



CITY OF BEACON, NEW YORK
ONE MUNICIPAL PLAZA
BEACON, NY 12508

Mayor Randy Casale

Councilmember Lee Kyriacou, At Large

Councilmember George Mansfield, At Large

Councilmember Terry Nelson, Ward 1

Councilmember John E. Rembert, Ward 2

Councilmember Jodi M. McCredo, Ward 3

Councilmember Amber J. Grant, Ward 4

City Administrator Anthony Ruggiero

City Council Workshop Agenda
May 29, 2018
7:00 PM

Workshop Agenda Items:

1. LOSAP Presentation
2. Waste Collection Agreement
3. Edgewater special use permit discussion
4. Proposed Local Law to amend Chapter 223 of the Code of the City of Beacon concerning a) the Central Main Street District (CMS); b) Amendments to the City of Beacon Comprehensive Plan update involving changes to the Central Main Street (CMS), Central Business (CB), Off-Street Parking (PB), R1-5, Local Business (LB), General Business (GB), and c) Proposed Local Law to amend the Zoning Map of the City of Beacon
5. Small cell wireless facilities Local Law discussion
6. South Avenue Bridge
7. Lead Agency Letters

Executive Session:

1. Executive Session: Personnel
2. Executive Session: Advice of Counsel

City of Beacon Workshop Agenda
5/29/2018

Title:

LOSAP Presentation

Subject:

Background:

ATTACHMENTS:

Description	Type
LOSAP Presentation	Presentation

LOSAP Portfolio Review

Prepared for: Beacon, City of LOSAP

Prepared by:

David M Rogers, Senior Portfolio Manager
RBC Wealth Management

Data and Analytics

Provided by:
Morningstar



RBC Wealth Management®

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May 09, 2018

Portfolio Snapshot

Beacon, City of LOSAP: CITY OF BEACON

Portfolio Value

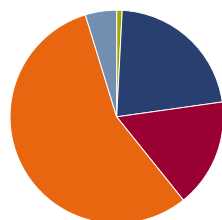
\$681,636.66

300-00914 060

Benchmark

DJ Moderately Conservative TR USD (USD)

Analysis 04-30-2018



Asset Allocation

- Cash
- US Stocks
- Non-US Stocks
- Bonds
- Other/Not Clsfd

	Portfolio Net %	Bmark Net %
Cash	0.83	0.00
US Stocks	21.94	16.56
Non-US Stocks	16.48	3.86
Bonds	56.00	0.00
Other/Not Clsfd	4.74	79.59

Morningstar Equity Style Box %

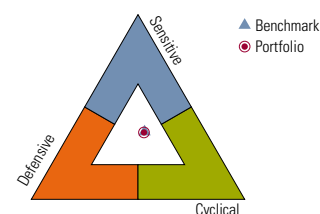
28	27	24	Large	Total Stock Holdings 4,093	
7	6	4			Mid
2	1	1			
Value	Blend	Growth			
0-10	10-25	25-50	>50		

Morningstar Fixed Income Style Box %

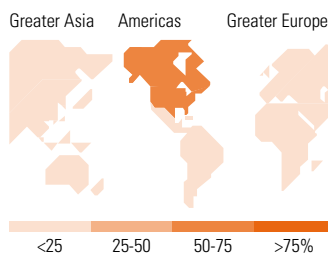
2	0	0	High	Total Bond Holdings 11,242 % Not Classified 37	
0	0	0			Med
61	0	0			Low
Ltd	Mod	Ext			
0-10	10-25	25-50	>50		

Stock Analysis 04-30-2018

Stock Sectors

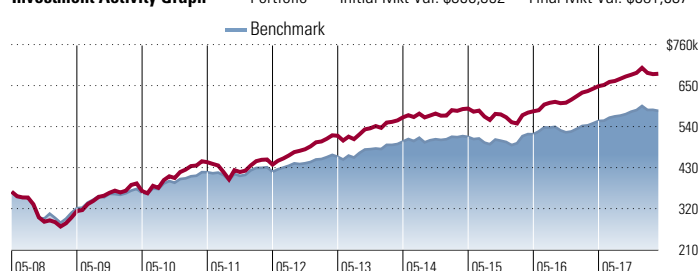


World Regions



Performance 04-30-2018

Investment Activity Graph



	Portfolio (%)	Bmark (%)
Cyclical	37.29	37.54
Basic Matls	4.73	4.78
Consumer Cycl	11.34	12.35
Financial Svs	16.95	16.36
Real Estate	4.27	4.05
Sensitive	39.89	40.74
Commun Svs	3.77	2.79
Energy	7.76	5.41
Industrials	12.53	11.38
Technology	15.83	21.16
Defensive	22.82	21.72
Consumer Def	8.25	7.33
Healthcare	11.66	11.64
Utilities	2.91	2.75
Not Classified	0.00	0.00

	Portfolio (%)	Bmark (%)
Americas	61.72	73.64
North America	60.50	73.62
Latin America	1.22	0.02
Greater Europe	21.87	0.41
United Kingdom	5.69	0.15
Europe-Developed	14.72	0.26
Europe-Emerging	0.87	0.00
Africa/Middle East	0.59	0.00
Greater Asia	16.41	25.95
Japan	6.77	15.26
Australasia	2.06	3.77
Asia-Developed	4.50	6.34
Asia-Emerging	3.08	0.58
Not Classified	0.00	0.00

Trailing Returns*	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
Portfolio Return	-2.29	6.20	5.11	5.70	6.47
Benchmark Return	-2.21	6.06	4.21	4.64	4.84
+/- Benchmark Return	-0.08	0.14	0.90	1.06	1.63

*Full return history is not available for all securities. Please see Return Participation disclosure.

Best/Worst Time Periods	Best %	Worst %
3 Months	15.20 (Mar 2009-May 2009)	-18.53 (Sep 2008-Nov 2008)
1 Year	36.58 (Apr 2009-Mar 2010)	-18.72 (May 2008-Apr 2009)
3 Years	18.03 (Mar 2009-Feb 2012)	3.12 (Mar 2013-Feb 2016)

Portfolio Yield (04-30-2018)	Yield %
12-Month Yield	—

Portfolio-Level Performance Disclosure

The portfolio-level performance shown is hypothetical and for illustrative purposes only. Investor returns will differ from the results shown. The performance data reflects monthly portfolio rebalancing.

Holdings 04-30-2018

Top 8 holdings out of 8

BlackRock Multi-Asset Income Instl (USD)
Guggenheim Macro Opportunities Instl (USD)
Schwab US Broad Market ETF™ (USD)
Schwab International Equity ETF™ (USD)
Janus Henderson Strategic Income I (USD)
PIMCO Income I2 (USD)
BlackRock Total Emerging Markets Instl (USD)
US Fund Money Market - Taxable (USD)

Symbol	Type	Holding Value \$	% Assets
BICX	MF	169,932	24.93
GIOX	MF	139,271	20.43
SCHB	ETF	106,226	15.58
SCHF	ETF	74,090	10.87
HFAIX	MF	69,554	10.20
PONPX	MF	69,111	10.14
BEEIX	MF	32,986	4.84
\$FOCA\$TM\$\$	CA	20,468	3.00



RBC Wealth Management

Portfolio Snapshot

Beacon, City of LOSAP: CITY OF BEACON

Portfolio Value

\$681,636.66

300-00914 060

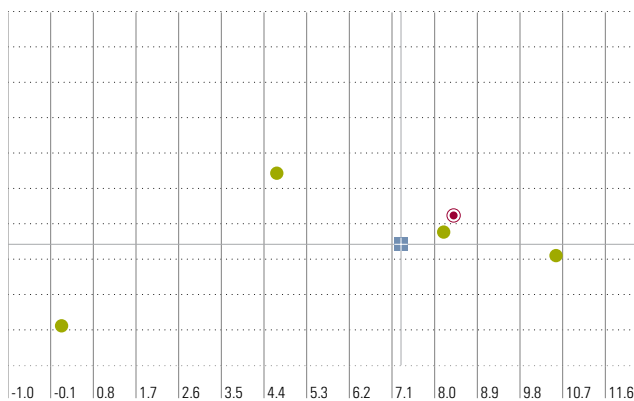
Benchmark

DJ Moderately Conservative TR USD (USD)

Risk Analysis 04-30-2018

Risk/Reward Scatterplot

● Portfolio ● Holdings ■ Bmark 10 Year Mean



Performance History Graph

■ Portfolio Quarterly returns +/- Benchmark in %



Risk and Return Statistics*

	3 Yr		5 Yr		10 Yr	
	Portfolio	Bmark	Portfolio	Bmark	Portfolio	Bmark
Standard Deviation	4.90	4.49	4.89	4.50	8.40	7.29
Mean	5.11	4.21	5.70	4.64	6.47	4.84
Sharpe Ratio	0.93	0.81	1.11	0.96	0.77	0.65

MPT Statistics*

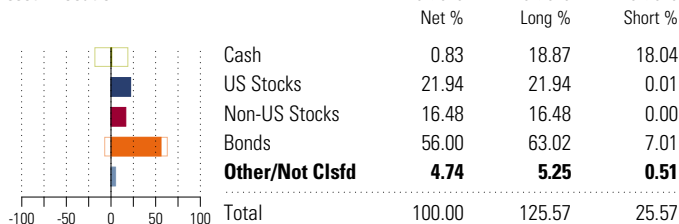
	3 Yr Portfolio	5 Yr Portfolio	10 Yr Portfolio
Alpha	0.94	1.05	1.32
Beta	0.98	0.99	1.07
R-Squared	81.44	83.92	86.09

Portfolio-Level Performance Disclosure

The portfolio-level performance shown is hypothetical and for illustrative purposes only. Investor returns will differ from the results shown. The performance data reflects monthly portfolio rebalancing.

Fundamental Analysis 04-30-2018

Asset Allocation



Market Maturity

	Portfolio	Bmark
% of Stocks	94.47	99.42
Developed Markets	5.53	0.58
Emerging Markets	0.00	0.00

Valuation Multiples

	Portfolio	Bmark
Price/Earnings	17.00	18.73
Price/Book	2.17	2.32
Price/Sales	1.51	1.69
Price/Cash Flow	10.44	11.73

Profitability

	Portfolio	Bmark
% of Stocks	2018-04	2018-04
Net Margin	14.17	13.59
ROE	18.42	17.88
ROA	6.35	6.24
Debt/Capital	39.30	38.93

Geometric Avg Capitalization (\$Mil)

Portfolio	39,197.43
Benchmark	46,273.34

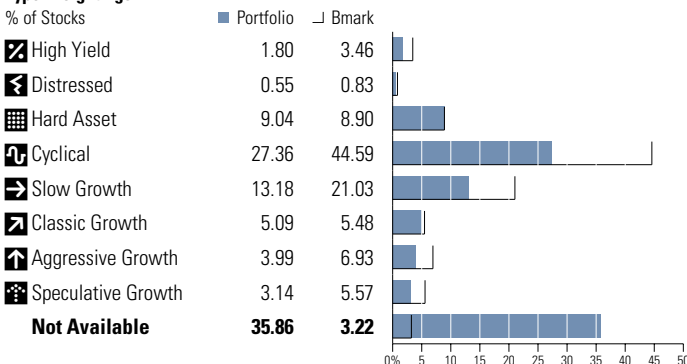
Credit Quality Breakdown

	% of Bonds
AAA	7.50
AA	3.52
A	7.35
BBB	8.62
BB	10.65
B	9.86
Below B	5.68
NR	46.82

Interest Rate Risk

	Bonds	% Not Available
Avg Eff Maturity	5.71	22.09
Avg Eff Duration	1.58	22.09
Avg Wtd Coupon	4.11	1.60

Type Weightings



*Full return history is not available for all securities. Please see Return Participation disclosure.

