9	1.5			
Jun-23	0.1	0.2	0.8	1.3				

Sources: U.S. Bank Asset Management Group Research, Bloomberg, March 31, 2024 -September 30, 2024. Q1 and Q2 2024 GDP growth are actual, not forecasts.



Inflation: Stubborn, but signs of optimism as expectations revised lower

Continued progress slowing inflation will be key for the Federal Reserve to reduce interest rates this year. Inflation remains stubborn, but economists' forecast of a 2.3% increase in the Consumer Price Index in 2025 is consistent with the Fed's price stability target.

Bloomberg consensus expectations for the U.S. Consumer Price Index (CPI) year-over-year

Revision date	Forecasted Consumer Price Inflation (CPI)							
	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25
Sep-24	3.3	3.2	2.6	2.5	2.1	2.1	2.2	2.3
Jun-24	3.3	3.2	3.0	3.0	2.6	2.4	2.3	2.3
Mar-24	3.3	3.0	2.8	2.7	2.5	2.3	2.3	2.4
Dec-23	2.9	2.8	2.5	2.4	2.3	2.3	2.2	
Sep-23	2.9	2.7	2.6	2.4	2.4			
Jun-23	2.8	2.7	2.6	2.4				

Sources: U.S. Bank Asset Management Group Research, Bloomberg, March 34, 2024 -September 30, 2024. First and second quarter 2024 CPI are actual, not forecasts.



Monetary policy: Federal Reserve balancing labor market considerations with inflation

The Fed has emphasized inflation as the key driver of interest rate policy for more than two years. However, Fed officials recognized the inflation *and employment* (which has slowed) goals have moved into better balance at its September 18 meeting.

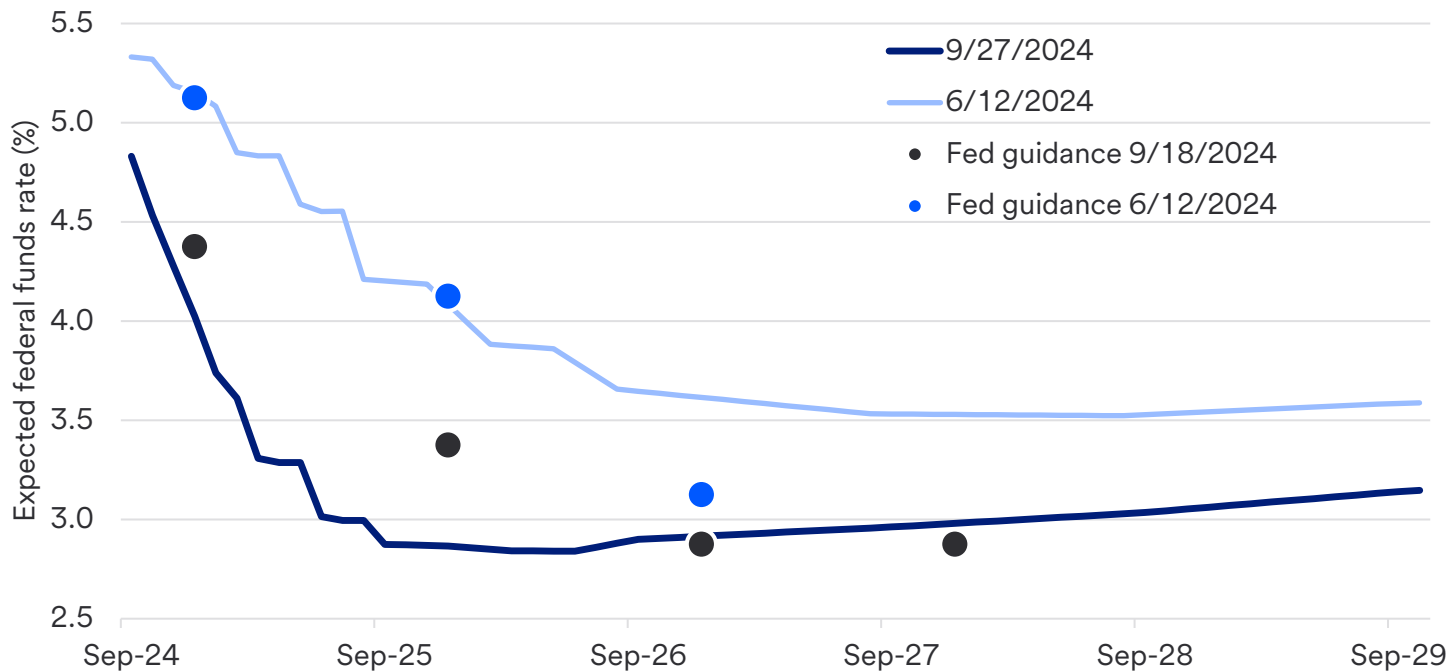
Fed statement excerpt with strikethrough showing deleted July 31 meeting statement text and blue/bold showing new September 18 meeting statement text

The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. The Committee **has gained greater confidence that inflation is moving sustainably toward 2 percent, and** judges that the risks to achieving its employment and inflation goals ~~continue to move into better~~**are roughly in** balance. The economic outlook is uncertain, and the Committee is attentive to the risks to both sides of its dual mandate.

Monetary policy: Markets now expect more cuts than the Fed projected as the economy decelerates

Markets anticipate that the Fed will reduce its interest target with 1.00%-1.25% in cumulative cuts by year-end 2024. The Fed emphasizes the path forward for rate policy is contingent on evolving economic conditions but has been reactive to market pressure in some instances.

Rate cuts priced in by the market and projected by the Federal Reserve



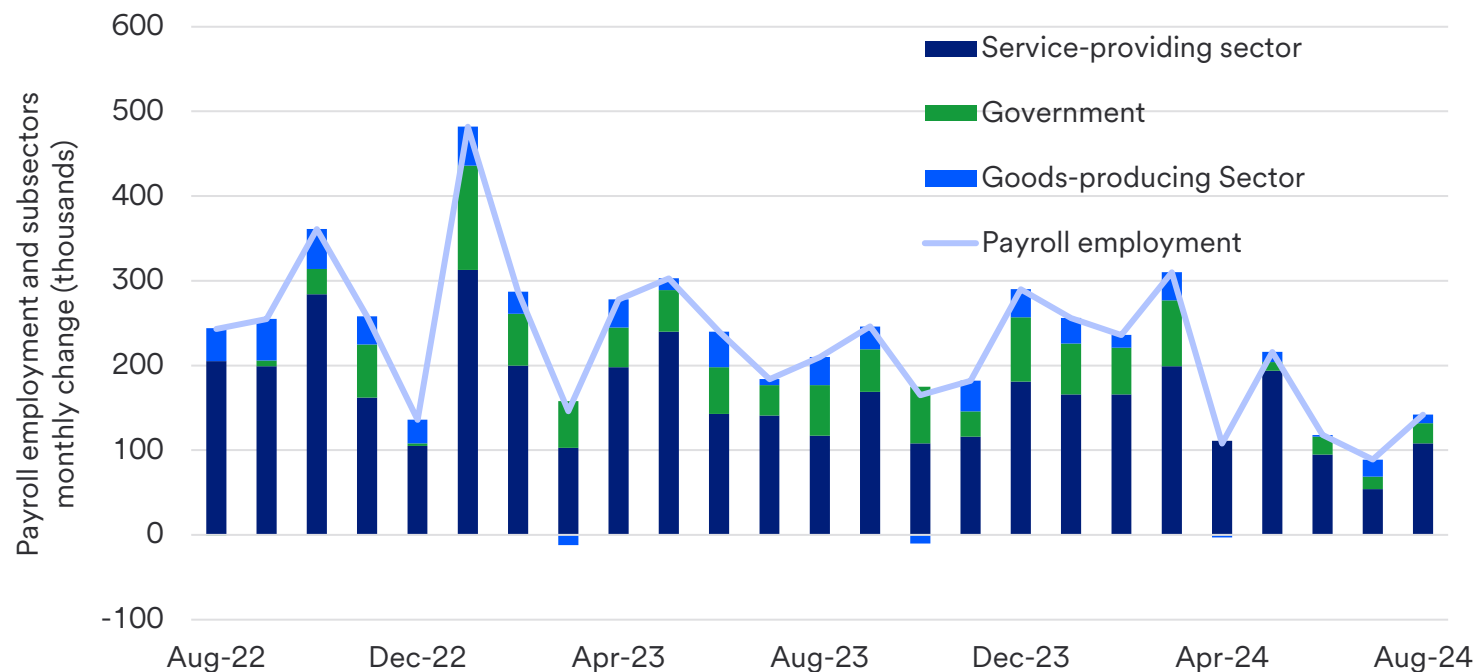
Sources: U.S. Bank Asset Management Group analysis, Bloomberg data: Projected hikes through 2028. Data period: June 12, 2024-September 27, 2024.



Labor: Job growth continues decelerating, with gains dominated by services and government jobs

Monthly growth in employment remains reasonably constructive but continues to decelerate. Service-related (healthcare in particular) and government job growth compose most new jobs.

Non-farm payroll growth by service-providing, goods-producing, and government jobs



Sources: U.S. Bank Asset Management Group Research, Bloomberg; August 31, 2022-August 31, 2024.



Consumer metrics continue decelerating but remain in a normal historical range

Consumer spending continues bolstering economic growth and corporate earnings. The labor market has been good overall but continues gradually decelerating. Recently, borrowing activity has deteriorated as consumers refrain from taking out new debt, which places greater pressure on jobs and income to maintain spending. Lower-income consumers continue to struggle based on earnings call commentary from discount stores and restaurants.

Consumer strength rankings (10 = strongest)

	2019				2020				2021				2022				2023				2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Last
Labor market	7	6	7	6	2	1	2	3	3	7	8	10	10	9	9	9	9	9	8	8	8	6	6
Income	8	6	6	4	5	10	9	9	9	4	5	5	3	3	4	4	7	8	7	7	5	5	7
Borrowing	5	5	5	6	5	1	0	0	0	4	6	7	9	9	9	8	7	6	5	4	3	2	1
Spending	4	4	6	8	2	1	3	4	10	10	9	10	8	6	6	5	3	2	5	7	5	6	6
Delinquencies	6	7	6	5	5	9	9	9	10	10	10	10	10	9	9	8	7	6	5	5	4	4	4
Average	6	6	6	6	4	4	5	5	6	7	8	8	8	7	7	7	7	6	6	6	5	4	5

Scores reflect a 1 to 10 ranking of proprietary blends of indicators (10 = strongest)

Sources: U.S. Bank Asset Management Group analysis, Bloomberg data. Data period: September 30, 2004-September 27, 2024.

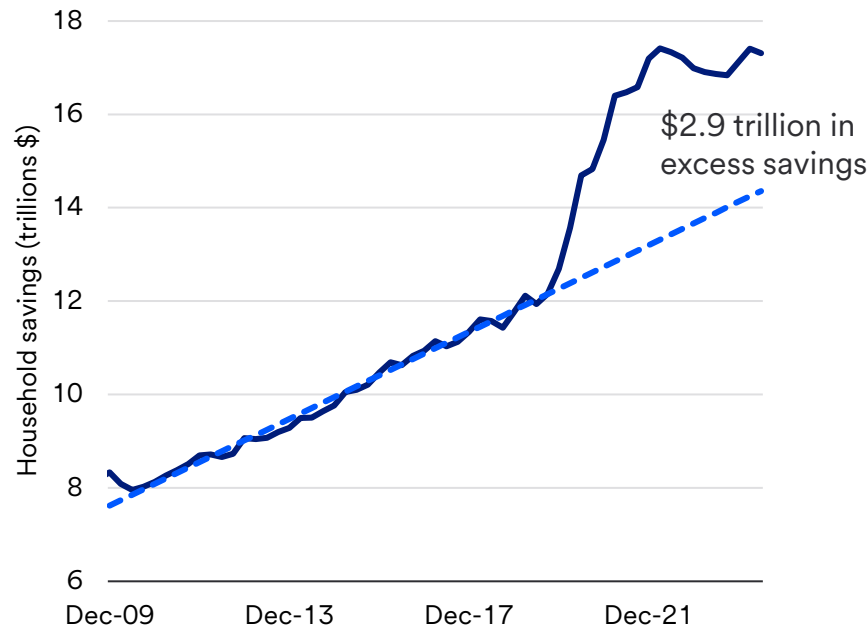


Consumers' inflation-adjusted savings are back to trend, increasing labor market importance

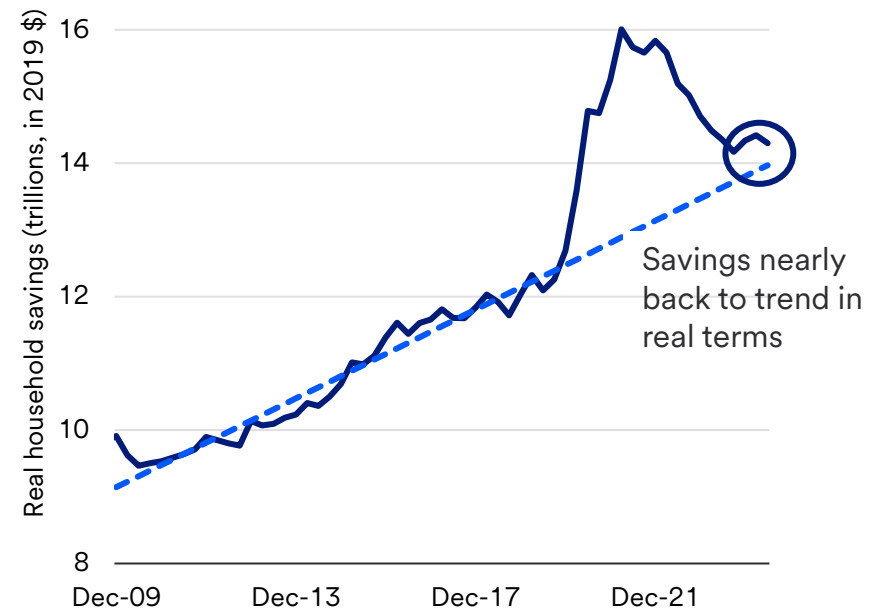
Consumers have \$2.8 trillion in excess savings above the pre-COVID trend. However, inflation eroded the purchasing power of savings to bring real savings back to trend.

Consumers may rely more heavily on income growth and jobs to support spending, with the real value of savings back to more normal levels and with slowing borrowing activity.

Nominal household savings vs. 2010-2019 trend



Real household savings vs. 2010-2019 trend



Sources: U.S. Bank Asset Management Group analysis, Bloomberg data. Data period: December 31, 2009-June 30, 2024.

Household savings include currency, checkable deposits, time deposits, and money market fund assets. Real savings adjusted with the CPI Index to December 2019 dollars.



Policy influence: Vastly different impact of tight policy across company size and household income

Tight monetary policy via high interest rates had a disproportionate impact on small versus large companies and poor versus wealthy households. The “Magnificent 7” companies pay only 0.1% of their market capitalization per year in interest costs, similar to the 0.2% the top 1% of households pay. In contrast, small companies pay 2.5% of their market cap per year while the 25th to 50th percentile household pays 6% of their net worth per year in interest costs.

Monetary policy impact interest costs relative to market capitalization and household net worth

<i>Publicly traded companies</i>		<i>Households</i>	
<u>Company size</u>	<u>Interest costs/Market capitalization</u>	<u>Interest costs/Net worth</u>	<u>Percentile bucket</u>
"Magnificent 7"	0.1%	0.2%	Top 1% of household net worth
Large (top 200)	0.5%	0.6%	75th-99th pctl of household net worth
Mid (800)	1.2%	1.9%	50th-75th pctl of household net worth
Small (2000)	2.5%	6.0%	25th-50th pctl of household net worth
		N/A (~zero net worth)	0th-25th pctl of household net worth

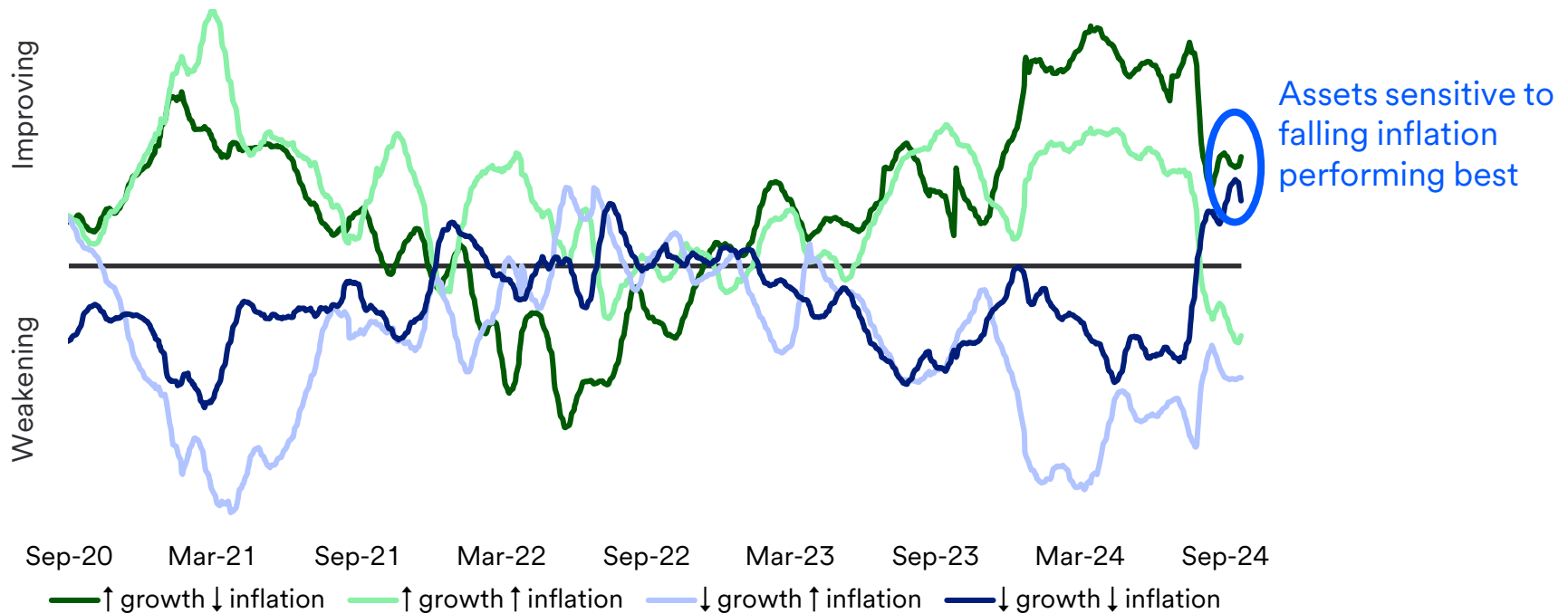
Sources: U.S. Bank Asset Management Group analysis, Bloomberg, Richmond Federal Reserve, Survey of Consumer Finances, Lendingtree.com, educationdata.org. Data period: 2022 for income cohorts and debt as percent of household net worth. Data from 8/27/24 was used for consumer rates with 5/28/24 data for publicly traded companies.



Strong growth focus priced in by assets now shifting to a decelerating inflation impulse

Our proprietary method for interpreting how the market is pricing the growth and inflation outlook indicates a shift from investor focus on improving growth to a decelerating inflation bias. Defensive and interest rate-sensitive assets like Treasuries and defensive stock performance bolstered this shift.

Market pricing of the growth and inflation outlook



Sources: U.S. Bank Asset Management Group Research, Bloomberg; September 26, 2020 -September 26, 2024.

Each regime blends performance of 10 equity, fixed income, and real asset categories by their sensitivity to growth and inflation to score implied market pricing of economic conditions.



Valuation: Near-normal valuations across most equity categories, though U.S. large-cap expensive

Most stock categories have near normal valuations, although U.S. large-caps are somewhat expensive, driven by large technology companies.

Equity valuations (scores 0 to 10, low score indicates expensive valuations)

	18'	19'	20'	21'	22'	23'	24'	Last score
Overall equity score								4
U.S. Large cap								1
U.S. Mid cap								3
U.S. Small cap								5
Developed Foreign								4
Emerging Market								6

Overall credit score								4
Agg								1
MBS								5
IG Corp								1
HY Corp								1
IG Muni								5
Reinsurance								9

Sources: U.S. Bank Asset Management Group Research, Bloomberg; December 31, 2005-September 27, 2024. Based on two proprietary equity risk premium methodologies with influences from widely accepted methodologies noted by Aswath Damodaran (NYU) and Robert Shiller (Yale).



Investor pricing of credit risk remains well behaved

The extra yield on high yield corporate bonds over Treasuries compensates investors for credit risk. Investors continue to price in benign credit conditions ahead with companies generally having sufficient ability to service their debts.

High yield corporate bond spread (%)



Sources: U.S. Bank Asset Management Group Research, Bloomberg; September 26, 2004-September 26, 2024.



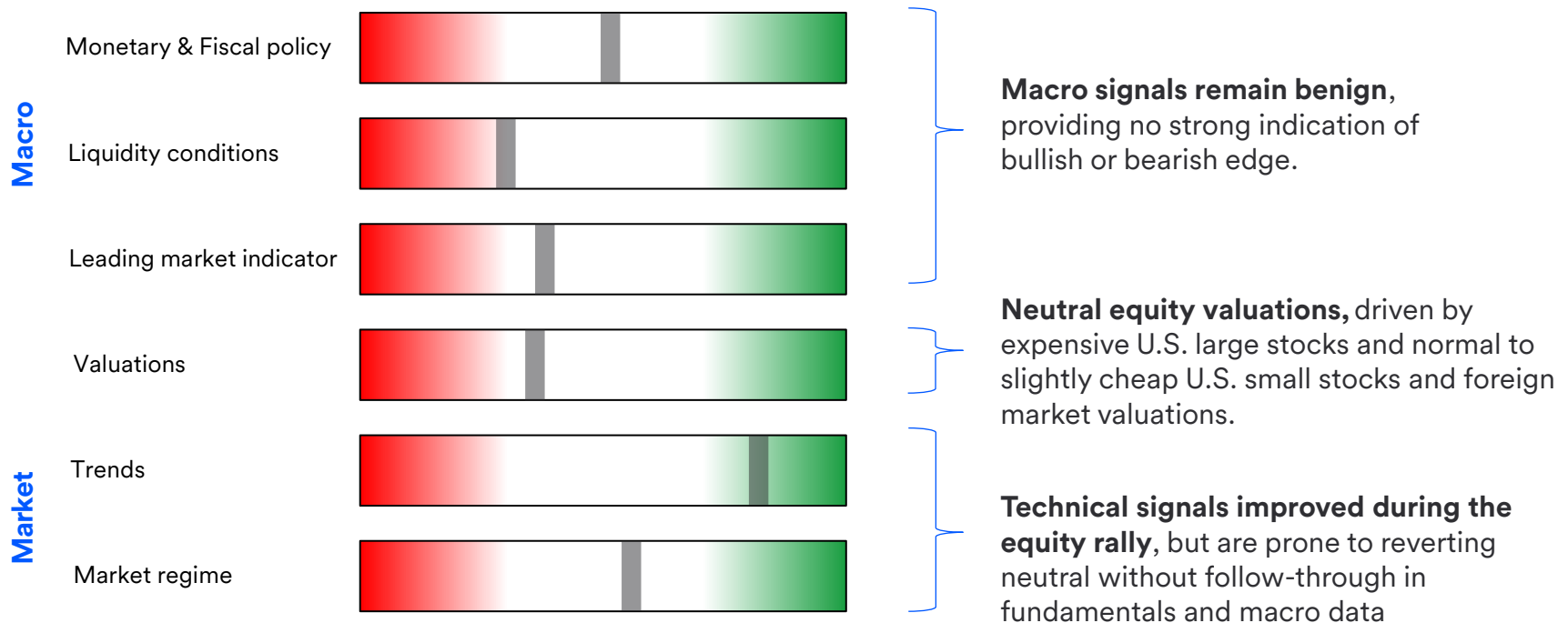
The forward view



Signals warrant a balanced orientation across major asset classes

Near-neutral valuations, mixed macroeconomic signals and constructive medium-term price trends favor more neutral positioning between stocks, bonds and real assets. Some recent volatility in prices suggest benchmark-aware diversification remains prudent, though equity trends have improved.

Overview of our primary market considerations

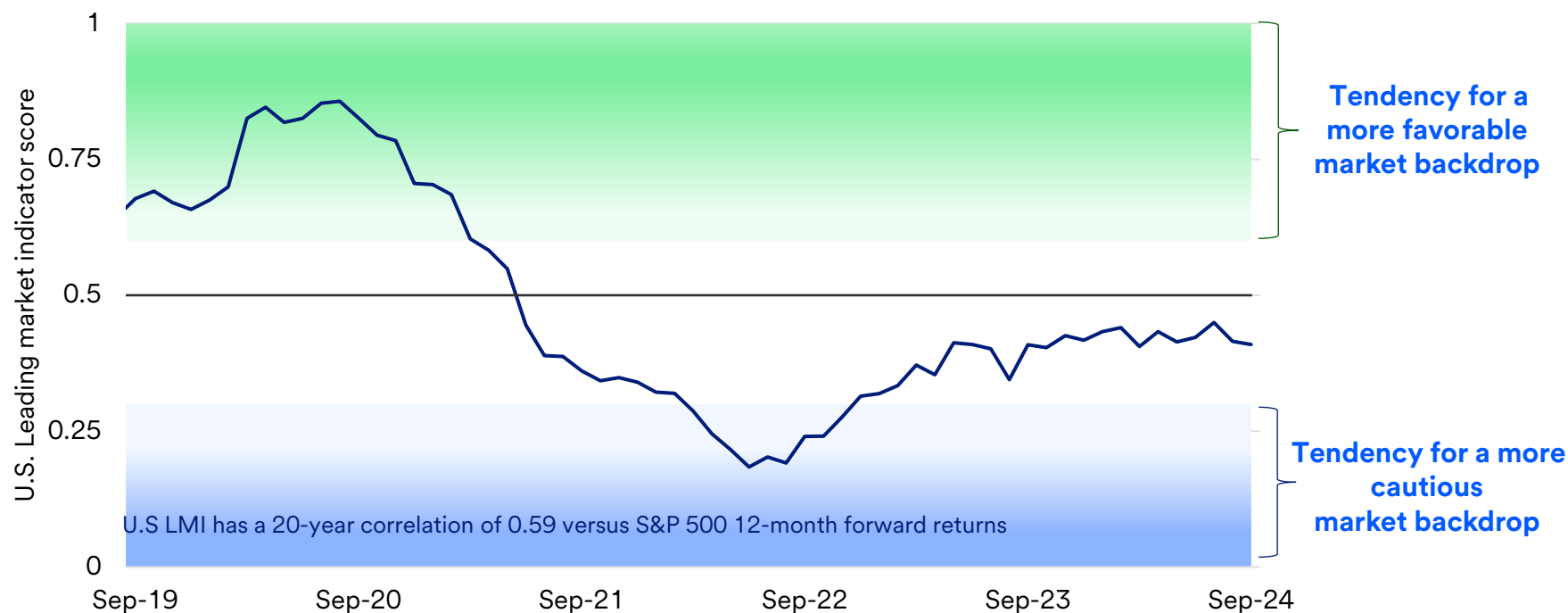


Sources: U.S. Bank Asset Management Group Research, Bloomberg, FactSet, Hutchins Center; January 31, 1948-September 27, 2024.

Our leading market indicator remains neutral, favoring relying on other signals

Our leading market indicator remains in neutral territory. A neutral signal from our leading indicator favors heavier reliance on other macroeconomic and market-based signals.

Our proprietary U.S. leading market indicator (LMI)



Sources: Bloomberg, Hutchins Center, U.S. Bank Asset Management Group Research. Data period: December 31, 1969-September 27, 2024.



Fiscal policy: Deficit spending near 7% of GDP suggests ongoing fiscal policy tailwind

Deficit spending remains above the long-term average, an underappreciated tailwind to 2023 and 2024 economic growth (and inflation). Significant fiscal spending boosted consumer and corporate earnings growth but also challenges the Fed's goal of bring inflation down to its 2% target.

Trailing 12-month U.S. federal deficit spending as a percent of GDP



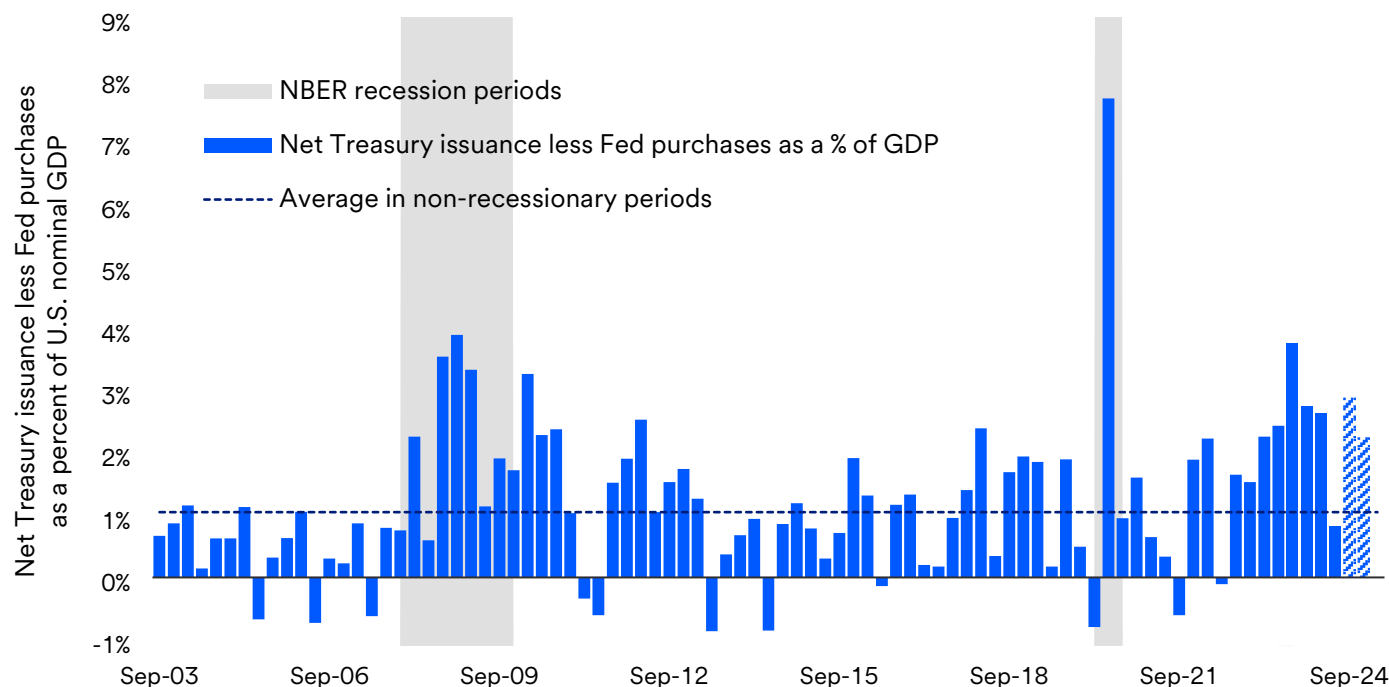
Sources: Bloomberg, U.S. Bank Asset Management Group Research. Data period: August 31, 2004-August 31, 2024.



Fiscal policy: Treasury supply still high but concentrated in short-term T-bills

The U.S. Treasury expects to issue \$740 billion in Treasuries in the third quarter and \$565 billion in the fourth quarter, well above normal issuance outside of recessions. However, the Treasury continues to fund the deficit primarily with short-term T-bills, blunting the impact of high issuance on long-term bond yields.

Treasury net issuance less Fed purchases as a percent of nominal gross domestic product (GDP)



Sources: U.S. Bank Asset Management Group Research, Bloomberg, U.S. Treasury; Data period: September 30, 2003 -August 31, 2024.

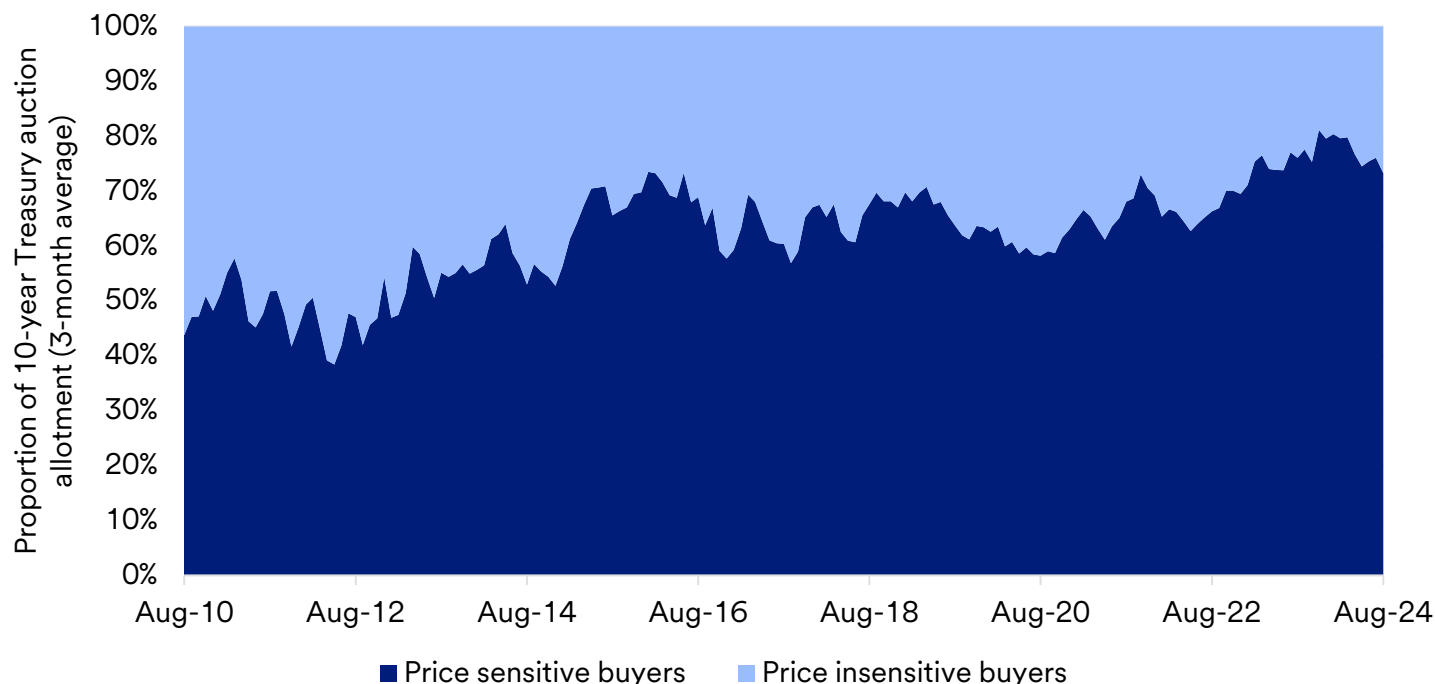
Third and fourth quarter 2024 forecasts assume Treasury follows its marketable borrowing estimates and Fed guidance for Treasury runoff to slow to \$25 billion per month.



Fiscal policy: Treasury bond demand has shifted to more price-sensitive buyers

Investment funds and individuals encompass a growing proportion of Treasury demand. Treasury demand shifting to more price sensitive buyers can exacerbate the upward pressure on yields from high Treasury supply.

Proportion of 10-year Treasury auction allotted to price sensitive vs. insensitive buyers (three-month average)



- Price insensitive buyers include the Fed, brokers and dealers, pension funds and banks
- Price sensitive buyers include investment funds, individuals and foreign investors

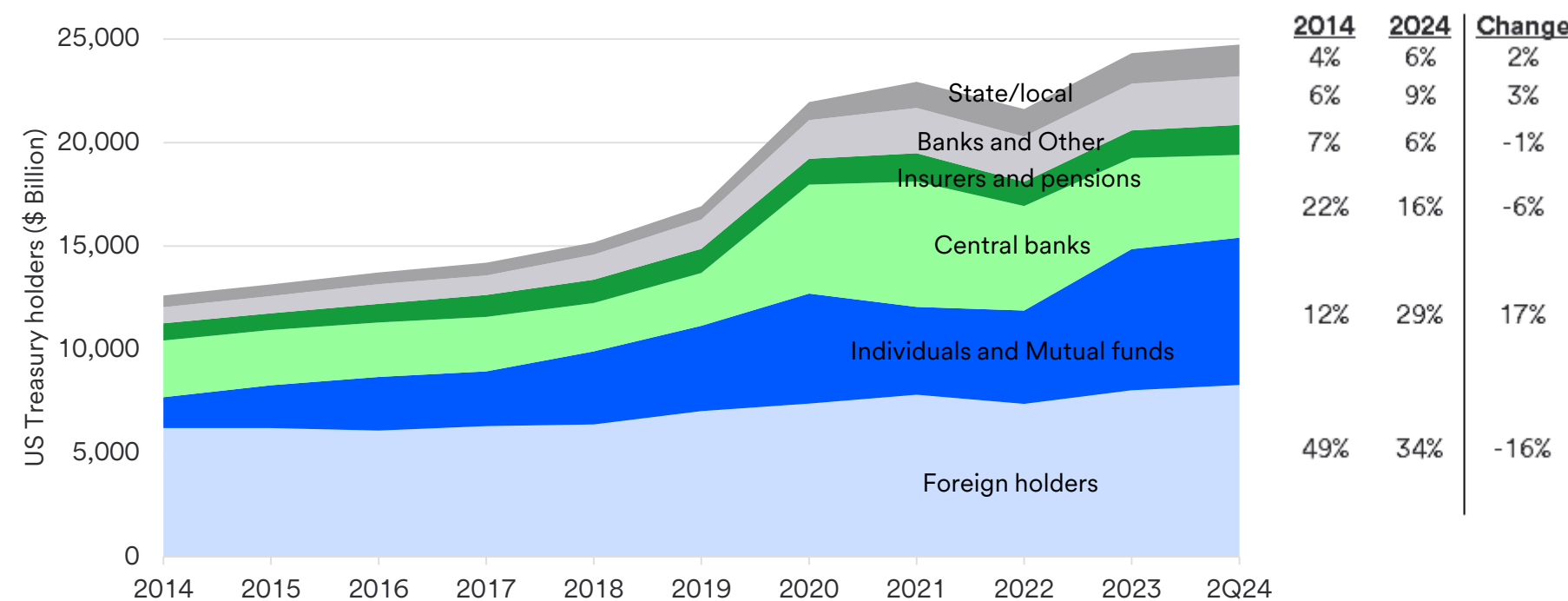
Sources: U.S. Bank Asset Management Group Research, Bloomberg, U.S. Treasury; Data period: August 31, 2010 -August 31, 2024.



Fiscal policy: Easing foreign demand for Treasuries absorbed by individuals and mutual funds

Over the past decade, individual investors and mutual funds have grown from holding 12% to 29% of the Treasury market, while foreign investors dropped from 49% to 34%.

Holder of U.S. Treasury debt

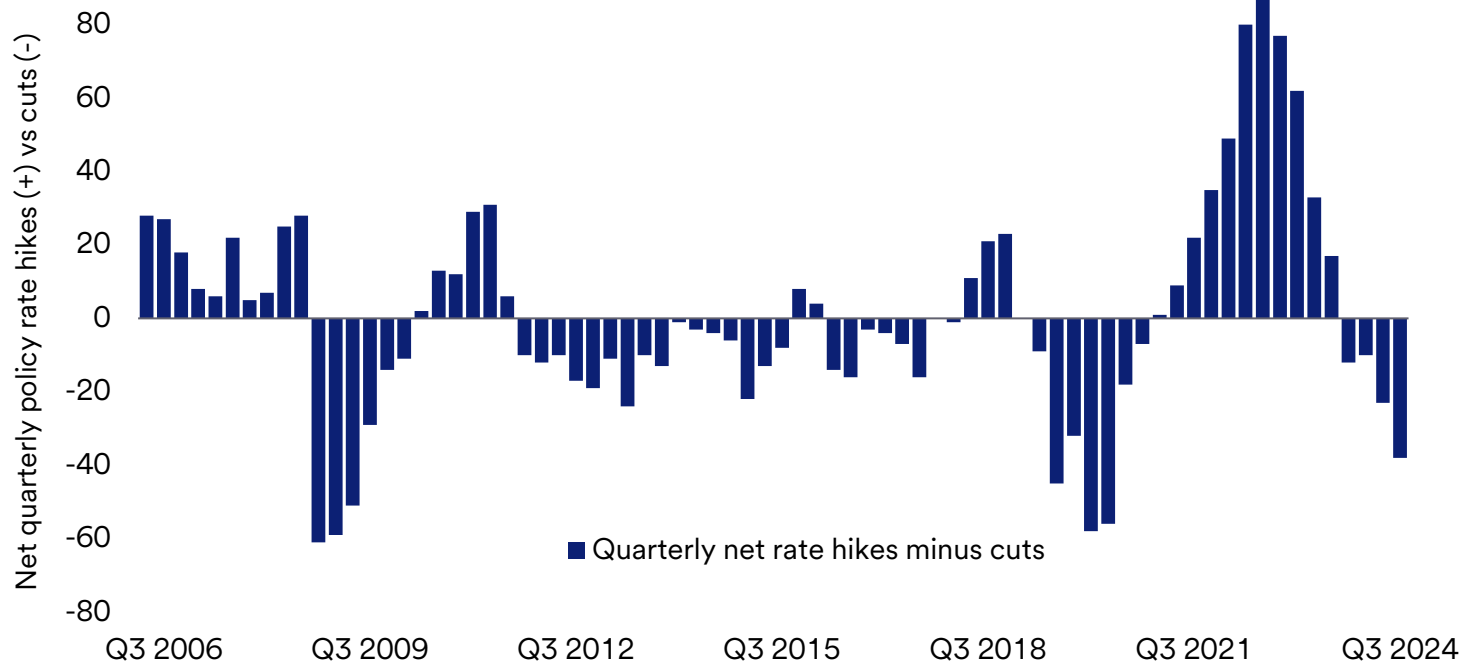


Sources: U.S. Bank Asset Management Group Research, SIFMA, Bloomberg; December 31, 2014 -June 30, 2024.