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RBC Wealth Management

Portfolio Snapshot

Beacon, City of LOSAP: CITY OF BEACON

Portfolio Value

\$681,636.66

Benchmark

DJ Moderately Conservative TR USD (USD)

300-00914 060

Standardized and Tax Adjusted Returns

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end please visit <http://advisor.morningstar.com/familyinfo.asp>.

Standardized Returns assume reinvestment of dividends and capital gains. They depict performance without adjusting for the effects of taxation, but are adjusted to reflect sales charges and ongoing fund expenses.

If adjusted for taxation, the performance quoted would be significantly reduced. For variable annuities, additional expenses will be taken into account, including M&E risk charges, fund-level expenses such as management fees and operating fees, contract-level administration fees, and charges such as surrender, contract, and sales charges. The maximum redemption fee is the maximum amount a fund may charge if redeemed in a specific time period after the fund's purchase.

After-tax returns are calculated using the highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or an IRA. After-tax returns exclude the effects of either the alternative minimum tax or phase-out of certain tax credits. Any taxes due are as of the time the distributions are made, and the taxable amount and tax character of each distribution are as specified by the fund on the dividend declaration date. Due to foreign tax credits or realized capital losses, after-tax returns may be greater than before-tax returns. After-tax returns for exchange-traded funds are based on net asset value.

Money Market Fund Disclosures

If money market fund(s) are included in the Standardized Returns table below, each money market fund's name will be followed by a superscripted letter that links it to the applicable disclosure below:

Institutional Money Market Funds (designated by an "S"):

You could lose money by investing in the fund. Because the share price of the fund will fluctuate, when you sell your shares they may be worth more or less than what you originally paid for them. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Government Money Market Funds that have chosen to rely on the ability to impose liquidity fees and suspend redemptions (designated by an "L") and**Retail Money Market Funds (designated by an "L"):**

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Government Money Market Funds that have chosen not to rely on the ability to impose liquidity fees and suspend redemptions (designated by an "N"):

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Annualized returns 03-31-2018

Standardized Returns (%)	7-day Yield Subsidized as of date	7-day Yield Unsubsidized as of date	1Yr	5Yr	10Yr	Since Inception	Inception Date	Max Front Load %	Max Back Load %	Net Exp Ratio %	Gross Exp Ratio %	Redemption %
BlackRock Multi-Asset Income Instl	—	—	4.48	4.58	—	5.62	04-07-2008	NA	NA	0.57 ¹	0.70	NA
BlackRock Total Emerging Markets Instl	—	—	13.15	—	—	3.22	05-16-2013	NA	NA	0.91 ²	1.09	NA
Guggenheim Macro Opportunities Instl	—	—	3.65	4.25	—	6.18	11-30-2011	NA	NA	0.95 ³	1.12	NA
Janus Henderson Strategic Income I	—	—	3.11	4.44	—	4.70	04-29-2011	NA	NA	0.75 ⁴	0.78	NA

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RBC Wealth Management

Annualized returns 03-31-2018													
Standardized Returns (%)	7-day Yield Subsidized as of date	7-day Yield Unsubsidized as of date	1Yr	5Yr	10Yr	Since Inception	Inception Date	Max Front Load %	Max Back Load %	Net Exp Ratio %	Gross Exp Ratio %	Redemption %	Max
PIMCO Income I2	—	—	5.17	5.62	9.04	8.99	04-30-2008	NA	NA	0.60	0.63	NA	NA
Schwab International Equity ETF™-NAV	—	—	14.88	6.38	—	6.18	11-03-2009	NA	NA	0.06	0.06	NA	NA
Schwab International Equity ETF™-Market	—	—	15.52	6.47	—	6.31	11-03-2009	NA	NA	0.06	0.06	NA	NA
Schwab US Broad Market ETF™-NAV	—	—	13.82	13.00	—	14.18	11-03-2009	NA	NA	0.03	0.03	NA	NA
Schwab US Broad Market ETF™-Market	—	—	13.77	13.01	—	14.10	11-03-2009	NA	NA	0.03	0.03	NA	NA
BBgBarc US Agg Bond TR USD			1.20	1.82	3.63	—	—						
BBgBarc US Credit TR USD			2.59	2.83	5.15	—	—						
BBgBarc US Universal TR USD			1.52	2.19	4.01	—	—						
Citi WGBI NonUSD USD			12.93	1.36	1.82	—	—						
DJ Moderately Conservative TR USD			7.68	5.01	5.10	—	01-31-1983						
ICE BofAML US High Yield TR USD			3.69	5.01	8.12	—	—						
ICE BofAML USD 3M Dep OR CM TR USD			1.21	0.55	0.74	—	—						
Morningstar Mod Agg Tgt Risk TR USD			12.00	8.42	—	—	—						
Morningstar Mod Tgt Risk TR USD			9.09	6.69	—	—	—						
MSCI ACWI Ex USA NR USD			16.53	5.89	2.70	—	—						
MSCI EAFE NR USD			14.80	6.50	2.74	—	—						
MSCI EM NR USD			24.93	4.99	3.02	—	—						
Russell 1000 TR USD			13.98	13.17	9.61	—	—						
Russell 3000 TR USD			13.81	13.03	9.62	—	—						
S&P 500 TR USD			13.99	13.31	9.49	—	—						
S&P/LSTA Leveraged Loan TR			4.43	3.89	5.62	—	—						
US Fund Money Market - Taxable			0.67	0.17	0.21	—	—						
USTREAS T-Bill Auction Ave 3 Mon			1.23	0.37	0.32	—	—						

1. Contractual waiver; Expires 11-30-2018
2. Contractual waiver; Expires 02-28-2019
3. Contractual waiver; Expires 02-01-2019; Dividend expense 0.03%
4. Contractual waiver; Expires 11-01-2018

Return after Tax (%)	On Distribution					On Distribution and Sales of Shares				
	1Yr	5Yr	10Yr	Since Inception	Inception Date	1Yr	5Yr	10Yr	Since Inception	
BlackRock Multi-Asset Income Instl	2.30	2.28	—	3.70	04-07-2008	2.55	2.44	—	3.53	
BlackRock Total Emerging Markets Instl	11.16	—	—	2.37	05-16-2013	7.85	—	—	2.08	
Guggenheim Macro Opportunities Instl	2.22	2.12	—	4.05	11-30-2011	2.08	2.25	—	3.83	
Janus Henderson Strategic Income I	1.91	2.77	—	2.98	04-29-2011	1.78	2.63	—	2.86	
PIMCO Income I2	2.82	2.93	—	6.25	04-30-2008	2.94	3.05	—	5.88	
Schwab International Equity ETF™-NAV	13.73	5.47	—	5.30	11-03-2009	8.75	4.62	—	4.53	
Schwab US Broad Market ETF™-NAV	12.98	12.27	—	13.43	11-03-2009	8.13	10.08	—	11.42	



Portfolio Snapshot

Beacon, City of LOSAP: CITY OF BEACON

Portfolio Value

\$681,636.66

300-00914 060

Benchmark

DJ Moderately Conservative TR USD (USD)

Non-Load Adjusted Returns

Total 8 holdings as of 04-30-2018	Symbol	Type	Holdings Date	% of Assets	Holding Value \$	30-day SEC Yield Subsidized as of date	30-day SEC Yield Unsubsidized as of date	1 Yr Ret %	3 Yr Ret %	5 Yr Ret %	10 Yr Ret %
BlackRock Multi-Asset Income Instl (USD)	BIICX	MF	03-2018	24.93	169,932	5.03 04-30-2018	4.91 04-30-2018	3.67	3.59	4.31	5.53
Guggenheim Macro Opportunities Instl (USD)	GIOIX	MF	02-2018	20.43	139,271	2.87 04-30-2018	2.75 04-30-2018	3.30	4.47	4.03	—
Schwab US Broad Market ETF TM (USD)	SCHB	ETF	05-2018	15.58	106,226	1.63 01-31-2018	1.63 01-31-2018	13.07	10.12	12.71	—
Schwab International Equity ETF TM (USD)	SCHF	ETF	05-2018	10.87	74,090	2.40 01-31-2018	2.40 01-31-2018	14.71	5.30	5.88	—
Janus Henderson Strategic Income I (USD)	HFAIX	MF	02-2018	10.20	69,554	2.59 04-30-2018	2.46 05-31-2017	1.91	3.44	4.08	4.20
PIMCO Income I2 (USD)	PONPX	MF	12-2017	10.14	69,111	3.93 04-30-2018	—	3.97	5.28	5.10	8.86
BlackRock Total Emerging Markets Instl (USD)	BEEIX	MF	03-2018	4.84	32,986	1.90 04-30-2018	1.67 04-30-2018	8.05	3.52	—	—
US Fund Money Market - Taxable (USD)	\$FOCA\$TM\$\$	CA	03-2018	3.00	20,468	—	—	0.74	0.31	0.19	0.23

Return Participation 04-30-2018

This portfolio report includes securities for which return data is not available for the entire history represented. When return is not available for a security, the remaining securities returns are reweighted to maintain consistent proportions for the securities that do have returns. The reweighting impacts trailing return data, as well as statistics that are calculated using return, including standard deviation, mean, Sharpe ratio, alpha, beta and R-squared. The following securities do not have 120 months of return data reflected in the report.

Security

BlackRock Total Emerging Markets Instl (USD, BEEIX)
 Guggenheim Macro Opportunities Instl (USD, GIOIX)
 Schwab US Broad Market ETFTM (USD, SCHB)
 Schwab International Equity ETFTM (USD, SCHF)

Start Date

06-30-2013
 12-31-2011
 12-31-2009
 12-31-2009

Performance Disclosure

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please visit <http://advisor.morningstar.com/familyinfo.asp>.

See Disclosure Page for Standardized Returns.



BlackRock Multi-Asset Income Instl (USD)

Performance 04-30-2018

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2016	0.63	2.35	3.05	0.55	6.71
2017	2.94	2.43	1.70	1.67	9.02
2018	-1.35	—	—	—	-0.98
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	3.67	3.59	4.31	—	5.62
Std 03-31-2018	4.48	—	4.58	—	5.62
Total Return	3.67	3.59	4.31	5.53	5.62
+/- Std Index	-4.41	-2.11	-2.10	-0.30	—
+/- Cat Index	-7.39	-3.50	-3.84	-0.96	—
% Rank Cat	77	50	46	14	—
No. in Cat	296	242	182	75	—

7-day Yield 05-04-2018	Subsidized	Unsubsidized
30-day SEC Yield 04-30-2018	8.67 ¹	—
	5.03 ¹	4.91

1. Contractual waiver; Expires 11-30-2018

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-441-7762 or visit www.blackrock.com.

Fees and Expenses

Sales Charges

Front-End Load %	NA
Deferred Load %	NA

Fund Expenses

Management Fees %	0.51
12b1 Expense %	NA
Gross Expense Ratio %	0.70

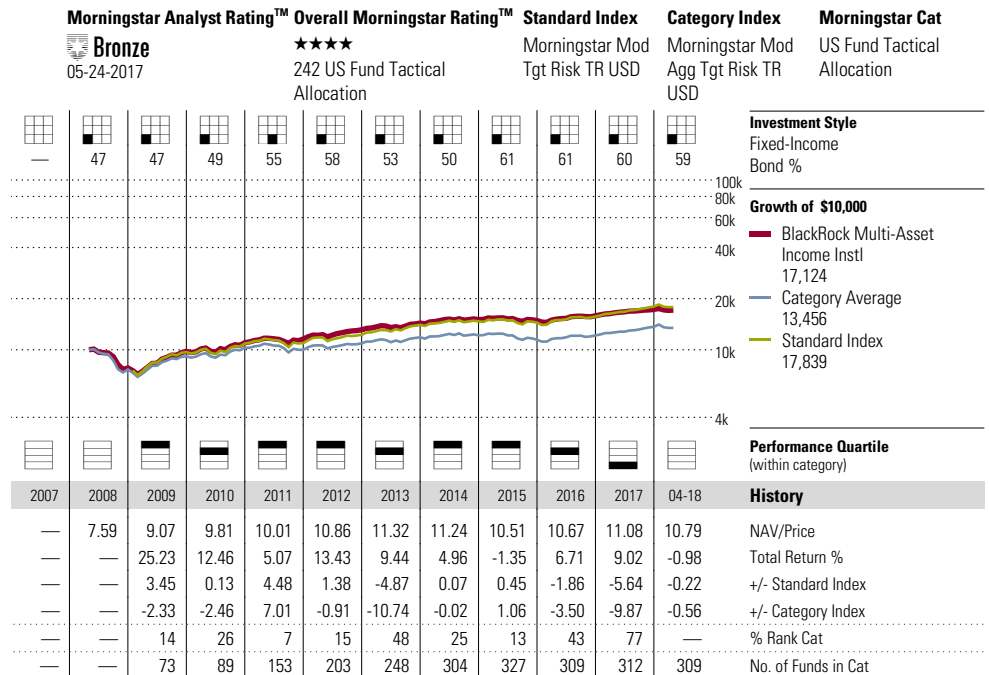
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	3★	3★	5★
Morningstar Risk	Low	Low	-Avg
Morningstar Return	Avg	Avg	+Avg
Standard Deviation	4.27	4.39	8.19
Mean	3.59	4.31	5.53
Sharpe Ratio	0.70	0.89	0.66

MPT Statistics	Standard Index	Best Fit Index
		Morningstar Mod
		Tgt Risk TR USD
Alpha	-0.36	-0.36
Beta	0.65	0.65
R-Squared	91.57	91.57
12-Month Yield		4.79%
Potential Cap Gains Exp		-2.69%

Operations

Family:	BlackRock
Manager:	Multiple
Tenure:	6.5 Years
Objective:	Income



Portfolio Analysis 03-31-2018

Asset Allocation %	Net %	Long %	Short %	Share Chg since 02-2018	Share Amount	Holdings :	Net Assets %
Cash	0.49	2.68	2.19			460 Total Stocks , 5,101 Total Fixed-Income, 75% Turnover Ratio	
US Stocks	20.07	20.07	0.00			iShares iBoxx \$ High Yield Corp Bd	2.58
Non-US Stocks	11.56	11.56	0.00			SPDR® Blmgb Barclays High Yield Bd	0.66
Bonds	60.36	60.37	0.01			Houston Center	0.48
Other/Not Clsfd	7.52	7.52	0.00	✱		Credit Suisse Group AG FXD-FRN ALT	0.45
Total	100.00	102.20	2.20			Enterprise Products Partners LP	0.42
Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat			
Value Blend Growth	P/E Ratio TTM	16.3	0.93	0.92	⊕	4 mil Energy Transfer Partners LP	0.38
	P/C Ratio TTM	10.6	0.97	0.91		63 mil HSBC Holdings plc FXD-FRN ALT TIER	0.38
	P/B Ratio TTM	2.3	1.05	0.97	✱	55 mil Royal Bank of Scotland Group plc F	0.37
	Geo Avg Mkt Cap \$mil	40937	1.28	0.77		2 mil MPLX LP Partnership Units	0.36
						970,382 Magellan Midstream Partners LP	0.34
Fixed-Income Style							
Ltd Mod Ext	Avg Eff Maturity		7.66		⊖	1 mil Cisco Systems Inc	0.33
	Avg Eff Duration		2.29			545,336 Philip Morris International Inc	0.33
	Avg Wtd Coupon		4.80		⊕	57 mil Westpac Banking Corporation FXD-FR	0.32
	Avg Wtd Price		139.80		⊕	47 mil Societe Generale S.A. FXD-FRN ALT	0.32
						2 mil Plains All American Pipeline LP	0.32

Credit Quality Breakdown 03-31-2018

	Bond %
AAA	11.20
AA	1.94
A	8.11
BBB	16.72
BB	29.06
B	18.23
Below B	8.66
NR	6.09

Regional Exposure	Stocks %	Rel Std Index
Americas	66.4	0.99
Greater Europe	23.3	1.47
Greater Asia	10.3	0.59

Sector Weightings	Stocks %	Rel Std Index
Cyclical	31.8	0.76
Basic Materials	1.4	0.24
Consumer Cyclical	10.0	0.87
Financial Services	13.5	0.73
Real Estate	6.9	1.16
Sensitive	42.3	1.16
Communication Services	5.7	1.77
Energy	12.9	2.03
Industrials	13.3	1.15
Technology	10.4	0.67
Defensive	25.9	1.20
Consumer Defensive	9.3	1.19
Healthcare	14.3	1.35
Utilities	2.3	0.70

BlackRock Total Emerging Markets Instl (USD)

Performance 04-30-2018

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2016	8.87	4.69	5.33	-5.70	13.20
2017	7.58	4.09	6.18	1.90	21.15
2018	0.47	—	—	—	-1.80

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	8.05	3.52	—	—	2.69
Std 03-31-2018	13.15	—	—	—	3.22
Total Return	8.05	3.52	—	—	2.69
+/- Std Index	-7.86	-1.49	—	—	—
+/- Cat Index	-13.67	-2.48	—	—	—
% Rank Cat	97	80	—	—	—
No. in Cat	820	672	—	—	—

7-day Yield	Subsidized	Unsubsidized
30-day SEC Yield 04-30-2018	1.90 ¹	1.67
1. Contractual waiver; Expires 02-28-2019		

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-441-7762 or visit www.blackrock.com.

Fees and Expenses

Sales Charges

Front-End Load %	NA
Deferred Load %	NA

Fund Expenses

Management Fees %	0.75
12b1 Expense %	NA
Gross Expense Ratio %	1.09

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	2★	—	—
Morningstar Risk	Low	—	—
Morningstar Return	-Avg	—	—

	3 Yr	5 Yr	10 Yr
Standard Deviation	11.67	—	—
Mean	3.52	—	—
Sharpe Ratio	0.30	—	—

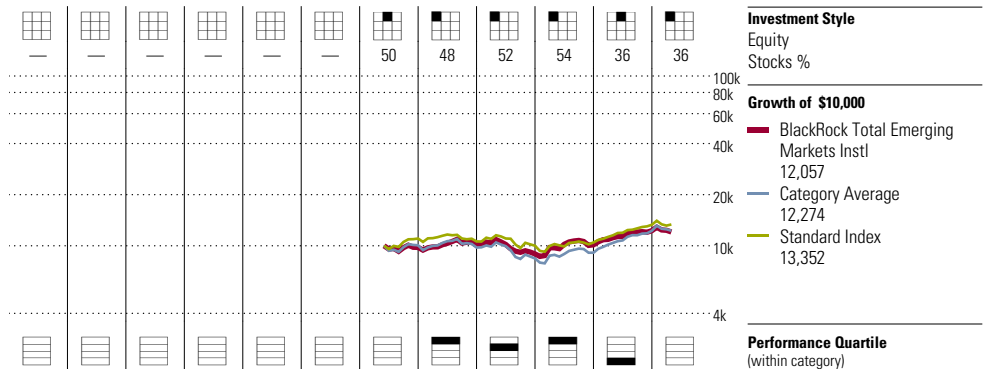
MPT Statistics	Standard Index	Best Fit Index
		MSCI EM NR USD
Alpha	0.07	-0.82
Beta	0.68	0.67
R-Squared	50.88	83.57
12-Month Yield	—	1.50%
Potential Cap Gains Exp	—	2.48%

Overall Morningstar Rating™
★★
672 US Fund Diversified
Emerging Mkts

Standard Index
MSCI ACWI Ex
USA NR USD

Category Index
MSCI EM NR USD

Morningstar Cat
US Fund Diversified
Emerging Mkts



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	04-18	
NAV/Price	—	—	—	—	—	—	9.17	9.38	8.23	9.10	10.53	10.34	
Total Return %	—	—	—	—	—	—	—	3.01	-11.13	13.20	21.15	-1.80	
+/- Standard Index	—	—	—	—	—	—	—	6.87	-5.47	8.71	-6.04	-2.20	
+/- Category Index	—	—	—	—	—	—	—	5.19	3.78	2.02	-16.13	-2.77	
% Rank Cat	—	—	—	—	—	—	—	6	31	17	96	—	
No. of Funds in Cat	—	—	—	—	—	—	—	749	840	813	806	867	

Portfolio Analysis 03-31-2018

Asset Allocation %	Net %	Long %	Short %	Share Chg since 02-2018	Share Amount	Holdings :	Net Assets %
Cash	-18.05	38.37	56.42			197 Total Stocks, 326 Total Fixed-Income, 140% Turnover Ratio	
US Stocks	0.25	0.25	0.00				
Non-US Stocks	56.77	56.77	0.00	⊖	152,200	Tencent Holdings Ltd	2.08
Bonds	61.03	61.04	0.01		184,400	Mexico (United Mexican States) 4.5%	1.71
Other/Not Clsfd	0.00	0.00	0.00		6 mil	Lithuania Republic 7.38%	1.67
Total	100.00	156.43	56.43	⊕	2,691	Samsung Electronics Co Ltd	1.62
					5 mil	Lithuania Republic 6.62%	1.60