Monetary policy: Global central banks transitioning toward easier policy

Global central banks have been cutting rates more than hiking since late last year. Emerging market policymakers initiated cuts, followed by developed market policymakers.

Net global central bank hikes minus cuts



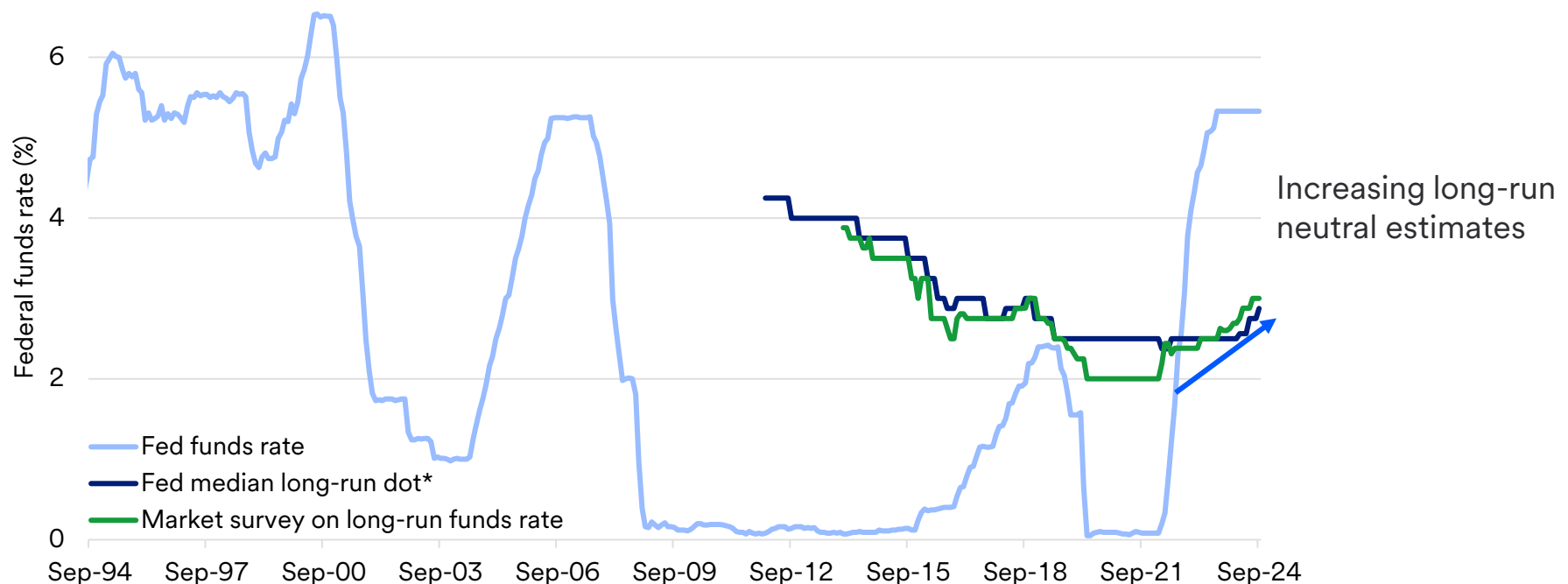
Sources: U.S. Bank Asset Management Group analysis, FactSet. Data period: September 30, 2006-September 27, 2024.



Monetary policy: Possibility of higher neutral rate creeping into long-run funds projections

Fed officials and market participants are gradually adjusting their estimates of the long-run neutral fed funds rate higher to reflect the potential for sticky inflation and productivity fueling improved real growth. Expectations for a higher neutral funds rate risk upward pressure on long-term Treasury yields.

Expectations for the long-run neutral federal funds rate (%)



Sources: U.S. Bank Asset Management Group Research, Bloomberg; August 31, 1994-September 27, 2024.

Fed median long-run dot starts Jan 31, 2012. Survey on long-run funds rate starts January 31, 2014.

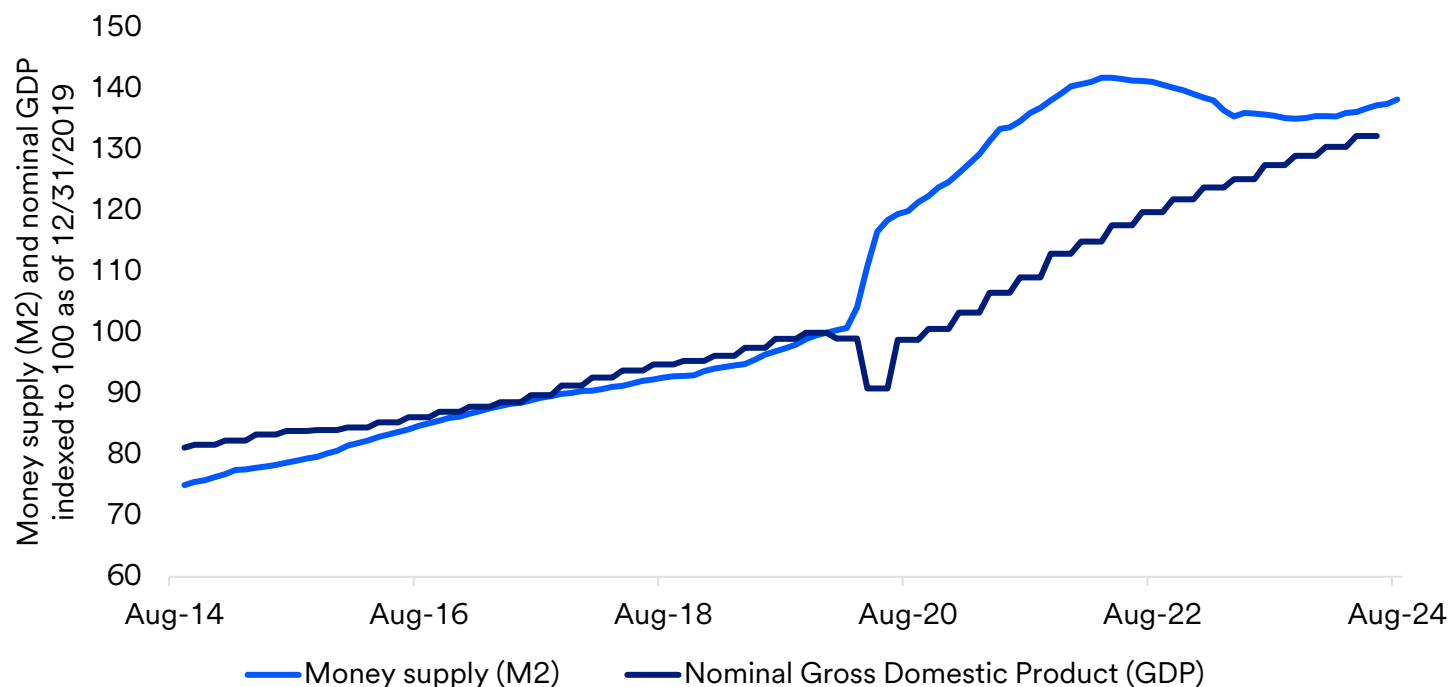
Fed median long-run dot reflects median of committee members' projections for the federal funds rate over the long-term.



Liquidity: Excess U.S. money supply now normalizing back to levels consistent with GDP

Elevated money supply *levels* have provided a liquidity cushion for the economy and financial markets, fueling spending on good and services or invested in financial assets. Using 2019 as a baseline before COVID-stimulus distortions, money supply levels are again near consistent with economic activity levels.

Excess money supply (M2) growth vs. economic activity (GDP) since 2019



Sources: U.S. Bank Asset Management Group Research, Bloomberg; December 31, 2013 -August 31, 2024. Projection assumes M2 falls by \$60 billion per month.



Current capital market considerations



Current capital market focus

1

Equity market: Strong performance, broad sector and international equity participation, but are 2025 earnings expectations too high?

All 11 major sectors within the S&P 500 have produced positive total returns this year, with Energy the sole sector with returns less than 11% through the end of September. Markets anticipate large company stocks to grow earnings at 14% in 2025, which may prove overzealous as the economy modestly slows.

2

Bond market: The U.S. Federal Reserve cuts interest rates, but have investors baked in too many cuts too quickly?

Markets and the Fed remain at odds with expectations for interest rates at year-end 2025, with markets currently expecting about half a percentage point more in cuts than what the Fed signaled in mid-September. Consumer activity through the holiday season may dictate changes to both Fed and market forecasts.

3

Real assets: Does Real Estate equity and bond stability suggest commercial real estate worries are in the rear-view mirror?

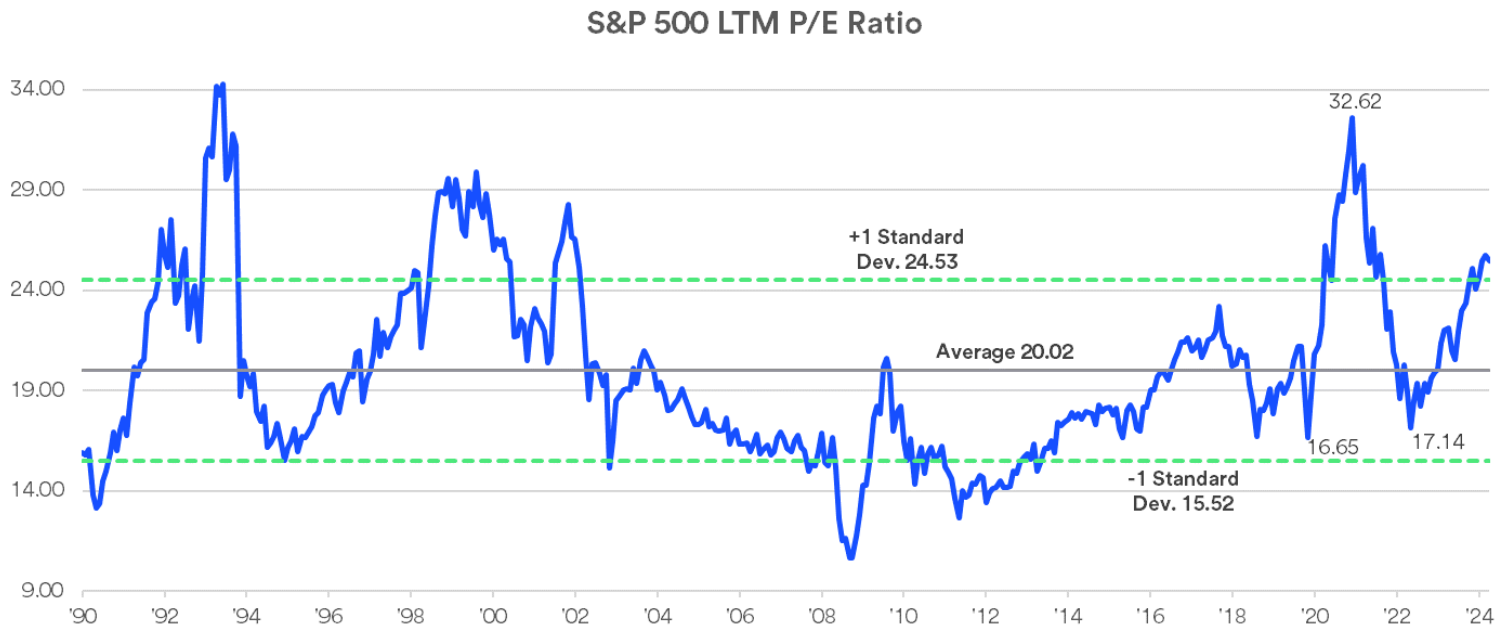
Despite concerns about the office market and select multi-family property issues, real estate debt and equity have performed well this year. We do not think price strength suggests an all-clear signal; many assets have performed well, thanks to interest rate cuts, but refinancing trends and mark-to-market pricing still loom large.



S&P 500 trailing price-to-earnings (P/E) ratio

Multiples using last 12-month (LTM) estimates are at the high side of fair.

U.S. Bank Asset Management Group S&P 500 P/E estimate range (as of September 27; S&P 500 level: 5,738.17)



- LTM average P/E ratio: 20.0x (+1/-1 standard deviation range of 24.5x-15.5x).
- Current P/E multiple of roughly 24.3x LTM results is at the high side of the historical average.

Sources: U.S. Bank Asset Management Group, Bloomberg, September 29, 2024.

Domestic earnings projections for 2025 seem optimistic; valuation is “elevated”

U.S. Bank Wealth Management S&P 500 estimate summary (as of 9/27/24); S&P 500 level: 5,738.17)

Firm	Estimated Operating / Reported Earnings Per Share							P/E Est. Multiple		
	2022	2023	2024	2025	YoY Growth			2023	2024	2025
					23/22	24/23	25/24			
• Bloomberg	223.9	221.1	241.6	275.2	-1.2%	9.3%	13.9%	26.0x	23.7x	20.8x
• FactSet (Bottoms Up)	219.2	220.2	241.0	276.9	0.4%	9.5%	14.9%	26.1x	23.8x	20.7x
• S&P Capital IQ	219.2	220.3	239.9	274.2	0.5%	8.9%	14.3%	26.1x	23.9x	NA
Blend	220.8	220.5	240.9	275.5	-0.1%	9.2%	14.4%	26.0x	23.8x	20.8x

Second quarter takeaways:

- **Consumer spending remains resilient.** Spending on goods is beginning to ramp, spending on “experiences” (revenge travel) appears to have plateaued and spending among lower-income groups is slowing.
- **Technology spend remains robust,** particularly around artificial intelligence-related products.
- **Industrial demand remains weak;** supply appears to have been right-sized.
- **Expense control remains a priority,** helping to support profit margins and earnings growth.

3Q24 estimates (preliminary)

- Sales: +4.4%
- EPS: +4.2%

Source: FactSet, 9/20/24.

2Q results

- Sales: +5.2%
- EPS: +11.5%

Source: Bloomberg, 9/6/24.

Source: U.S. Bank Asset Management Group, Bloomberg, FactSet Research Systems, S&P Capital IQ. Data as of September 29, 2024.

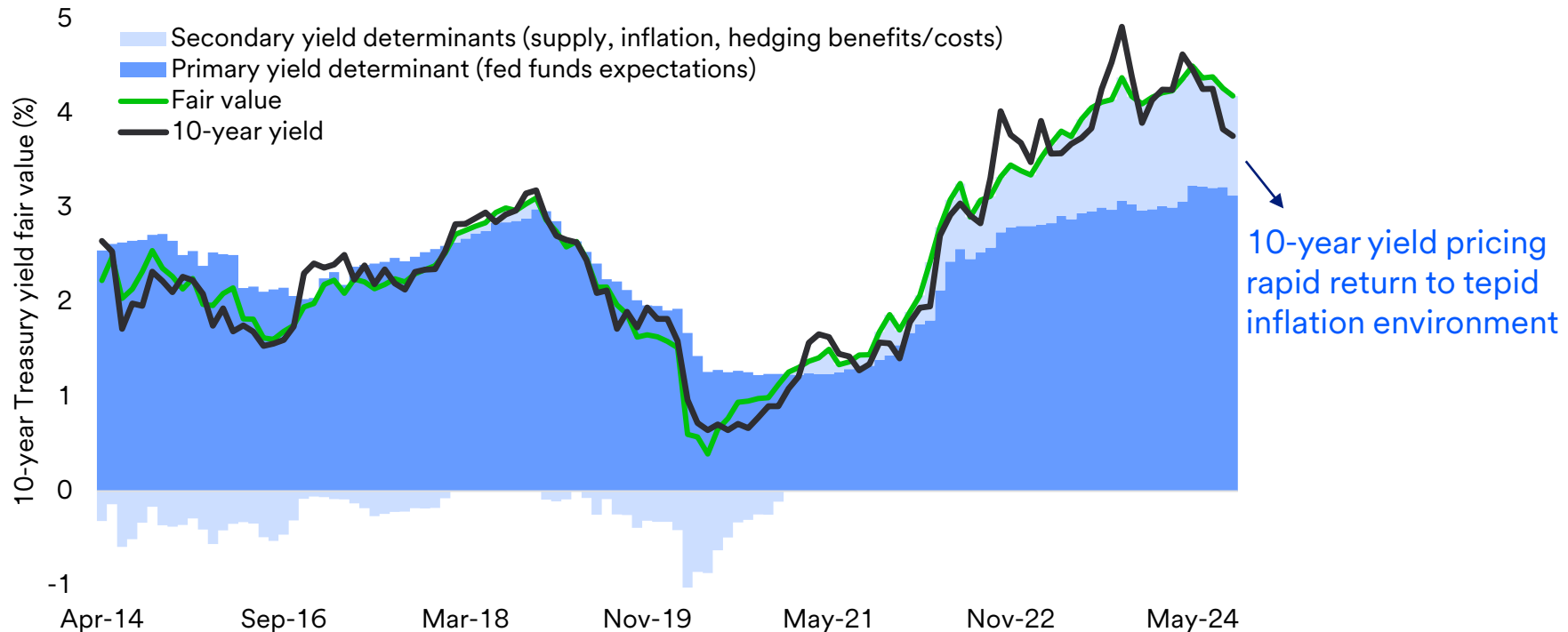


U.S. Bank | Public | Please refer to disclosures in appendix.

Treasuries: 10-year yield slightly below expected level to compensate for duration risks

The Fed's expected rate path contributes the most to 10-year yields, but other factors have gained influence. These include inflation, higher bond supply and positive stock/bond correlations that influence Treasury bonds' ability to hedge portfolio risk. The recent drop in 10-year Treasury yields implies investors expect inflation risk to subside, Treasury supply to normalize, and bonds to better hedge portfolios.

10-year Treasury yield fair value (%)



Sources: Bloomberg, U.S. Bank Asset Management Group Research. Data period: April 10, 2014-September 27, 2024.

10-year Treasury yield fair value is a proprietary measure of the influence of fed funds, bond supply, inflation, and bonds' hedging characteristics on Treasury yields.



Corporate and municipal bond yields appear reasonably attractive

Investment-grade and high yield corporate and municipal bonds (after adjusting for municipals' tax benefit) provide investors with important income sources. The extra yields on corporate bonds over Treasuries are slightly below their long-term average, but still provide meaningful income.

Corporate and municipal bond yields and spreads (%)

	Yield	Tax-equivalent yield*	Tax-equivalent yield spread over Treasuries	20-year spread percentile
Investment grade municipal bonds	3.32	5.61	1.95	50
High yield municipal bonds	5.20	8.78	5.09	20
Investment grade corporate bonds	4.68	4.68	0.89	11
High yield corporate bonds	6.98	6.98	2.99	8
High quality structured credit*	4.28	4.28	0.46	68**

*Tax-equivalent yields on municipal bonds = unadjusted yield/(1-40.8%).

The 40.8% tax rate corresponds to the highest federal tax bracket of 37% + the Affordable Care Act tax of 3.8%.

Sources: Bloomberg, U.S. Bank Asset Management Group Research. Data period: September 26, 2004-September 26, 2024.

*High quality structured credit: Equal weighted blend of AAA-rated Asset Backed Securities (ABS), Agency Commercial Mortgage-Backed Securities (CMBS), and Agency Residential Mortgage-Backed Securities (RMBS)

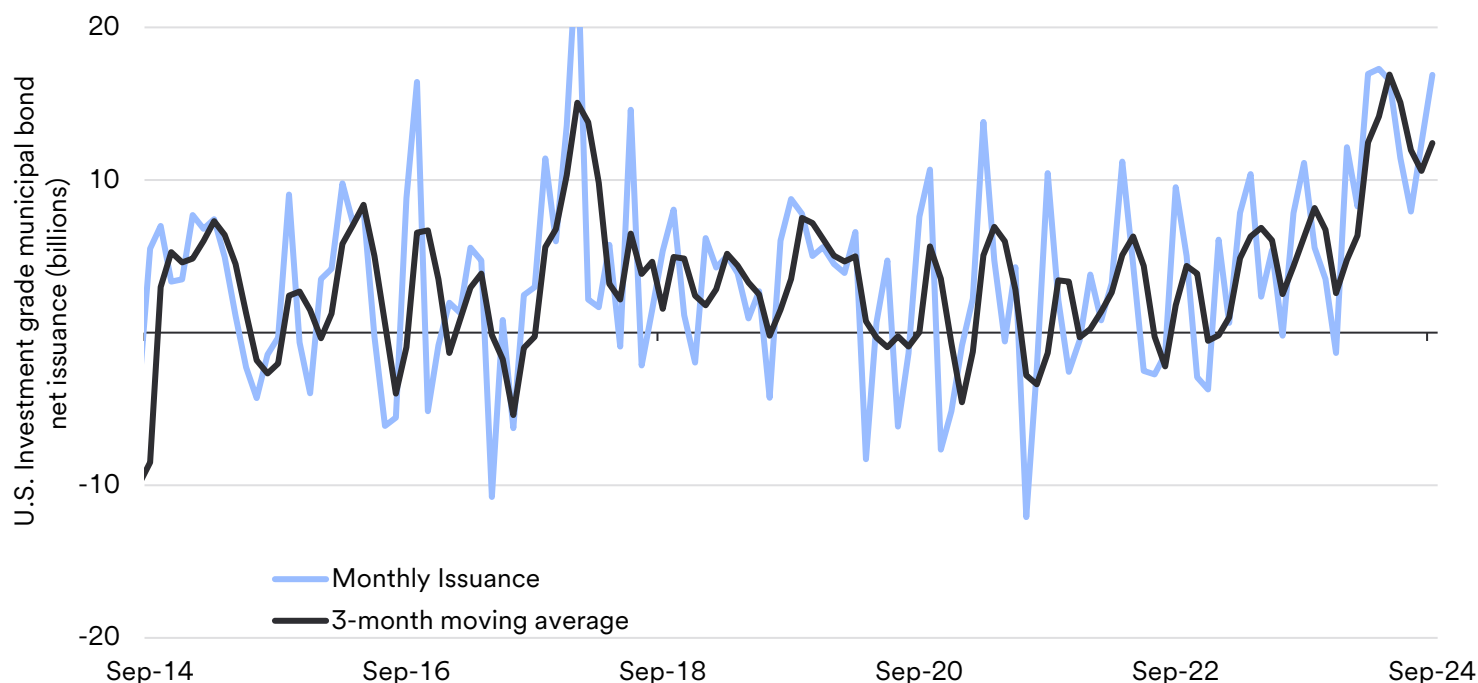
**High quality structured credit spread history starts July 1, 2014



Municipals: High net issuance a near-term headwind, but improving return opportunity

Investment-grade municipal bond issuance has surged over the past three months. We believe increased supply has contributed to normal historical valuations in municipals, in contrast to somewhat expensive valuations in corporate bonds and some stock categories. This presents an opportunity for long-term investors to take advantage of more compelling yields in municipal bonds.

Investment-grade municipal bond net issuance



Source: U.S. Bank Asset Management Group Research, Moody's, Bloomberg; September 30, 2014-September 30, 2024.

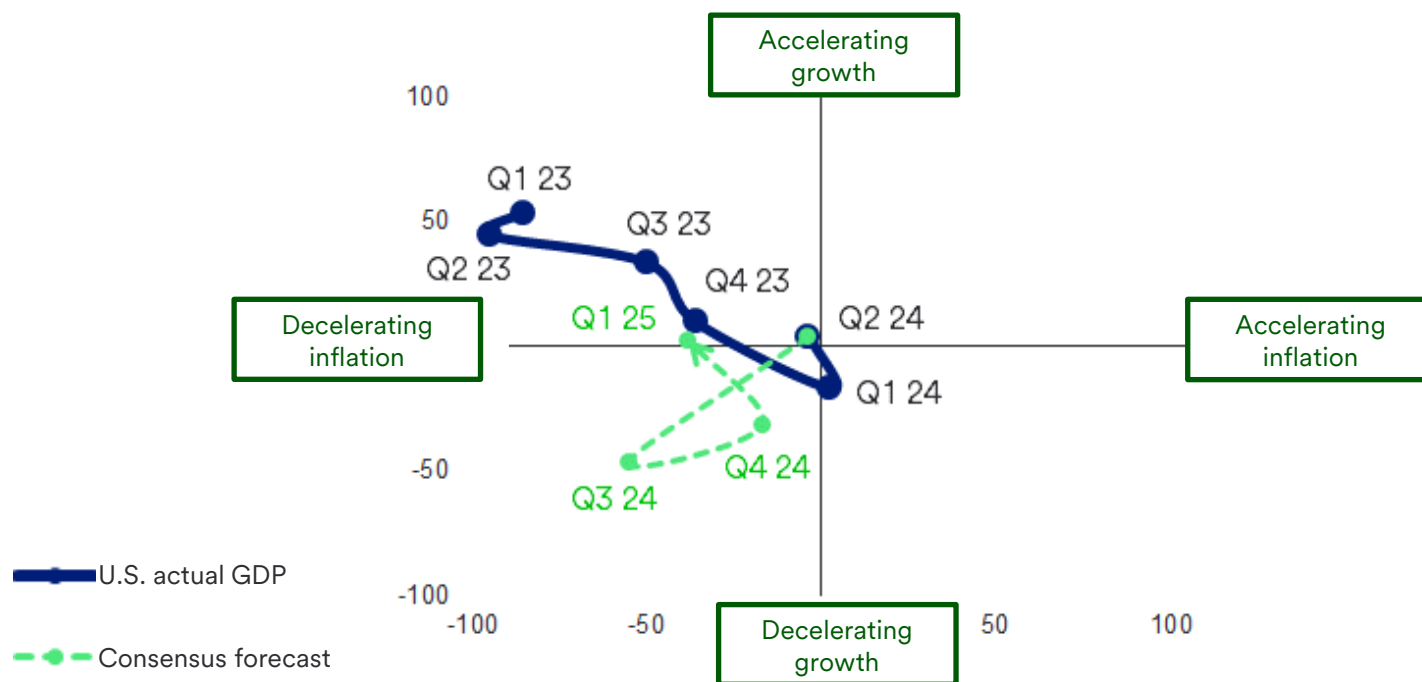


Current economic conditions: Growth



Consensus forecasts reasonable but decelerating economic growth and decelerating inflation

Economists forecast a slight improvement in gross domestic product (GDP) growth in the second quarter but with stubborn inflation. Growth is expected to slow later in the year but remains positive on a year-over-year basis.



Sources: U.S. Bank Asset Management Group analysis, Bloomberg, Federal Reserve. Data period: September 30, 1953-September 27, 2024.

Growth measured as the quarter-minus-quarter change in year-over-year real gross domestic product scaled from -100 to 100. Inflation measured as the quarter-minus-quarter change in year-over-year Consumer Price Index scaled from -100 to 100. Consensus forecast: Bloomberg consensus economic forecast.



Economists anticipate slowing but positive global growth, with U.S. expectations remaining solid

U.S. economic growth expanded at a solid 3.1% annual rate through the second quarter with. Analysts forecast year-over-year growth will begin slowing in coming quarters, but without outright contraction.

GDP growth year-over-year percent change

<u>Country/Region</u>	Forecast Growth							
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
United States	2.9	3.0	2.4	2.0	2.0	1.8	1.8	1.9
Developed Markets	0.2	0.4	1.0	1.2	1.4	1.4	1.4	1.3
<i>Eurozone</i>	0.5	0.6	0.3	0.3	0.3	0.4	0.4	0.4
<i>Japan</i>	-0.9	-1.0	0.7	0.9	1.7	1.2	1.0	0.8
<i>United Kingdom</i>	0.3	0.7	1.3	1.9	1.5	1.4	1.4	1.4
Emerging Markets	5.1	4.4	4.1	3.8	3.6	3.9	4.0	4.0
<i>China</i>	5.3	4.7	4.5	4.6	4.1	4.5	4.5	4.5
<i>India</i>	7.8	6.7	6.9	6.8	6.9	7.0	6.6	6.6
<i>Brazil</i>	2.5	3.3	3.3	2.8	2.1	1.8	2.0	2.1

Sources: U.S. Bank Asset Management Group analysis, Bloomberg, Data period: March 31, 2024-June 30, 2024. Forecasts as of September 27, 2024.



Purchasing manager surveys reflect solid business activity

Purchasing manager indexes (PMIs) shown below score economic conditions on a scale from 0 to 100. Scores above 50 reflect expanding activity, while below 50 represent contraction. Manufacturing surveys reflect normal activity across most major regions while service sector activity continues to expand at a solid clip.

Manufacturing PMIs

Region	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24
World	48.8	49.3	49.0	50.0	50.3	50.6	50.3	51.0	50.8	49.7	49.5	
United States	50.0	49.4	47.9	50.7	52.2	51.9	50.0	51.3	51.6	49.6	47.9	47.3
Developed Markets	47.5	47.7	47.0	48.9	49.3	49.3	48.6	50.0	49.7	48.8	48.3	
<i>Eurozone</i>	43.1	44.2	44.4	46.6	46.5	46.1	45.7	47.3	45.8	45.8	45.8	45.0
Emerging Markets	50.1	50.9	50.9	51.1	51.5	52.0	52.0	51.9	52.1	50.7	50.8	

Services PMIs

Region	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24
World	50.4	50.7	51.6	52.3	52.4	52.4	52.7	54.0	53.1	53.3	53.8	
United States	50.6	50.8	51.4	52.5	52.3	51.7	51.3	54.8	55.3	55.0	55.7	55.4
Developed Markets	49.8	50.0	50.6	51.4	51.9	51.9	52.3	53.9	53.4	53.5	54.3	
<i>Eurozone</i>	47.8	48.7	48.8	48.4	50.2	51.5	53.3	53.2	52.8	51.9	52.9	50.5
Emerging Markets	51.8	52.2	53.9	54.2	53.6	53.8	53.6	54.5	52.6	53.2	52.8	

Sources: U.S. Bank Asset Management Group analysis, Bloomberg, S&P, Markit, Data period: October 31, 2023-September 30, 2024.

Current economic conditions: Inflation



Analysts forecast decelerating inflation, but prices remain high across major global economies

Forecasts anticipate inflation rates to gradually ease in 2024, but many economies remain above central bank targets, with 2% a common bogey for major western central banks.

Inflation year-over-year percent change

<u>Country / Region</u>	Forecast Inflation							
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
United States	3.5	3.0	2.6	2.5	2.1	2.1	2.2	2.3
Developed Markets	2.6	2.5	2.3	2.2	2.2	2.0	1.9	1.9
<i>Eurozone</i>	2.4	2.5	2.2	2.3	2.1	2.0	2.0	2.0
<i>Japan</i>	2.7	2.8	2.7	2.2	2.5	2.2	1.8	1.7
<i>United Kingdom</i>	3.2	2.0	2.2	2.5	2.5	2.4	2.4	2.2
Emerging Markets	2.3	2.3	2.2	2.4	2.5	2.4	2.3	2.3
<i>China</i>	0.1	0.2	0.5	1.0	1.3	1.2	1.1	1.2
<i>India</i>	4.9	5.1	4.0	4.6	4.6	4.6	4.2	4.4
<i>Brazil</i>	3.9	4.2	4.4	4.4	4.2	3.9	3.7	3.7

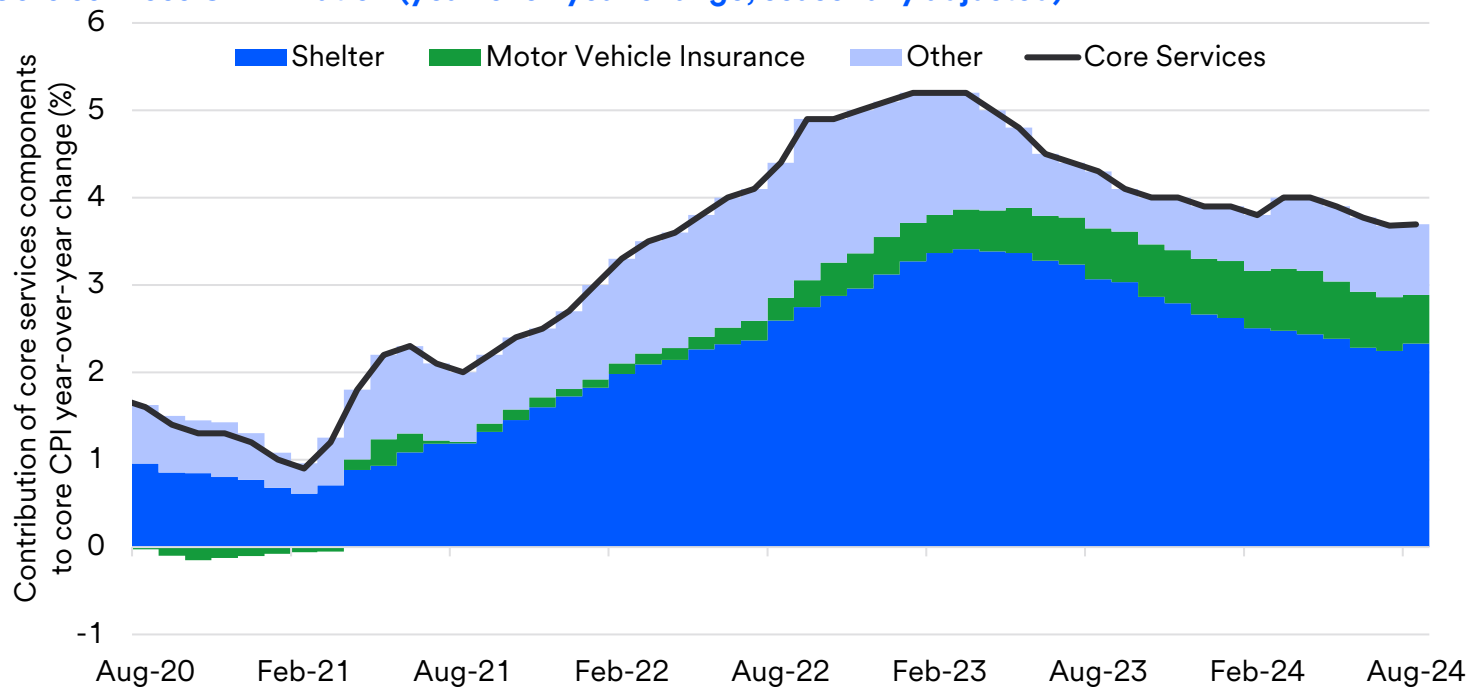
Sources: U.S. Bank Asset Management Group analysis, Bloomberg, Data period: March 31, 2024-June 30, 2024. Forecasts as of September 30, 2024.



Inflation: High services inflation influencing asset performance and Federal Reserve behavior

The services inflation component continues to prevent the core Consumer Price Index from decelerating faster, which has influenced cross-asset performance and initially delayed Federal Reserve interest rate cuts. Shelter costs have kept traditional inflation readings elevated.

Core services CPI inflation (year-over-year change, seasonally adjusted)

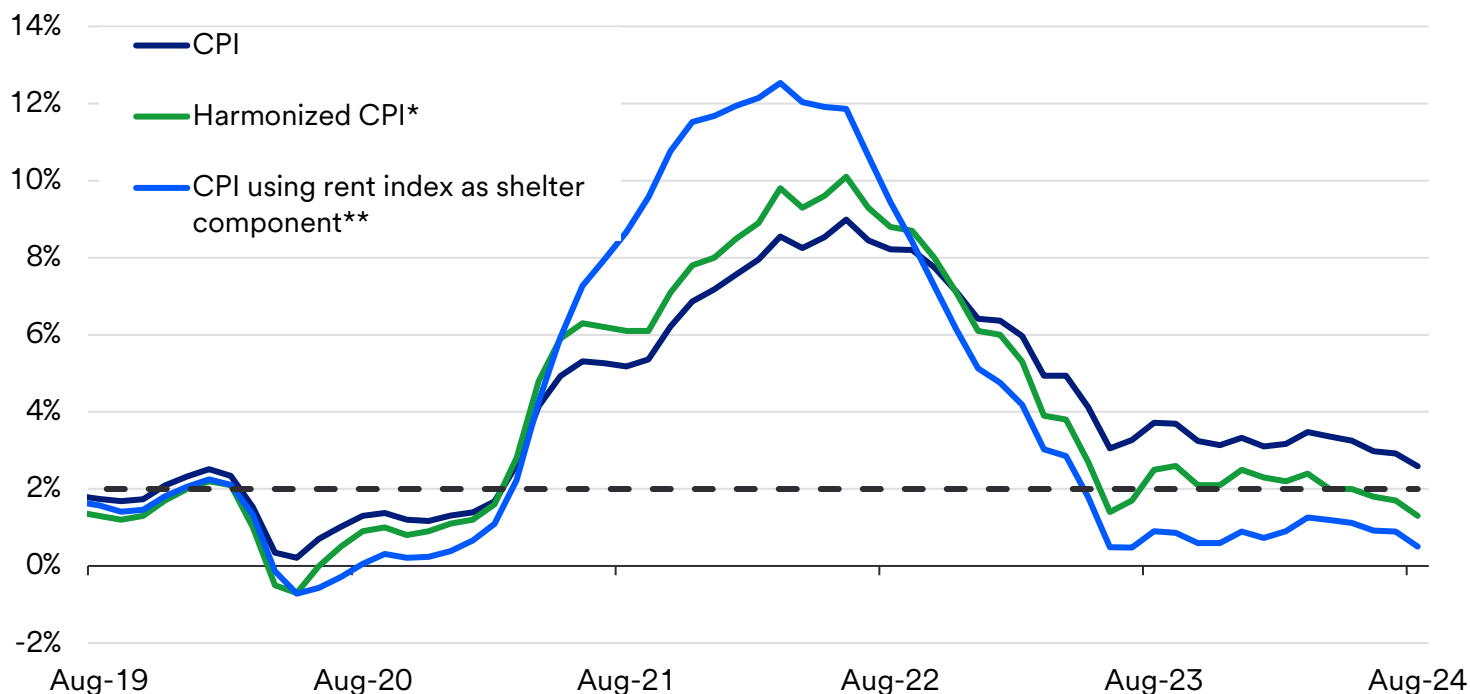


Sources: U.S. Bank Asset Management Group Research, Bloomberg; August 31, 2020 -August 31, 2024.

Inflation at or below the Fed's target based on some alternate inflation calculation methods

Some countries calculate inflation differently than the U.S. by ignoring homeowners' "equivalent rent" and only including actual shelter rental costs. Owners' equivalent rent (OER) lags actual shelter costs and remains a key contributor to high inflation readings. Using alternate calculation methods that ignore OER would indicate inflation has been at or near the Fed's target since the second half of 2023.

Consumer Price Index (CPI): Standard and alternate calculation methods



Sources: U.S. Bank Asset Management Group Research, Bloomberg; August 31, 2019 -August 31, 2024.

*Harmonized CPI excludes owners' equivalent rent that standard CPI implies for homeowners and includes the rural population rather than urban only.