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat	Share Chg since 02-2018	Share Amount	Holdings :	Net Assets %
Value Blend Growth	P/E Ratio TTM	13.4	0.90	0.88	⊕	86,047	PJSC Lukoil ADR	1.55
	P/C Ratio TTM	7.2	0.82	0.70		380,141	Itau Unibanco Holding SA	1.53
	P/B Ratio TTM	1.6	0.99	0.76		5 mil	Lithuania Republic 6.12%	1.44
	Geo Avg Mkt Cap \$mil	9849	0.27	0.30		114,500	Banco Central de Chile 3%	1.44
					⊖	7 mil	CTBC Financial Holding Co Ltd	1.36
					⊖	2 mil	Uni-President Enterprises Corp	1.34
					⊖	49,472	LG Electronics Inc	1.33
					⊕	440,200	Hypera SA	1.25
						5 mil	China Petroleum & Chemical Corp H	1.24
					⊕	202,653	Anglo American PLC	1.23

Sector Weightings	Stocks %	Rel Std Index
Cyclical	42.1	0.92
Basic Materials	12.4	1.48
Consumer Cyclical	8.0	0.71
Financial Services	17.2	0.75
Real Estate	4.6	1.41
Sensitive	47.3	1.39
Communication Services	4.5	1.06
Energy	7.2	1.01
Industrials	10.0	0.92
Technology	25.7	2.15
Defensive	10.6	0.53
Consumer Defensive	4.2	0.44
Healthcare	5.0	0.67
Utilities	1.4	0.46

Operations

Family:	BlackRock
Manager:	Multiple
Tenure:	5.0 Years
Objective:	Growth and Income

Base Currency:	USD
Ticker:	BEEIX
Minimum Initial Purchase:	\$2 mil
Purchase Constraints:	A

Incept:	05-16-2013
Type:	MF
Total Assets:	\$318.79 mil

Guggenheim Macro Opportunities Instl (USD)

Performance 04-30-2018

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2016	0.31	3.44	4.03	2.52	10.66
2017	1.99	0.97	1.10	1.14	5.30
2018	0.38	—	—	—	0.41

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	3.30	4.47	4.03	—	6.10
Std 03-31-2018	3.65	—	4.25	—	6.18
Total Return	3.30	4.47	4.03	—	6.10
+/- Std Index	3.62	3.40	2.57	—	—
+/- Cat Index	2.00	3.66	3.45	—	—
% Rank Cat	34	11	1	—	—
No. in Cat	320	264	159	—	—

	Subsidized	Unsubsidized
7-day Yield 05-03-2018	4.35 ¹	—
30-day SEC Yield 04-30-2018	2.87 ¹	2.75

1. Contractual waiver; Expires 02-01-2019

Performance Disclosure

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Fees and Expenses

Sales Charges

Front-End Load %	NA
Deferred Load %	NA

Fund Expenses

Management Fees %	0.89
12b1 Expense %	NA
Gross Expense Ratio %	1.12

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	5★	—
Morningstar Risk	Avg	Avg	—
Morningstar Return	+Avg	High	—

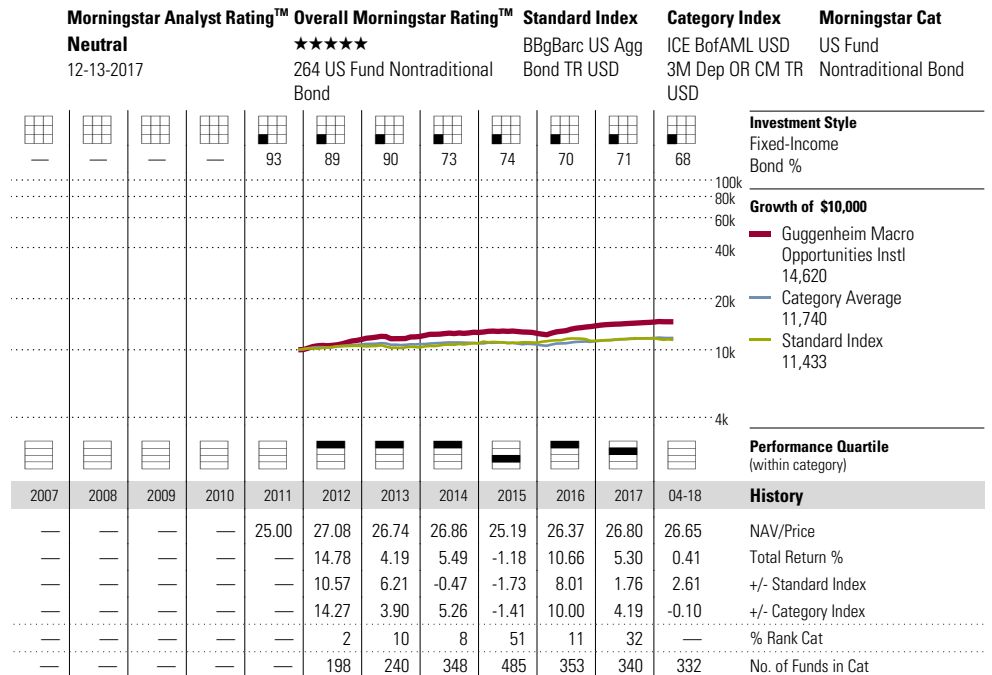
	3 Yr	5 Yr	10 Yr
Standard Deviation	2.68	2.91	—
Mean	4.47	4.03	—
Sharpe Ratio	1.41	1.24	—

MPT Statistics	Standard Index	Best Fit Index S&P/LSTA Leveraged Loan TR
Alpha	3.74	0.71
Beta	0.09	0.92
R-Squared	0.81	81.71

12-Month Yield	3.26%
Potential Cap Gains Exp	-0.62%

Operations

Family:	Guggenheim Investments
Manager:	Multiple
Tenure:	6.5 Years
Objective:	Multisector Bond



Portfolio Analysis 02-28-2018

Asset Allocation %	Net %	Long %	Short %	Share Chg since 01-2018	Share Amount	Holdings :	Net Assets %	
Cash	14.21	14.37	0.16			430 Total Stocks , 1,158 Total Fixed-Income, 61% Turnover Ratio		
US Stocks	5.97	6.00	0.03					
Non-US Stocks	0.91	0.91	0.00	⊕	12 mil	Guggenheim Limited Duration Instl	4.48	
Bonds	69.55	70.64	1.09		6 mil	Guggenheim Alpha Opportunity Instl	2.60	
Other/Not Clsfd	9.36	11.80	2.44	⊕	4 mil	Guggenheim Strategy II	1.48	
Total	100.00	103.72	3.72	⊕	4 mil	Guggenheim Managed Futures Strateg	1.32	
				✱	72 mil	Republic Of Italy	1.31	
Equity Style	Portfolio Statistics							
Value Blend Growth	P/E Ratio TTM	Port Avg	Rel Index	Rel Cat	⊖	82 mil	LSTAR SECURITIES INVESTMENT LTD AB	1.22
	P/C Ratio TTM	14.5	—	1.16	⊕	3 mil	Guggenheim Strategy III	1.17
	P/B Ratio TTM	8.0	—	1.92	⊖	66 mil	Kdac Aviation Finance Cayman Limit	0.98
	Geo Avg Mkt Cap	1.9	—	1.58	⊖	63 mil	AASET TRUST 2017-1 3.967% PIDI MBS	0.94
	\$mil	9716	—	1.40		63 mil	Fortress Cr Opportunities Ix Clo L	0.94
						62 mil	Shackleton 2015-VIII Clo Limited O	0.93
Fixed-Income Style					⊖	53 mil	Lstar Sec Fin Veh I 2017 FRN	0.79
Ltd Mod Ext	Avg Eff Maturity		3.75			54 mil	Raspro Trust FRN 01/03/2024 USD100	0.78
	Avg Eff Duration		0.44			50 mil	Cim Trust 2017-2 0% BDS 25/12/2057	0.76
	Avg Wtd Coupon		4.13		⊖	49 mil	LSTAR SECS INVEST LTD 2017-8 ABS 2	0.73
	Avg Wtd Price		96.48		⊖			

Sector Weightings	Stocks %	Rel Std Index
Cyclical	22.9	—
Basic Materials	3.3	—
Consumer Cyclical	7.3	—
Financial Services	7.2	—
Real Estate	5.1	—
Sensitive	48.2	—
Communication Services	2.2	—
Energy	8.0	—
Industrials	19.4	—
Technology	18.6	—
Defensive	29.0	—
Consumer Defensive	10.8	—
Healthcare	10.9	—
Utilities	7.2	—

Janus Henderson Strategic Income I (USD)

Morningstar Analyst Rating™
Bronze
 10-04-2017

Overall Morningstar Rating™
 ★★★★★
 267 US Fund World Bond

Standard Index
 BBgBarc US Agg
 Bond TR USD

Category Index
 Citi WGBI NonUSD
 USD

Morningstar Cat
 US Fund World Bond

Performance 04-30-2018

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2016	1.43	1.68	3.66	-0.66	6.20
2017	2.03	1.87	1.04	0.86	5.93
2018	-0.68	—	—	—	-0.92
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	1.91	3.44	4.08	—	4.61
Std 03-31-2018	3.11	—	4.44	—	4.70
Total Return	1.91	3.44	4.08	4.20	4.61
+/- Std Index	2.23	2.37	2.61	0.62	—
+/- Cat Index	-6.51	-0.08	3.44	2.26	—
% Rank Cat	75	9	1	23	—
No. in Cat	305	267	239	136	—

7-day Yield	Subsidized	Unsubsidized
30-day SEC Yield 04-30-2018	2.59 ¹	2.46
1. Contractual waiver; Expires 11-01-2018		

Performance Disclosure

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Fees and Expenses

Sales Charges

Front-End Load %

NA

Deferred Load %

NA

Fund Expenses

Management Fees %

0.55

12b1 Expense %

NA

Gross Expense Ratio %

0.78

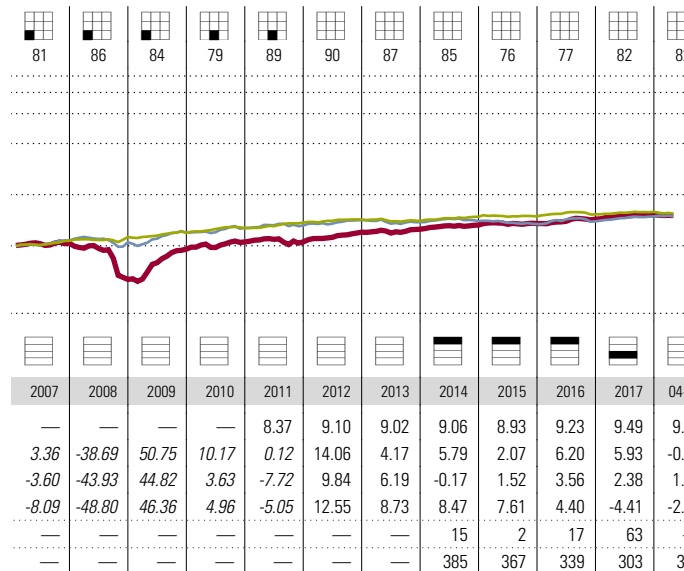
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	267 funds	239 funds	136 funds
Morningstar Rating™	5★	5★	3★
Morningstar Risk	-Avg	-Avg	High
Morningstar Return	High	High	+Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	2.89	3.27	10.56
Mean	3.44	4.08	4.20
Sharpe Ratio	0.96	1.12	0.41

MPT Statistics	Standard Index	Best Fit Index
		BBgBarc US Credit TR USD
Alpha	2.50	1.90
Beta	0.63	0.61
R-Squared	35.28	58.50
12-Month Yield		2.67%
Potential Cap Gains Exp		-0.53%

Operations

Family: Janus Henderson
 Manager: Multiple
 Tenure: 9.4 Years
 Objective: Multisector Bond



Portfolio Analysis 02-28-2018

Asset Allocation %	Net %	Long %	Short %
Cash	11.44	11.44	0.00
US Stocks	0.00	0.00	0.00
Non-US Stocks	0.00	0.00	0.00
Bonds	82.09	82.88	0.78
Other/Not Clsfd	6.47	6.47	0.00
Total	100.00	100.78	0.78

Equity Style

Value	Blend	Growth
Large		
Mid		
Small		

Portfolio Statistics

	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	—	—	—
P/C Ratio TTM	—	—	—
P/B Ratio TTM	—	—	—
Geo Avg Mkt Cap \$mil	—	—	—

Fixed-Income Style

Ltd	Mod	Ext
High		
Mid		
Low		

Avg Eff Maturity	—
Avg Eff Duration	—
Avg Wtd Coupon	3.55
Avg Wtd Price	—

Credit Quality Breakdown —

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure

	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

Top Holdings 03-31-2018

Share since 01-2018	Share Amount	Holdings :	Net Assets %
		0 Total Stocks , 175 Total Fixed-Income, 112% Turnover Ratio	
✳	37 mil	Aust 10y Bond Fut Jun18 Xsfe 20180	4.22
✳	15 mil	Euro-Bund Future Jun18 Xeur 201806	3.45
	39 mil	Australian Government Sr Unsecured	3.43
	35 mil	Australian Government Sr Unsecured	3.11
⊕	38 mil	Canada (Government of) 1%	3.00
	29 mil	Australian Government Sr Unsecured	2.60
✳	17 mil	Us 10yr Note (Cbt)jun18 Xcvt 20180	2.37
⊕	161 mil	Swedish Government Bonds 05/28 0.75	2.18
✳	12 mil	Us Long Bond(Cbt) Jun18 Xcvt 20180	2.08
	21 mil	Canada (Government of) 0.5%	1.78
	10 mil	Wachovia Capital Trust III 5.57%	1.17
	10 mil	US Treasury Note 2%	1.14
	11 mil	Australia(Cmnwlth) 2%	0.96
	9 mil	Visa Inc 2.75%	0.96
	8 mil	Diamond 1 Finance Corporation/Diam	0.93

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

PIMCO Income I2 (USD)

Morningstar Analyst Rating™



05-31-2017

Overall Morningstar Rating™



251 US Fund Multisector Bond

Standard Index

BBgBarc US Agg Bond TR USD

Category Index

BBgBarc US Universal TR USD

Morningstar Cat

US Fund Multisector Bond

Performance 04-30-2018

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2016	1.75	2.42	2.82	1.36	8.61
2017	2.86	2.24	2.06	1.08	8.49
2018	-0.29	—	—	—	-0.75
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	3.97	5.28	5.10	—	8.86
Std 03-31-2018	5.17	—	5.62	—	8.99
Total Return	3.97	5.28	5.10	8.86	8.86
+/- Std Index	4.29	4.21	3.63	5.29	—
+/- Cat Index	3.96	3.74	3.27	4.93	—
% Rank Cat	13	2	1	1	—
No. in Cat	320	251	203	122	—

7-day Yield	Subsidized	Unsubsidized
30-day SEC Yield	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-877-4626 or visit www.pimco.com.

Fees and Expenses

Sales Charges

Front-End Load % **NA**
Deferred Load % **NA**

Fund Expenses

Management Fees %	0.60
12b1 Expense %	NA
Gross Expense Ratio %	0.63

Risk and Return Profile

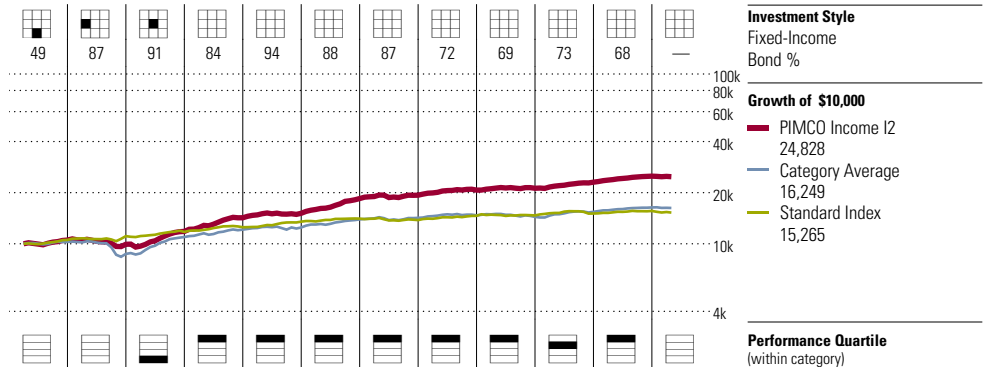
	3 Yr	5 Yr	10 Yr
	251 funds	203 funds	122 funds
Morningstar Rating™	5★	5★	5★
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	High	High	High
	3 Yr	5 Yr	10 Yr
Standard Deviation	2.30	2.94	4.67
Mean	5.28	5.10	8.86
Sharpe Ratio	1.96	1.57	1.76

MPT Statistics	Standard Index	Best Fit Index
	ICE BofAML US High	Yield TR USD
Alpha	4.37	3.12
Beta	0.38	0.33
R-Squared	19.98	61.68

12-Month Yield	—
Potential Cap Gains Exp	0.34%

Operations

Family:	PIMCO
Manager:	Multiple
Tenure:	11.2 Years
Objective:	Multisector Bond



History	NAV/Price	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
2007	—	—	—	—	—	—
2008	8.91	-5.57	-10.81	-7.95	—	—
2009	9.84	19.09	13.16	10.48	83	242
2010	11.04	20.35	13.81	13.18	1	268
2011	10.85	6.28	-1.57	-1.13	7	250
2012	12.36	22.07	17.85	16.54	1	283
2013	12.26	4.72	6.75	6.07	19	308
2014	12.33	7.09	1.13	1.53	7	276
2015	11.73	2.53	1.98	2.10	3	304
2016	12.06	8.61	5.96	4.70	33	299
2017	12.41	8.49	4.95	4.40	11	321
04-18	12.10	-0.75	1.45	1.32	—	329

Portfolio Analysis 12-31-2017

Asset Allocation %	Net %	Long %	Short %	Share Chg since 09-2017	Share Amount	Holdings : 19 Total Stocks , 6,053 Total Fixed-Income, 190% Turnover Ratio	Net Assets %
Cash	-46.73	98.38	145.11				
US Stocks	0.37	0.37	0.00				
Non-US Stocks	0.00	0.00	0.00	✱	29,639 mil	IRS USD 2.00000 06/20/18-5Y CME_Pay	-27.02
Bonds	144.64	210.80	66.16	⊕	1,618,463 mil	IRS JPY 0.45000 03/20/19-10Y LCH_P	-13.33
Other/Not Clsfd	1.72	1.75	0.03	✱	10,000 mil	CIRS USD 5.25Y MAT 2.30% 1/2018 GL	9.25
Total	100.00	311.31	211.31	✱	8,000 mil	CIRS USD 5.33Y MAT 2.2% 1/2018 GLM	7.38
				✱	6,476 mil	IRS USD 2.12000 08/16/17-5Y* CME_R	5.96
				✱	6,111 mil	CIRS USD 5.25Y MAT 2.35% 2/2018 GL	5.65
				✱	6,105 mil	CIRS USD 5.25Y MAT 2.36% 2/2018 GL	5.65
				✱	6,057 mil	IRS USD 2.00000 09/07/17-5Y* CME_R	5.54
				✱	5,098 mil	IRS USD 2.14000 11/15/17-5Y CME_Re	4.70
				✱	5,000 mil	CIRS USD 5.25Y MAT 2.35% 1/2018 MY	4.63
				✱	5,000 mil	CIRS USD 5.25Y MAT 2.41% 3/2018 MY	4.63
				✱	5,000 mil	CIRS USD 5.25Y MAT 2.35% 2/2018 GL	4.63
				✱	5,000 mil	CIRS USD 5.25Y MAT 2.29% 1/2018 MY	4.63
				✱	4,599 mil	Federal National Mortgage Associat	-4.45
				✱	3,267 mil	IRS USD 1.75000 06/20/18-3Y CME_Pay	-2.98

Equity Style

Value Blend Growth

P/E Ratio TTM

P/C Ratio TTM

P/B Ratio TTM

Geo Avg Mkt Cap

\$mil

Port Avg

Rel Index

Rel Cat

Avg Eff Maturity

Avg Eff Duration

Avg Wtd Coupon

Avg Wtd Price

6.08

2.39

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Sector Weightings

	Stocks %	Rel Std Index
Cyclical	98.9	—
Basic Materials	0.0	—
Consumer Cyclical	38.5	—
Financial Services	0.0	—
Real Estate	60.4	—
Sensitive	1.0	—
Communication Services	0.0	—
Energy	1.0	—
Industrials	0.0	—
Technology	0.0	—
Defensive	0.1	—
Consumer Defensive	0.0	—
Healthcare	0.0	—
Utilities	0.1	—

Schwab International Equity ETF™ (USD)

Overall Morningstar Rating™
★★★
608 US Fund Foreign Large Blend

Standard Index
MSCI ACWI Ex
USA NR USD

Category Index
MSCI ACWI Ex
USA NR USD

Morningstar Cat
US Fund Foreign Large
Blend

Performance 04-30-2018

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2016	-1.84	-0.96	6.58	-0.71	2.88
2017	7.32	6.11	5.54	4.70	25.83
2018	-2.02	—	—	—	0.41
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Mkt 03-31-18	15.52	—	6.47	—	6.31
Std NAV 03-31-18	14.88	—	6.38	—	6.18
Mkt Total Ret	14.71	5.30	5.88	—	6.42
NAV Total Ret	15.15	5.28	5.97	—	6.43
+/- Std Index	-0.76	0.27	0.51	—	—
+/- Cat Index	-0.76	0.27	0.51	—	—
% Rank Cat	29	37	42	—	—
No. in Cat	758	608	533	—	—

30-day SEC Yield 01-31-2018	Subsidized	Unsubsidized
	2.40	2.40

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 877-824-5615 or visit www.csimfunds.com.