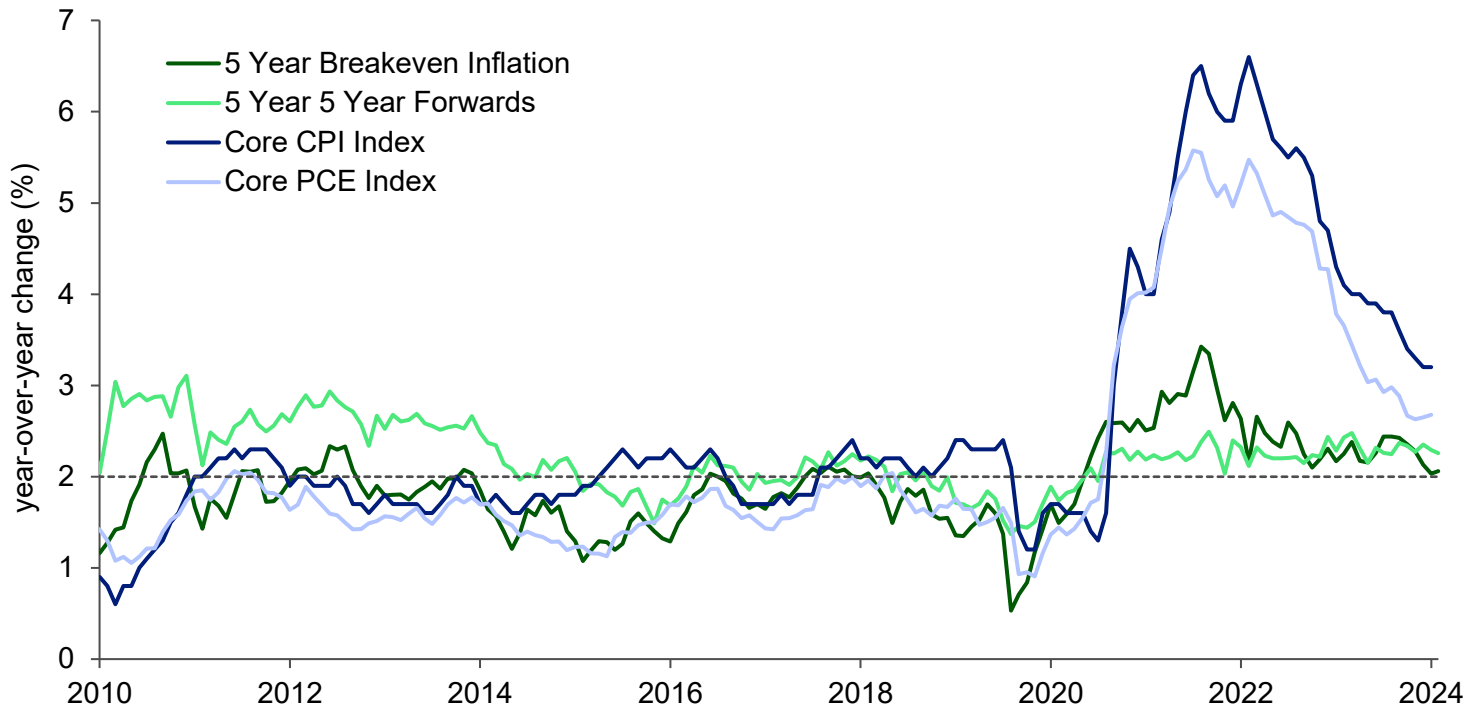
**CPI using rent index as shelter component replaces owners' equivalent rent and rent of primary residences with rent data from the Apartment List National Rent Report.



Inflation: Making progress toward the Fed's 2% inflation target

Headline inflation measures continue decelerating from 2022 highs. Market-based measures of inflation expectations remain consistent with the Fed's 2% target.

Comparing various domestic inflation measures



Sources: U.S. Bank Asset Management Group analysis, Bloomberg.

Data period: September 30, 2010-September 27, 2024. Dashed gray line indicates 2% target rate level. Definitions of indices are defined in the Disclosure section.



Lagged and inferred shelter costs muddy inflation readings, and could keep inflation readings high

Shelter costs comprise approximately 44% of core Consumer Price Index (CPI) and often respond on a lagged basis well after rent costs and home prices change. If this relationship holds, while other price changes remain steady, core CPI may remain elevated.

Core CPI year-over-year, actual and inferred based on lagged shelter costs*



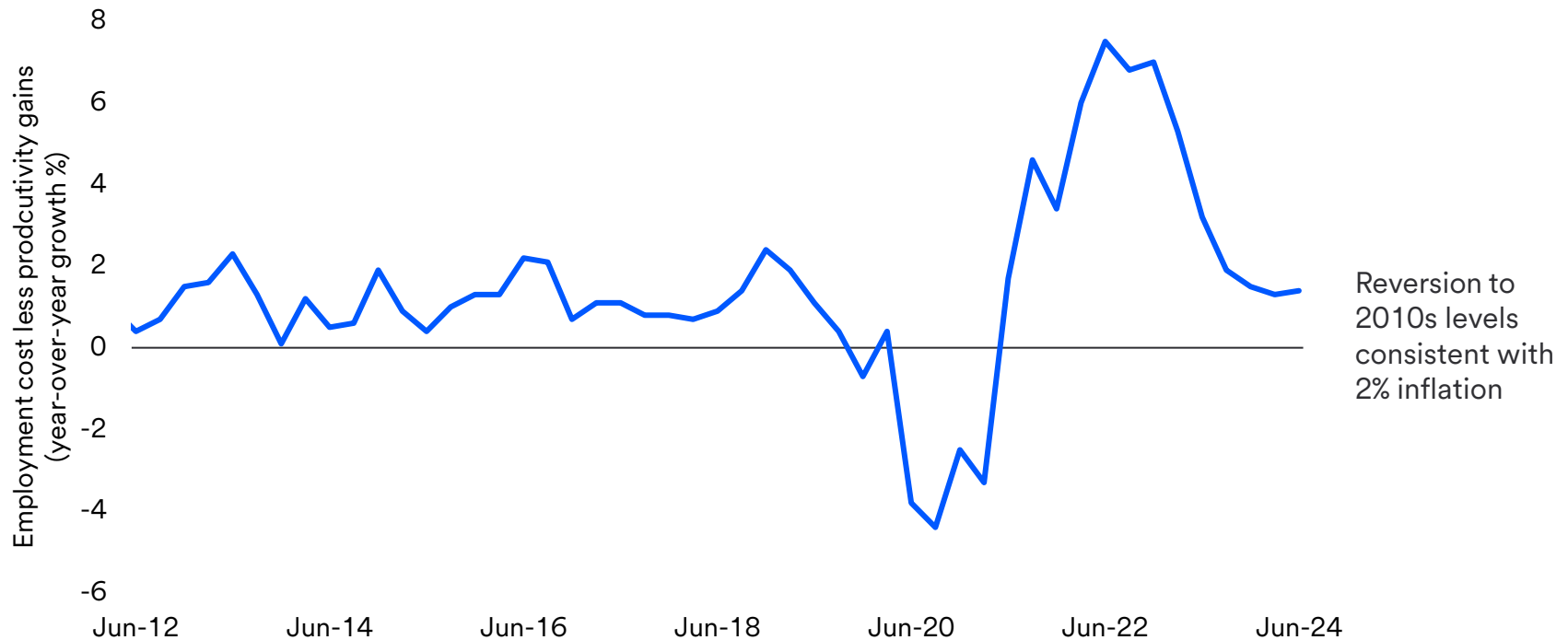
Sources: U.S. Bank Asset Management Group Research, Bloomberg; March 31, 2018-August 31, 2024.

*Shelter cost assumption based on the average change of the Zillow Rent Index and U.S. Case Shiller Home Price Index, advanced 12 months, the average of which has a 90% correlation with Shelter CPI.

Productivity gains offsetting wage growth helping cool inflationary pressure

Wage growth can put upward pressure on inflation as companies pass labor costs onto customers through higher prices. However, strong productivity gains over the past year enabling companies to operate more efficiently can offset wage pressures to a degree consistent with stable inflation.

Growth in employment costs less productivity gains (year-over-year %)



Sources: U.S. Bank Asset Management Group Research, Bloomberg; June 30, 2012 - June 30, 2024.



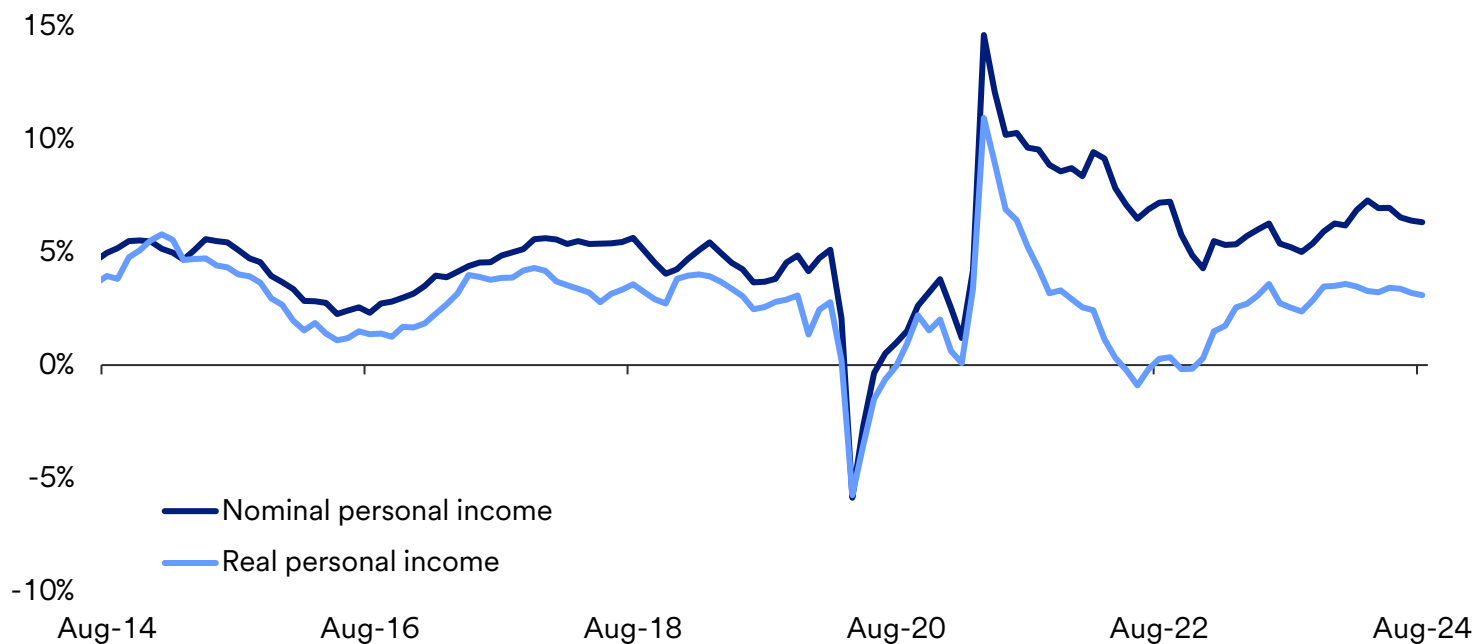
Current economic conditions: Consumer activity



Consumers: Inflation-adjusted incomes recovering; nominal income growth remains elevated

Aggregate income growth has supported consumer spending thus far, overcoming the challenges of elevated inflation and higher borrowing costs. Slowing price increases are improving consumer incomes net of inflation. While inflation-adjusted incomes have improved, they remain below normal pre-COVID growth rates.

Nominal wage and salary growth and real personal income (year-over-year %)



Sources: U.S. Bank Asset Management Group analysis, Bloomberg data, Bureau of Economic Analysis, August 31, 2014-August 31, 2024.

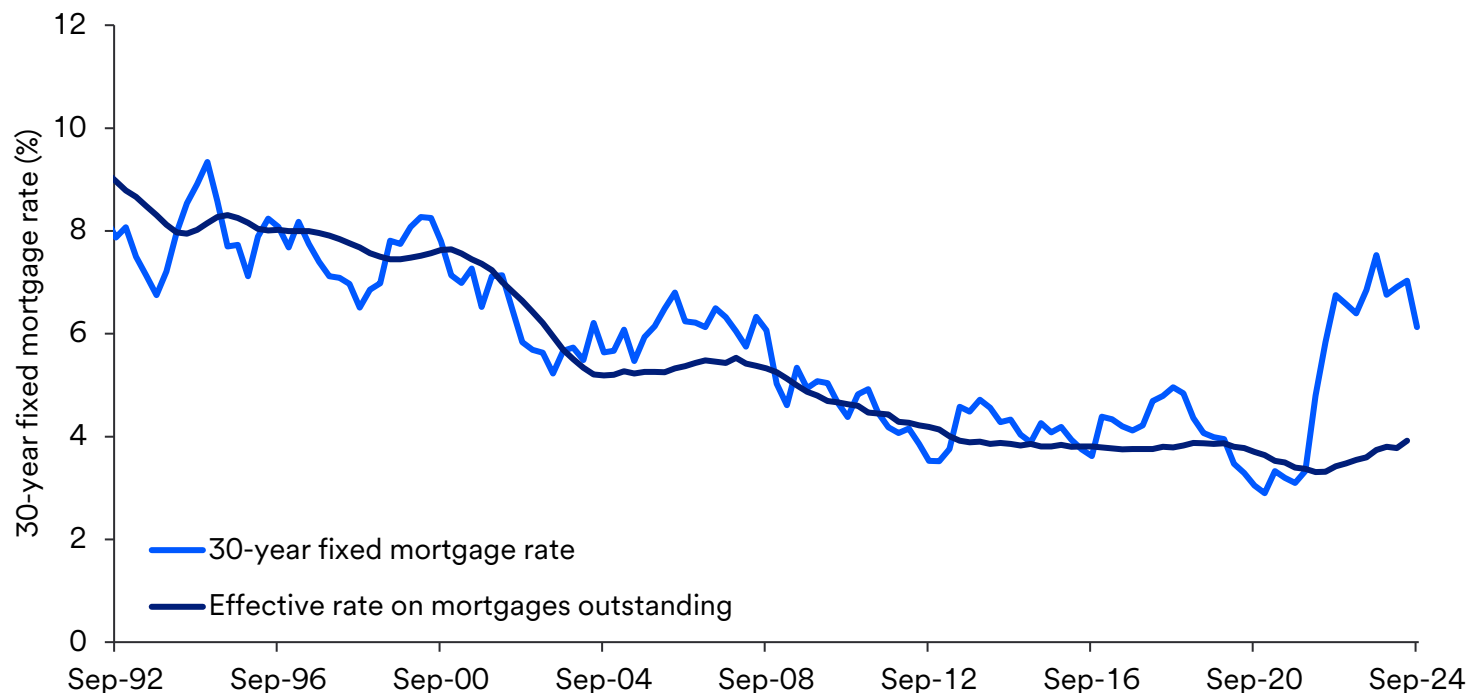
Nominal personal income: wage & salary disbursements (seasonally adjusted annualized rate), real personal income: excluding transfer receipts (seasonally adjusted annualized rate).



Consumers: Benefiting from low-cost fixed rate mortgages originated prior to Fed rate increases

Thirty-year fixed mortgage rates surged commensurate with Fed rate hikes. This increase has yet to fully impact consumers' borrowing costs with many current homeowners locked into low fixed rate mortgages. This delayed impact of rising interest rates demonstrates the long lag at which monetary policy impacts the economy.

30-year fixed mortgage rate vs. effective rate on mortgages outstanding



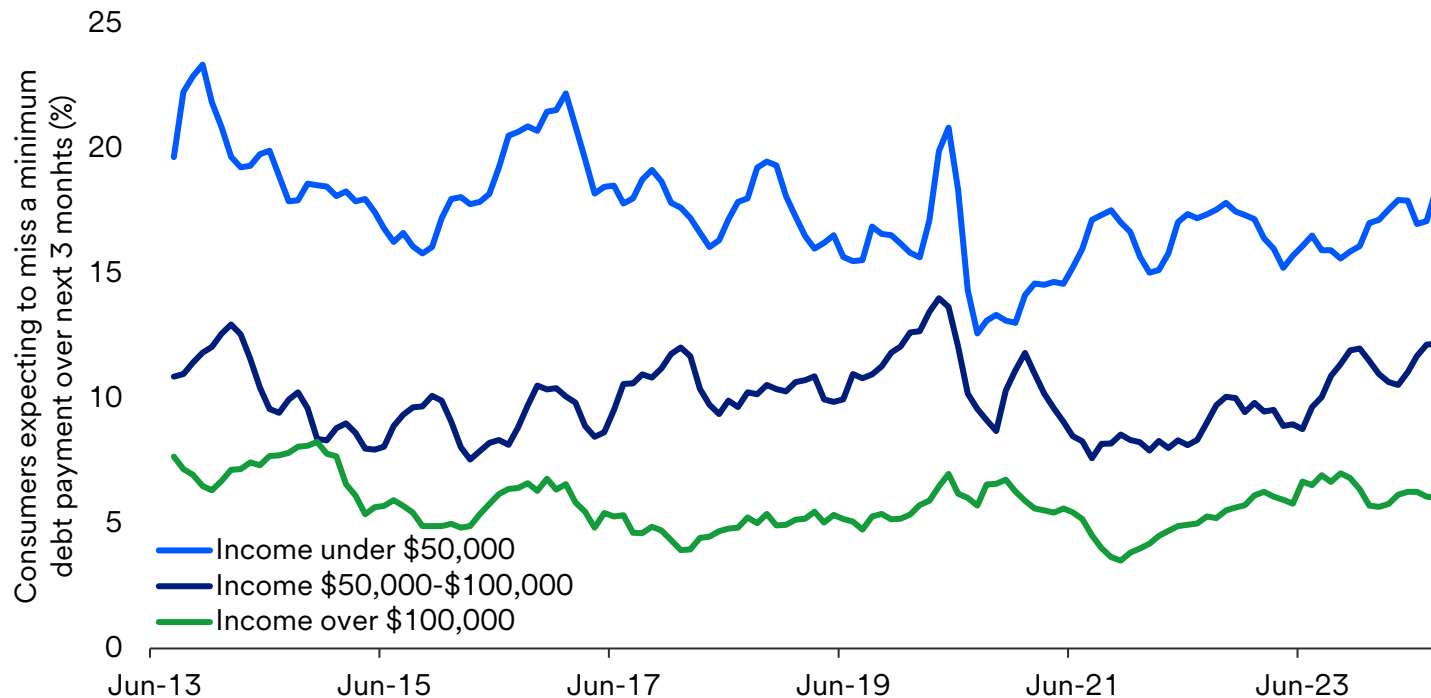
Sources: U.S. Bank Asset Management Group analysis, Mortgage Bankers Association, Bloomberg data. Data period: September 30, 1992-September 20, 2024. Definitions of indices are defined in the Disclosure section.



Consumers: Credit card delinquencies have ticked higher from low levels in recent months

Thus far, consumers have had little trouble servicing debt, but some signs of stress may be beginning to appear. An increasing proportion of consumers are reporting they expect to miss a minimum debt payment over the next few months, though delinquency expectations are still within recent norms.

New York Federal Reserve survey on proportion of consumers expecting to miss a debt payment:



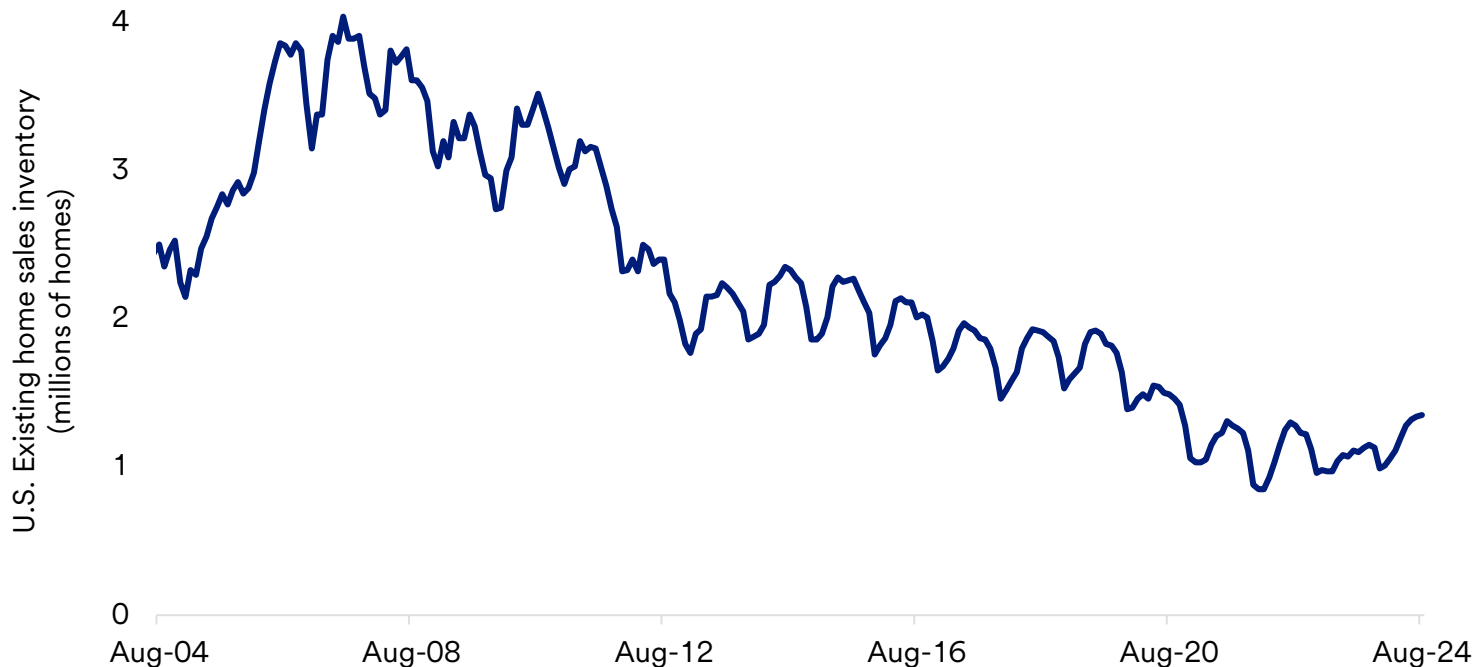
Sources: U.S. Bank Asset Management Group analysis, Bloomberg data. Data period: June 30, 2013-August 31, 2024.



Home inventories rising slightly off 20-year lows as mortgage rates fell recently

Insufficient supply acts as a tailwind to home prices. Homeowners have little motivation to relocate when most have locked in inexpensive long-term fixed rate financing compared to current mortgage rates around 6%. Available homes for sale have ticked up slightly as mortgage rates began falling in recent months.

U.S. existing home sales inventory (millions of homes)



Sources: Bloomberg, National Association of Realtors (NAR), U.S. Bank Asset Management Group Research. Data period: August 31, 2004-August 31, 2024.



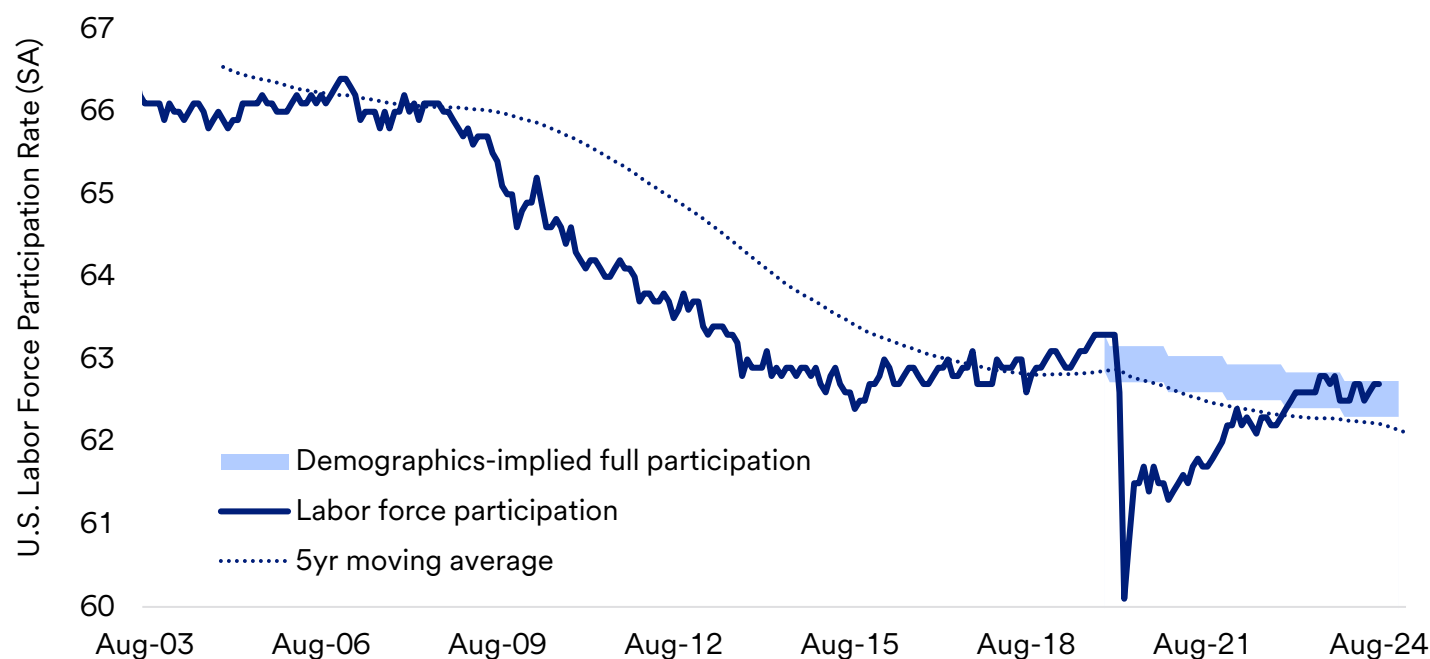
Current economic conditions: Labor market



Labor market: Aging demographics limit labor supply

Older populations have lower labor force participation. The light-blue shaded area in the chart below extrapolates the gradual decline in the full labor force participation rate as the population ages. Adjusting for the aging population shows a healthy labor market that has near full participation.

Labor force participation (%)



Sources: U.S. Bank Asset Management Group analysis, Bloomberg. August 31, 2003-August 31, 2024.

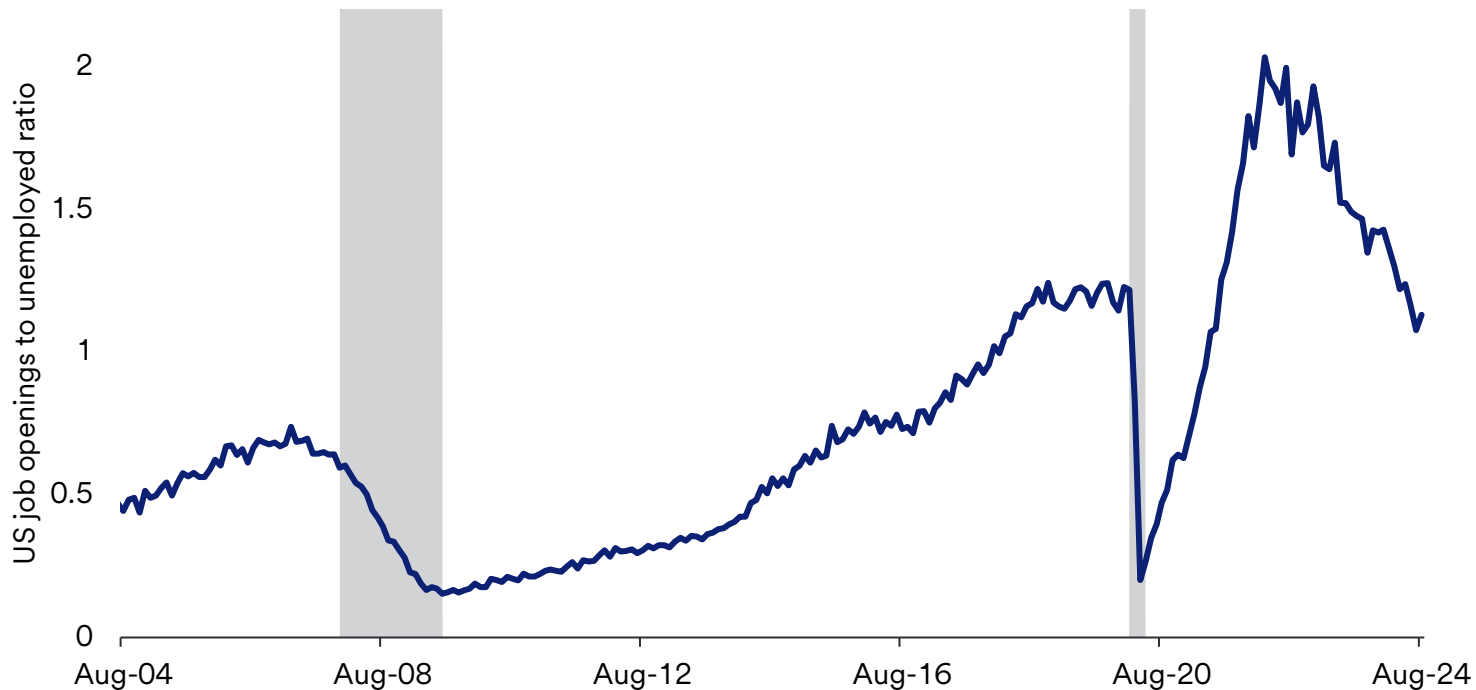
Holds labor force participation rate constant for age cohorts 16-24, 25-54, and 55+ at full employment levels in 12/31/2018-12/31/2019 and uses aging of population to forecast overall full participation rate. Past performance is no guarantee of future results. Returns shown represent results of market index and are not from actual investments and are shown for ILLUSTRATIVE PURPOSES ONLY. The index is described in the Disclosures section.



Labor market: Job openings versus unemployed workers normalizing to pre-COVID levels

The ratio of job openings relative to unemployed workers has fallen in recent months with around 1.1 jobs available for every person looking for work. Progress rebalancing the number of job openings relative to persons looking for work helps reduce wage inflation pressure.

U.S. job openings to unemployment ratio



Sources: U.S. Bank Asset Management Group analysis, Bloomberg data. Data period: August 31, 2004-August 31, 2024. Gray bars indicate recessionary periods.



Small businesses continue to report significant difficulty in finding (and retaining) workers

Respondents to the NFIB Small Business Jobs Report have noted some recent improvement in filling job openings but continue to navigate a historically difficult environment. Labor demand and supply are moving into better balance, but more progress is likely needed to normalize wage inflation.

NFIB hard-to-fill job openings (%)



Sources: U.S. Bank Asset Management Group analysis, Bloomberg data. Data period: August 31, 1988-August 31, 2024. Gray bars indicate recessionary periods.



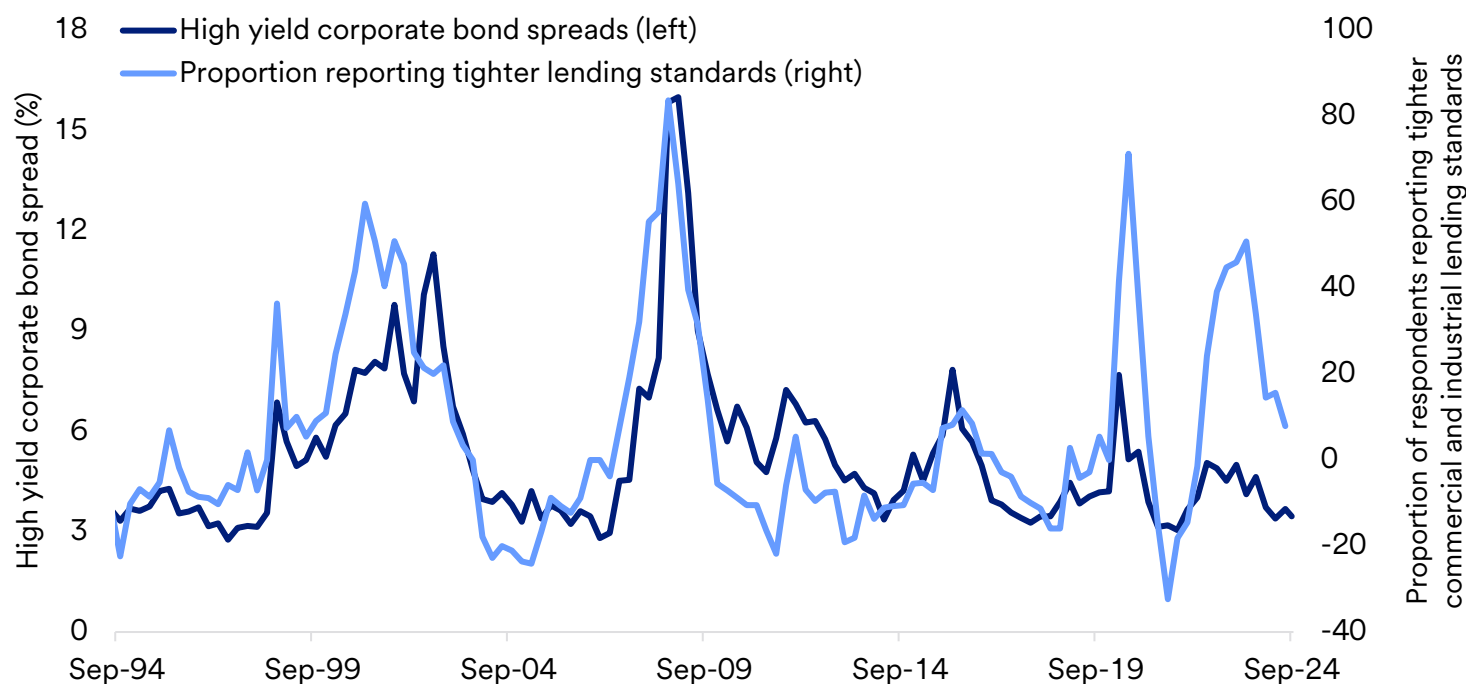
Current economic conditions: Credit growth



Corporate borrowing costs are contained despite banks reporting tightening lending standards

The New York Federal Reserve Senior Loan Officer Opinion Survey indicates banks' lending practices remain stringent. The majority of respondents reporting tightening lending standards on commercial and industrial loans (shown below) can impact the economy and capital markets through slowing borrowing.

NY Fed survey on banks' commercial and industrial loan lending standards vs. High yield corporate bond spreads

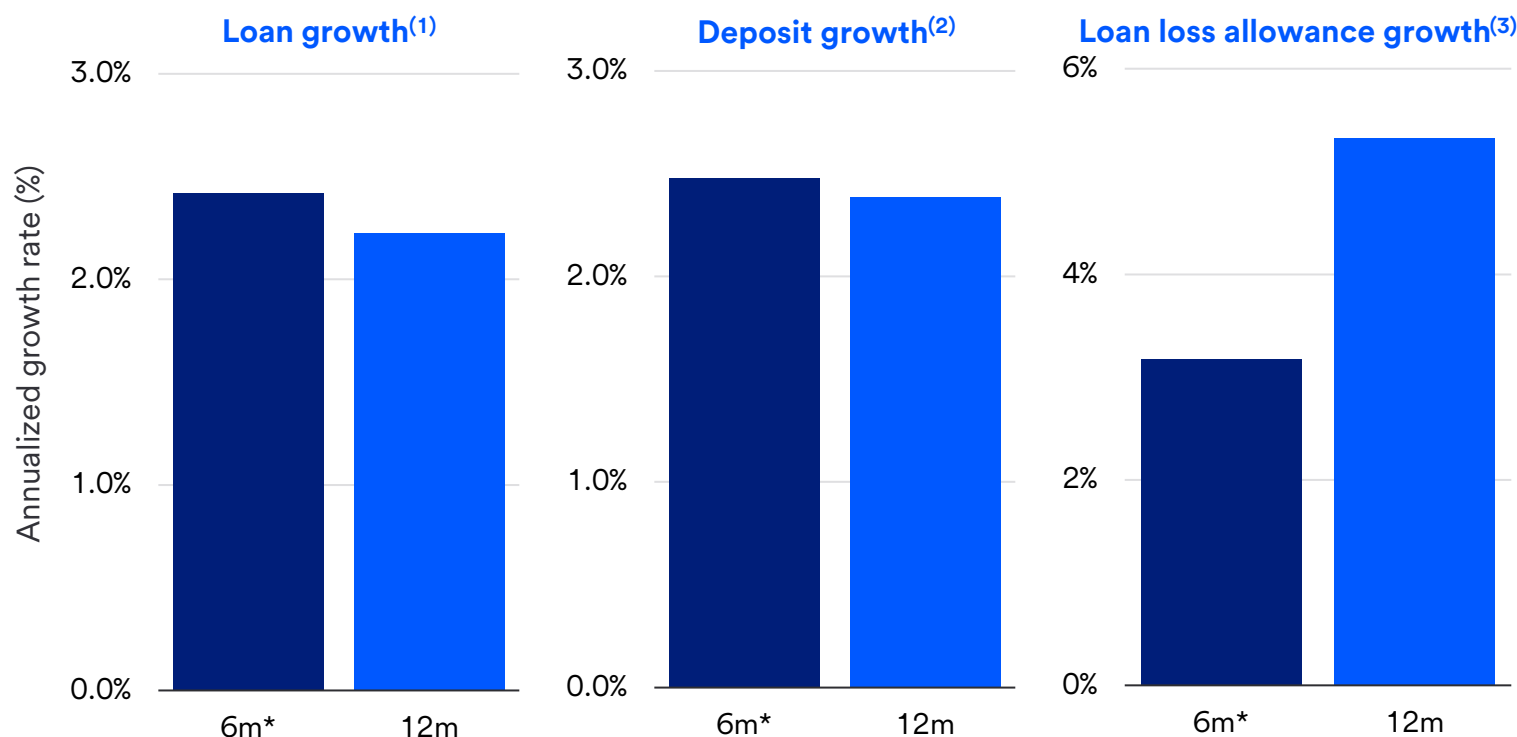


Sources: U.S. Bank Asset Management Group analysis, Bloomberg data. Data period: September 30, 1994-September 26, 2024.



Banks have posted modest loan and deposit growth, and ramped up their buffer against loan losses

Aggregate bank statistics appear reasonably healthy. Deposit flight ceased some time ago, while loan growth remains positive but modest. Lenders appropriately set aside more loan loss allowances as past due balances creep higher.



Sources: U.S. Bank Asset Management Group Research, Bloomberg, Data period: September 20, 2023-September 18, 2024. Data is seasonally-adjusted.

*6-month growth rate is annualized.

1) Loan growth is calculated as the 6-month or 12-month change divided by total loans outstanding.

2) Deposit growth is calculated as the 6-month or 12-month change divided by total deposits.

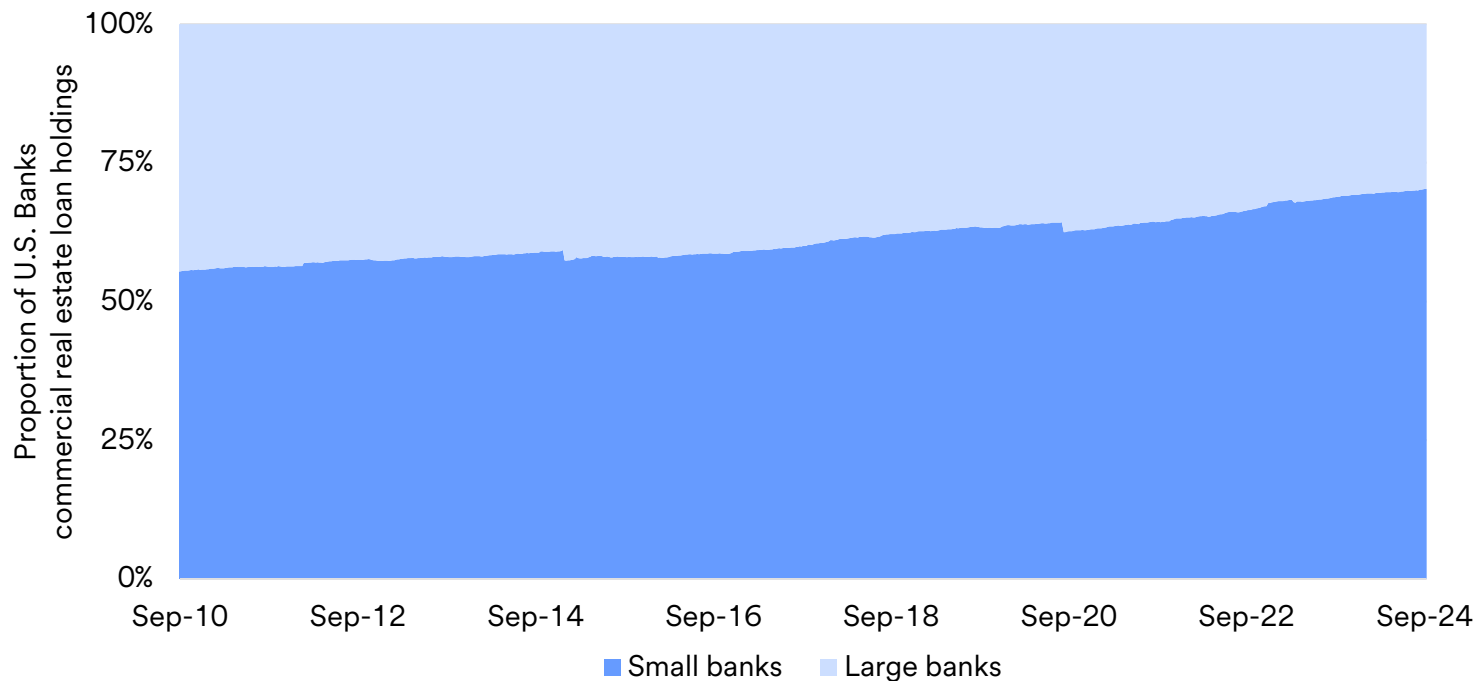
3) Loan loss allowance growth is calculated as the 6-month or 12-month change divided by total loan loss allowances.