Fees and Expenses

Fund Expenses

Management Fees %	0.06
Expense Ratio %	0.06
12b1 Expense %	NA

Risk and Return Profile

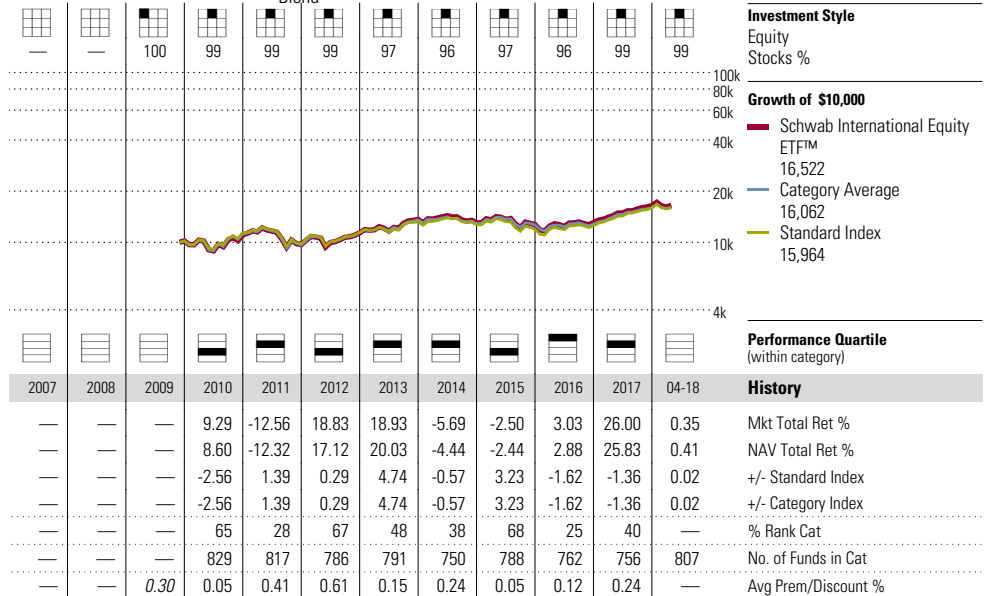
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	3★	3★	—
Morningstar Risk	+Avg	+Avg	—
Morningstar Return	Avg	Avg	—
	3 Yr	5 Yr	10 Yr
Standard Deviation NAV	11.90	11.56	—
Standard Deviation MKT	11.16	11.27	—
Mean NAV	5.28	5.97	—
Mean MKT	5.30	5.88	—
Sharpe Ratio	0.44	0.53	—

MPT Statistics	Standard Index	Best Fit Index
NAV	MSCI EAFE NR USD	
Alpha	0.41	0.40
Beta	0.96	0.98
R-Squared	97.25	99.34

12-Month Yield	2.34%
Potential Cap Gains Exp	—
Leveraged	No
Leverage Type	—
Leverage %	100.00
Primary Prospectus Benchmark	FTSE Dv Ex US NR USD

Operations

Family:	Schwab ETFs
Manager:	Multiple
Tenure:	5.4 Years
Total Assets:	\$15,361.6 mil
Shares Outstanding:	449.30 mil



Portfolio Analysis 05-07-2018

Asset Allocation % 05-04-2018	Net %	Long %	Short %
Cash	0.62	0.62	0.00
US Stocks	2.32	2.32	0.00
Non-US Stocks	96.70	96.70	0.00
Bonds	0.00	0.00	0.00
Other/Not Clsfd	0.35	0.35	0.00
Total	100.00	100.00	0.00

Equity Style

Value	Blend	Growth
Large	—	—
Mid	—	—
Small	—	—

Fixed-Income Style

Ltd	Mod	Ext
High	—	—
Mid	—	—
Low	—	—

Credit Quality Breakdown

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure

	Stocks %	Rel Std Index
Americas	8.1	0.81
Greater Europe	54.0	1.16
Greater Asia	37.9	0.87

Top Holdings 05-04-2018

Share Chg since 05-2018	Share Amount	Holdings : 1,348 Total Stocks , 0 Total Fixed-Income, 5% Turnover Ratio	Net Assets %
3 mil		Nestle SA	1.32
163,347		Samsung Electronics Co Ltd GDR	1.29
17 mil		HSBC Holdings PLC	1.08
2 mil		Toyota Motor Corp	0.95
2 mil		Novartis AG	0.94
4 mil		Royal Dutch Shell PLC Class A	0.90
603,192		Roche Holding AG Dividend Right Ce	0.89
16 mil		BP PLC	0.81
2 mil		Total SA	0.80
3 mil		Royal Dutch Shell PLC B	0.75
⊕ 53,750		Msci Eafe Jun18 Ifus 20180615	0.71
2 mil		British American Tobacco PLC	0.67
1 mil		Royal Bank of Canada Inc	0.61
379,403		Allianz SE	0.59
2 mil		The Toronto-Dominion Bank	0.58

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	44.5	0.97
Basic Materials	8.2	0.99
Consumer Cyclical	11.8	1.05
Financial Services	21.2	0.92
Real Estate	3.2	0.97
Sensitive	33.2	0.97
Communication Services	3.7	0.89
Energy	6.8	0.96
Industrials	13.8	1.27
Technology	8.9	0.74
Defensive	22.3	1.12
Consumer Defensive	10.3	1.09
Healthcare	8.9	1.18
Utilities	3.1	1.04

Schwab US Broad Market ETF™ (USD)

Overall Morningstar Rating™

Standard Index

Category Index

Morningstar Cat

★★★★

S&P 500 TR USD

Russell 1000 TR

US Fund Large Blend

1,177 US Fund Large Blend

Performance 04-30-2018

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2016	0.97	2.61	4.34	4.12	12.56
2017	5.81	3.02	4.54	6.34	21.18
2018	-0.61	—	—	—	-0.25
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Mkt 03-31-18	13.77	—	13.01	—	14.10
Std NAV 03-31-18	13.82	—	13.00	—	14.18
Mkt Total Ret	13.07	10.12	12.71	—	14.01
NAV Total Ret	13.05	10.14	12.70	—	14.08
+/- Std Index	-0.22	-0.43	-0.26	—	—
+/- Cat Index	-0.12	-0.11	-0.14	—	—
% Rank Cat	38	28	22	—	—
No. in Cat	1,364	1,177	1,056	—	—

	Subsidized	Unsubsidized
30-day SEC Yield 01-31-2018	1.63	1.63

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 877-824-5615 or visit www.csimfunds.com.

Fees and Expenses

Fund Expenses	
Management Fees %	0.03
Expense Ratio %	0.03
12b1 Expense %	NA

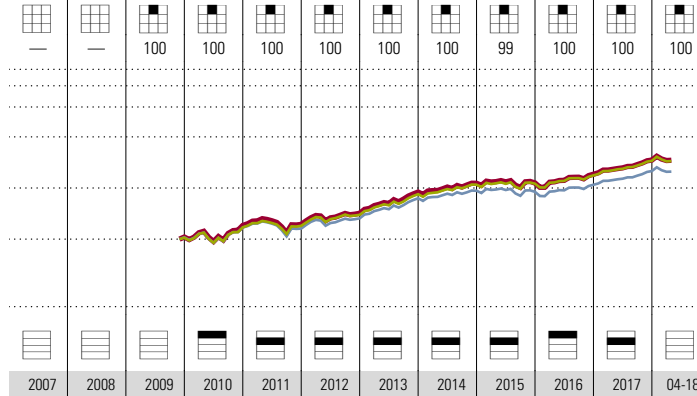
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	—
Morningstar Risk	Avg	Avg	—
Morningstar Return	+Avg	+Avg	—
Standard Deviation NAV	10.35	9.98	—
Standard Deviation MKT	10.41	10.00	—
Mean NAV	10.14	12.70	—
Mean MKT	10.12	12.71	—
Sharpe Ratio	0.93	1.21	—

MPT Statistics	Standard Index	Best Fit Index
NAV	USD	Russell 3000 TR
Alpha	-0.42	-0.05
Beta	1.00	1.00
R-Squared	98.99	99.99
12-Month Yield	—	1.71%
Potential Cap Gains Exp	—	—
Leveraged	No	—
Leverage Type	—	—
Leverage %	—	100.00
Primary Prospectus Benchmark	DJ US Broad Stock	Market TR USD

Operations

Family:	Schwab ETFs
Manager:	Multiple
Tenure:	8.0 Years
Total Assets:	\$11,846.4 mil
Shares Outstanding:	183.00 mil



History	
Mkt Total Ret %	-0.36
NAV Total Ret %	-0.25
+/- Standard Index	0.13
+/- Category Index	0.10
% Rank Cat	—
No. of Funds in Cat	1439
Avg Prem/Discount %	—

Portfolio Analysis 05-07-2018

Asset Allocation % 05-04-2018	Net %	Long %	Short %
Cash	0.12	0.12	0.00
US Stocks	98.90	98.90	0.00
Non-US Stocks	0.98	0.98	0.00
Bonds	0.00	0.00	0.00
Other/Not Clsfd	0.00	0.00	0.00
Total	100.00	100.00	0.00

Equity Style

Value	Blend	Growth
Large	—	—
Mid	—	—
Small	—	—

Fixed-Income Style

Ltd	Mod	Ext
High	—	—
Mid	—	—
Low	—	—

Credit Quality Breakdown

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure

	Stocks %	Rel Std Index
Americas	99.0	1.00
Greater Europe	0.5	1.43
Greater Asia	0.5	0.95

Top Holdings 05-04-2018

Share Chg since 05-2018	Share Amount	Holdings : 2,293 Total Stocks, 0 Total Fixed-Income, 4% Turnover Ratio	Net Assets %
+	2 mil	Apple Inc	3.39
+	3 mil	Microsoft Corp	2.66
+	170,799	Amazon.com Inc	2.31
+	1 mil	Facebook Inc A	1.54
+	817,740	Berkshire Hathaway Inc B	1.37
+	1 mil	JPMorgan Chase & Co	1.35
+	1 mil	Johnson & Johnson	1.21
+	2 mil	Exxon Mobil Corp	1.18
+	129,258	Alphabet Inc C	1.16
+	126,724	Alphabet Inc A	1.14
+	4 mil	Bank of America Corporation	1.02
+	2 mil	Intel Corp	0.90
+	810,716	Chevron Corp	0.87
+	770,483	Visa Inc Class A	0.84
+	2 mil	Wells Fargo & Co	0.84

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	35.7	1.05
Basic Materials	3.2	1.20
Consumer Cyclical	12.4	1.03
Financial Services	16.6	0.98
Real Estate	3.6	1.60
Sensitive	41.8	1.00
Communication Services	2.9	0.92
Energy	6.0	0.95
Industrials	10.9	1.06
Technology	22.0	1.00
Defensive	22.5	0.92
Consumer Defensive	6.6	0.88
Healthcare	13.1	0.93
Utilities	2.9	0.99

US Insurance Money Market - Taxable (USD)

Standard Index
USTREAS T-Bill
Auction Ave 3
Mon

Category Index
ICE BofAML USD
3M Dep OR CM TR
USD

Performance 04-30-2018					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2016	0.02	0.02	0.03	0.03	0.09
2017	0.05	0.10	0.17	0.17	0.48
2018	0.24	—	—	—	0.35
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	
Total Return	0.75	0.31	0.19	0.21	
+/- Std Index	-0.56	-0.33	-0.21	-0.12	
+/- Cat Index	-0.55	-0.50	-0.40	-0.53	
No. in Cat	518	446	426	359	

Performance Disclosure

Morningstar Categories are unmanaged and cannot be invested in directly by investors.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

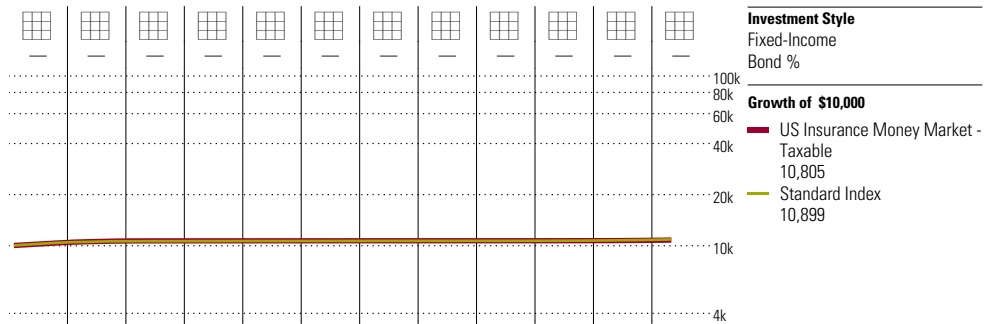
Current performance may be lower or higher than return data quoted herein.

Fees and Expenses

Fund Expenses	
Management Fees %	NA
12b1 Expense %	NA
Gross Expense Ratio %	0.56

Risk and Return Profile	
	3 Yr 5 Yr 10 Yr
Standard Deviation	0.10 0.09 0.13
Mean	0.31 0.19 0.21
Sharpe Ratio	-5.00 -3.06 -1.81

MPT Statistics	Standard Index	Cat Index
Alpha	—	—
Beta	—	—
R-Squared	—	—
12-Month Yield	—	—
Potential Cap Gains Exp	—	—



2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	04-18	History
4.63	2.00	0.17	0.04	0.02	0.03	0.02	0.01	0.02	0.09	0.48	0.35	Total Return %
-0.14	0.50	0.00	-0.10	-0.03	-0.06	-0.05	-0.02	-0.03	-0.25	-0.50	-0.21	+/- Standard Index
-0.98	-1.82	-0.83	-0.30	-0.25	-0.48	-0.27	-0.22	-0.21	-0.57	-0.63	-0.16	+/- Category Index
1015	1054	1005	986	1016	960	943	927	863	492	518	538	No. of Funds in Cat

Portfolio Analysis 03-31-2018

Asset Allocation %	Net %	Long %	Short %	Sector Weightings	Stocks %	Rel Std Index
Cash	72.13	72.72	0.58	Cyclical	14.5	—
US Stocks	0.01	0.01	0.00	Basic Materials	2.1	—
Non-US Stocks	0.00	0.00	0.00	Consumer Cyclical	4.1	—
Bonds	25.02	25.03	0.01	Financial Services	7.9	—
Other/Not Clsfd	2.84	2.97	0.13	Real Estate	0.4	—
Total	100.00	100.72	0.72	Sensitive	13.9	—

Equity Style	Portfolio Statistics	Cat Avg	Rel Index
Value Blend Growth	P/E Ratio TTM	14.6	—
Large Mid Small	P/C Ratio TTM	12.0	—
	P/B Ratio TTM	2.6	—
	Geo Avg Mkt Cap \$mil	108681	—
Fixed-Income Style	Avg Eff Maturity	0.35	—
Ltd Mod Ext	Avg Eff Duration	1.21	—
	Avg Wtd Coupon	—	—
	Avg Wtd Price	99.14	—

Credit Quality Breakdown 03-31-2018		Bond %
AAA		61.19
AA		30.13
A		6.19
BBB		1.49
BB		0.00
B		0.00
Below B		0.00
NR		0.99

Regional Exposure	Stocks %	Rel Std Index
Americas	85.5	—
Greater Europe	8.8	—
Greater Asia	5.7	—

Operations

Tenure:	—	Incept:	—	Holdings:	24% Turnover Ratio
Base Currency:	USD	Type:	CA		

Portfolio Snapshot Report

Disclosure Statement

General

Investment portfolios illustrated in this report can be scheduled or unscheduled. With an unscheduled portfolio, the user inputs only the portfolio holdings and their current allocations. Morningstar calculates returns using the given allocations assuming monthly rebalancing. Taxes, loads, and sales charges and any applicable trading commissions or short-term trading fees are not taken into account.

With scheduled portfolios, the user inputs the date and amount for all investments into and withdrawals from each holding, as well as tax rates, loads, and other factors that would have affected portfolio performance. A hypothetical illustration is one type of scheduled portfolio.

Both scheduled and unscheduled portfolios are theoretical, for illustrative purposes only, and are not reflective of an investor's actual experience. For both scheduled and unscheduled portfolios, the performance data given represents past performance and should not be considered indicative of future results. Performance data does not include the effects of any applicable trading commissions or short-term trading fees. Principal value and investment return of stocks, mutual funds, and variable annuity/life products will fluctuate, and an investor's shares/units, when redeemed, will be worth more or less than the original investment. Stocks, mutual funds, and variable annuity/life products are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution. Portfolio statistics change over time.

Used as supplemental sales literature, the Portfolio Snapshot report must be preceded or accompanied by the fund/policy's current prospectus or equivalent. In all cases, this disclosure statement should accompany the Portfolio Snapshot report. Morningstar is not itself a FINRA-member firm.

The underlying holdings of the portfolio are not federally or FDIC-insured and are not deposits or obligations of, or guaranteed by any financial institution. Investing in securities involves investment risks, including possible loss of principal and fluctuation in value.

The information contained in this report is from the most recent information available to Morningstar as of the release date, and may or may not be an accurate reflection of the current composition of the securities included in the portfolio. There is no assurance that the weightings, composition and ratios will remain the same.

Comparison of Fund Types

Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publicly-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if

they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund's expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly invested mutual funds.

Holding company depository receipts (HOLDRs) are similar to ETFs, but they focus on narrow industry groups. HOLDRs initially own 20 stocks, which are unmanaged, and can become more concentrated due to mergers, or the disparate performance of their holdings. HOLDRs can only be bought in 100-share increments. Investors may exchange shares of a HOLDR for its underlying stocks at any time.

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund's current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the

sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Comparison of Other Security Types

Variable annuities are tax-deferred investments structured to convert a sum of money into a series of payments over time. Variable annuity policies have limitations and are not viewed as short-term liquid investments. An insurance company's fulfillment of a commitment to pay a minimum death benefit, a schedule of payments, a fixed investment account guaranteed by the insurance company, or another form of guarantee depends on the claims-paying ability of the issuing insurance company. Any such guarantee does not affect or apply to the investment return or principal value of the separate account and its subaccount. The financial ratings quoted for an insurance company do not apply to the separate account and its subaccount. The insurance company offering a variable life contract will charge several fees to investors, including annual contract charges that compensate the insurance company for the cost of maintaining and administering the variable life contract, mortality and expense risk (M&E Risk) charges based on a percentage of a subaccount's assets to cover costs associated with mortality and expense risk, and administration fees that are based on a percentage of a subaccount's assets to cover the costs involved in offering and administering the subaccount. A variable life investor will also be charged a front-end load by the insurance company on their initial contribution, ongoing fees related to the management of the fund, and surrender charges if the investor makes a withdrawal prior to a specified time. If the variable annuity subaccount is invested in a money-market fund, the money market fund is not FDIC-insured, may lose money, and is not guaranteed by a bank or other financial institution.

Variable life insurance is a cash-value life insurance that has a variable cash value and/or death benefit depending on the investment performance of the subaccount into which premium payments are invested. Unlike traditional life insurance, variable life insurance has inherent risks associated with it, including market volatility, and is not viewed as a short-term liquid investment. For more information on a variable life product, including each subaccount, please read the current prospectus. Please note, the financial ratings noted on the report are quoted for an insurance company and do not apply to the separate account and its subaccount.

Fixed annuities have a predetermined rate of return an investor earns and a fixed income payout that is guaranteed by the issuing investment company, and may be immediate or deferred. Payouts may last for a specific period or for the life of the investor. Investments in a deferred fixed annuity grow tax-deferred with income tax incurred upon withdrawal, and do not depend on the stock market. However, the insurance company's guaranteed rate of return and payments depends on the claims-paying ability of the insurance company. Fixed annuities typically do not have cost-of-living payment adjustments. Fixed annuities often have surrender charges if the event you need to withdraw your investment early. Fixed annuities are regulated by state insurance commissioners.

Fixed indexed annuities, also called equity index annuities, are a combination of the characteristics of both fixed and variable annuities. Fixed indexed annuities

offer a predetermined rate of return like a fixed annuity, but they also allow for participation in the stock market, like a variable annuity. Fixed indexed annuities are typically riskier and offer the potential for greater return than fixed annuities, but less so than a variable annuity. Investments in a fixed indexed annuity grow tax-deferred with income tax incurred upon withdrawal. The insurance company's guaranteed rate of return and ability to make payments depends on the claims-paying ability of the insurance company. While fixed indexed annuities may limit an investor's gains in an up market, they are also designed to help limit losses in a down market. Fixed indexed annuities can be complicated and an investor in a fixed indexed annuity should carefully read the insurance company's offering material to understand how a specific annuity's return will be determined. Fixed indexed annuities often have surrender charges in the event you need to withdraw your investment early and are regulated by state insurance commissioners.

A stock is an ownership interest in a company. When an investor purchases a stock, they become a business owner, and the value of their ownership stake will rise and fall according to the underlying business. Stockholders are entitled to the profits, if any, generated by the company after everyone else – employees, vendors, lenders – get paid. Companies usually pay out their profits to investors in the form of dividends, or they reinvest the money back into the business. Stocks trade on exchanges throughout the day, through a brokerage firm who will charge a commission for the purchase or sale of shares. Income distributions and capital gains of the stock are subject to income tax upon their sale, if held in a taxable account.