Small banks hold around 70% of all U.S. commercial real estate loans

Small banks are big players in commercial real estate lending. Reduced confidence in the quality of commercial real estate loans on small bank balance sheets may constrain credit availability in the category.

Commercial real estate holdings by bank size



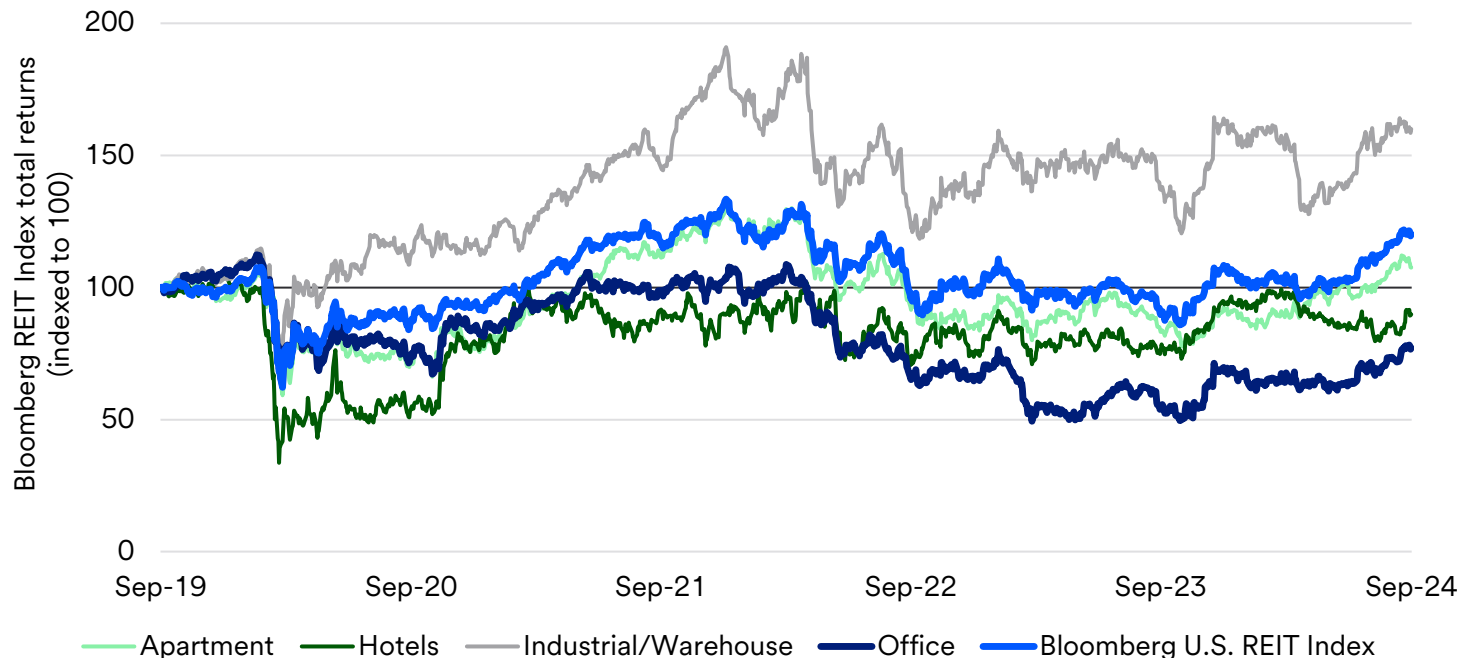
Sources: U.S. Bank Asset Management Group analysis, Bloomberg data. Data period: September 1, 2010-September 18, 2024. "Large banks" are the top 25 largest domestic banks ranked by asset size; "small banks" are all other domestic banks.



Real Estate stocks have diverged by property type; office and hotels lag while industrials lead

Office real estate investment trusts (REITs) comprise less than 5% of our benchmark for publicly traded real estate. Office-related Real Estate stocks have fallen about 5.1% annualized over the past five years, compared to about a 3.8% annualized gain for the entire REIT category and about 9.9% annualized gains for the industrial/warehouse segment. Office REITs already price in further property transaction price declines.

Real estate investment trust (REIT) performance by property type



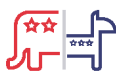
Sources: U.S. Bank Asset Management Group analysis, Bloomberg data. Data period: September 27, 2019-September 27, 2024.



Election coverage



Election considerations: Historical context, but “this time is always different”

Scenario	White House control	Congress control	Outcome	Average 3-month S&P 500 return during period	Average 3-month return relative to all periods	Statistically significant (>95%)?
1	 +  =	One party (D)	2.20%	+0.02%	No	
2	 +  =	Divided	3.85%	+1.67%	Yes	
3	 +  =	Divided	3.93%	+1.75%	Yes	
4	 +  =	Divided	1.19%	-0.99%	Yes	
5	 +  =	One party (R)	2.67%	+0.49%	No	
6	 +  =	Divided	1.62%	-0.67%	No	
			All one party (D or R)	2.33%	+0.15%	No
			All divided	2.08%	-0.10%	No

Sources: U.S. Bank Asset Management Group Research, Bloomberg; April 1948-August 2023.



Political dynamics: Stocks have generally fared well around presidential elections

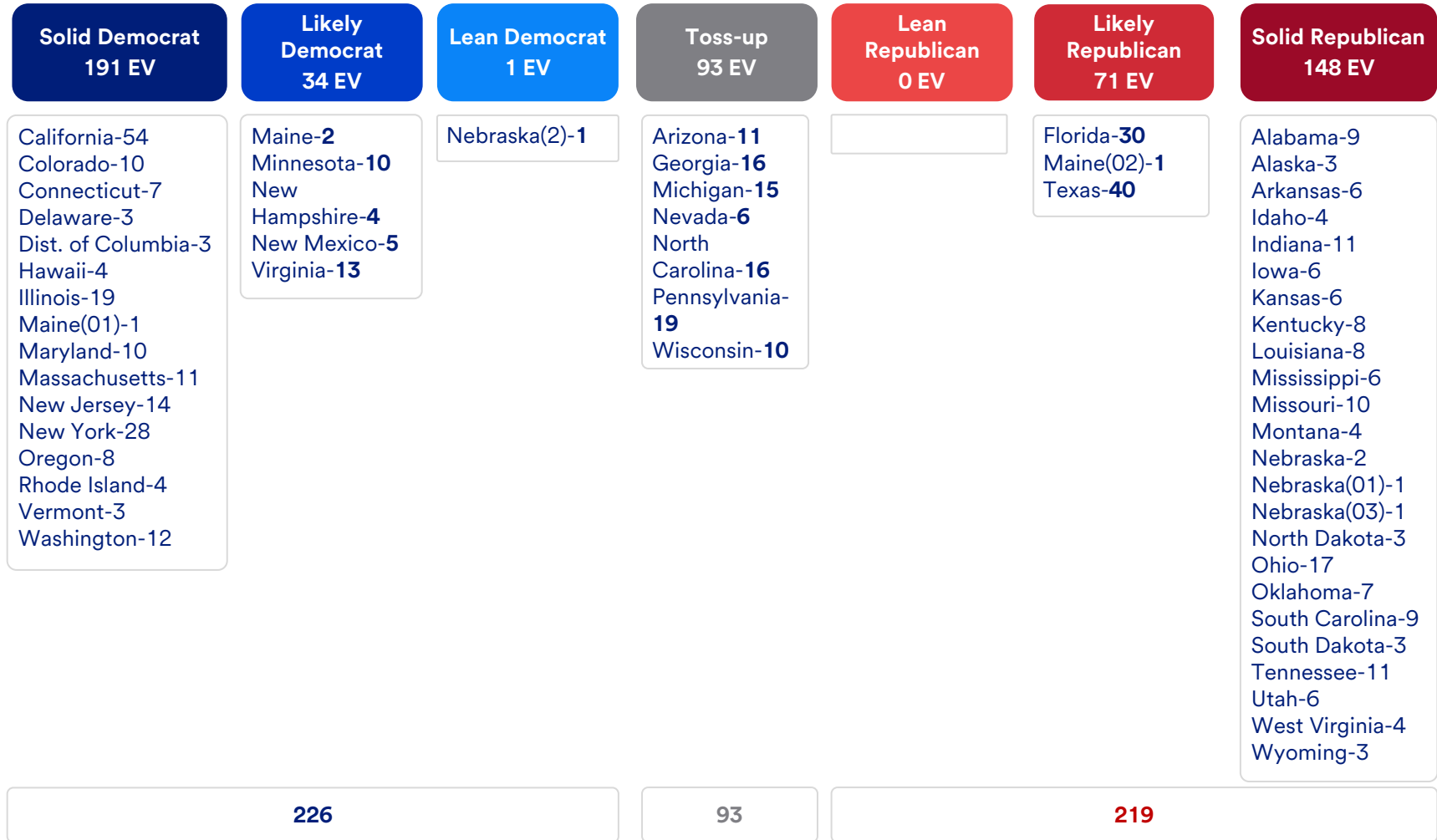
Stocks have generally delivered stronger returns going into Presidential elections than in non-election years. The S&P 500 has averaged 5.3% returns in the six months leading into Presidential elections, better than the 2.2% average return over the same six months in non-Presidential election years.

Average return on U.S. large-cap stocks (S&P 500)

	Prior to the election			After the election		
	<u>6-months</u>	<u>3-months</u>	<u>1-month</u>	<u>1-month</u>	<u>3-months</u>	<u>6-months</u>
Presidential election years before/after Oct 31	5.3%	2.0%	0.5%	1.9%	4.8%	6.6%
Non-presidential election years before/after Oct 31	2.2%	0.4%	1.5%	1.6%	4.7%	8.0%
All periods before/after Oct 31	2.9%	0.8%	1.3%	1.7%	4.7%	7.7%

Sources: U.S. Bank Asset Management Group Research, Bloomberg; January 31, 1943-May 31, 2024. Excludes 2008 due to the extent it skews the results.

Battleground states key to Presidential election outcomes (270 electoral votes required)

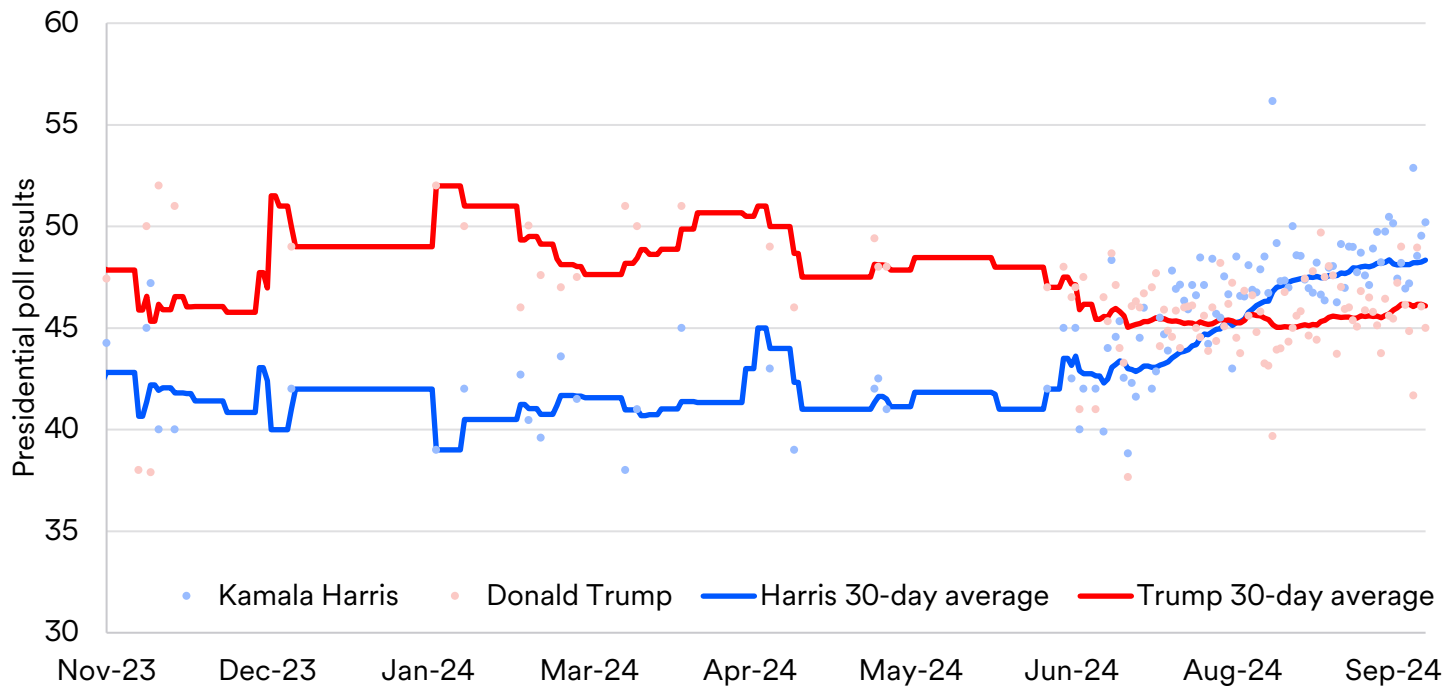


Maine and Nebraska each award two electoral votes to the statewide winner and one electoral vote to the winner in each congressional district
 Source: Cook Political Report, as of September 27, 2024.

Harris pulled ahead of Trump in average of national polls, which mask electoral college nuance

The scales have tipped slightly in favor of Harris recently. However, national polls may oversimplify the impact of electoral college nuances. The plots below show the average of national polls, with the 30-day average aggregating each candidate's percentage of respondents intending to vote for each candidate.

Presidential poll results (dots represent individual polls, lines represent 30-day average of polls)



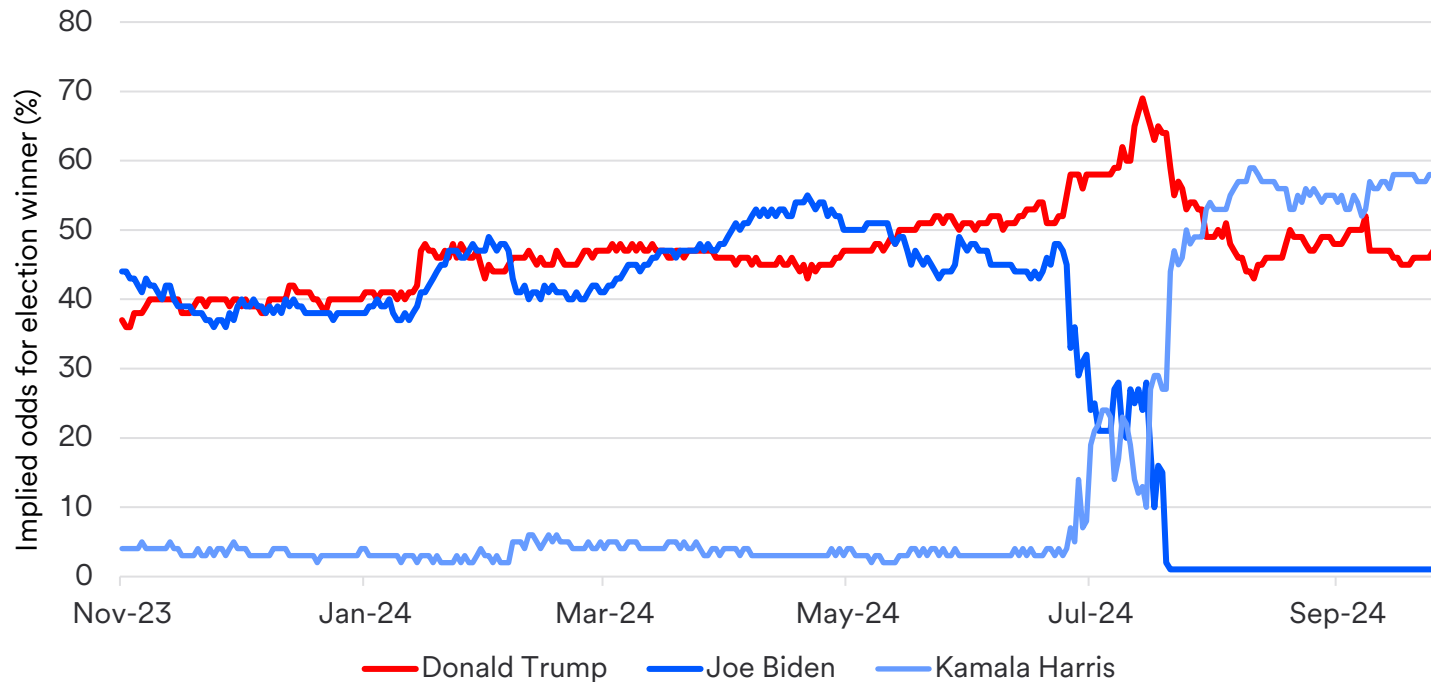
Sources: U.S. Bank Asset Management Group Research, FiveThirtyEight; November 1, 2023-September 26, 2024.



Political dynamics: Prediction markets reflect a tight race

Prediction markets have returned to a narrow margin soon after Biden stepped down and Harris garnered the Democratic nomination.

Prediction market implied odds for election winner (PredictIt.org)



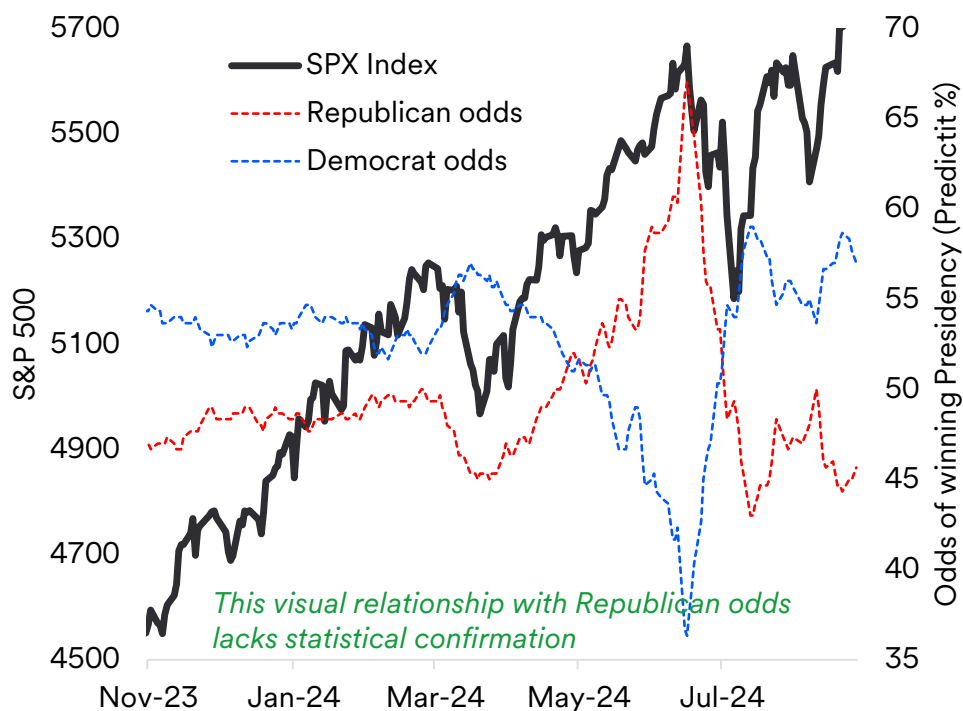
Sources: U.S. Bank Asset Management Group Research, PredictIt; November 1, 2023-September 27, 2024.



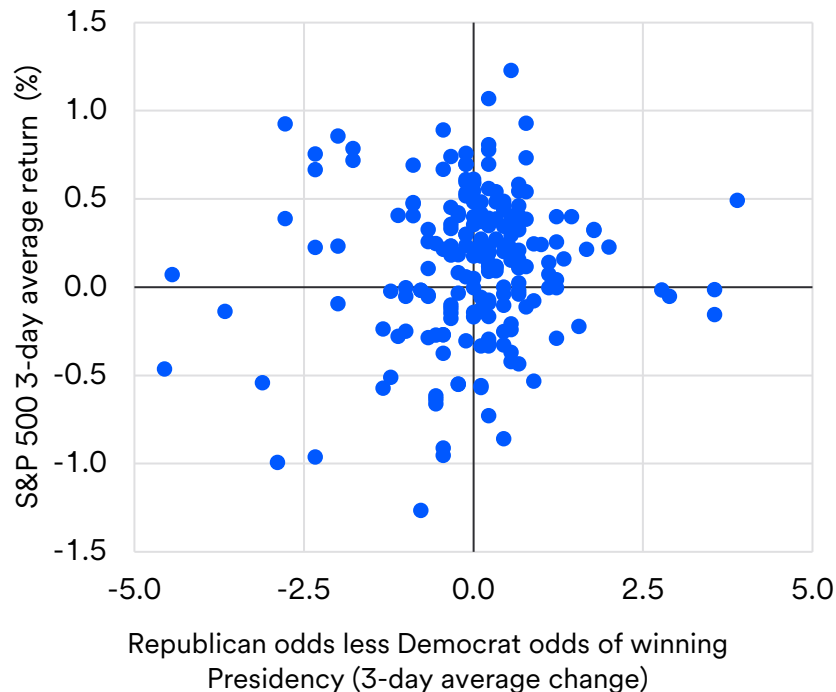
Election odds have yet to meaningfully impact market performance

While elections can shift sentiment and eventually drive regulatory changes, betting market odds of the upcoming presidential election have yet to confirm a meaningful relationship with market returns. Over time the economy drives market performance.

S&P 500 vs. Presidential election odds



S&P 500 daily returns vs. Presidential election odds



Sources: U.S. Bank Asset Management Group Research, Bloomberg, PredictIt; November 30-September 26, 2023. Presidential election odds reflect the party odds of winning the presidency.

Key House races to watch

Likely Democrat
15 DEM, 1 GOP

CA-09 Harder
CA-49 Levin
FL-09 Soto
KS-03 Davids
MD-06 Trone
MI-03 Scholten
NH-01 Pappas
NH-02 Kuster
NV-01 Titus
NV-04 Horsford
NY-03 Suozzi
OH-01 Landsman
OR-04 Hoyle
TX-28 Cuellar
WA-08 Schrier
AL-02 New seat

Lean Democrat
12 DEM, 1 GOP

CA-47 Porter
CT-05 Hayes
IL-17 Sorenson
IN-01 Mrvan
MN-02 Craig
NV-03 Lee
NY-18 Ryan
OH-09 Kaptur
OR-06 Salinas
PA-17 Deluzio
TX-34 Gonzalez
VA-07 Spanberger
NY-22 Williams

Toss Up
11 DEM, 13 GOP

AK-AL Peltola
CO-08 Caraveo
ME-02 Golden
MI-07 Slotkin
MI-08 Kildee
NC-01 Davis
NM-02 Vasquez
OH-13 Sykes
PA-07 Wild
PA-08 Cartwright
WA-03 Perez
AZ-01 Schweikert
AZ-06 Ciscomani
CA-13 Duarte
CA-22 Valadao
CA-27 Garcia
CA-41 Calvert
CA-45 Steel
NE-02 Bacon
NJ-07 Kean Jr.
NY-04 D'Esposito
NY-17 Lawler
NY-19 Molinaro
OR-05 Chavez-DeRemer

Lean Republican
6 GOP

IA-01 Miller-Meeks
IA-03 Nunn
MI-10 James
PA-10 Perry
VA-02 Kiggans
WI-03 Van Orden

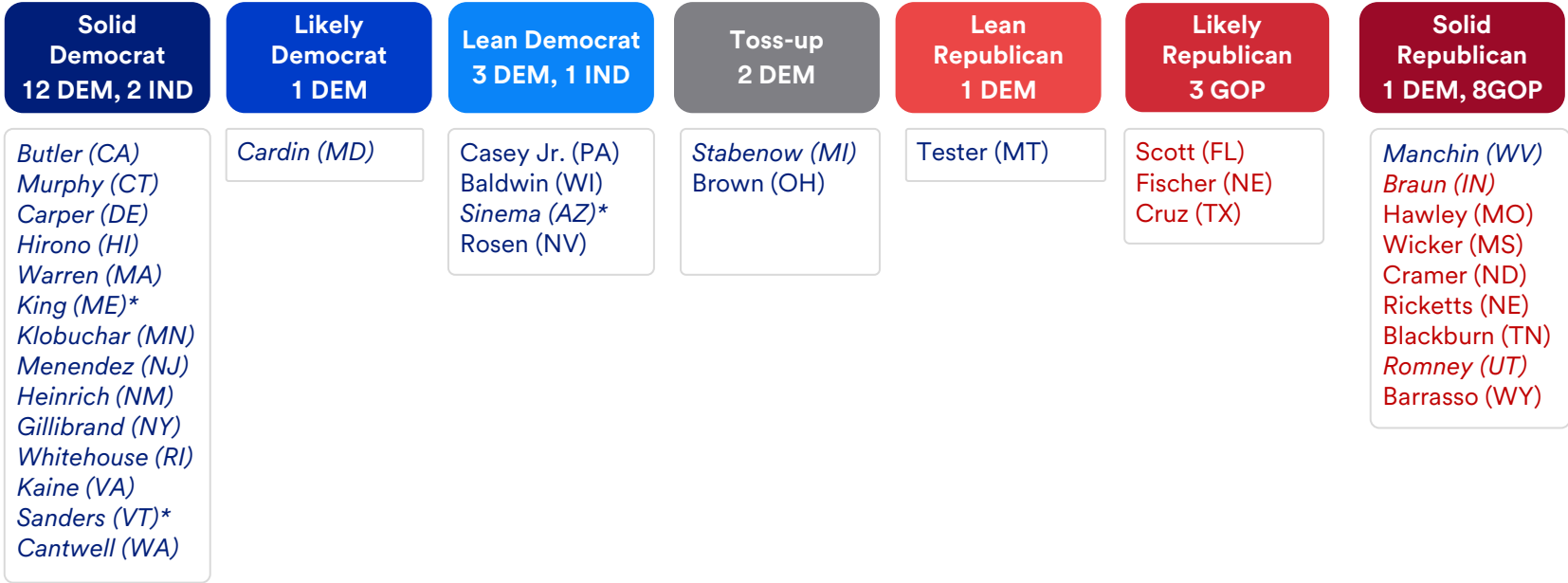
Likely Republican
10 GOP

CA-03 Kiley
CA-40 Kim
CO-03 Boebert
FL-13 Luna
FL-27 Salazar
MT-01 Zinke
NY-01 LaLota
PA-01 Fitzpatrick
TX-15 De La Cruz
WI-01 Steil

Democrat-held seat
Republican-held seat
Freshman member

Source: Cook Political Report, as of September 27, 2024

Key Senate races to watch



Democrat-held seat

Republican-held seat

Incumbent not seeking reelection

*Independent candidate
Source: Cook Political Report, as of September 27, 2024.

Control of Congress: Republican vs. Democrat

Republican sweep

- Full extension of Tax Cuts and Jobs Act (TCJA) (expires in 2025)
- Aggressive action early on to repeal Biden-era regulations
- Legislation to support a friendly merger and acquisition environment and less regulation
- Legislation to “unleash American energy”

Split government

- Split government likely prevents dramatic policy changes
- Moderate changes to Tax Cuts and Jobs Act (TCJA)
- Congressional investigations of administration and of the private sector

Democrat sweep

- Significant changes to Tax Cuts and Jobs Act (TCJA) — likely increased corporate rate
- Legislative support for continued tight regulation
- Legislation double-down on renewable energy investments made in the Inflation Reduction Act (IRA)



Intermediate and longer-term considerations

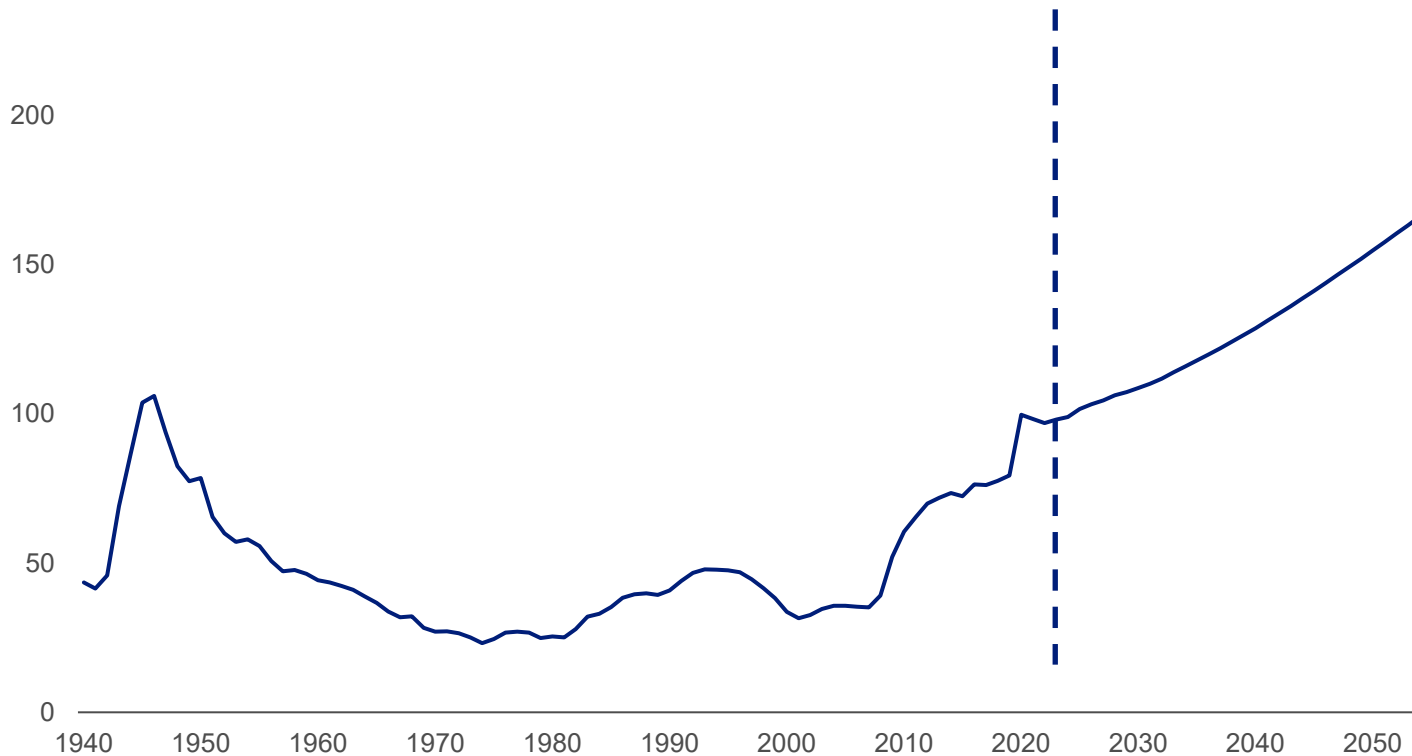


Deficit outlook: When will the bill come due?

An update to the budget and economic outlook

This visual update represents the Congressional Budget Office's (CBO) projections factoring in the COVID-19 stimulus and hit to Treasury's revenues due to the recession. The CBO expects a reduced budget deficit going into the 2030s, at which point entitlements take over and cause the deficit to rise again.

Federal debt held by the public and projected as a percentage of GDP (1940-2054)



Source: Congressional Budget Office. Data: March 2024.

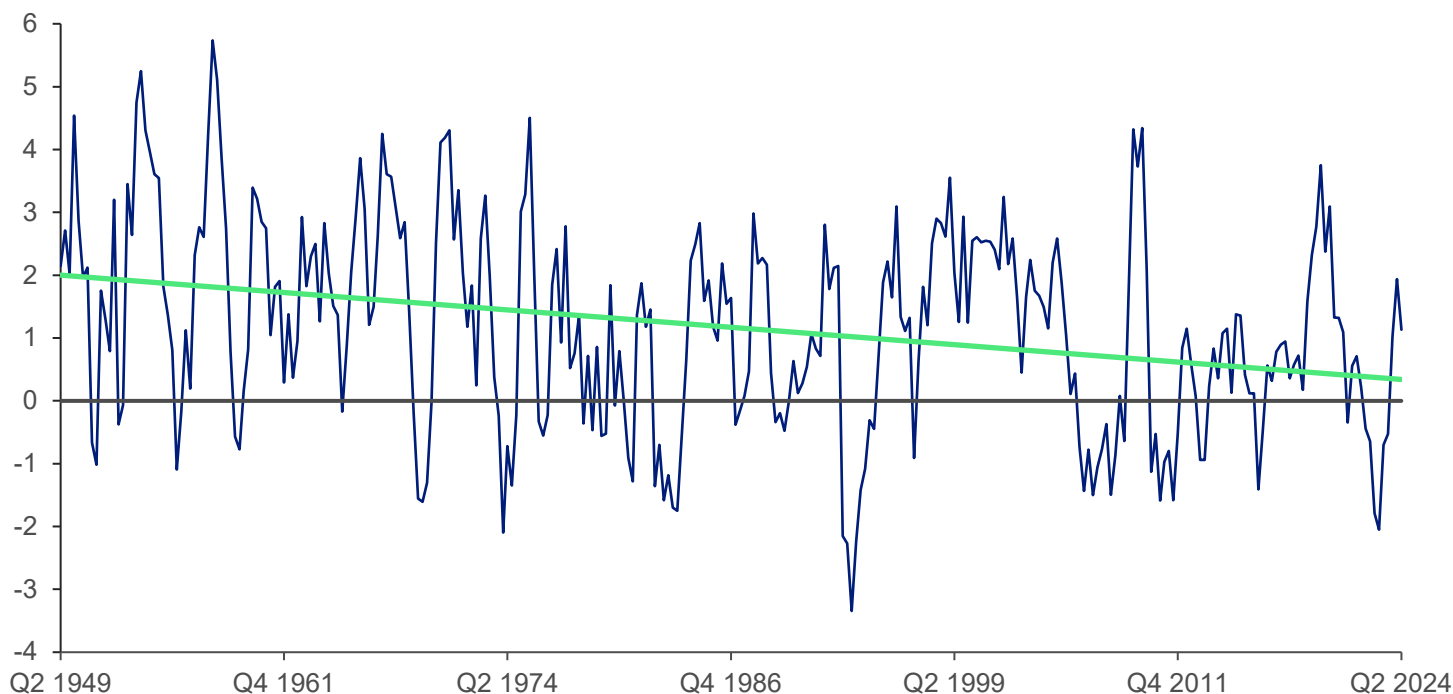


U.S. Bank | Public | Please refer to disclosures in appendix.

Improving productivity despite secular decline

Labor force size and productivity per worker are fundamental building blocks for economic growth. Lower productivity levels mean less growth potential relative to historical norms, as the green trendline suggests. However, recent productivity improvements, that if persistent, could improve economic growth are catching economists' attention .

Total factor productivity: United States (4-quarter average)



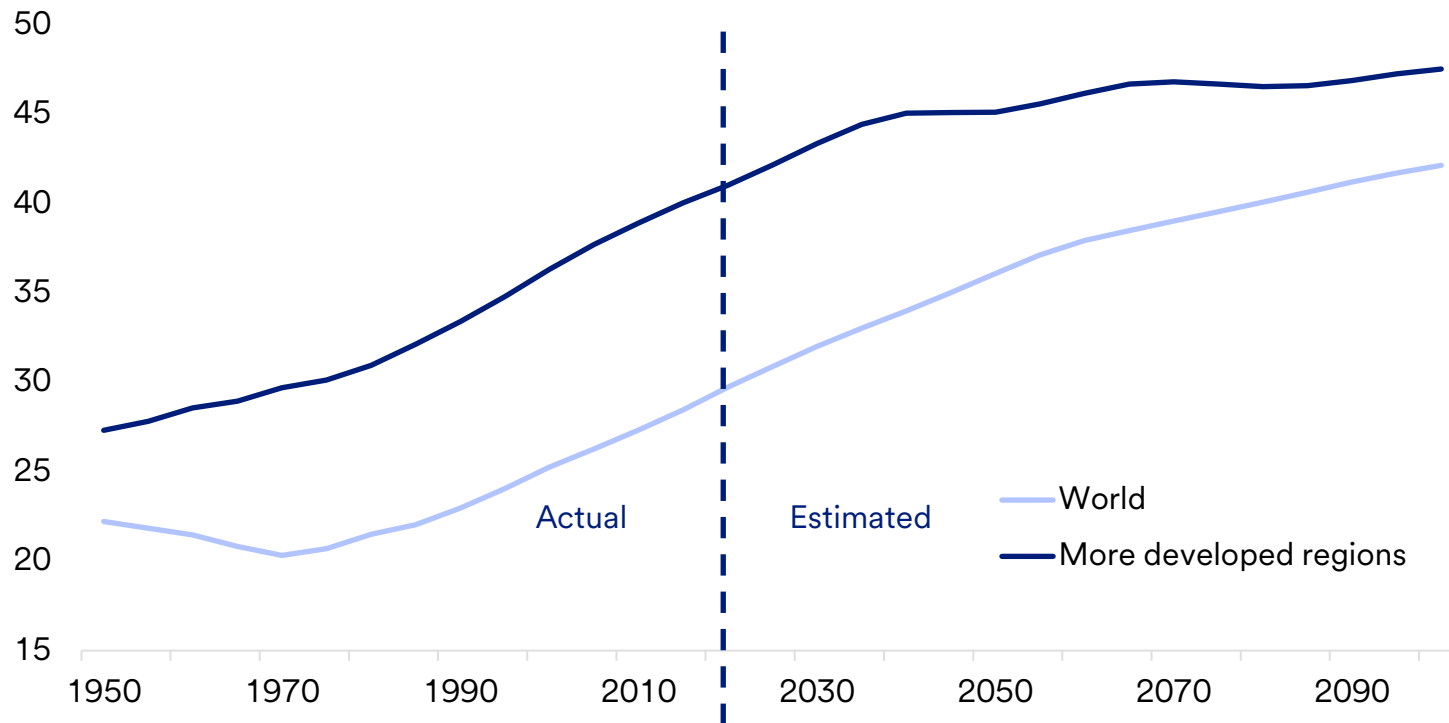
Sources: U.S. Bank Asset Management Group analysis, Federal Reserve Bank of San Francisco. Data period: June 30, 1948-June 30, 2024.



Global demographics: Aging populations tend to be associated with deflation

Aging populations tend to have less consumption growth, which could impact corporate profits. However, longevity can also pose challenges to government indebtedness depending on social safety net funding.

Median age of population



Sources: The United Nations Department of Social and Human Affairs. Data period: 1950-2018 (actual). Projections from 2022 to 2100 (as of July 31, 2024).



Bonds: Best yield on fixed income allocations in over 10 years

Strategic bond allocations offer the opportunity to lock in around 4.5% income with approximately six-year average maturity of underlying bonds. Simply owning cash/money markets can return a comparable amount right now but without the ability to lock in yields for years (reinvestment risk).

Yield from blending 90% core bonds with 10% high yield bonds



Sources: U.S. Bank Asset Management Group Research, Bloomberg; September 26, 2004-September 26, 2024.

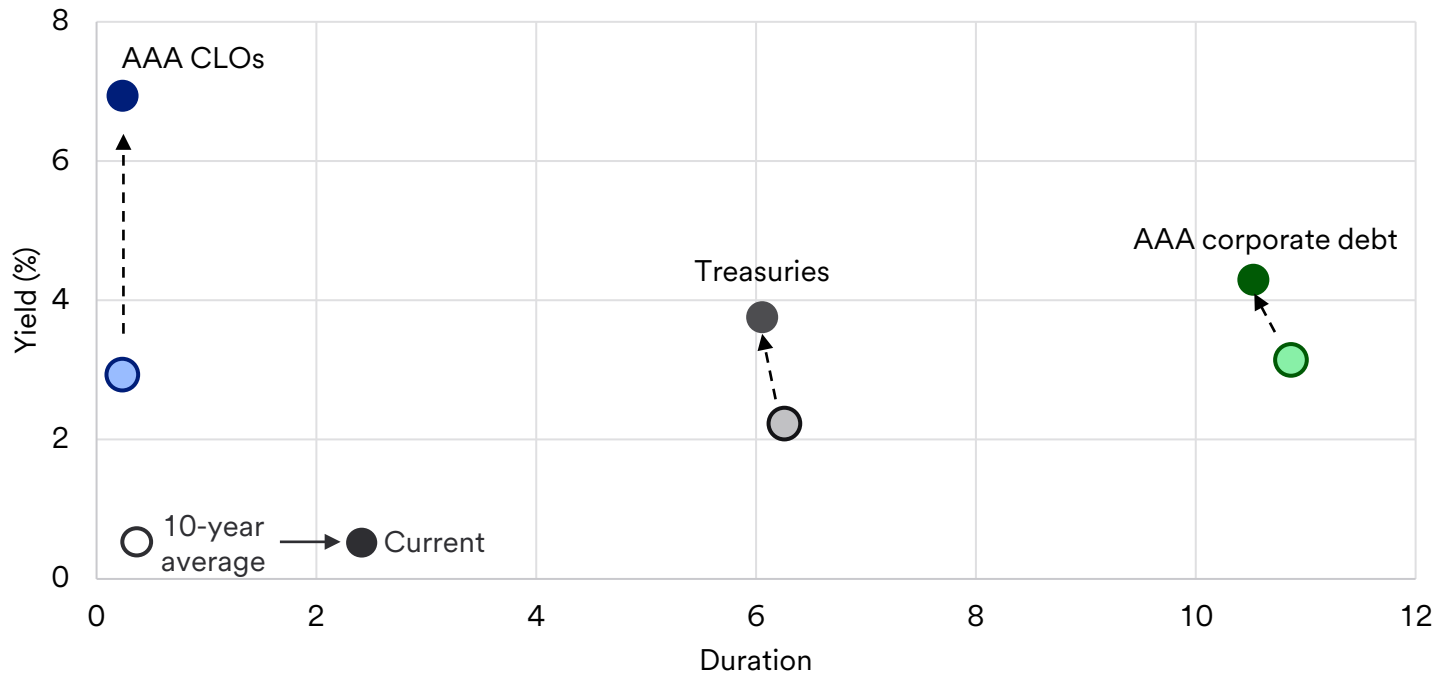
Proxies yield on non-taxable balanced portfolios through 90% Bloomberg Aggregate Bond Index yield and 10% Bloomberg High Yield Corporate Bond Index yield



Structured credit: Compelling yield with low interest rate risk and high-credit quality

The highest-quality securitized debt offers 6%-7% yields, meaningfully above Treasuries and comparably-rated corporates, with a high degree of structural credit protection and little interest rate risk. We favor the use of actively managed bond funds to access the category.

High-quality debt yield (%) and duration



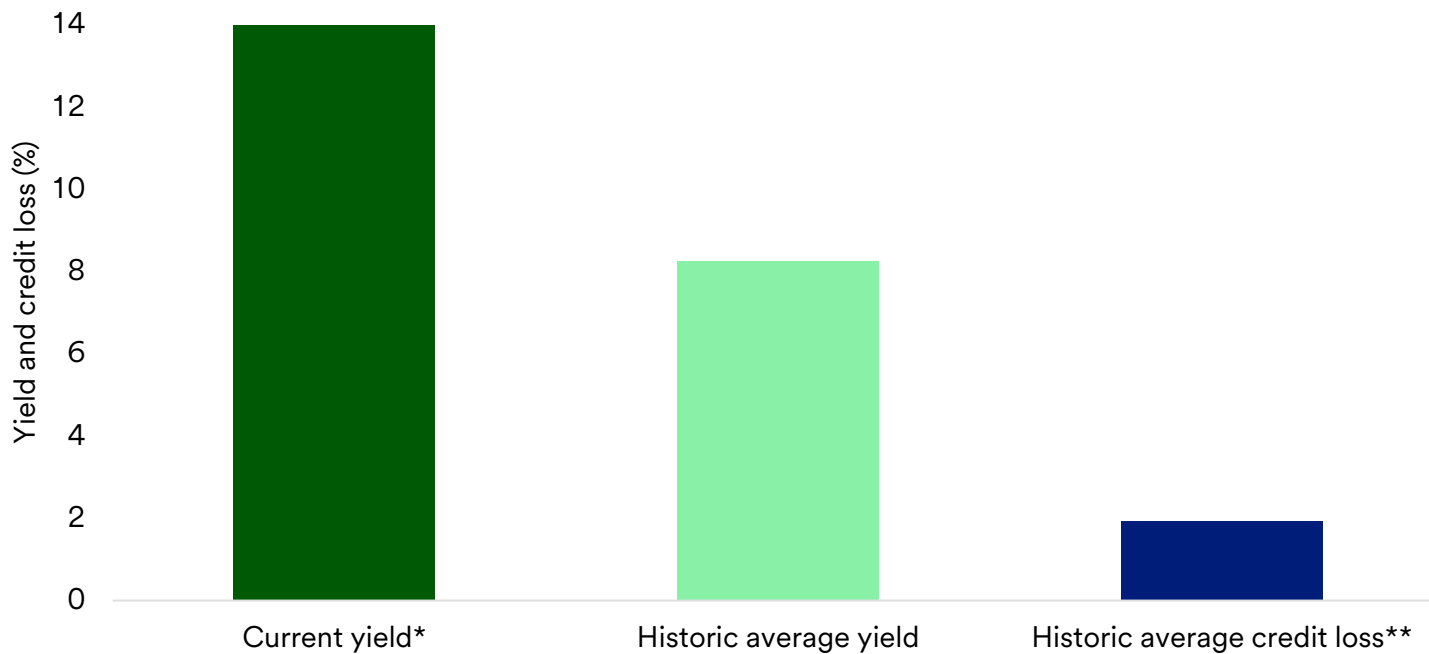
Sources: U.S. Bank Asset Management Group Research, Bloomberg; 20 years of history for Treasuries and AAA corporate debt, 10 years of history for AAA CLOs. September 30, 2014-September 26, 2024. AAA CLOs data as of June 28, 2024.



Reinsurance: Diversification plus abnormally high yield, providing cushion against credit losses

Reinsurance currently generates around 14% in annualized income, providing a substantial buffer against average credit losses of around 2%. The worst catastrophe bond credit losses observed in the past two decades would still result in a positive return.

Large current yield in reinsurance protects against potential credit losses



*3-month annualized income return

**Averages annual price returns of Swiss Re Global Cat Bond Price Index if negative and 0% for years with no implied credit losses

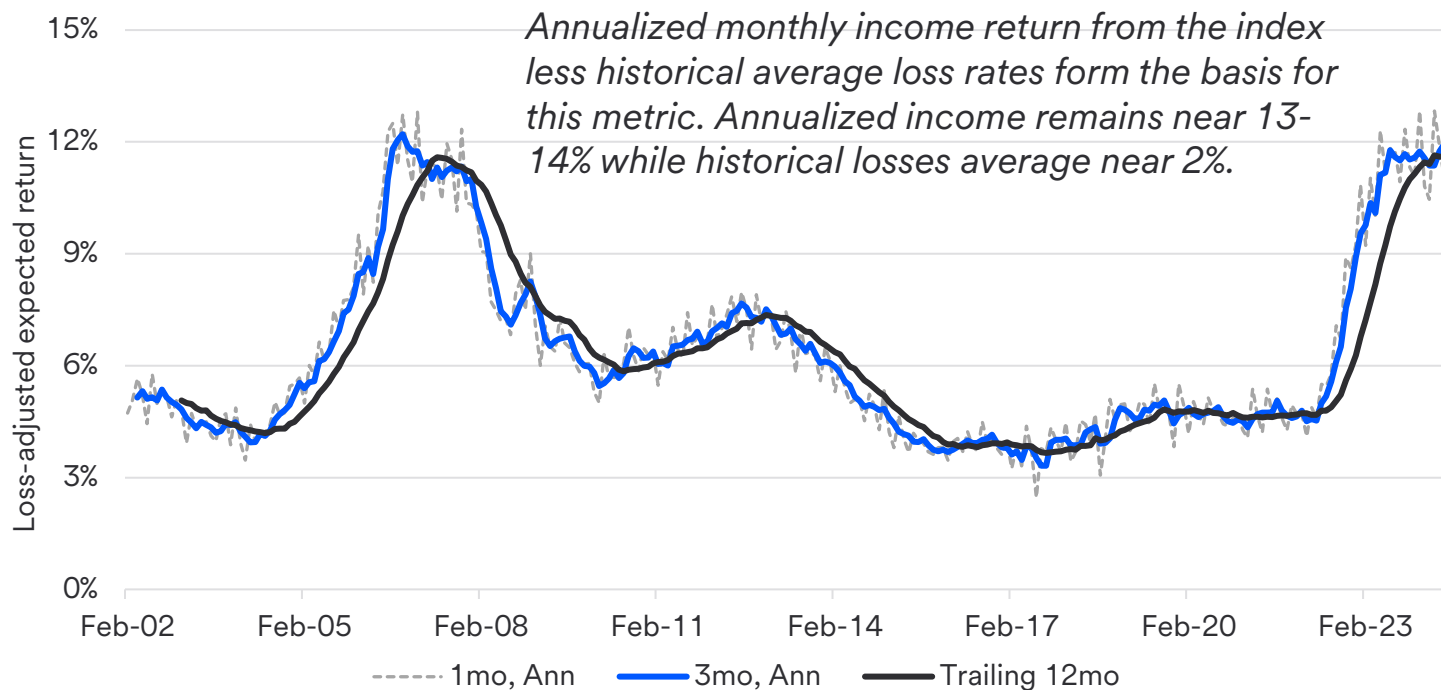
Sources: U.S. Bank Asset Management Group Research, Bloomberg; April 30, 2002-August 31, 2024.



Reinsurance expected return (Method #1: Index income distributions)

Loss-adjusted total return expectations remain elevated due to rising insurance premiums and interest rates. Furthermore, traditional reinsurance investors have indicated they remain fully allocated to the category thus have limited ability to absorb more securities despite compelling economics.

Loss-adjusted expected return (recent annualized income return minus expected losses)



Annualized actual income return (1mo, 3mo, 12mo trailing) minus long run average annualized price losses (1.9%)

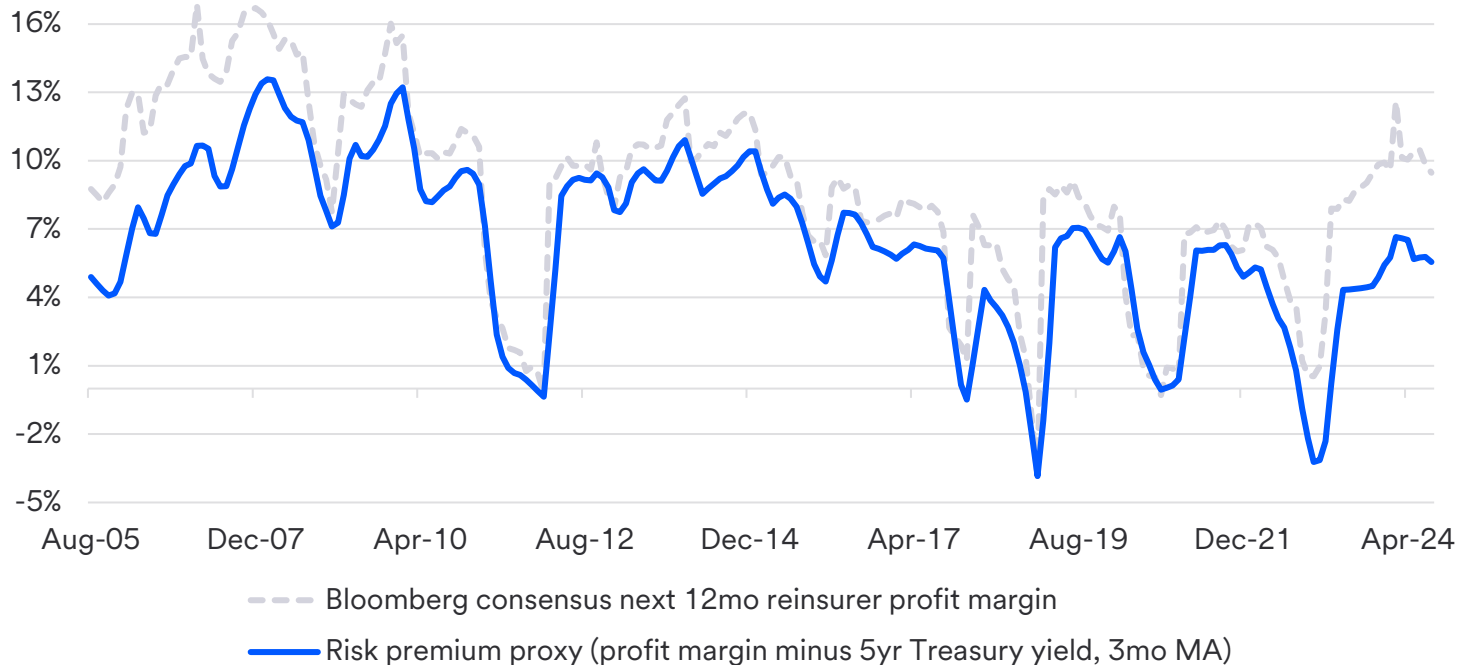
Source: U.S. Bank Wealth Management, Bloomberg; February 28, 2002-August 31, 2024.



Reinsurance expected return (Method #2: Profit margins)

Reinsurer profit margins recovered after the dip coinciding with the 2022 hurricane season. We start with street consensus profit margins for the publicly traded reinsurance company index for the next 12 months, then subtract 5-year Treasury yields.

Consensus reinsurer profit margins vs. risk premium using profit margins minus 5yr Tsy yield



Bloomberg consensus next 12mo profit margin for reinsurer index constituents, adjusted using 5yr Treasury yield
Source: U.S. Bank Wealth Management, Bloomberg; August 31, 2005-August 31, 2024.



Reinsurance: Compelling medium-term return expectations

Blending our two primary expected return methodologies with a 2/3 weight to the Income method and 1/3 weight to the profit margin method exhibits a strong relationship with 18-month forward annualized returns and implies a high-single digit to low double-digit return in coming years.

Reinsurance expected return vs. actual return



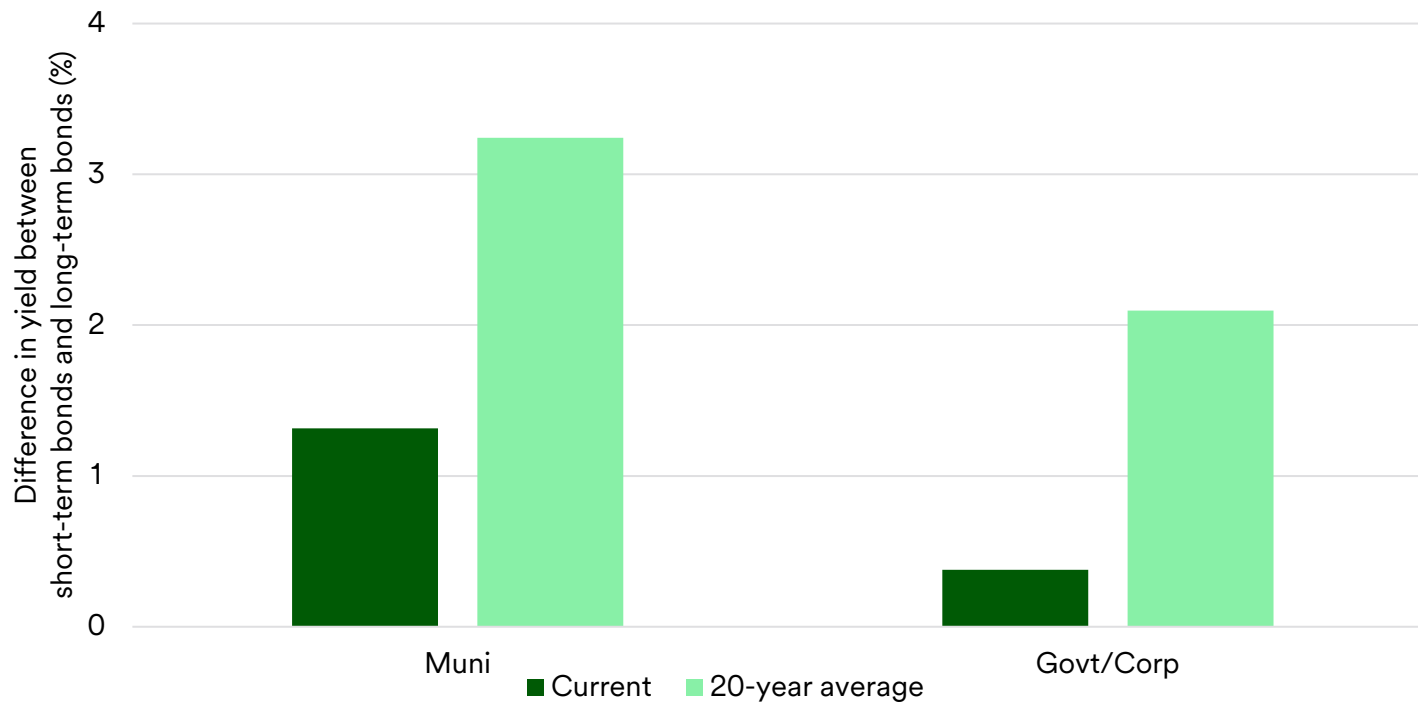
Bloomberg consensus next 12mo profit margin for reinsurer index constituents, adjusted using 5yr Treasury yield
Source: U.S. Bank Wealth Management, Bloomberg; August 31, 2005-August 31, 2024.



Munis: Favoring long-term municipal bonds can generate significant extra yield over time

Tax-free income in municipal bonds magnifies the yield pickup when extending into longer-term bonds. Even with the flat/inverted Treasury curve today, long-term municipal bonds provide substantial extra yield.

Yield pick-up from extending from short-term bonds to long-term bonds (%)



Sources: U.S. Bank Asset Management Group Research, Bloomberg; September 30, 2004-September 26, 2024.

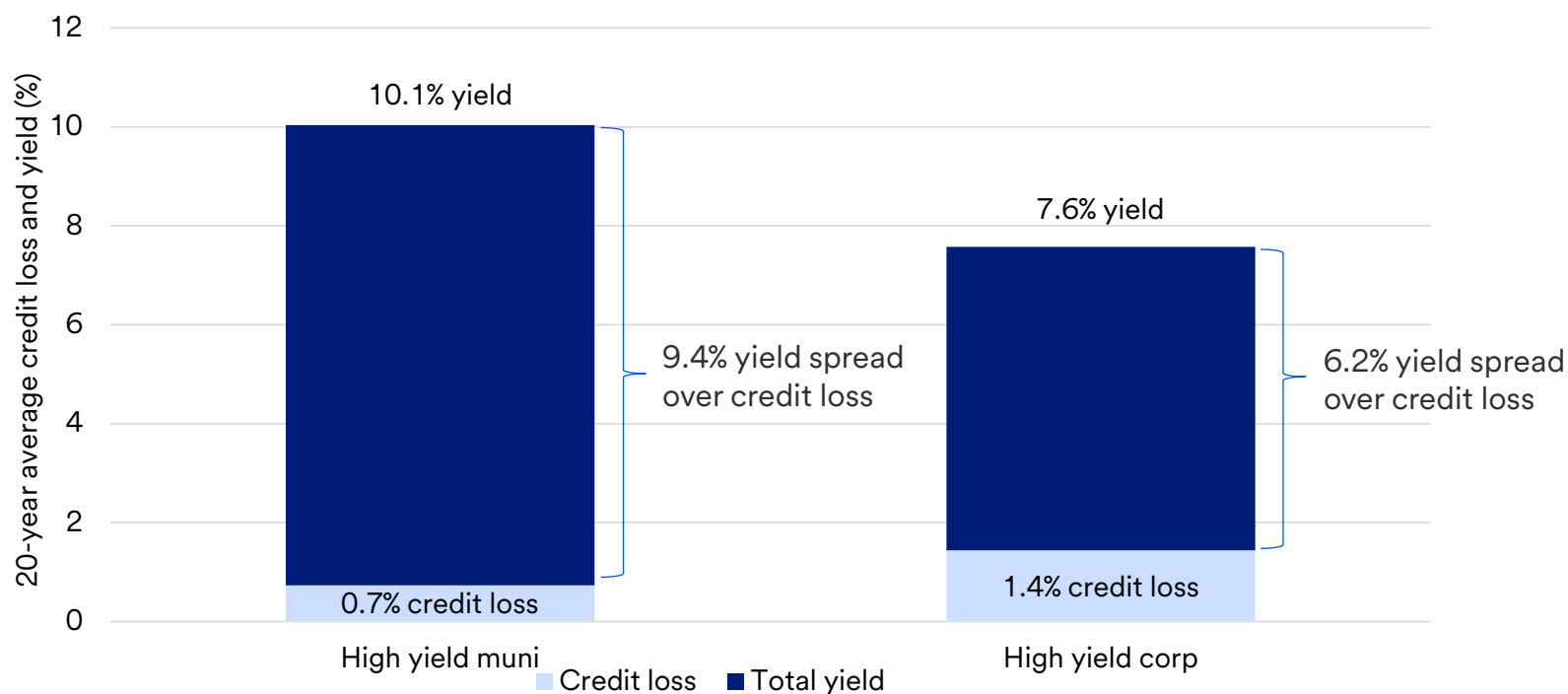
Difference in yields calculated as yield spread between the 1-3 year and 10+ year ICE BofAML corporate and municipal bond indices.



Munis: High yield municipal bonds offer significant extra yield with low historical losses

High yield municipal bonds have historically offered large tax-equivalent yields with low credit losses.

High yield corporate and municipal bond yield and credit loss (20-year average %)



Sources: U.S. Bank Asset Management Group Research, Bloomberg; municipal tax-equivalent yield assumes 40.8% (top marginal federal tax rate plus Affordable Care Act tax), September 30, 2004-September 26, 2024.



Conclusions



The bottom line

- 1 We favor a balanced approach to portfolios ahead of a catalyst-heavy calendar, advising clients to rebalance portfolios to long-run asset allocation targets, emphasizing the power income and dividends can have to offset near-term volatility spells. High earnings expectations, aggressive interest rate cuts priced into markets and election risks are all focal points as we close out 2024.
- 2 Modest economic growth fueling solid corporate earnings hinges on continued consumer spending across income cohorts as we gauge some weakness. Historically low savings rates suggest consumers are increasingly dependent on income growth to support spending, heightening the importance of slowing inflation to allow the Federal Reserve to normalize monetary policy and support the labor market.
- 3 Despite pockets of volatility within traditionally riskier asset classes, we have been encouraged that stocks and bonds have offered diversification properties and have not traded in tandem vis-à-vis the 2022 experience for investors. We continue to monitor both price movements and income stability across portfolios.



Appendix



Equities, bonds, and publicly traded real estate rebounded in 2023 to recoup 2022 losses

As investors digest asset price movements, it's important to have year-to-year context.

Performance of select market indices

Index/Benchmark	2021 Performance	2022 Performance	2023 Performance	2024 Performance	2024 Q3 Performance
S&P 500 Index	28.7%	-18.1%	26.3%	22.1%	5.9%
MSCI EAFE Index	11.8%	-13.8%	18.9%	13.6%	7.3%
MSCI Emerging Markets Index	-2.2%	-19.8%	10.1%	17.1%	8.8%
Bloomberg Barclays U.S. Aggregate Bond Index	-1.5%	-13.0%	5.5%	4.4%	5.2%
Bloomberg Commodity Index	27.1%	16.1%	-7.9%	5.9%	0.7%
Oil (Bloomberg Commodity Index- WTI oil)	61.6%	24.9%	-6.9%	0.9%	-13.0%
Dow Jones All REIT Capped Index	41.3%	-25.1%	11.3%	14.4%	16.9%

*Source: Morningstar. Data period: December 31, 2020-September 30, 2024. Performance figures reflect total returns.

Past performance is no guarantee of future results. Returns shown represent results of market indices and are not from actual investments and are shown for ILLUSTRATIVE PURPOSES ONLY. The indices are described in the Disclosures section.



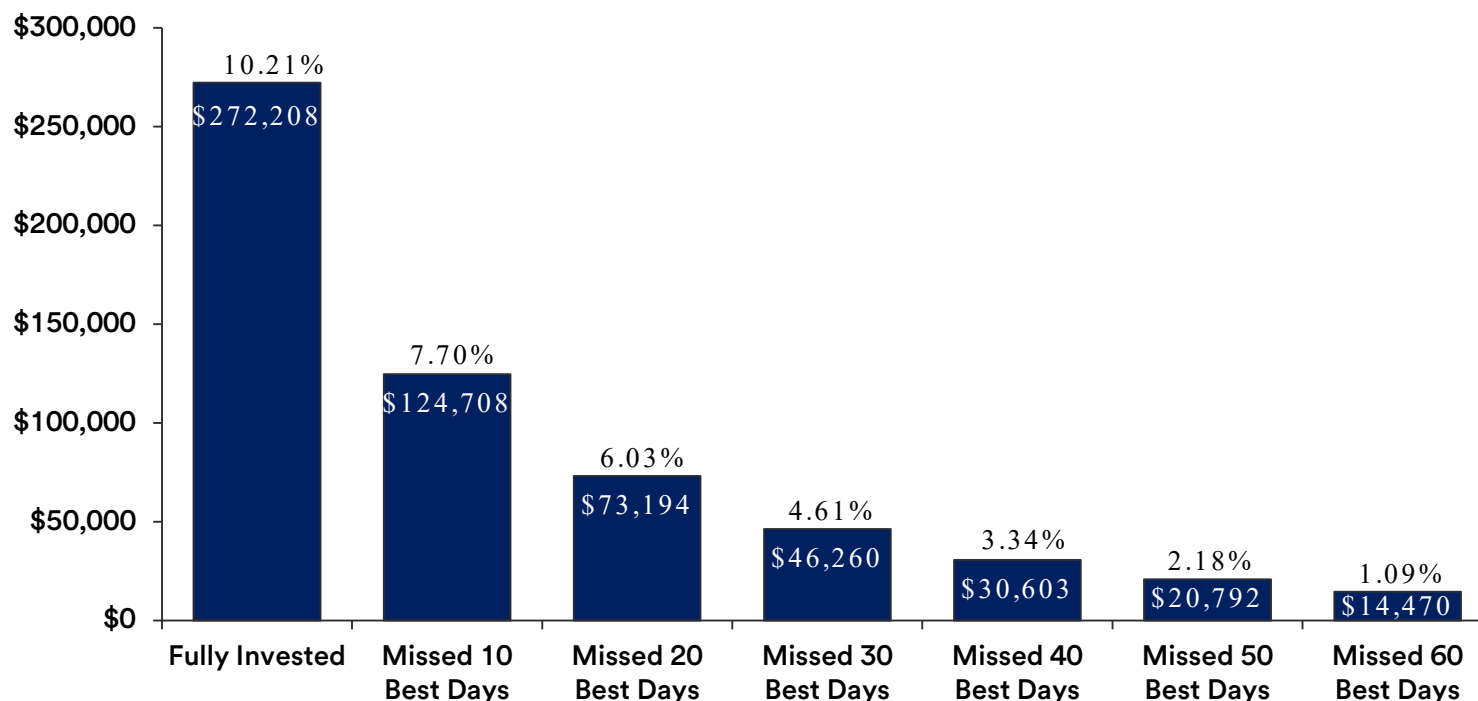
Impact of missing the market's best days

Staying invested can increase returns, given the impact of missing the highest-returning days.

Despite significant damage across global equities, investors who try to time very short-term moves can be punished through longer cycles.

Returns of the S&P 500

Performance of a \$10,000 investment between 1/1/1990 – 12/31/2023



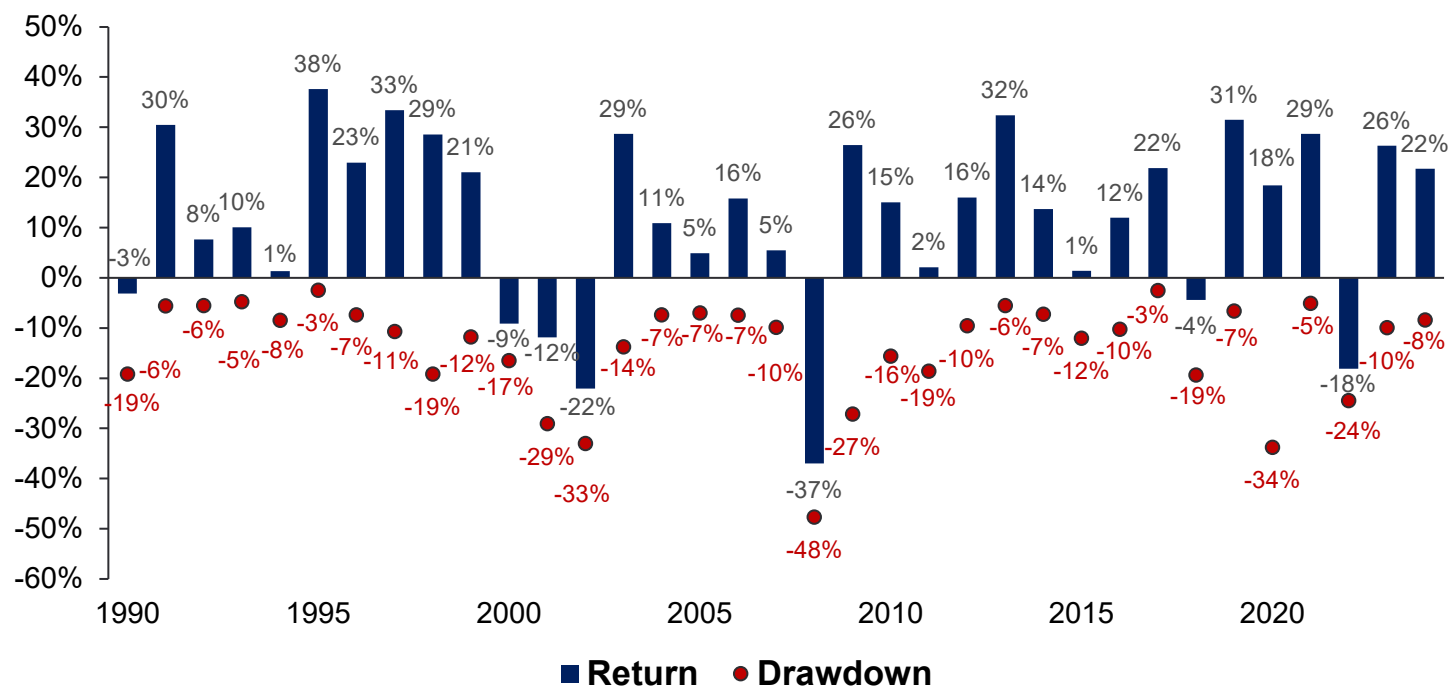
Sources: U.S. Bank Asset Management Group, FactSet Global Research Systems. Data period: January 1, 1990-December 31, 2023.

Past performance is no guarantee of future results. Returns shown represent results of market index and are not from actual investments and are shown for ILLUSTRATIVE PURPOSES ONLY. The index is described in the Disclosures section.

Over time, remaining invested results in strong returns despite frequent drawdowns

Equities have delivered favorable returns in many years with sizeable drawdowns. It's critical to stay invested, even when uncertainties appear elevated, to benefit from the compounding returns of markets.

S&P 500 intra-year declines vs. calendar year returns

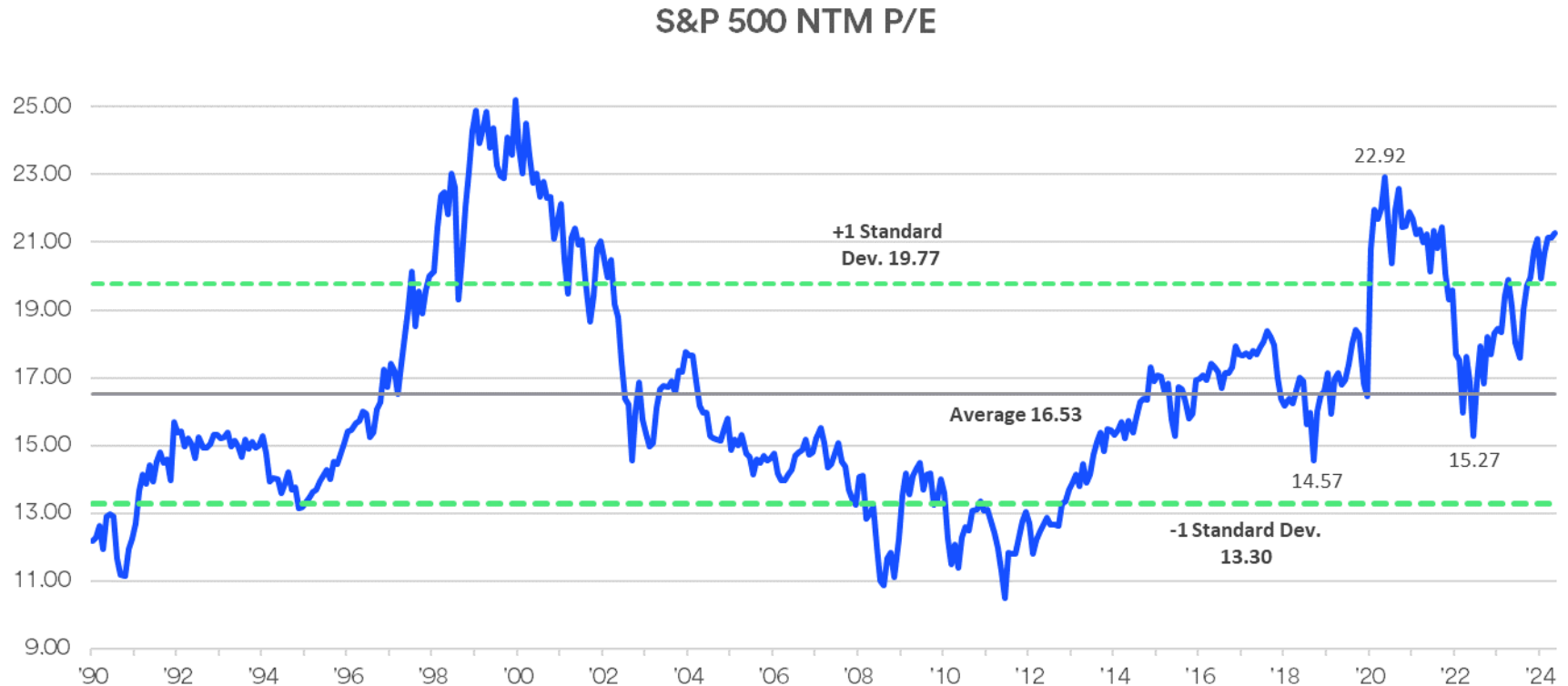


Sources: U.S. Bank Asset Management Group, Bloomberg. Data period: December 31, 1989-September 26, 2024. Past performance is no guarantee of future results. Returns shown represent results of market index and are not from actual investments and are shown for ILLUSTRATIVE PURPOSES ONLY. The index is described in the Disclosures section.

S&P 500 forward price-to-earnings (P/E) ratio

Multiples using next 12-month (NTM) estimates are at the high side of fair.

U.S. Bank Asset Management Group S&P 500 P/E estimate range (as of September 27, 2024; S&P 500 level: 5,738.17)



- NTM average P/E ratio: 16.5x (+1/-1 standard deviation range of 19.7x-13.3x).
- Current NTM P/E multiple of roughly 21.5x NTM earnings estimates are at the high side of historical averages (dating back to 1990), implying broad market valuations are elevated.

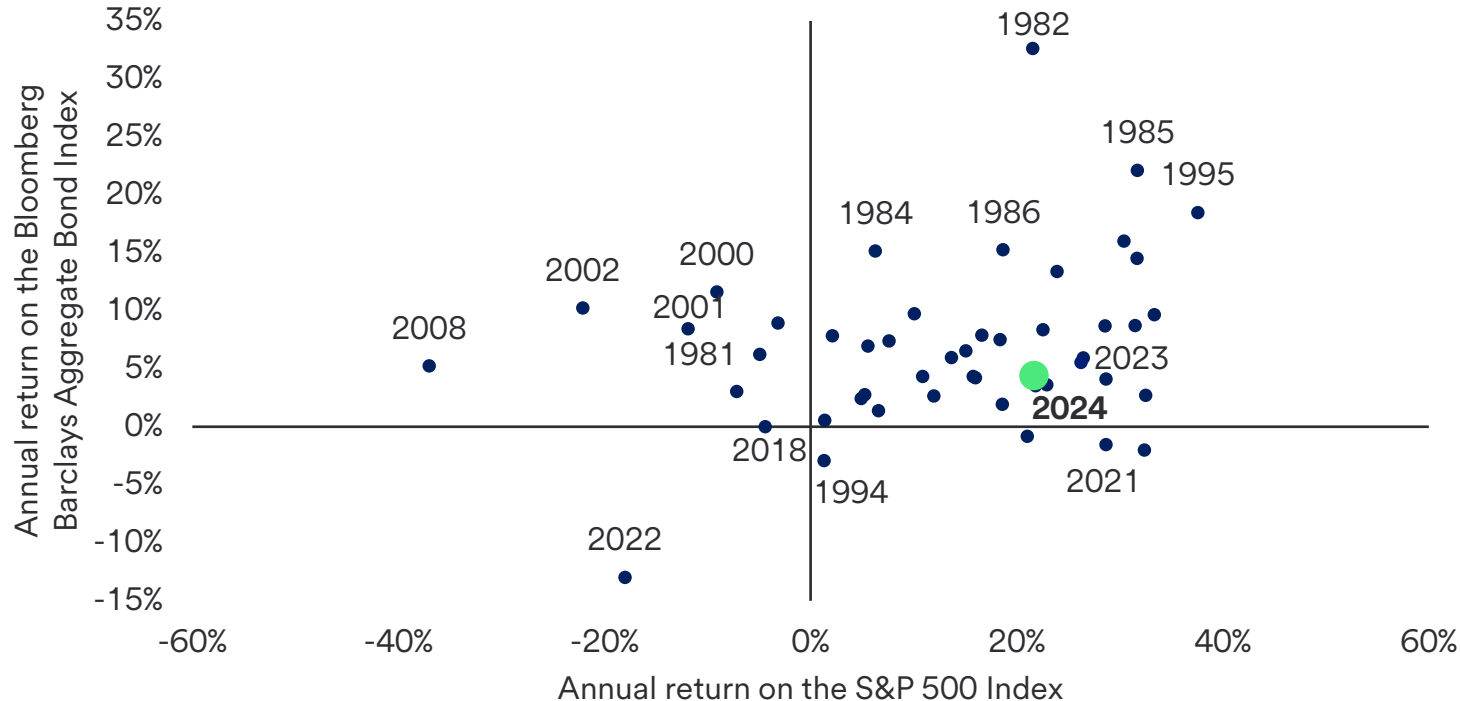
Sources: U.S. Bank Asset Management Group, Bloomberg, September 29, 2024.



2022 stock and bond market performance was a historical anomaly

In the past, bond market returns provided a positive performance offset during periods of material stock market declines. Last year's drawdown across both equities and high-quality domestic bonds stands out as a historical outlier.

Stock and bond market performance

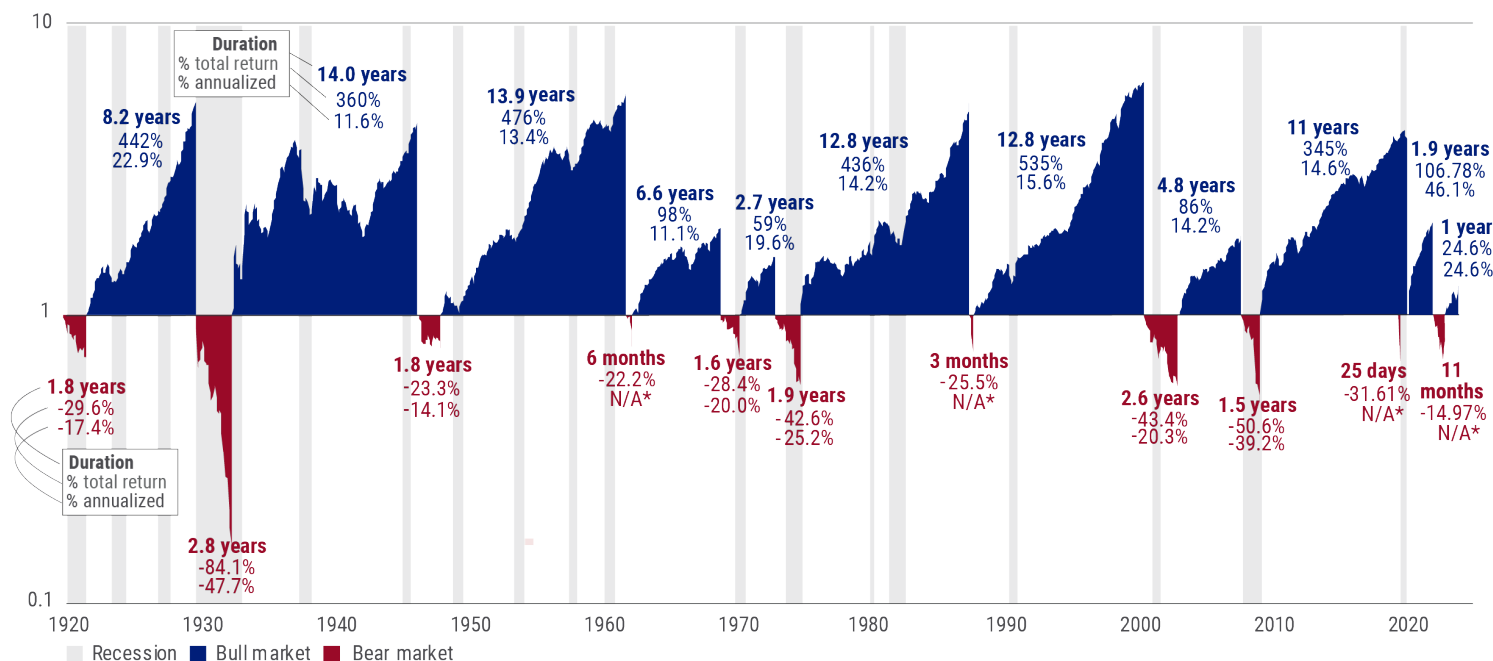


Sources: U.S. Bank Asset Management Group analysis, Bloomberg. Data period: December 31, 1975-September 26, 2024.

History of U.S. bear and bull markets since 1920

This chart shows historical performance of the S&P 500 throughout the U.S. bull and bear markets from 1920 through December 2023. Although past performance is no guarantee of future results, we believe looking at the history of the market's expansions and recessions helps gain a perspective on the advantages of investing for the long-term.

U.S. bear and bull markets since 1920



BULL: From the lowest close reached after the market has fallen 20% or more, to the next market high. The average bull market period lasted 8.2 years, with those periods having an average total return of 270%.

BEAR: From when the index closes at least 20% down from its previous high close, through the lowest close reached after it has fallen 20% or more. The average bear market period lasted 1.5 years, with those periods having an average loss of 36%.

*Less than one year data available. Shading represents economic recessions.

Sources: U.S. Bank Asset Management Group, Bloomberg, Monthly data, December 31, 1919-December 31, 2023.

Staying invested beats inflation

Investing in stocks and bonds can help offset inflation. A balanced portfolio of \$24,371 in 2003 would have been worth \$100,000 as of December 31, 2023, whereas a portfolio invested in T-bills would've required \$75,515 to reach \$100,000 in 2023.

\$100,000 invested in T-bills versus a balanced portfolio

	Value in 2003	Value in 2023	Value in 2043
Impact of inflation	\$60,153	\$100,000	\$167,089
Equivalent value in 2003		Today's spending/ investment value	Projected value of \$100,000 in 2043
Investing in cash*	\$75,515	\$100,000	\$224,656
Cash investment needed in 2003 to grow to \$100,000 in 2023		Today's spending/ investment value	Projected growth of \$100,000 held in cash until 2043
Investing in a balanced stock/bond portfolio**	\$24,371	\$100,000	\$369,833
Balanced investment needed in 2003 to grow to \$100,000 in 2023		Today's spending/ investment value	Projected growth of \$100,000 held in a balanced portfolio until 2043

*Cash investment is 90-day Treasury bill from 8/31/2001 to 12/31/2023. Projections are based on U.S. Bank 2024 financial planning capital market assumptions.

**Balanced portfolio is 60% S&P 500 and 40% Bloomberg Barclays U.S. Aggregate Bond Index. Projections are based on U.S. Bank 2024 financial planning capital market assumptions.

Sources: U.S. Bank Asset Management Group, Bloomberg, December 31, 2023.



The value of diversification

Annual returns (%)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	10 years ending 12/31/2023*
U.S. Real Estate 29%	U.S. Real Estate 3%	U.S. Equity Small Cap 21%	Emerging Market Equities 38%	Cash 2%	U.S. Equity Large Cap 31%	U.S. Equity Small Cap 20%	U.S. Real Estate 41%	Commodities 26%	U.S. Equity Large Cap 26%	U.S. Equity Large Cap 12%
U.S. Equity Large Cap 14%	U.S. Equity Large Cap 1%	High Yield Bonds 17%	Developed Market Equities 26%	U.S. Bonds 0%	U.S. Equity Mid Cap 31%	Emerging Market Equities 19%	Commodities 40%	Cash 2%	Developed Market Equities 19%	U.S. Equity Mid Cap 9%
U.S. Equity Mid Cap 13%	U.S. Bonds 1%	U.S. Equity Mid Cap 14%	U.S., Equity Large Cap 22%	High Yield Bonds -2%	U.S. Real Estate 29%	U.S. Equity Large Cap 18%	U.S. Equity Large Cap 29%	Developed Market Equities -7%	U.S. Equity Mid Cap 17%	U.S. Real Estate 8%
Balanced 7%	Cash 0%	U.S. Equity Large Cap 12%	U.S. Equity Mid Cap 19%	U.S. Real Estate -4%	U.S. Equity Small Cap 26%	U.S. Equity Mid Cap 17%	U.S. Equity Mid Cap 23%	High Yield Bonds -11%	U.S. Equity Small Cap 17%	U.S. Equity Small Cap 7%
U.S. Bonds 6%	Balanced 0%	Emerging Market Equities 12%	U.S. Equity Small Cap 15%	U.S. Equity Large Cap -4%	Developed Market Equities 23%	Balanced 13%	U.S. Equity Small Cap 15%	U.S. Bonds -13%	Balanced 15%	Balanced 6%
U.S. Equity Small Cap 5%	Developed Market Equities 0%	Commodities 11%	Balanced 14%	Balanced -5%	Balanced 20%	Developed Market Equities 8%	Developed Market Equities 12%	Balanced -15%	High Yield Bonds 13%	Developed Market Equities 5%
High Yield Bonds 3%	U.S. Equity Mid Cap -2%	U.S. Real Estate 9%	U.S. Real Estate 9%	U.S. Equity Mid Cap -9%	Emerging Market Equities 19%	U.S. Bonds 8%	Balanced 12%	Emerging Market Equities -15%	U.S. Real Estate 11%	High Yield Bonds 5%
Cash 0%	U.S. Equity Small Cap -4%	Balanced 8%	High Yield Bonds 7%	U.S. Equity Small Cap -11%	Commodities 18%	High Yield Bonds 6%	High Yield Bonds 5%	U.S. Equity Mid Cap -17%	Emerging Market Equities 10%	Emerging Market Equities 3%
Emerging Market Equities -2%	High Yield Bonds -5%	U.S. Bonds 3%	Commodities 6%	Developed Market Equities -13%	High Yield Bonds 14%	Cash 1%	Cash 0%	U.S. Equity Large Cap -18%	U.S. Bonds 6%	U.S. Bonds 2%
Developed Market Equities -4%	Emerging Market Equities -15%	Developed Market Equities 2%	U.S. Bonds 4%	Commodities -14%	U.S. Bonds 9%	U.S. Real Estate -4%	U.S. Bonds -2%	U.S. Equity Small Cap -20%	Cash 5%	Cash 1%
Commodities -33%	Commodities -33%	Cash 0%	Cash 1%	Emerging Market Equities -14%	Cash 2%	Commodities -24%	Emerging Market Equities -2%	U.S. Real Estate -25%	Commodities -4%	Commodities -4%

*Annualized returns

Sources: U.S. Bank Asset Management Group, Bloomberg, December 31, 2013-December 31, 2023.



The value of diversifying a fixed income portfolio

Annual fixed income returns (%)

10 years ending 12/31/2013*	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	10 years ending 12/31/2023*
High yield corporate 8.5%	High yield municipal 13.8%	Municipal 3.3%	High yield corporate 17.5%	High yield municipal 9.7%	High yield municipal 4.8%	Investment grade corporate 14.5%	Investment grade corporate 9.9%	High yield municipal 7.8%	Cash 1.5%	High yield corporate 13.5%	High yield municipal 5.0%
Investment grade corporate 5.3%	Municipal 9.1%	High yield municipal 1.8%	Investment grade corporate 6.1%	High yield corporate 7.5%	Cash 1.8%	High yield corporate 14.4%	U.S. Treasury 8.0%	High yield corporate 5.4%	Municipal -8.5%	High yield municipal 9.2%	High yield corporate 4.5%
High yield municipal 5.2%	Investment grade corporate 7.5%	Agency mortgage 1.5%	High yield municipal 3.0%	Investment grade corporate 6.4%	Municipal 1.3%	High yield municipal 10.7%	Investment grade 7.5%	Municipal 1.5%	High yield corporate -11.2%	Investment grade corporate 8.5%	Municipal 3.0%
Agency mortgage 4.6%	Agency mortgage 6.1%	U.S. Treasury 0.8%	Investment grade 2.6%	Municipal 5.4%	Agency mortgage 1.0%	Investment grade 8.7%	High yield corporate 6.2%	Cash 0.0%	Agency mortgage -11.8%	Municipal 6.4%	Investment grade corporate 3.0%
Investment grade 4.5%	Investment grade 6.0%	Investment grade 0.5%	Agency mortgage 1.7%	Investment grade 3.5%	U.S. Treasury 0.9%	Municipal 7.5%	Municipal 5.2%	Agency mortgage -1.0%	U.S. Treasury -12.5%	Investment grade 5.5%	Investment grade 1.8%
Municipal 4.3%	U.S. Treasury 5.1%	Cash 0.0%	U.S. Treasury 1.0%	Agency mortgage 2.5%	Investment grade 0.0%	U.S. Treasury 6.9%	High yield municipal 4.9%	Investment grade corporate -1.0%	Investment grade -13.0%	Cash 5.1%	Agency mortgage 1.4%
U.S. Treasury 4.2%	High yield corporate 2.5%	Investment grade corporate -0.7%	Municipal 0.2%	U.S. Treasury 2.3%	High yield corporate -2.3%	Agency mortgage 6.4%	Agency mortgage 3.9%	Investment grade -1.5%	High yield municipal -13.1%	Agency mortgage 5.0%	U.S. Treasury 1.3%
Cash 1.6%	Cash 0.0%	High yield corporate -4.6%	Cash 0.3%	Cash 0.8%	Investment grade corporate -2.5%	Cash 2.2%	Cash 0.5%	U.S. Treasury -2.3%	Investment grade corporate -15.8%	U.S. Treasury 4.1%	Cash 1.2%

*Annualized returns

Sources: U.S. Bank Asset Management Group, Bloomberg, December 31, 2013-December 31, 2023.



The value of diversifying among equity sectors

Annual S&P 500 sector returns (%)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	10 years ending 12/31/2023*
Real Estate 30%	Consumer Cyclical 10%	Energy 27%	Technology 39%	Healthcare 6%	Technology 50%	Technology 44%	Energy 55%	Energy 66%	Technology 58%	Technology 21%
Utilities 29%	Healthcare 7%	Communications 23%	Natural Resources 24%	Utilities 4%	Communications 33%	Consumer Cyclical 33%	Real Estate 46%	Utilities 2%	Communications 56%	S&P 500 12%
Healthcare 25%	Consumer Defensive 7%	Financials 23%	Consumer Cyclical 23%	Consumer Cyclical 1%	Financials 32%	Communications 24%	Financials 35%	Consumer Defensive -1%	Consumer Cyclical 42%	Consumer Cyclical 12%
Technology 20%	Technology 6%	Industrials 19%	Financials 22%	Technology 0%	S&P 500 31%	Natural Resources 21%	Technology 35%	Healthcare -2%	S&P 500 26%	Healthcare 11%
Consumer Defensive 16%	Real Estate 5%	Natural Resources 17%	Healthcare 22%	Real Estate -2%	Industrials 29%	S&P 500 18%	S&P 500 29%	Industrials -5%	Industrials 18%	Financials 10%
Financials 15%	Communications 3%	Utilities 16%	S&P 500 22%	S&P 500 -4%	Real Estate 29%	Healthcare 13%	Natural Resources 27%	Financials -11%	Natural Resources 13%	Industrials 10%
S&P 500 14%	S&P 500 1%	Technology 14%	Industrials 21%	Consumer Defensive -8%	Consumer Cyclical 28%	Industrials 11%	Healthcare 26%	Natural Resources -12%	Real Estate 12%	Utilities 9%
Consumer Cyclical 10%	Financials -2%	S&P 500 12%	Consumer Defensive 13%	Communications -13%	Consumer Defensive 28%	Consumer Defensive 11%	Consumer Cyclical 24%	S&P 500 -18%	Financials 12%	Real Estate 9%
Industrials 10%	Industrials -3%	Consumer Cyclical 6%	Utilities 12%	Financials -13%	Utilities 26%	Utilities 0%	Communications 22%	Real Estate -26%	Healthcare 2%	Natural Resources 9%
Natural Resources 7%	Utilities -5%	Consumer Defensive 5%	Real Estate 11%	Industrials -13%	Natural Resources 25%	Financials -2%	Industrials 21%	Technology -28%	Consumer Defensive 1%	Consumer Defensive 9%
Communications 3%	Natural Resources -8%	Real Estate 3%	Energy -1%	Natural Resources -15%	Healthcare 21%	Real Estate -2%	Consumer Defensive 19%	Consumer Cyclical -37%	Energy -1%	Communications 8%
Energy -8%	Energy -21%	Healthcare -3%	Communications -1%	Energy -18%	Energy 12%	Energy -34%	Utilities 18%	Communications -40%	Utilities -7%	Energy 3%

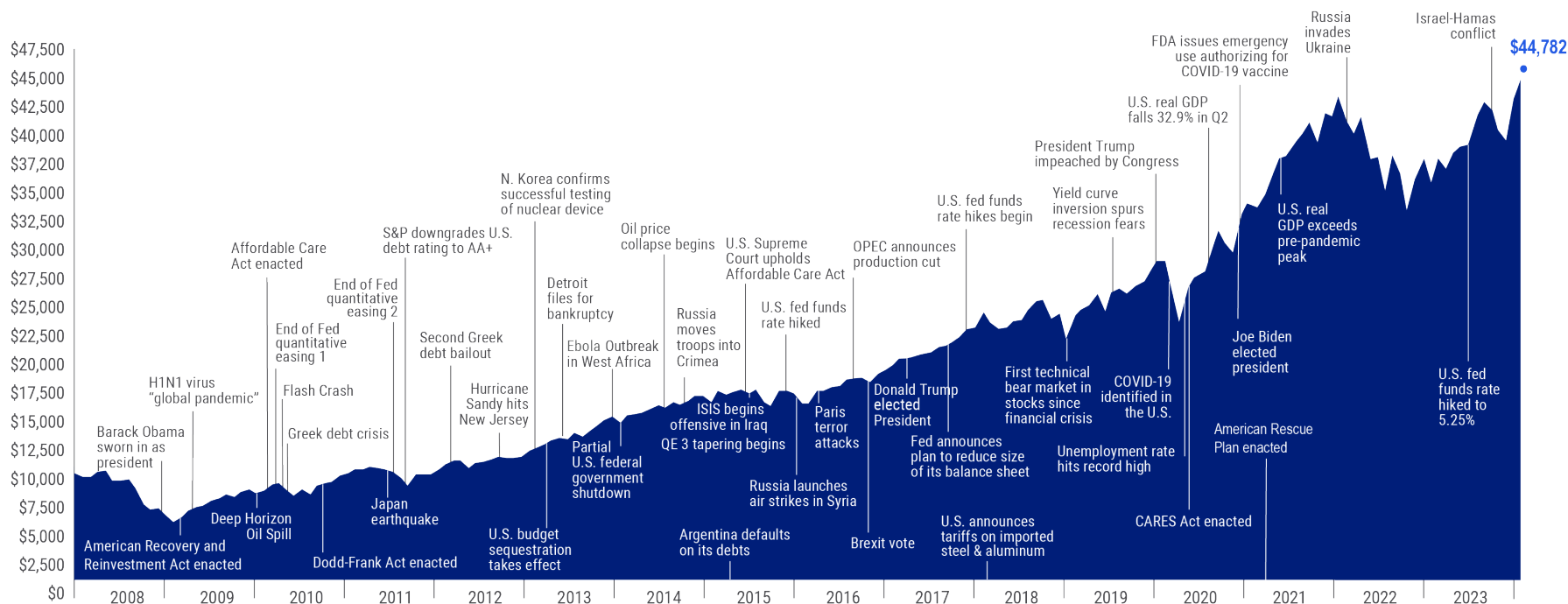
*Annualized returns

Sources: U.S. Bank Asset Management Group, Morningstar, December 31, 2013-December 31, 2023.

The importance of staying invested

Monetary & fiscal policy, geopolitics, and other risks can inject near-term volatility in markets, but the S&P 500 has delivered strong returns over time.

10,000 invested in the S&P 500 since 2008



Sources: U.S. Bank Asset Management Group, Bloomberg, December 31, 2007-December 31, 2023.



U.S. Bank | Public | Please refer to disclosures in appendix.

Investment growth in various asset classes

Historical growth of \$100 invested on December 31, 1987



Sources: U.S. Bank Asset Management Group, Bloomberg, December 31, 1987-March 29, 2024

U.S. Large cap stocks: S&P 500 Index. U.S. Mid cap stocks: Russell Midcap Index. U.S. Small cap stocks: Russell 2000 Index.

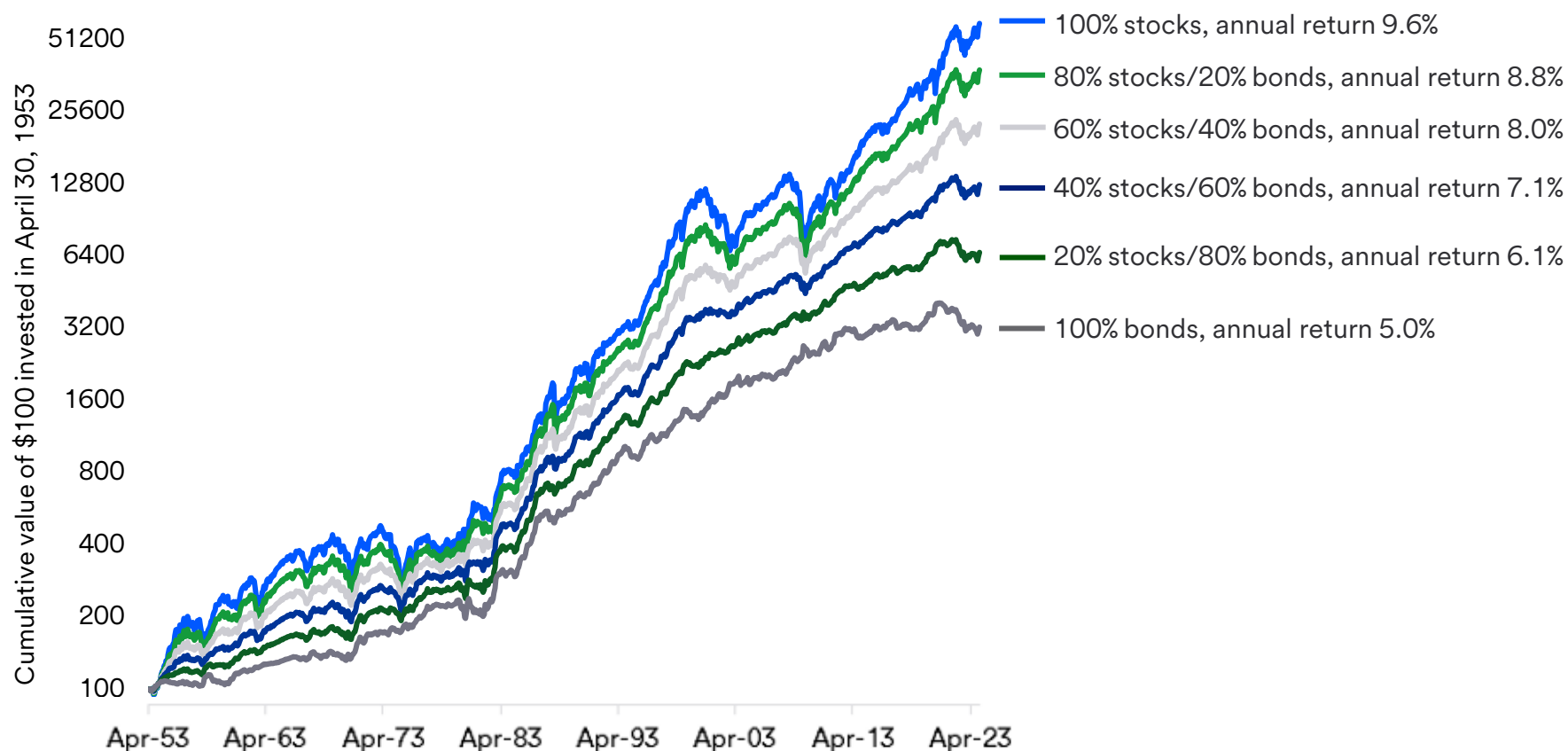
Foreign developed stocks: MSCI EAFE Index. Emerging market stocks: MSCI Emerging Markets index.

Core bonds: Bloomberg Aggregate Bond Index. 90-day Treasury Bills: Return from rolling over 90-day T-Bills quarterly. Inflation: Consumer Price Inflation.



Stock versus bond: Risk and reward

Historical growth of \$100 invested on April 30, 1953



Sources: U.S. Bank Asset Management Group, Bloomberg, FRED, April 30, 1953–December 31, 2023

Stocks: S&P 500 Index

Bonds: 10-year Treasury return

Stock versus bond: Risk and reward

1-year rolling returns: 1953 to present

Worst return Average return Best return	Portfolio Mix:	Year ending 12/23	Worst return	Average loss	Average return	Average gain	Best return	Percent negative	Standard deviation
-43.3% 10.7% 61.2%	Stocks 100% Bonds 0%	26.3%	-43.3%	-11.4%	10.7%	17.8%	61.2%	24.3%	16.6%
-39.2% 10.2% 58.3%	Stocks 90% Bonds 10%	23.5%	-39.2%	-10.0%	10.2%	16.6%	58.3%	24.1%	15.0%
-34.8% 9.6% 55.5%	Stocks 80% Bonds 20%	20.7%	-34.8%	-8.5%	9.6%	15.4%	55.5%	24.1%	13.6%
-30.8% 9.1% 52.6%	Stocks 70% Bonds 30%	18.0%	-30.8%	-7.3%	9.1%	14.0%	52.6%	23.3%	12.2%
-26.9% 8.5% 49.8%	Stocks 60% Bonds 40%	15.3%	-26.9%	-6.4%	8.5%	12.6%	49.8%	21.6%	11.0%
-22.9% 8.0% 47.1%	Stocks 50% Bonds 50%	12.7%	-22.9%	-5.6%	8.0%	11.2%	47.1%	19.4%	9.9%
-18.6% 7.5% 44.3%	Stocks 40% Bonds 60%	10.1%	-18.6%	-4.5%	7.5%	10.2%	44.3%	18.5%	9.0%
-16.3% 6.9% 41.6%	Stocks 30% Bonds 70%	7.5%	-16.3%	-3.8%	6.9%	9.2%	41.6%	17.4%	8.4%
-16.7% 6.4% 40.6%	Stocks 20% Bonds 80%	5.0%	-16.7%	-3.3%	6.4%	8.6%	40.6%	18.6%	8.2%
-17.1% 5.9% 41.1%	Stocks 10% Bonds 90%	2.6%	-17.1%	-3.4%	5.9%	8.5%	41.1%	22.0%	8.3%
-17.5% 5.4% 41.6%	Stocks 0% Bonds 100%	0.2%	-17.5%	-4.2%	5.4%	8.7%	41.6%	25.4%	8.7%

Sources: U.S. Bank Asset Management Group, Bloomberg, FRED, April 30, 1953–December 31, 2023

Stocks: S&P 500 Index

Bonds: 10-year Treasury return

 U.S. Bank | Public | Please refer to disclosures in appendix.

Stock versus bond: Risk and reward

3-year rolling returns: 1953 to present

	Worst return	Average return	Best return	Portfolio Mix:	Year ending 12/23	Worst return	Average loss	Average return	Average gain	Best return	Percent negative	Standard deviation
	-16.1%	9.6%	33.3%	Stocks 100% Bonds 0%	10.0%	-16.1%	-5.8%	9.6%	12.2%	33.3%	14.5%	9.2%
	-13.5%	9.2%	32.0%	Stocks 90% Bonds 10%	8.3%	-13.5%	-5.1%	9.2%	11.4%	32.0%	13.0%	8.4%
	-10.8%	8.9%	30.8%	Stocks 80% Bonds 20%	6.6%	-10.8%	-4.4%	8.9%	10.6%	30.8%	11.7%	7.7%
	-8.9%	8.5%	29.5%	Stocks 70% Bonds 30%	5.0%	-8.9%	-3.4%	8.5%	9.9%	29.5%	10.6%	6.9%
	-7.4%	8.1%	28.1%	Stocks 60% Bonds 40%	3.3%	-7.4%	-2.4%	8.1%	9.2%	28.1%	9.3%	6.3%
	-5.9%	7.7%	26.8%	Stocks 50% Bonds 50%	1.7%	-5.9%	-1.7%	7.7%	8.4%	26.8%	6.5%	5.7%
	-4.3%	7.3%	25.4%	Stocks 40% Bonds 60%	0.0%	-4.3%	-1.5%	7.3%	7.6%	25.4%	4.2%	5.2%
	-3.4%	6.8%	24.1%	Stocks 30% Bonds 70%	-1.7%	-3.4%	-1.2%	6.8%	7.2%	24.1%	4.4%	4.9%
	-5.3%	6.4%	22.9%	Stocks 20% Bonds 80%	-3.3%	-5.3%	-1.8%	6.4%	6.7%	22.9%	4.3%	4.7%
	-7.2%	5.9%	22.2%	Stocks 10% Bonds 90%	-5.0%	-7.2%	-2.4%	5.9%	6.3%	22.2%	5.2%	4.8%
	-9.1%	5.4%	21.7%	Stocks 0% Bonds 100%	-6.7%	-9.1%	-2.2%	5.4%	6.2%	21.7%	9.5%	5.0%

Sources: U.S. Bank Asset Management Group, Bloomberg, FRED, April 30, 1953–December 31, 2023

Stocks: S&P 500 Index

Bonds: 10-year Treasury return



U.S. Bank | Public | Please refer to disclosures in appendix.

Stock versus bond: Risk and reward

5-year rolling returns: 1953 to present

	Worst return	Average return	Best return	Portfolio Mix:	Year ending 12/23	Worst return	Average loss	Average return	Average gain	Best return	Percent negative	Standard deviation
	-7.4%	9.3%	29.6%	Stocks 100% Bonds 0%	15.7%	-7.4%	-2.1%	9.3%	11.0%	29.6%	13.1%	7.5%
	-6.1%	9.0%	28.4%	Stocks 90% Bonds 10%	14.2%	-6.1%	-1.6%	9.0%	10.3%	28.4%	10.5%	6.9%
	-4.8%	8.7%	27.2%	Stocks 80% Bonds 20%	12.6%	-4.8%	-1.2%	8.7%	9.5%	27.2%	7.0%	6.3%
	-3.5%	8.4%	25.9%	Stocks 70% Bonds 30%	11.1%	-3.5%	-1.2%	8.4%	8.8%	25.9%	3.8%	5.7%
	-2.3%	8.0%	24.7%	Stocks 60% Bonds 40%	9.5%	-2.3%	-0.8%	8.0%	8.3%	24.7%	2.7%	5.2%
	-1.4%	7.7%	23.4%	Stocks 50% Bonds 50%	7.9%	-1.4%	-0.6%	7.7%	7.8%	23.4%	1.4%	4.8%
	-1.2%	7.3%	22.5%	Stocks 40% Bonds 60%	6.4%	-1.2%	-0.5%	7.3%	7.4%	22.5%	0.9%	4.4%
	-0.9%	6.9%	21.9%	Stocks 30% Bonds 70%	4.7%	-0.9%	-0.4%	6.9%	6.9%	21.9%	0.6%	4.1%
	-0.7%	6.5%	21.5%	Stocks 20% Bonds 80%	3.1%	-0.7%	-0.5%	6.5%	6.5%	21.5%	0.4%	4.0%
	-0.5%	6.0%	21.4%	Stocks 10% Bonds 90%	1.5%	-0.5%	-0.3%	6.0%	6.1%	21.4%	0.5%	3.9%
	-1.1%	5.6%	21.4%	Stocks 0% Bonds 100%	-0.2%	-1.1%	-0.4%	5.6%	5.8%	21.4%	3.5%	4.0%

Sources: U.S. Bank Asset Management Group, Bloomberg, FRED, April 30, 1953–December 31, 2023

Stocks: S&P 500 Index

Bonds: 10-year Treasury return

Stock versus bond: Risk and reward

10-year rolling returns: 1953 to present

	Worst return	Average return	Best return	Portfolio Mix:	Year ending 12/23	Worst return	Average loss	Average return	Average gain	Best return	Percent negative	Standard deviation
	-3.4%	9.0%	19.5%	Stocks 100% Bonds 0%	12.0%	-3.4%	-0.9%	9.0%	9.8%	19.5%	7.7%	5.7%
	-2.4%	8.8%	18.7%	Stocks 90% Bonds 10%	11.0%	-2.4%	-0.9%	8.8%	9.1%	18.7%	3.4%	5.3%
	-1.6%	8.6%	18.3%	Stocks 80% Bonds 20%	10.0%	-1.6%	-0.7%	8.6%	8.7%	18.3%	1.6%	4.9%
	-1.0%	8.3%	17.8%	Stocks 70% Bonds 30%	8.9%	-1.0%	-0.5%	8.3%	8.4%	17.8%	0.5%	4.6%
	-0.4%	8.0%	17.3%	Stocks 60% Bonds 40%	7.8%	-0.4%	-0.4%	8.0%	8.0%	17.3%	0.1%	4.2%
	0.2%	7.7%	16.7%	Stocks 50% Bonds 50%	6.7%	0.2%	#N/A	7.7%	7.7%	16.7%	0.0%	3.9%
	0.7%	7.4%	16.2%	Stocks 40% Bonds 60%	5.6%	0.7%	#N/A	7.4%	7.4%	16.2%	0.0%	3.7%
	1.2%	7.0%	15.6%	Stocks 30% Bonds 70%	4.5%	1.2%	#N/A	7.0%	7.0%	15.6%	0.0%	3.5%
	1.8%	6.7%	15.1%	Stocks 20% Bonds 80%	3.4%	1.8%	#N/A	6.7%	6.7%	15.1%	0.0%	3.3%
	1.2%	6.3%	14.7%	Stocks 10% Bonds 90%	2.2%	1.2%	#N/A	6.3%	6.3%	14.7%	0.0%	3.2%
	-0.1%	5.8%	14.3%	Stocks 0% Bonds 100%	1.1%	-0.1%	-0.1%	5.8%	5.9%	14.3%	0.3%	3.1%

Sources: U.S. Bank Asset Management Group, Bloomberg, FRED, April 30, 1953–December 31, 2023

Stocks: S&P 500 Index

Bonds: 10-year Treasury return



U.S. Bank | Public | Please refer to disclosures in appendix.





CITY COUNCIL MEETING AGENDA ITEM SUMMARY

ITEM TITLE MAIN STREET CORRIDOR UPDATE	AGENDA NO. IV. B. AGENDA DATE: November 4, 2024
ITEM SUMMARY (Background, Discussion, Key Points, Recommendations, etc.) The project consultant, Welch Comer & Associates, will provide an update to City Council regarding the Main Street "Reimagine Downtown Lewiston" project.	
BUDGET IMPACT (Identify any or all impacts this proposed action would have on the City budget and/or personnel resources) N/A	
ACTION PROPOSED N/A	



CITY OF LEWISTON

MAIN STREET CORRIDOR IMPROVEMENTS

Council Update

November 4, 2024

WELCH-COMER
ENGINEERS | SURVEYORS

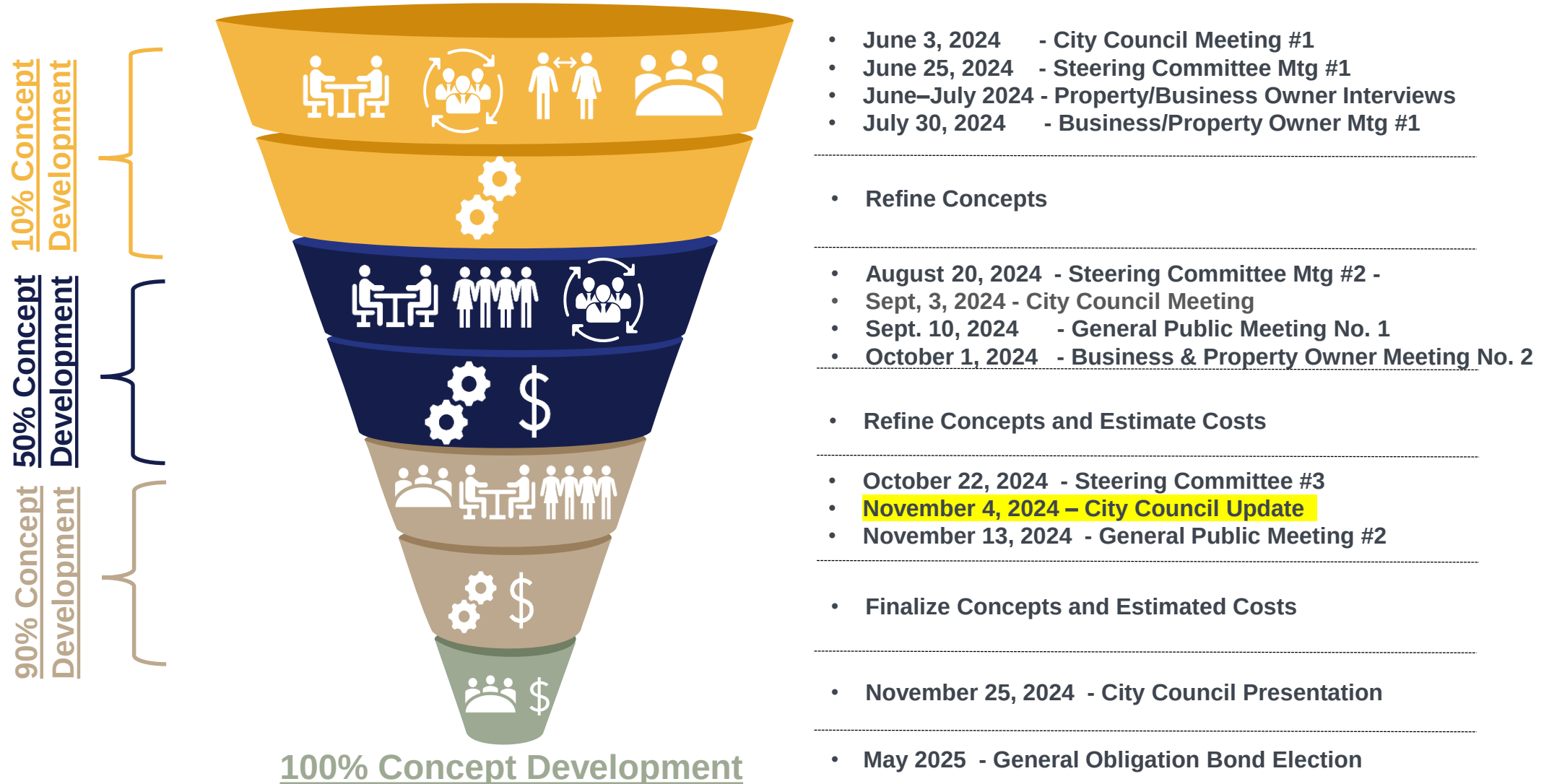


GGLO

Bernardo Wills

WITH RECRAFT, KITTELSON & ASSOCIATES, QUALITY COUNTS, AND GEOPROFESSIONALS, INC

Concept Design Process & Schedule

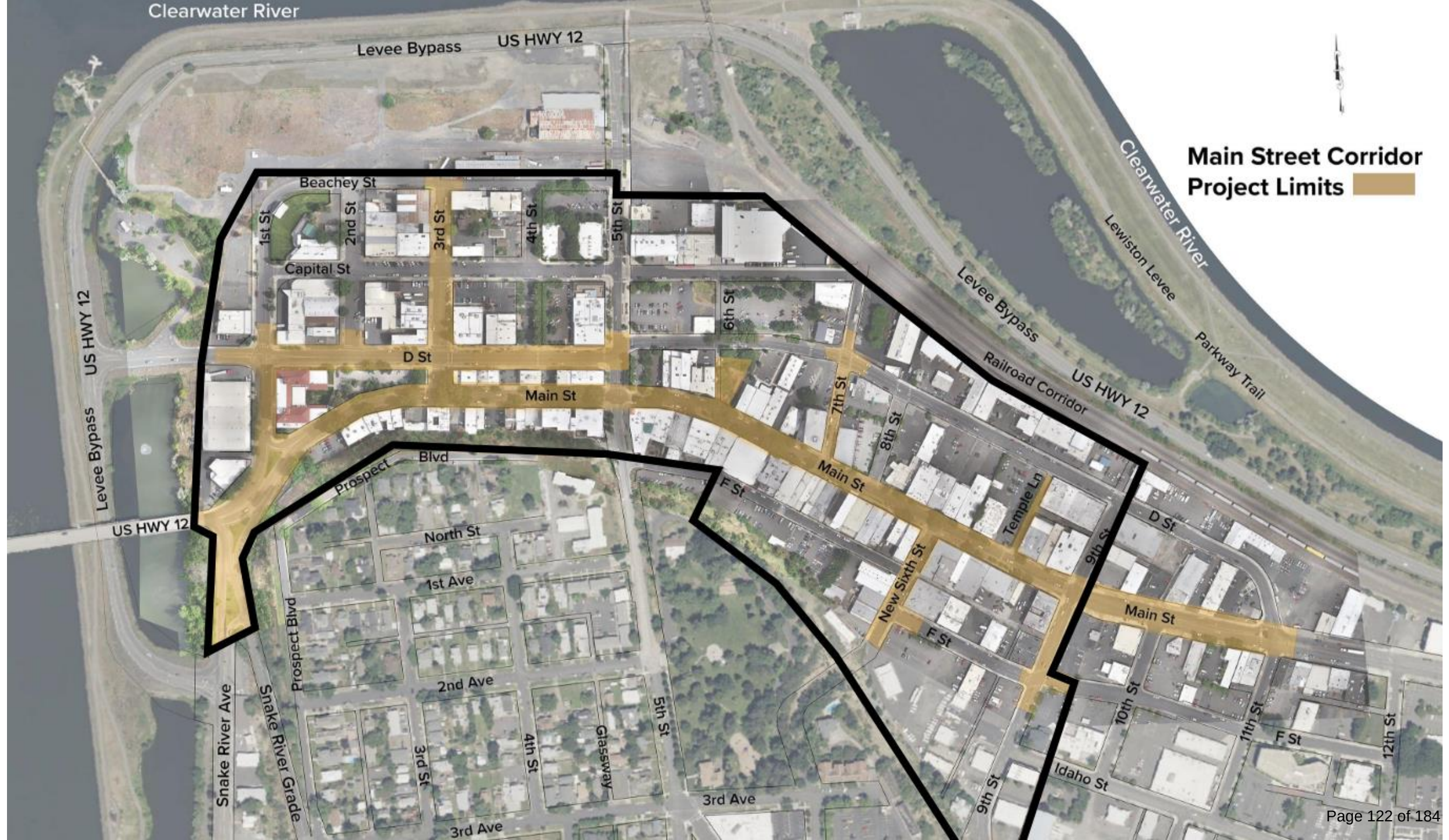


Clearwater River

Levee Bypass

US HWY 12

Main Street Corridor
Project Limits



Why One Big Project?

One Big Project

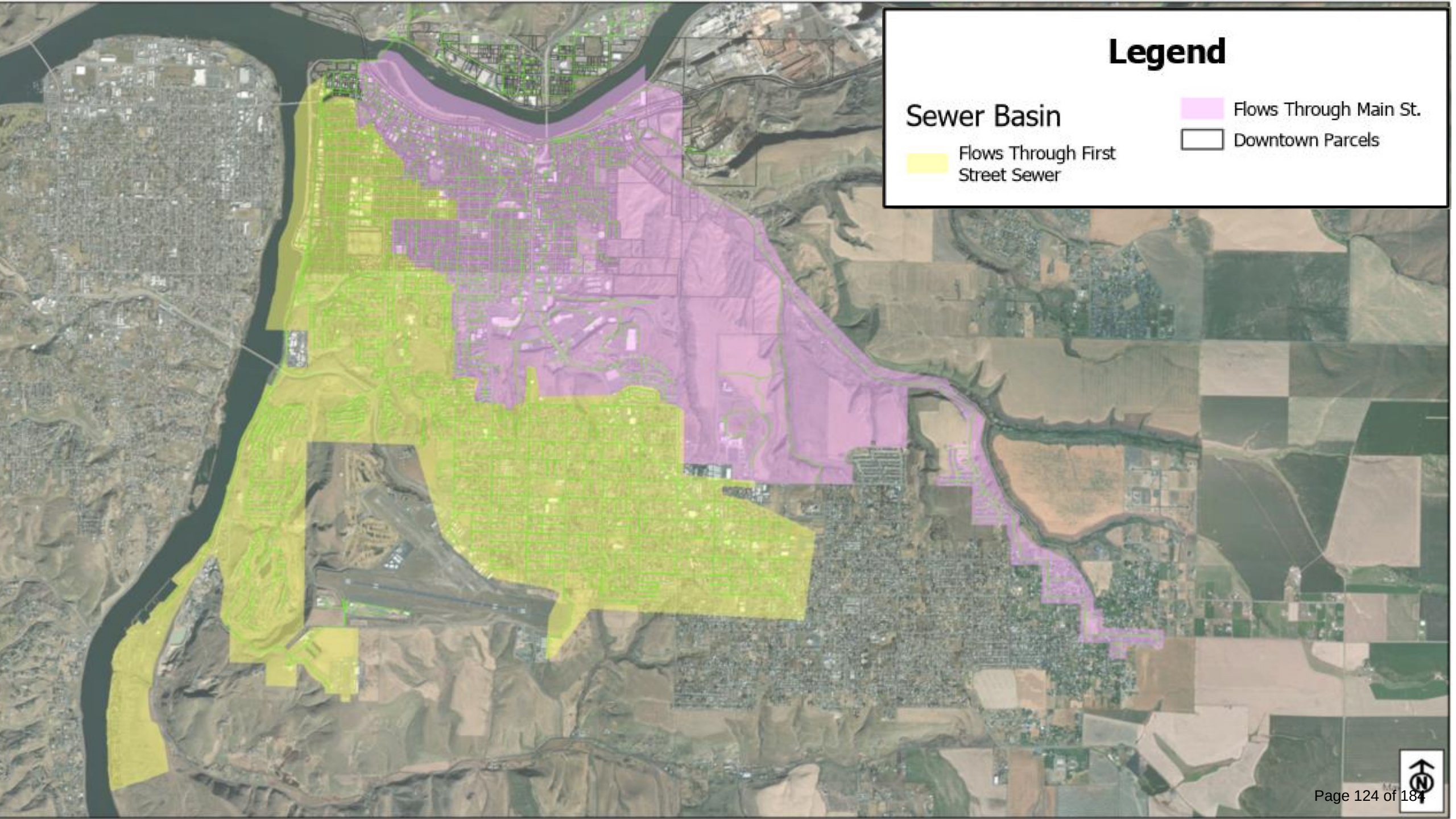
- Cost Efficient
- Less disruptive than multiple projects
- Requires borrowing funds, but no tax increase

- Pre-WW I
- Critical Infrastructure that supports the majority of Lewiston Residents

Utilities

Arterials

- Main Street is the Council's #1 Arterial Improvement Project
- Existing revenues will pay the G.O. Bond loan payments



Legend

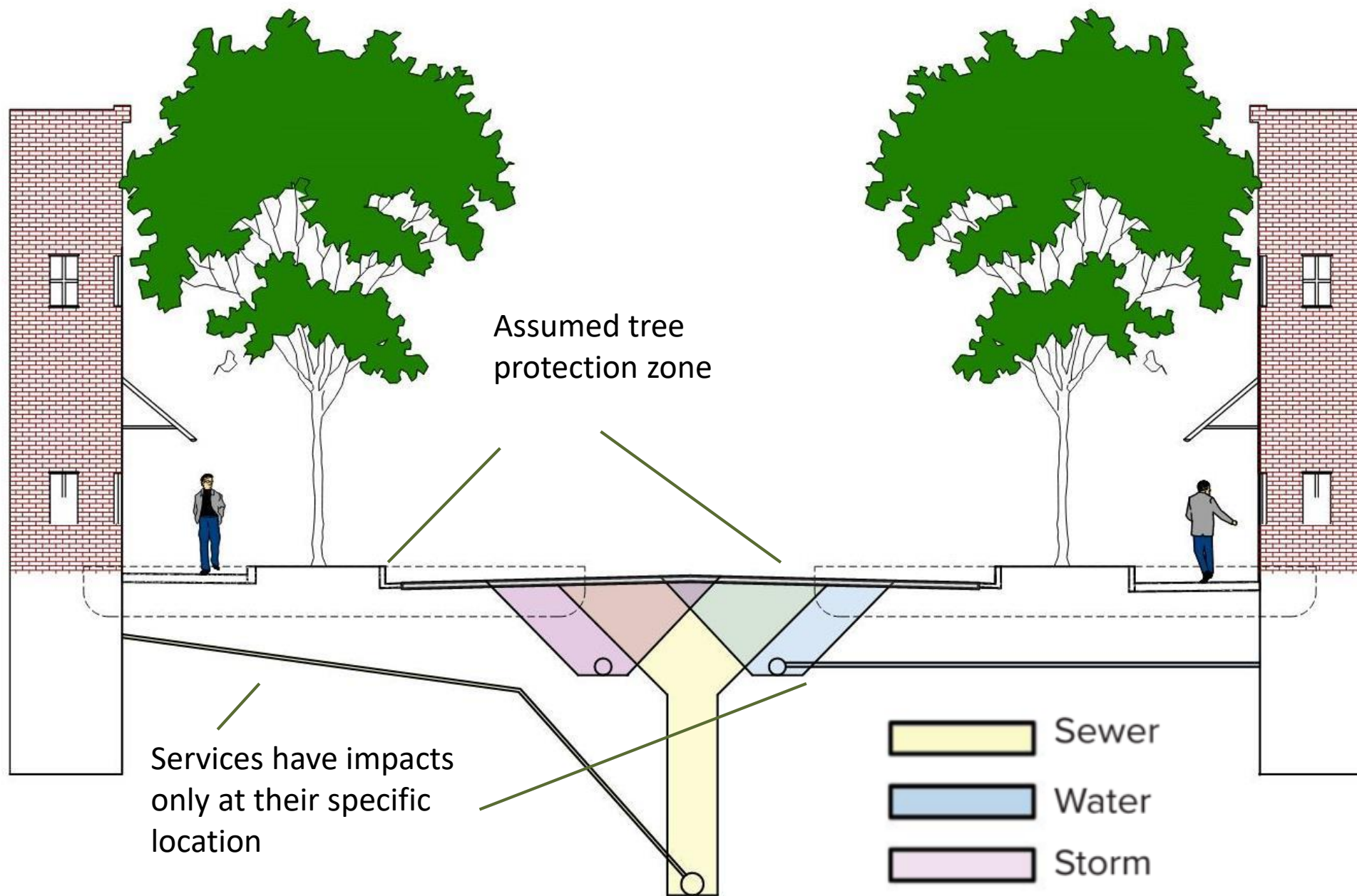
Sewer Basin

Flows Through First Street Sewer

Flows Through Main St.

Downtown Parcels







renew. rebuild. restore. rehabilitate. revitalize. repair. revive.

reimagine
Downtown Lewiston

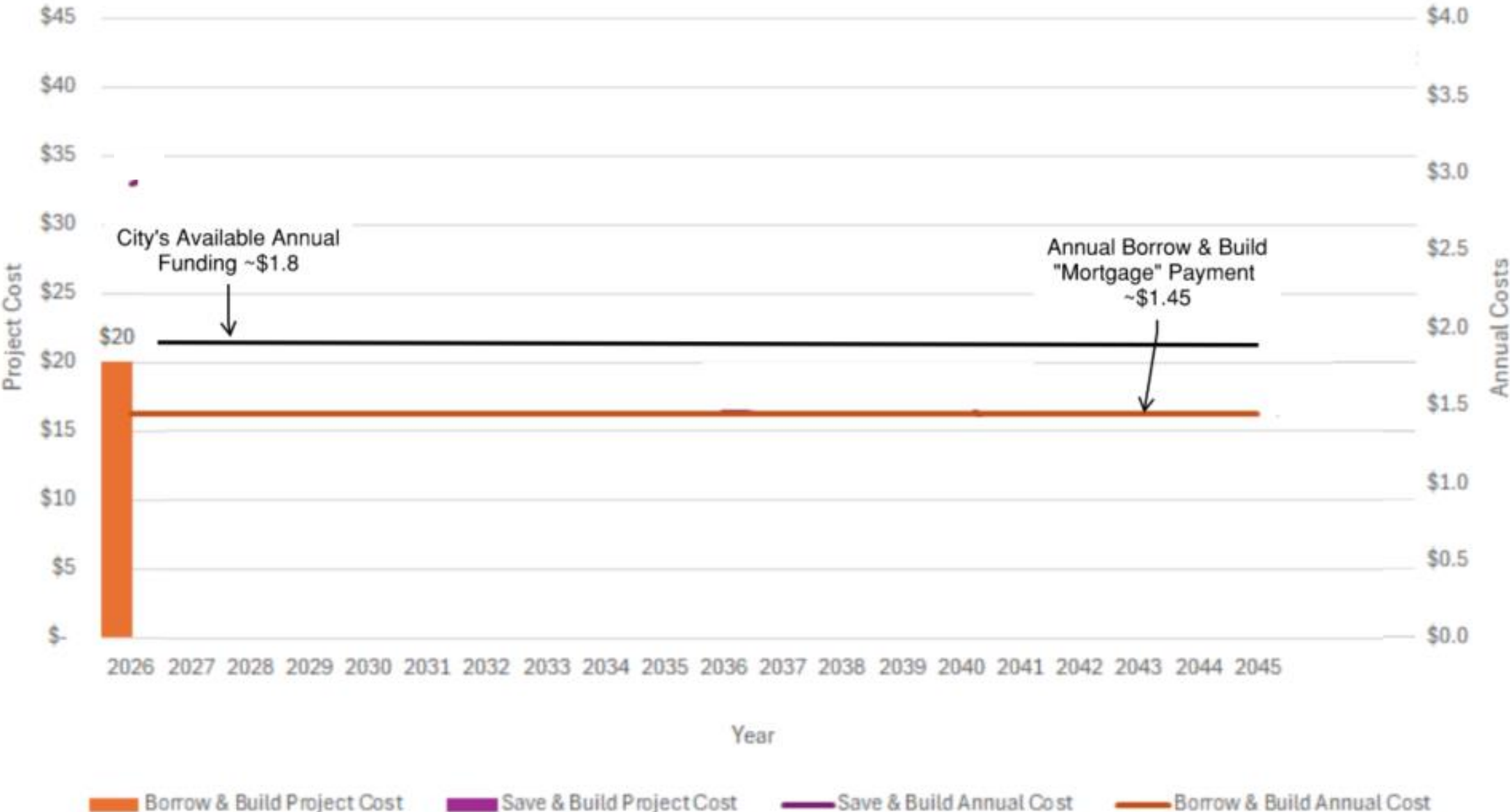
Utilities

G.O. Bond

Hypothetical \$20 million project

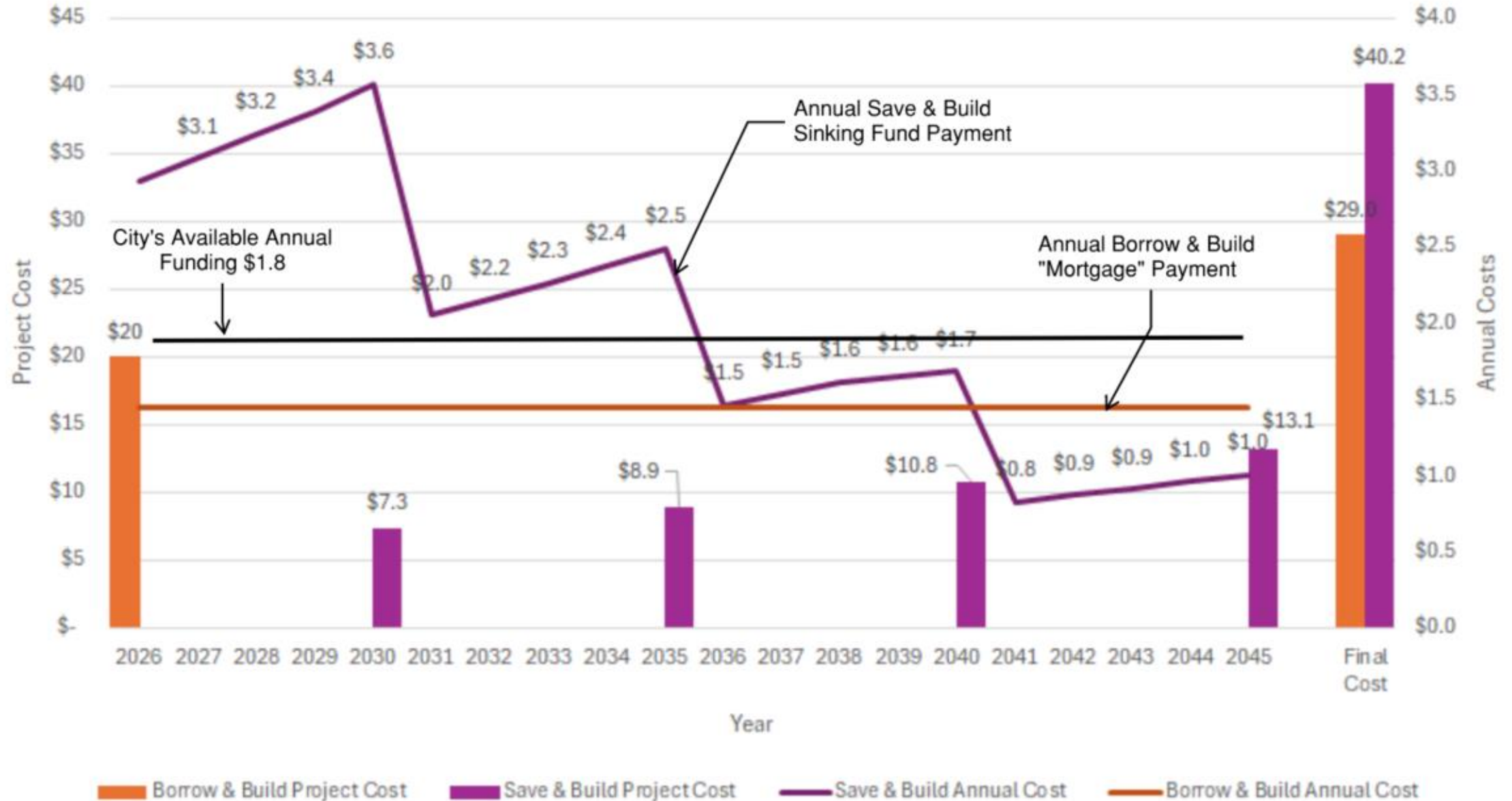
- 1
 - Build soon with \$20 million loan (i.e. bond)
 - Pay back with ~\$1.45 million annual payments over 20 years
 - \$29 million total paid
- 2
 - Build in 4 separate projects over 20 years
 - \$40 million total paid
 - Less consistency
 - More impact to downtown

Borrow and Build vs. Save and Build



1. Costs are in millions. **\$20 mil. project cost is ASSUMED for illustration purposes only.** 2. Sinking fund has a 5% savings rate. 3. Save & Build Construction costs have a 4% inflation rate. 4. Four separate project are considered 20% less cost efficient due loss of economy of scale, additional overhead costs, and sacrificial transition elements and utility tie ins.

Borrow and Build vs. Save and Build



Substantial Public Outreach

- 3 Steering Committee Meetings
- 2 Business and Property Owner Meetings
- 1 General Open House
- 1 More General Open House to Come
- Public and Business/property owner survey (148 responses)
- 41 stakeholder interviews
- Meetings with stakeholder groups
- Bi-weekly coordination with City staff





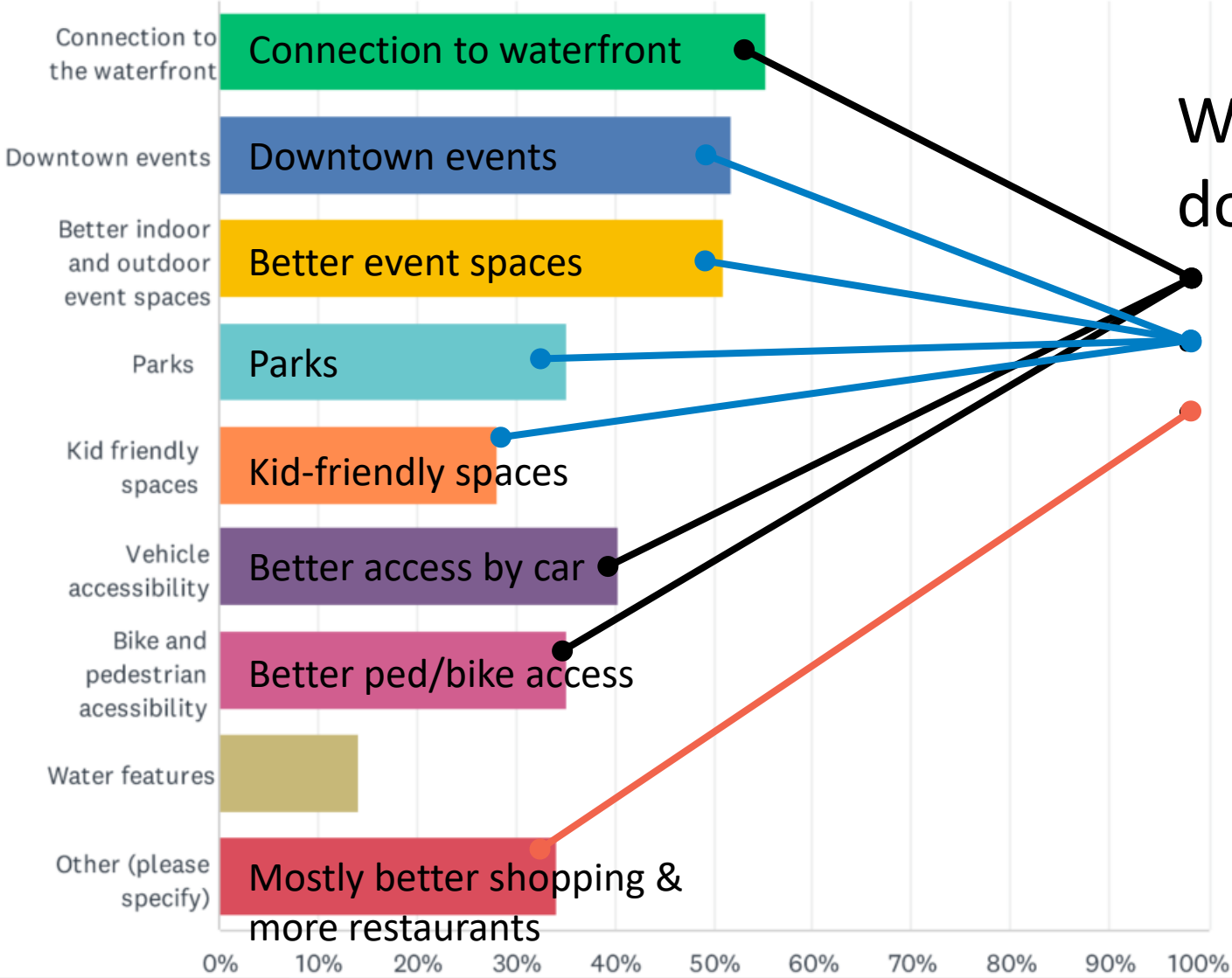
Stakeholder Interview

- Completed
- Requested



0 140 280 560 US Feet

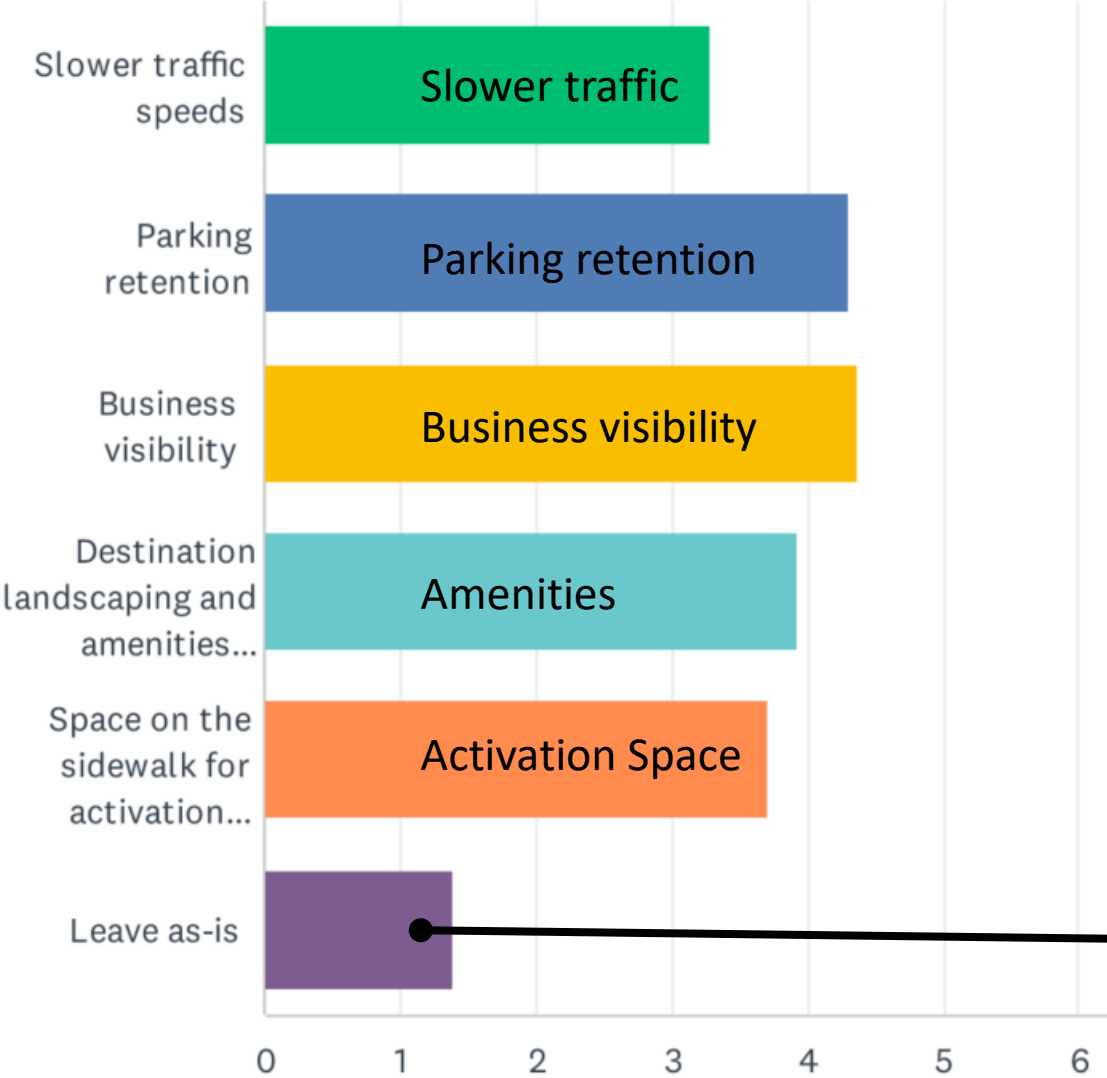
Public Survey High Points



What would bring you downtown more often?

- Better connectivity and access
- Better/more event spaces
- More shopping/restaurants

Public Survey High Points

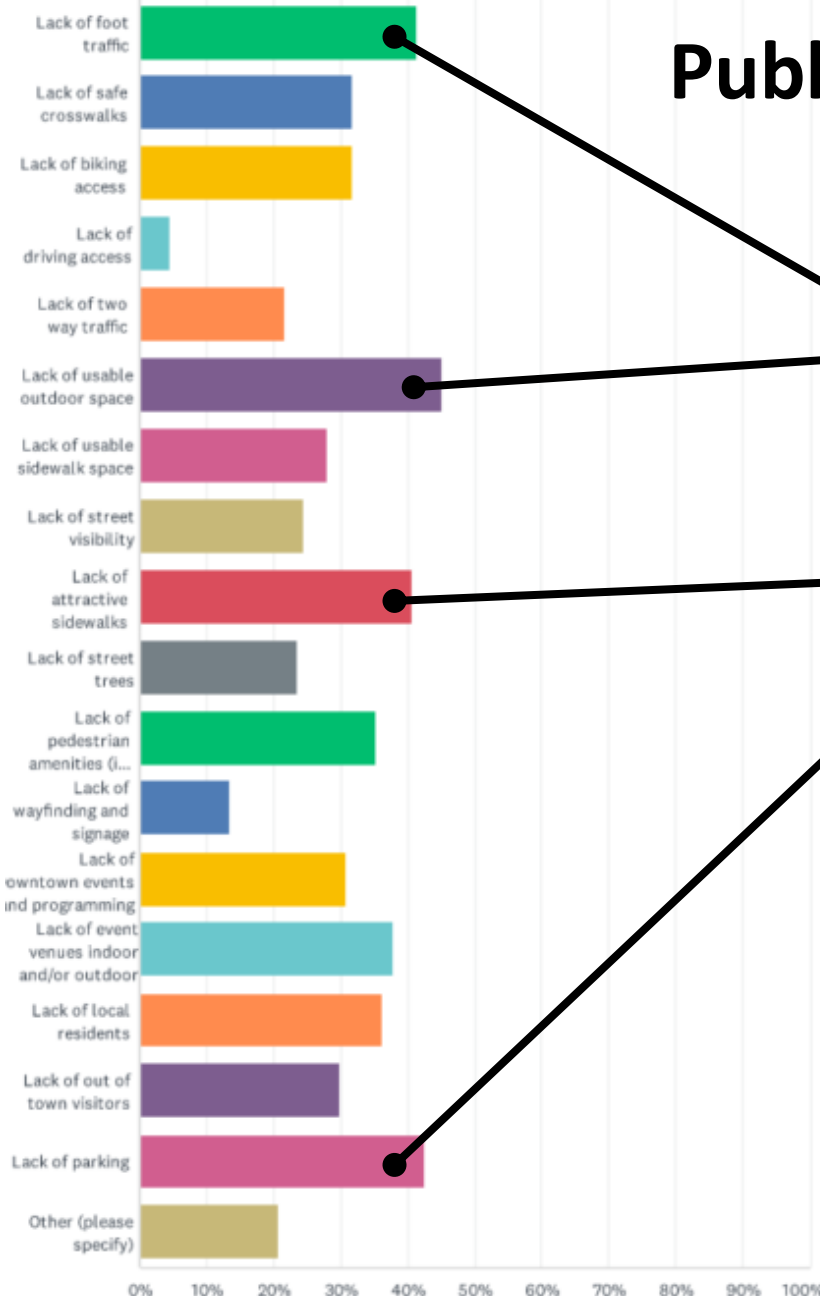


Priority for Main St

- Business visibility
- Parking retention
- Destination amenities (trees, lighting, wayfinding, etc.)
- Space on sidewalk for activation
- Slower traffic speeds

Not many want to keep as is

Public Survey High Points



What is downtown lacking?

- Outdoor usable space
- Parking
- Foot traffic
- Attractive sidewalks

What we heard

- More interest in infrastructure than streetscape
- Understand bond/financial information
- A little confusion on two-way traffic
- Construction impacts on businesses
- Improve access between D and Main
- Parking problem perception
- Traditional with contemporary elements design
- Children spaces, potentially with water
- Support west end roundabouts
- Support closing 3rd
- Delivery strategy where no alley
- Remove angle parking on Main west of 9th
- Need event/gathering spaces

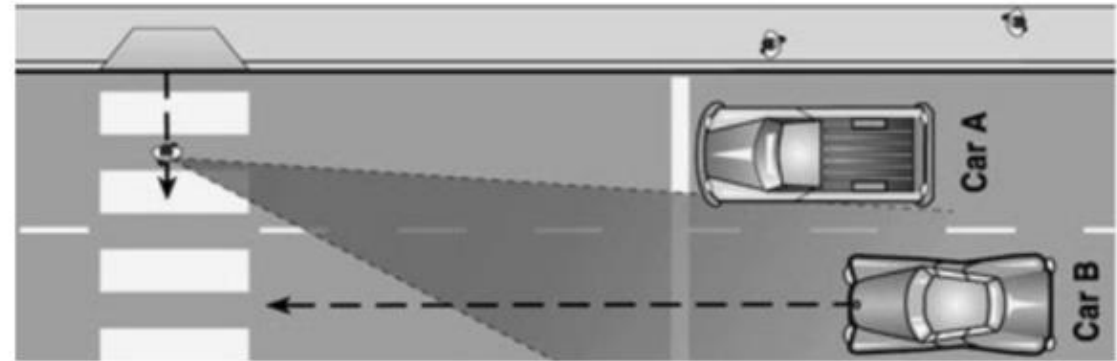
What we are doing

- Re-orient messaging/materials
- Keep it simple and factual
- Reiterate safety & access benefits
- Best practices will be a contractor requirement
- Improve access between D and Main
- Education, wayfinding, management
- Practical, durable, subtle
- Opportunity at 3rd Street closure
- Functionality has been modeled and it's efficient
- No meaningful traffic impact
- Time restricted parking areas for deliveries
- Keeping angle parking to maintain parking count
- New 6th Festival Street, 3rd Street plaza

Two-way Traffic

Benefits

- Slower traffic speeds
- Encourage bypass use
- Better visibility for pedestrians at crossings
- Ease of access for motorists
- Close streets for festivals
- Close 3rd St for plaza space



On one-way streets, Car A blocks the Car B's view of pedestrians.



Site Plan



Roundabouts



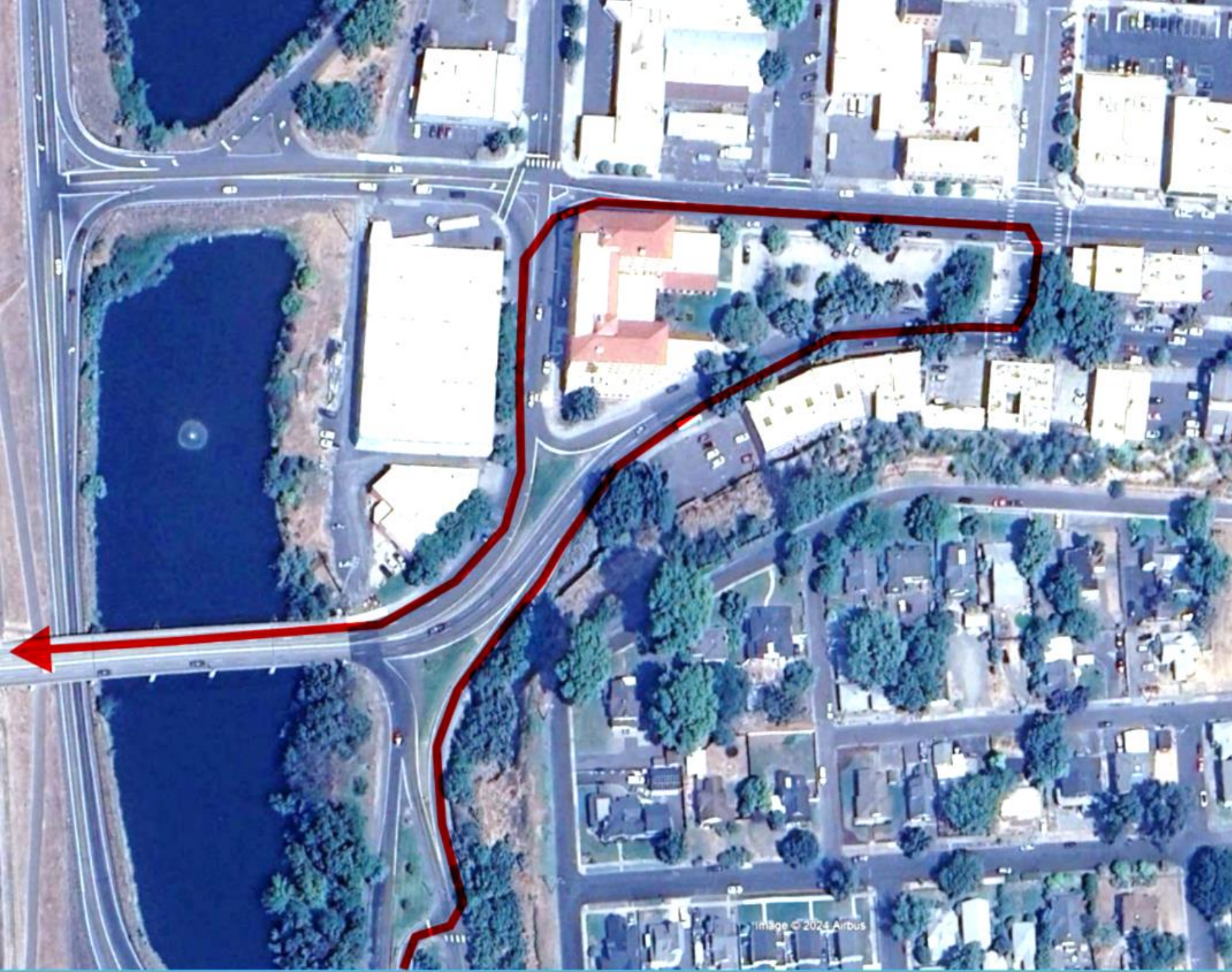
- ① Sidewalk
- ② Planted Roundabout
- ③ Potential Art Location
- ④ Crosswalk

Main St & Snake River Ave Looking East



Main St & Snake River Ave Looking East



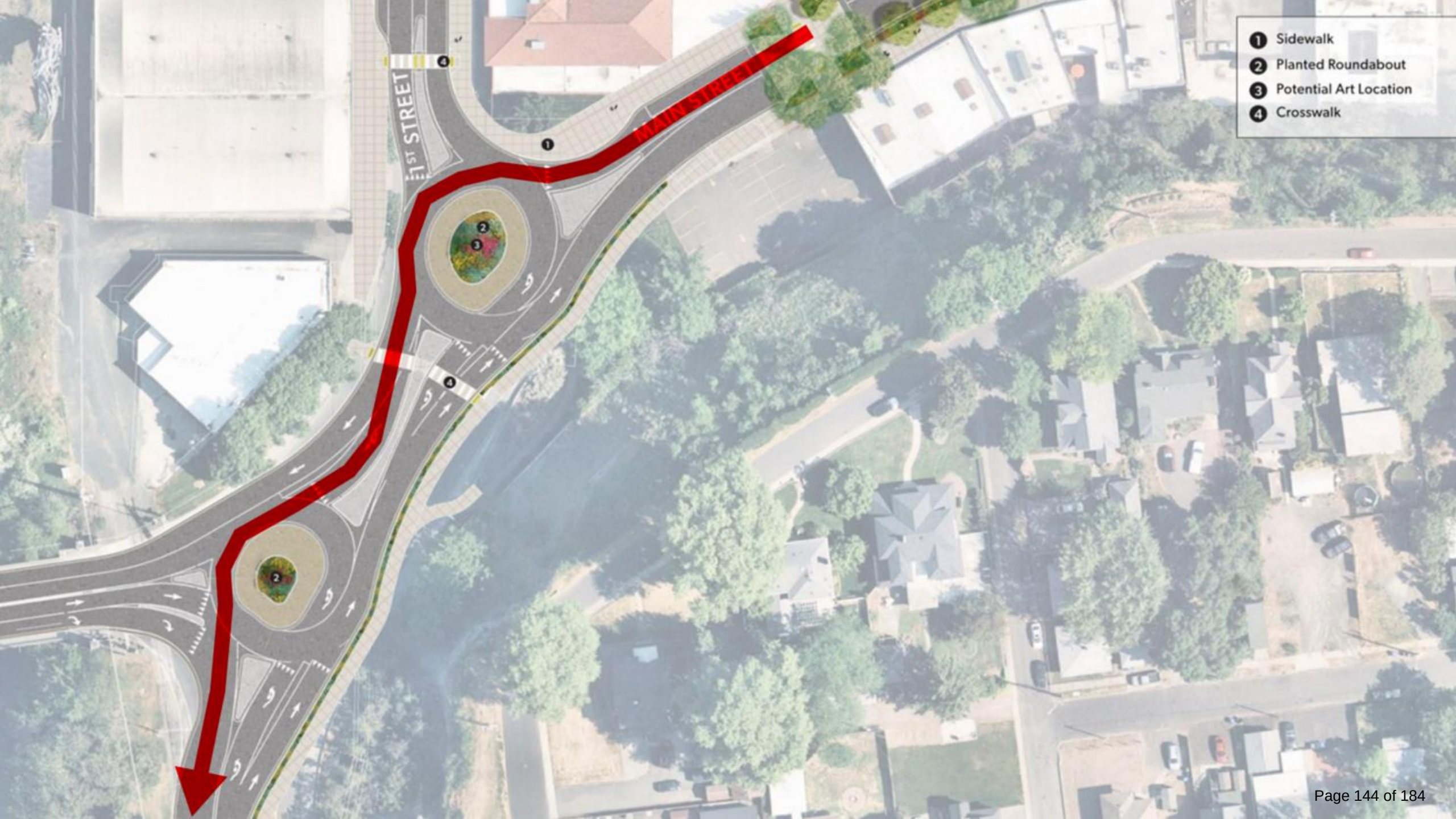


Travel Patterns Today





- 1 Sidewalk
- 2 Planted Roundabout
- 3 Potential Art Location
- 4 Crosswalk



- 1 Sidewalk
- 2 Planted Roundabout
- 3 Potential Art Location
- 4 Crosswalk



- 1 Sidewalk
- 2 Planted Roundabout
- 3 Potential Art Location
- 4 Crosswalk



- 1 Sidewalk
- 2 Planted Roundabout
- 3 Potential Art Location
- 4 Crosswalk



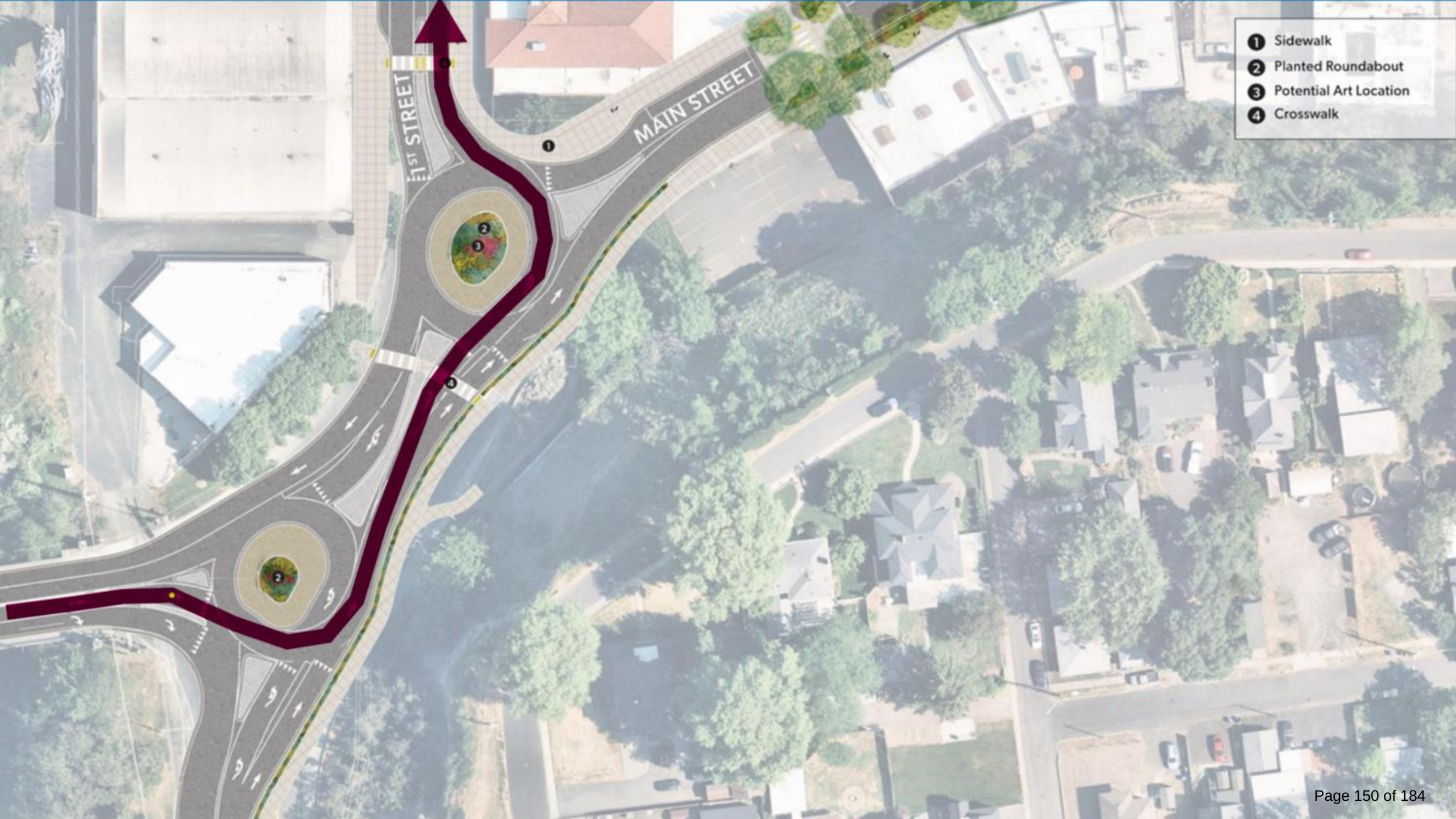
- 1 Sidewalk
- 2 Planted Roundabout
- 3 Potential Art Location
- 4 Crosswalk



- 1 Sidewalk
- 2 Planted Roundabout
- 3 Potential Art Location
- 4 Crosswalk



- 1 Sidewalk
- 2 Planted Roundabout
- 3 Potential Art Location
- 4 Crosswalk



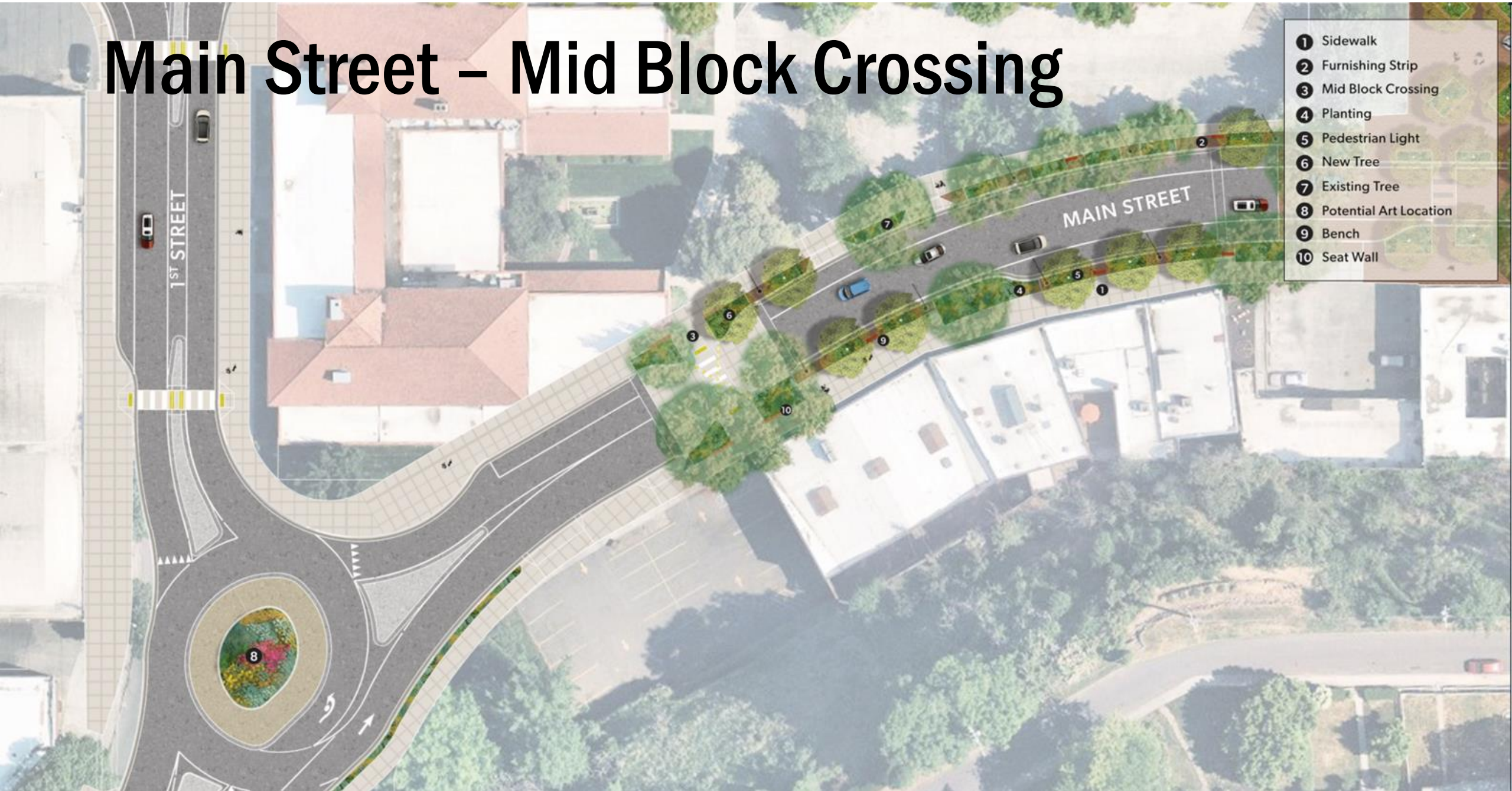
- 1 Sidewalk
- 2 Planted Roundabout
- 3 Potential Art Location
- 4 Crosswalk



- 1 Sidewalk
- 2 Planted Roundabout
- 3 Potential Art Location
- 4 Crosswalk

Main Street – Mid Block Crossing

- 1 Sidewalk
- 2 Furnishing Strip
- 3 Mid Block Crossing
- 4 Planting
- 5 Pedestrian Light
- 6 New Tree
- 7 Existing Tree
- 8 Potential Art Location
- 9 Bench
- 10 Seat Wall



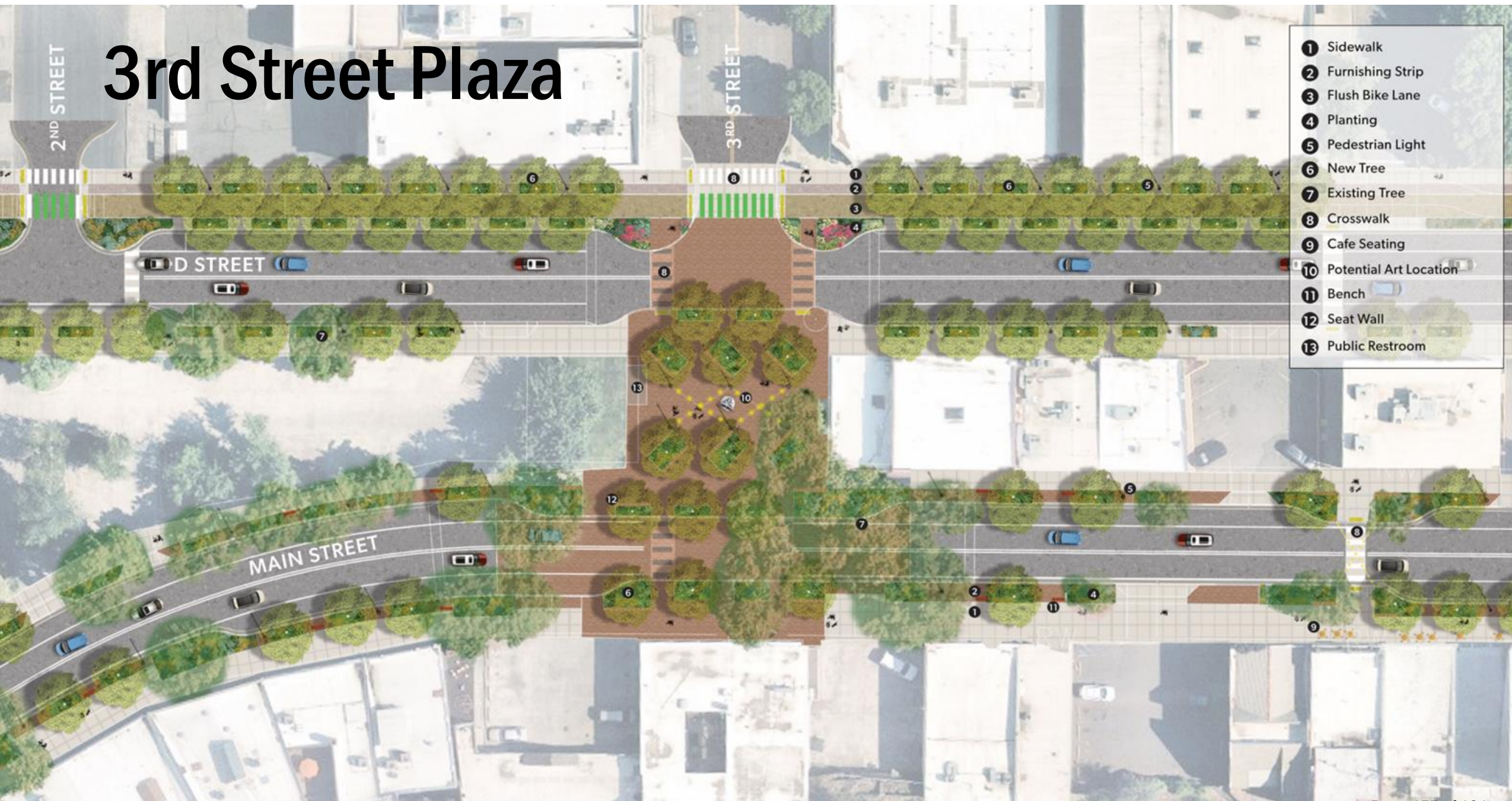
Main Street - 1st St to New 6th St



Main St & 5th St Looking East



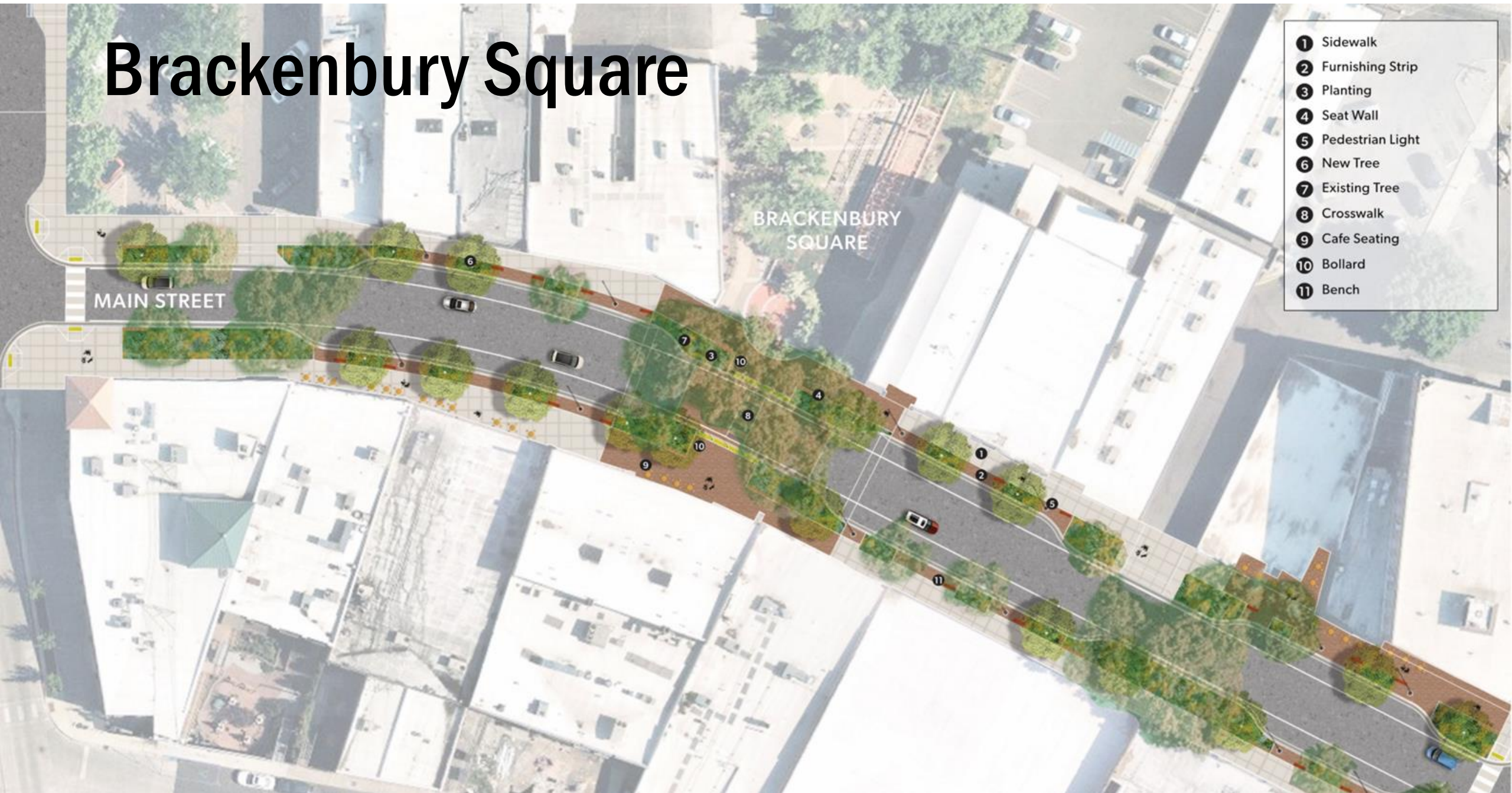
3rd Street Plaza



Main St & 3rd St Looking East



Brackenbury Square



- 1 Sidewalk
- 2 Furnishing Strip
- 3 Planting
- 4 Seat Wall
- 5 Pedestrian Light
- 6 New Tree
- 7 Existing Tree
- 8 Crosswalk
- 9 Cafe Seating
- 10 Bollard
- 11 Bench

Main Street - 7th to 8th Street

- 1 Sidewalk
- 2 Furnishing Strip
- 3 Planting
- 4 Pedestrian Light
- 5 New Tree
- 6 Existing Tree
- 7 Crosswalk
- 8 Cafe Seating
- 9 Bench
- 10 Seat Wall



New 6th Festival Street



- 1 Sidewalk
- 2 Furnishing Strip
- 3 Curbless Streetscape
- 4 Planting
- 5 Pedestrian Light
- 6 Festival Lights
- 7 New Tree
- 8 Existing Tree
- 9 Crosswalk
- 10 Mid-Block Crossing
- 11 Cafe Seating
- 12 Potential Art Location
- 13 Bench
- 14 Seat Wall

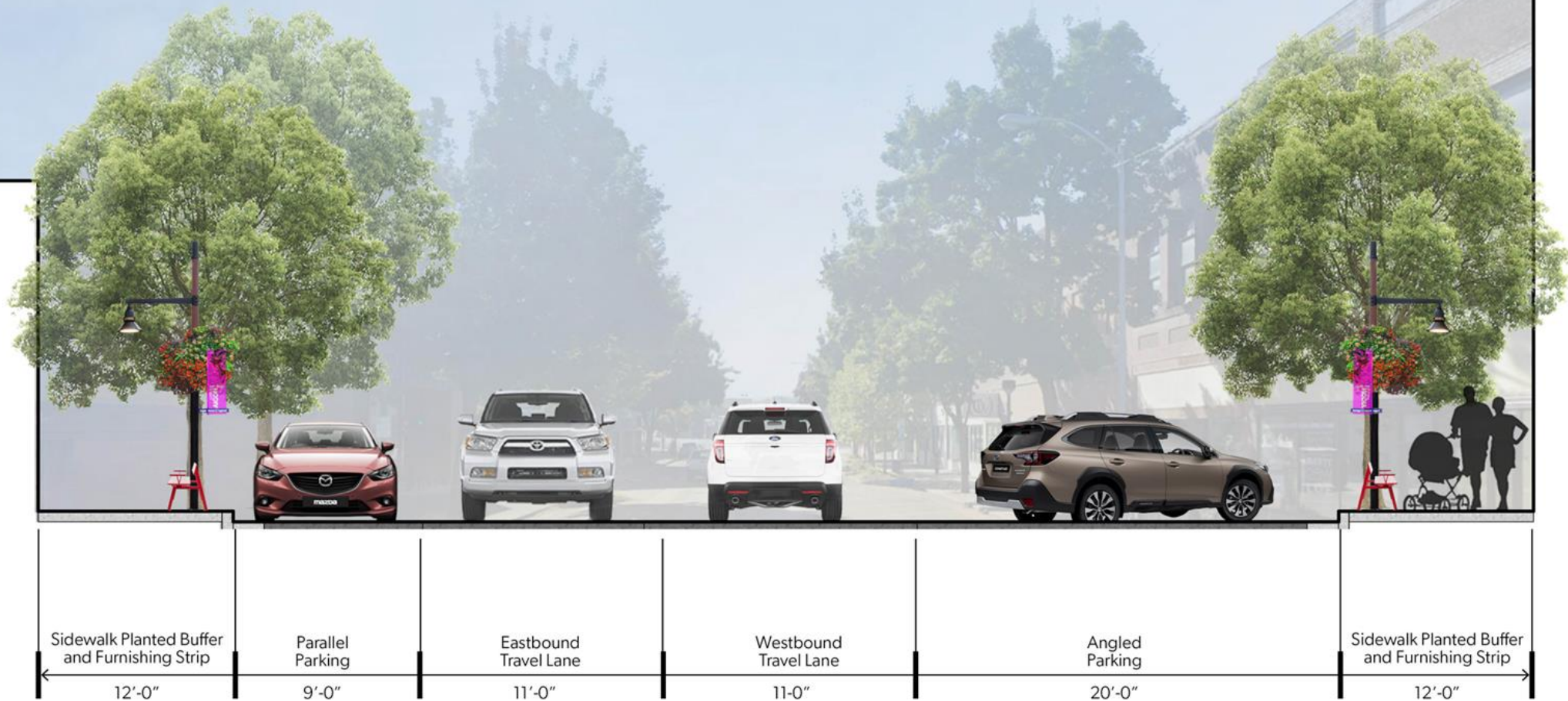
Main St & New 6th Looking South



Main St & New 6th St Looking South



Main Street - New 6th St to 9th St

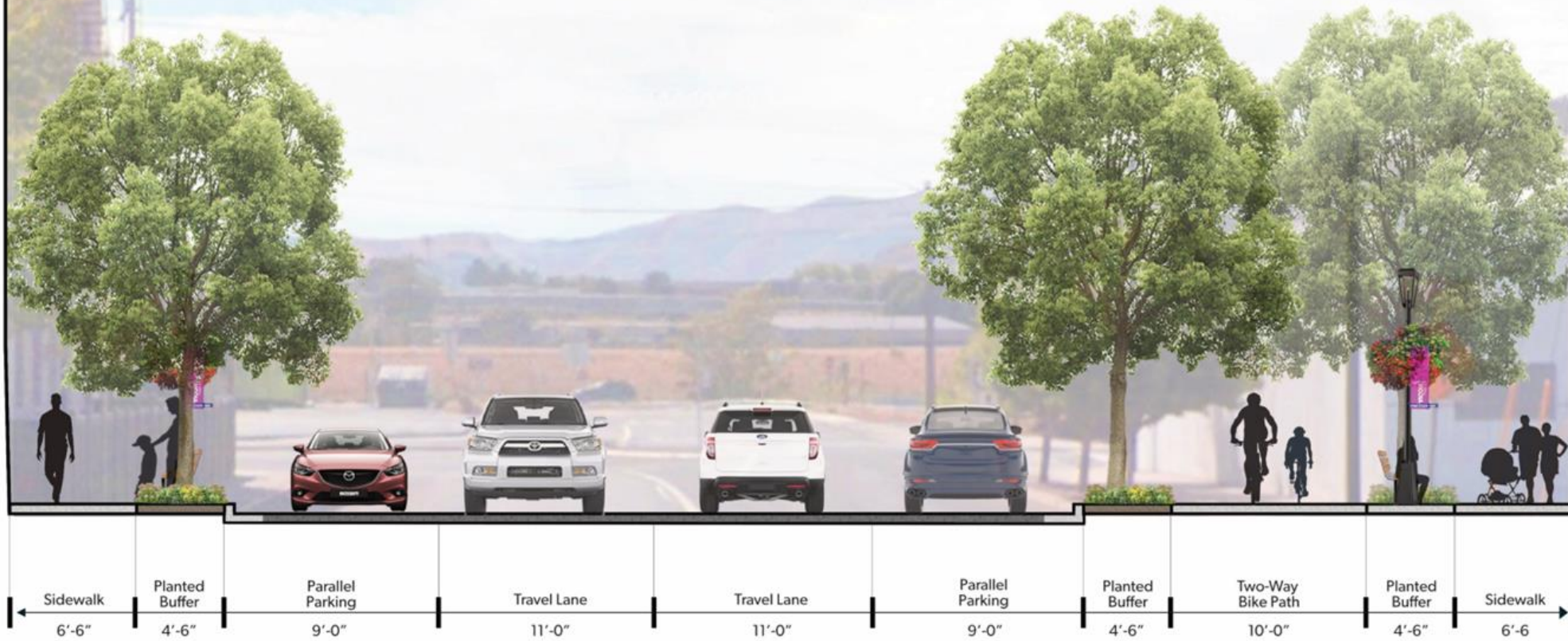


9th to 11th

- 1 Sidewalk
- 2 Furnishing Strip
- 3 Planted Median
- 4 Planting
- 5 Pedestrian Light
- 6 New Tree
- 7 Crosswalk
- 8 Potential Art Location
- 9 Bench



D Street



D Street



- 1 Sidewalk
- 2 Furnishing Strip
- 3 Flush Bike Lane
- 4 Roundabout
- 5 Planting
- 6 New Tree
- 7 Existing Tree
- 8 Crosswalk
- 9 Potential Art Location

D Street



Bus Stops



Loading Zones/ Time Restricted Parking



Parking Counts



Next Steps

- 11/12 URA meeting
- 11/13 Meeting with “Arts & Culture” stakeholders
- 11/13 General Open House No. 2
- 11/25 Council Considers Preliminary Design Adoption
- Bond election in May 2025

reimagine
DOWNTOWN
Lewiston

Thank You.



NORMAL HILL CEMETERY

LAND USE SURVEY RESULTS

September 24, 2024 - October 15, 2024

www.cityoflewiston.org/249/Parks-Recreation

BRIEF HISTORY OF the Normal Hill Cemetery

Lewiston's Normal Hill Cemetery and Arboretum, in continuous operation since the late 19th century, spans over 40 acres and is the final resting place for more than 19,000 individuals.

The cemetery also features a unique State Tree Grove, adding to its historical and botanical significance.



BRIEF RECAP OF CITY COUNCIL DIRECTION

At its August 5, 2024, Work Session, the Mayor and City Council emphasized the need for a sustainable plan and agreed to receive a progress update from the Cemetery and Urban Forestry Commission at the November 4th City Council Work Session.

To fulfill this initiative, the Commission launched a survey on September 24, 2024, inviting all residents to share their thoughts. The survey was distributed both online and in print, with hard copies included in City utility bills. The survey period concluded on October 15, 2024.



SURVEY QUESTIONS and Options

The Urban Forestry and Cemetery Advisory Commission is seeking your input on the future of undeveloped property at the Normal Hill Cemetery. Your feedback is crucial in helping us decide the best course of action.

Please review all supporting information before answering the survey question on the reverse side of this document. Once you have completed the survey, you may return it by mailing it with your utility bill or delivering it in person to the Utility Billing Office at Lewiston City Hall, 1134 F Street, Lewiston, Idaho 83501.

Definitions:

- General Fund refers to revenue received by the City in the form of property taxes.
- Perpetual Care Fund refers to an investment account that is funded by a portion of plot and niche sales (this account balance may fluctuate based on the market).

Background Information

The historic Normal Hill Cemetery and Arboretum, Lewiston's only city-owned cemetery, has been a vital part of the community since the late 19th century. Covering over 40 acres in the Normal Hill neighborhood, it is the final resting place for nearly 20,000 individuals and features a picturesque State Tree Grove. This park-like setting is a beloved destination for visitors throughout the year.

The City's objective is to strengthen the Perpetual Care Fund so that its annual interest can cover the costs of maintaining the cemetery's operational expenses. To achieve this, we need to expand our offerings and increase our inventory.



Financial Considerations

Over the past year, the cemetery generated \$135,670 from plot, cremation, and burial fees. However, with annual operating costs totaling \$335,670, these revenues alone are insufficient. The City's general fund and perpetual care fund currently cover the remaining \$200,000 in annual expenses.

Plot Space and Availability

- Limited Plot Availability: Fewer than 200 plots remain in the developed area, which will accommodate the community for the next 3-5 years.
- Undeveloped Land: A nearly 7-acre section of the cemetery is reserved for future development, which will provide burial space for the next 75 years.

City Council Options

The Lewiston City Council is considering the following options to address the space and financial challenges:

Option 1: Sell a Portion of the Undeveloped Land

- Sell 2.2 acres of the undeveloped land.
- Use the proceeds to partially fund the development of the remaining land, adding plots and niches to serve the community for an additional 40-50 years.
- Additional general fund dollars would be needed to complete full development.
- Sale proceeds could also help with operational costs, but general fund and perpetual care fund dollars will still be required.

Option 2: Develop the Entire Undeveloped Land Without Selling Any Property

- Do not sell any land.
- Use 100% of general fund dollars and potential grants to fully develop the entire area, extending its use for an additional 75 years.
- Continue to rely on general funds to cover operational costs until sufficient sales build up the perpetual care fund.
- Potential revenue from development ranges from \$6,413,450 to \$18,643,940, with potential revenue loss from selling part of the land ranging from \$1,256,000 to \$3,651,200.

Option 3: Take No Action

- Leave the land undeveloped and take no immediate action.
- Once available plots and niches are sold, switch to a maintenance-only model.
- This will increase reliance on the general fund and perpetual care fund annually.

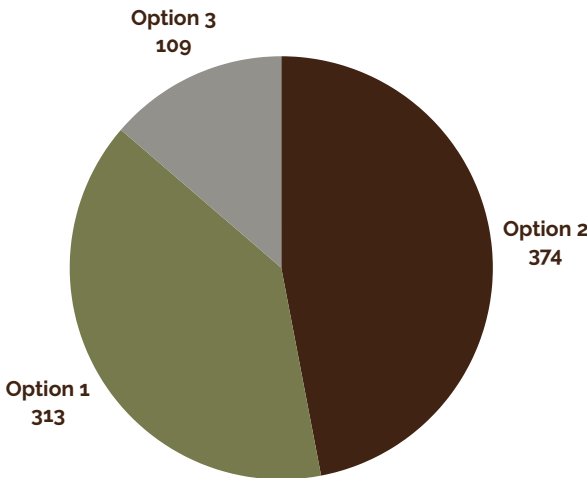
After reviewing the information provided, please select one option below. Responses with more than one selection will not be considered complete.

Survey Question

What action should the City Council take regarding the Normal Hill Cemetery?

- ☐ Sell a portion of the undeveloped land to help cover a portion of development costs and use general fund dollars for the rest.
- ☐ Do not sell the land and use 100% general fund and grant dollars for development and operational costs.
- ☐ Do nothing and leave the property undeveloped.

**SURVEY
Results**



Option 2:

Utility Bill Responses: **200**
Online Responses: **+174**
374

Option 1:

Utility Bill Responses: **170**
Online Responses: **+143**
313

Option 3:

Utility Bill Responses: **66**
Online Responses: **+ 43**
109

Total Survey Responses
796

MEMO

November 4, 2024

TO: Mayor and City Council Members

FROM: Urban Forestry and Cemetery Commission
Shirley Phillips, Chairperson

(Assuming Carol gives survey results before I speak) Carol has given you the summery of the public survey regarding the potential sale of the cemetery property. I want to recognize Carol's work in making the survey happen in a short period of time and then tabulating all of the responses. A huge thank you, Carol.

At the August 5th, City Council Work Session the Urban Forestry and Cemetery Commission was questioned about the status of the Normal Hill Cemetery Master Plan and asked for an update. At that time the Council was looking at several City owned properties to be surplusd for potential future sale. The undeveloped land on the south side of the cemetery was one of those properties being considered for sale.

As the council is aware, the city made a serious investment in 2014 with hiring a professional consulting firm to draft a comprehensive Master Plan for the cemetery, which included the undeveloped property that had always been viewed for future cemetery use. At that time it was recognized that the current cemetery, the only city cemetery, was running out of space. Work developing the plan took almost a year. It involved public outreach as well as input from City staff and the commission members. The Normal Hill Cemetery Master Plan was adopted by Council in 2015. The plan laid out phases for the development process. The commission was excited to begin the baby steps of implementing the plan and showing the citizens of Lewiston that something new and exciting was happening. Each year requests to fund projects were made during the budget meetings. We brought modest proposals like establishing water lines for irrigation and planting small trees that would be maturing while additional elements of the plan were put in place. Each year those requests were denied. Now we are in 2024 and we have a new council. I bring up these points because I want it to be clear that the commission members were doing their job. The lack of implementation of the plan wasn't that we were neglecting our duties; it was simply that the funds weren't there.

Now, that's enough looking back. Let's concentrate on looking forward with excitement and pride at the jewel we have in the heart of our city, the Historic Normal Hill Cemetery. At the Commission meeting held last Wednesday (October 30th) the recommendation to bring to Council, from the Commission, was voted on and the final recommendation to this City Council is not to sell any portion of the Historic Normal Hill Cemetery. At the last council meeting where I spoke, the Mayor asked for a compromise. As I told my fellow Commission members, I firmly believe in compromise. I think it can often result in a stronger plan. In this instance, I just don't find that to be the case.

This historic site is not only a resting place for our community's loved ones but also a significant cultural landmark that reflects our city's rich heritage. Once the land is sold, it is gone forever cheating future generation out of a final resting place on Normal Hill.

In saying "no" to the sale, the Commission isn't proposing a status quo. We have some updates and future proposals that involve continued investment into the Historic Normal Hill Cemetery following the path laid out in the 2015 Master Plan.

Let's begin by creating a 5-year plan to implement the Master Plan utilizing the entire property. Creating a 5-year plan for 2025-2029 will help organize and prioritize tasks, and allow the UFCC, City Staff, and the Lewiston City Council work hand in hand to implement the Plan.

The UFCC understands the concerns of the Council regarding the sustainability of the cemetery. Although the Commission does not necessarily agree that the cemetery should be self-sustaining like an enterprise fund, we agree that it will take investment in order to continue to generating revenues and to grow the perpetual care fund. The Normal Hill Cemetery has been in existence since 1888 and has been supported by the City for over 130 years!

As I stated earlier, the current cemetery is running out of space. The trend is more people are choosing cremation over full casket burials. There are very few options remaining in the Mausoleum. An element of the original Plan was to establish a garden type space in front of the current Mausoleum that would include 4 columbariums with niches for cremations, along with ossuary and scattering gardens. Funds were allocated several years ago for the purchase of the first columbarium to begin the project. Then Covid hit and the prices increased dramatically and the project was put on hold. Fiscal year 2025 the Council has funded the first step of this project. Once the ground prep work is completed,

which can be done in house, the first columbarium can be installed. It will have 156 niches that can each accommodate 2 cremations. This will give the cemetery inventory to generate funds to purchase the next columbarium. At full build out, this project would generate approximately \$620,000 in revenue for the niches alone; even more with the ossuary spaces.

While this project is being completed the Commission will be working with City Staff to update the Master Plan with more current statistics, estimates, and an updated financial plan. As of the end of FY2024, the perpetual care fund had \$1,126,285 in funds. The perpetual care fund averages approximately \$69,000 annually in earnings each year (this amount fluctuates each year depending on the market). The operating expenses for the Normal Hill Cemetery budgeted for FY2025 are \$262,670.

The current undeveloped property has become a dumping ground. If I were to guess, I would say, that has contributed to the property being designated for surplus sale. Addressing these issues would make a dramatic difference in the public perception of the property and the entire cemetery. The piles of dirt can be graded and begin to shape the hillside. The smelly street sweepings that back up to residential properties need to be relocated. Two possible alternate locations have been suggested. One is the City owned property on 23rd Street. The other is between the Police Training Center and the water transmission on 16th Avenue. The leveling and grading is something that could be done in house.

The water source that was lacking in 2015 is now on site and for under \$5,000 a temporary irrigation system could be put in place to water new trees. Next on the 5-year timeline would be to upgrade the mainline for Divisions 4 and 5, which are part of the developed area and located immediately south of 15th Avenue. Permanent irrigation to water that area and the 6.2 acres is estimated to cost about \$32,000. With that grass could be planted and the hillside kept green.

Grants for cemeteries are limited, but there are some available that can make a significant impact. Most cemetery grants typically focus on Veterans Cemeteries, acknowledging the service and sacrifice of those who have served our country. However, there are also opportunities through Historic Preservation programs that provide assistance for projects aimed at preserving historic records, artifacts, and sites, including cemeteries. These grants can be instrumental in restoring and maintaining gravestones, memorial structures, and other historical features that tell the story of our community's past. Additionally, exploring grants that are not specifically designated for cemeteries but are available for parks and public spaces

could yield further funding opportunities. These grants often support environmental enhancements, community engagement initiatives, and infrastructure improvements, which could benefit cemetery grounds as well. By actively pursuing these diverse funding sources, we can not only safeguard the historical integrity of the Normal Hill Cemetery but also enhance its role as a valued community resource. The Commission welcomes the opportunity to work with the City's grant writer to explore these options.

I realize I have taken a great deal of your time but this is a very important issue. It is important that the Council has all of the information possible before making their final decision. The Commission strongly urges the Council to consider keeping the entire property intact and instead of selling part of it, and focus on implementing the Cemetery Master Plan. This plan outlines essential improvements and preservation efforts that would enhance the cemetery's accessibility, aesthetics, and overall maintenance. By prioritizing these initiatives, we can honor the memory of those interred there while ensuring that the cemetery continues to serve as a peaceful sanctuary for future generations. The value of such a commitment extends beyond the cemetery itself, enriching the entire community by preserving a vital piece of our shared history.

Quotation



Stronger Together

Lewiston, ID - Auto-Rain Supply #361

206 22nd St

Lewiston, ID 83501

W: (208)798-3115

Bill To:

City Of Lewiston (#1472959)
1134 F St
Lewiston, ID 83501
W: (208)746-3671

Ship To:

City Of Lewiston (#1472959)
1134 F St
Lewiston, ID 83501
W: (208)746-3671

Created	Quote#	Due Date	Expected Award Date	Expiration Date
08/07/2024	7154518	09/07/2024	09/07/2024	09/07/2024

Printed	Job Name	Job Description	Job Start Date
08/13/2024 15:08:43	Irrigation Quote-S.End Cemetery		09/07/2024

Line #	Item#	Item Desc	Qty	UOM	Unit Price	Extended Price
1	2PVCBE	PVC Pipe 2 in. x 20 ft. Schedule 40 Bell End (Priced per ft.)	3,000	FT	0.784	2,352.00
2	447-020	Sch 40 PVC Cap 2 in. Socket	10	EA	0.747	7.47
3	401-020	Sch 40 PVC Tee 2 in. Socket	120	EA	1.798	215.76
4	WR-35	Adjustable Impact Sprinkler Brass Travis Pattern 3/4 in.	36	EA	27.129	976.64
5	30H	Rain Bird 30H Full-Circle Brass Impact Rotor	120	EA	29.030	3,483.60
6	QC2-075VC-SO	Aqualine Coupling Valve, Vinyl Cover	4		26.763	107.05
7	QCK-075	Single Lug 3/4 in. Brass Quick Coupler Key Aqualine	4	EA	15.202	60.81
8	LD-100	Tucor Flowmaster LD 2-Wire Decoder for One Address and Two Valves Includes SP-100	16	EA	123.000	1,968.00
9	4C900DR14GJ-SO	PVC Pipe 4 in. x 20 ft. C-900, DR-14 Gasket Joint	700	FT	10.770	7,539.00
10	F093-040-05-05-00-40-SO	4" Fresno Series 9300 Linear Flow Control Valve " G " Series Sleeve (30-200 #) 24 VAC Skinner Valve Wafer Ends Item Note: 4" Series 9300 Linear Flow Control Valve 'G' Sleeve [30-200#] 24VAC Skinner Valve Wafer Ends [w/ either internal or external filter assembly]	16		597.632	9,562.11
11	F093-8B04P-SO	4" Bolt Packs for PVC Flange	16		0.000	0.00
12	402-248	Sch 40 PVC Reducing Tee 2 in. x 3/4 in. Socket x FIPT	156	EA	3.109	485.00
13	GPN-75-36	Aqualine Galvanized Nipple 3/4 in. x 36 in.	120	EA	8.795	1,055.40
14	GHXB-4020	Aqualine Galvanized 4x2 Reducer Bushing	14		16.540	231.56
15	GSFFG4	Matco Bolt & Gasket Set Plated 4 in.	28	EA	18.398	515.14
16	SLCEP4	Sigma One-Loc Wedge Restrain for C900 Pipe 4 in.	28	EA	49.986	1,399.61
17	DMF44-SO	Sigma 4" MJ x MJ X FLNG TEE Item Note: 6 week lead time.	14		123.424	1,727.94

Total Price: \$ 31,687.09

SiteOne Landscape Supply is not responsible for the accuracy of the items contained in this quotation. Please review carefully. Please add appropriate sales tax. Prices on this quote are good for 30 days after the entered bid date.

Local tax may differ based on locations and local codes.

Memo



To: Dan Johnson, Mayor
Lewiston City Council

From: Shannon Grow, Community Development Director

Date: October 25, 2024

RE: Shipping Containers

At the June 3, 2024 worksession, staff gave background information regarding the prohibition of shipping containers in LCC Section 37-129. At that time, staff approached Council for direction on whether to leave the prohibition in place, or explore code changes, which would allow shipping containers as detached accessory buildings. Leaving the prohibition in place would result in significant enforcement as Code Enforcement staff estimates that there are hundreds of these containers throughout the City. Removing them from the Code would allow shipping containers in the City, which would be in line with cities in Idaho including Post Falls, Moscow, Boise, Kuna, and Ammon as well as nearby cities in Washington including Pullman and Clarkston. City Council directed staff to draft language and work with the Planning and Zoning Commission to remove the restriction of shipping containers from the zoning code.

On June 26, 2024, the Planning and Zoning Commission held a public hearing and reviewed the recommended code changes from staff, which included removing the prohibition in LCC Section 37-129, and added shipping containers in the definition of a building in LCC Section 37-3. There was no testimony at the hearing and after deliberation, the Planning and Zoning Commission recommended approval of the code changes.

On August 12, 2024, the Council held a public hearing on the recommended zone changes. During that meeting, one citizen from the public was present that was opposed to the changes, one letter received from a citizen opposed to the changes, and one letter received in favor of the change, and recommended that there be no permit fee requirements. The corresponding ordinance, Ordinance 4921, was read for the first time on that date. There were questions from Council at that time about permits and fees associated with shipping containers.

At the August 26, 2024 meeting, Council received testimony during citizen comments asking the Council to consider not charging permit fees for storage containers. Staff requested to delay the second reading of Ordinance 4921 so staff could adjust the Ordinance and present it to Council at a future date. Council again had feedback regarding permits and fees.

Staff looked into the issue of permits and fees for shipping containers. LCC Sec. 37-131 is general provisions for accessory buildings. There are accessory buildings, such as agricultural buildings, that are exempt from building permits, but they do have to maintain setbacks within the zones in which they are located. These are processed with a form at Community Development to document them and to provide

the property owner the setback requirements. This process could also be done with shipping containers with the attached draft form. At this time, there is no fee established in the fee resolution for shipping containers. If Council desired to require a fee for this process, the appropriate time would be during the annual fee resolution adoption.

Community Development staff has received public feedback that shipping containers should not be allowed in all zones, and more specifically, Normal Hill zones. Currently, the Normal Hill zones do not allow accessory buildings in front of, or projecting beyond, the front wall of the dwelling unit unless it meets one of two exceptions:

- 1) The lot is less than 50 feet in width and there is no abutting alley, or 50% of the dwelling is constructed within the rear half of the depth of the lot and there is no abutting alley or
- 2) The detached accessory building is on the street side of a corner lot and it meets the minimum required street side yard setback and does not project beyond the front wall of the dwelling on the front yard side.

However, the Council could find that it is appropriate to continue to prohibit shipping containers in the zones because lots tend to be smaller, and there are historic properties where a shipping container may not compliment certain aesthetics. Given this, Council could consider continuing the prohibition of shipping containers in Normal Hill zones.

Recommendation: Review options given and give direction to staff.



Shipping Container Building Permit Exemption Application

Applicant Information

Property Owner:		Date:
Address:		City/State/Zip:
Phone Number:	Email:	

Site Information

Address:		
Zone: ☐ Commercial ☐ Residential ☐ Mixed Use	☐ Attach Site Map	Include location of building, distances to property lines and label all other buildings
Location of Shipping Container:		

Building Information

Shipping Container Dimensions (LxWxH):
Number of Shipping Containers:
If more than 1 Shipping Container, will you be stacking them?
Proposed Use of Shipping Container:

Acknowledgement

I, acknowledge that this shipping container shall be in compliance with all building setback and clear vision area/site distance triangle requirements, and any utility or access easements.

Sec. 37-131. General provisions, accessory buildings.

These provisions shall not apply to buildings exempt from building permits, such as agricultural buildings, and that are documented as such, except that such buildings shall meet the required minimum front and street side yard setbacks of the applicable zoning district and shall maintain five-foot minimum side and rear yard setbacks.

I, acknowledge this structure shall not be used as a place of human habitation or other human occupancy, commercial use, hazardous material storage or where agriculture products are processed, treated, or packaged, nor is it a place used by the public.

I, acknowledge that this exemption does not apply to the State of Idaho requirements to obtain an electrical, plumbing or floodplain permits through the City of Lewiston.

I hereby apply for the above permit and acknowledge that I have read this application and hereby certify that the information I have provided is correct.

Signature of Property Owner: _____ Date: _____