A bond is a debt security. When an investor purchases a bond, the purchase amount is lent to a government, municipality, corporation or other entity known as an issuer. The issuer promises to pay a specified rate of interest during the life of the bond and repay the face value of the bond when it matures. U.S. Treasuries can be purchased directly from the Treasury or through a brokerage firm. Most other newly issued bonds are offered through an underwriter. Older bonds are traded throughout the day on the secondary market and can be purchased through a brokerage firm, who will charge transaction fees and commission for the purchase or sale. Price evaluations are provided by Interactive Data Corporation (IDC).

Preferred stock usually offers a fixed dividend payment, which is paid out before variable dividends that may be paid to investors in a company's common stock. Therefore, preferred stock is typically less risky in terms of principal loss, but there is also less potential for return when compared to a company's common stock. If a company fails, their obligations to preferred stockholders must be met before those of the company's common stock holders, but after bondholders are reimbursed.

A separate account is a portfolio of securities (such as stocks, bonds, and cash) that follows a specified investment strategy and is managed by an investment professional. The securities in the portfolio are directly owned by the separate account's owner. Separate accounts are unregistered investment vehicles; therefore they do not have the same performance and holding reporting responsibilities that registered securities have. Separate account performance data is reported to Morningstar from the investment manager as a composite of similarly managed portfolios. As such, investors in the same separate account may have slightly different portfolio holdings because each investor has customized account needs, tax considerations and security preferences. The method for calculating composite returns can vary. The composite performance for each separate account manager may differ from actual returns in specific client accounts during the same period for a number of reasons. Different separate account managers may use different methods in constructing or computing performance figures. Thus, performance and risk figures for different separate account managers may not be fully comparable to each other. Likewise, performance and risk information of certain separate account

managers may include only composites of larger accounts, which may or may not have more holdings, different diversification, different trading patterns and different performance than smaller accounts with the same strategy. Finally, composite performance of the separate account offered by the money manager may or may not reflect the reinvestment of dividends and capital gains. Gross returns are collected on a monthly and quarterly basis for separate accounts and commingled pools. This information is collected directly from the asset management firm running the product(s). Morningstar calculates total returns, using the raw data (gross monthly and quarterly returns), collected from these asset management firms. The performance data reported by the separate account managers will not represent actual performance net of management fees, brokerage commissions or other expenses. Management fees as well as other expenses a client may incur will reduce individual returns for that client. Because fees are deducted regularly, the compounding effect will increase the impact of the fee deduction on gross account performance by a greater percentage than that of the annual fee charged. For example, if an account is charged a 1% management fee per year and has gross performance of 12% during that same period, the compounding effect of the quarterly fee assessments will result in an actual return of approximately 10.9%. Clients should refer to the disclosure document of the separate account manager and their advisor for specific information regarding fees and expenses. The analysis in this report may be based, in part, on adjusted historical returns for periods prior to an insurance group separate account's (IGSA's) actual inception. When pre-inception data are presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics. These calculated returns reflect the historical performance of the oldest share class of the underlying fund, adjusted to reflect the management fees of the current IGSA. While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of an IGSA based on the underlying fund's performance, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the IGSA itself. Morningstar % Rank within Morningstar Category does not account for a separate account's sales charge (if applicable).

A collective investment trust (CIT) may also be called a commingled or collective fund. CITs are tax-exempt, pooled investment vehicles maintained by a bank or trust company exclusively for qualified plans, including 401(k)s, and certain types of government plans. CITs are unregistered investment vehicles subject to banking regulations of the Office of the Comptroller of the Currency (OCC), which means they are typically less expensive than other investment options due to lower marketing, overhead, and compliance-related costs. CITs are not available to the general public, but are managed only for specific retirement plans.

A 529 Portfolio is a specific portfolio of securities created from a 529 plan's available investments. In general, the data presented for a 529 Portfolio uses a weighted average of the underlying holdings in the portfolio. Most 529 plans are invested in open-end mutual funds; however, other investment types are possible such as stable value funds, certificates of deposit, and separate accounts.

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Offshore funds are funds domiciled in a country outside the one the investor resides in. Many banks have offshore subsidiaries that are under the standards and regulations of the particular country, which can vary considerably. Companies may establish headquarters offshore because of lower tax rates.

Offshore funds are not regulated by the SEC and may have tax implications.

Hedge funds are aggressively managed portfolios which make extensive use of unconventional investment tools such as derivatives as well as long and short positions. Managers of hedge-funds typically focus on specific areas of the market and/or trading strategies. Strategies may include the use of arbitrage, derivatives, leverage, and short selling, and may hold concentrated positions or private securities, which can make them riskier than other investment types. Hedge funds are typically pooled investment vehicles available to sophisticated investors that meet high investing minimums. Many hedge funds are unregistered and are not subject to the same regulations as registered investment vehicles, such as mutual funds. Funds of hedge funds are pooled investment vehicles that invest in multiple unregistered hedge funds, and may be registered with the SEC. Registered funds of hedge funds typically have lower investment minimums than hedge funds, but they are usually not registered on an exchange and can be illiquid. Fund of hedge fund fees are generally higher than those of other pooled investments (like mutual funds) and may have tax consequences.

Cash is a short-term, highly liquid investment. Cash typically doesn't earn as much as other investments, such as stocks or bonds, but is less risky.

Indexes are unmanaged and not available for direct investment. Indexes are created to measure a specified area of the stock market using a representative portfolio of securities. If a security is not available in Morningstar's database, your financial professional may choose to show a representative index. Please note that indexes vary widely, and it is important to choose an index that has similar characteristics to the security it is being used to represent. In no way should the performance of an index be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for an index and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Morningstar assigns each security in its database to a Morningstar Category using the underlying securities in the security's portfolio. If a security is not available in Morningstar's database, your financial professional may choose to show the security's category. Please note that a category will not be an exact match to your securities. In no way should the performance of a category be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for a category and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Pre-inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the fund's actual inception. These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect the fees and expenses of this share class. These fees and expenses are referenced in the report's list of holdings and again on the standardized returns page. When pre-inception data is presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics.

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary

from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

Scheduled Portfolio Trailing Returns

Scheduled Portfolios are customized by the user to account for loads, taxes, cash flows and specific investment dates. Scheduled portfolios use the portfolio's investment history to calculate final market values and returns. For scheduled portfolios, both individual holdings and portfolio returns are internal-rate-of-return calculations that reflect the timing and dollar size of all purchases and sales. For stocks and mutual funds, sales charges and tax rates are taken into account as specified by the user (except in the pre-tax returns, which reflect the impact of sales charges but not taxes). Note that in some scheduled portfolio illustrations, dividends and capital gains distributions, if applicable, are reinvested at the end of the month in which they are made at the month-end closing price. This can cause discrepancies between calculated returns and actual investor experience.

The trailing returns for scheduled portfolios commence at the end of the day on the investment start date. All front-load fees and beginning of period asset-based fees are deducted at the start of the day, therefore these fees will not be incorporated within the trailing return time period that matches the whole investment time period. For example, an investor pays \$10,000 for security A with a 5% front-load and generates a 5-year Hypothetical Illustration that shows an end value of \$12,500. Assuming no cash inflows or outflows aside from the initial investment and end value, the whole investment time period return will be 4.56% $((12,500 / \$10,000)^{(1/5)} - 1)$ while the 5-year trailing return will be 5.64% $((\$12,500 / \$9,500)^{(1/5)} - 1)$.

Scheduled Portfolio Returns-Based Performance Data

For scheduled portfolios, the monthly returns used to calculate alphas, betas, R-squareds, standard deviations, Sharpe ratios and best/worst time-period data are internal rates of return.

Important VA Disclosure for Scheduled Portfolios

For variable annuity products, policy level charges (other than front-end loads, if input by the advisor) are not factored into returns. When withdrawals and liquidations are made, increases in value over the purchase price are taxed at the capital gains rate that is currently in effect. This is not reflective of the actual tax treatment for these products, which requires the entire withdrawal to be taxed at the income tax rate. If adjusted for sales charges and the effects of taxation, the subaccount returns would be reduced.

Scheduled Portfolio Investment Activity Graph

The historic portfolio values graphed are those used to track the portfolio when calculating returns.

Unscheduled Portfolio Returns

Monthly total returns for unscheduled portfolios are calculated by applying the ending period holding weightings supplied by the user to an individual holding's monthly returns. When monthly returns are unavailable for a holding (ie. due to it not being in existence during the historical period being reported), the remaining portfolio holdings are re-weighted to maintain consistent proportions. Inception dates are listed in the Disclosure for Standardized and Tax Adjusted Returns. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Unscheduled portfolio returns thus assume monthly rebalancing. Returns for individual holdings are simple time-weighted trailing returns. Neither portfolio returns nor holding returns are adjusted for loads or taxes, and if they were, the returns stated would be reduced. The returns stated assume the reinvestment of dividends and capital gains. Mutual fund returns include all ongoing fund expenses. VA/VL returns

reflect subaccount level fund expenses, including M&E expenses, administration fees, and actual ongoing fund-level expenses.

Unscheduled Portfolio Investment Activity Graph

The historic performance data graphed is extrapolated from the ending portfolio value based on monthly returns.

Benchmark Returns

Benchmark returns may or may not be adjusted to reflect ongoing expenses such as sales charges. An investment's portfolio may differ significantly from the securities in the benchmark.

Returns for custom benchmarks are calculated by applying user-supplied weightings to each benchmark's returns every month. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Custom benchmark returns thus assume monthly rebalancing.

Standardized Returns

For mutual funds, standardized return is total return adjusted for sales charges, and reflects all ongoing fund expenses. Following this disclosure statement, standardized returns for each portfolio holding are shown.

For money-market mutual funds, standardized return is total return adjusted for sales charges and reflects all ongoing fund expenses. Current 7-day yield more closely reflects the current earnings of the money-market fund than the total return quotation.

For VA subaccounts, standardized return is total return based on the inception date within the separate account and is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administration fees and actual ongoing fund-level expenses.

For ETFs, the standardized returns reflect performance, both at market price and NAV price, without adjusting for the effects of taxation or brokerage commissions. These returns are adjusted to reflect all ongoing ETF expenses and assume reinvestment of dividends and capital gains. If adjusted, the effects of taxation would reduce the performance quoted.

The charges and expenses used in the standardized returns are obtained from the most recent prospectus and/or shareholder report available to Morningstar. For mutual funds and VAs, all dividends and capital gains are assumed to be reinvested. For stocks, stock acquired via divestitures is assumed to be liquidated and reinvested in the original holding.

Non-Standardized Returns

For mutual funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the mutual fund returns would be reduced. Please note these returns can include pre-inception data and if included, this data will be represented in italics.

For money-market funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the money-market returns would be reduced.

For VA and VL subaccounts, non-standardized returns illustrate performance that is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load,

maximum M&E risk charge, administrative fees and underlying fund-level expenses for various time periods. Non-standardized performance returns assume reinvestment of dividends and capital gains. If adjusted for the effects of taxation, the subaccount returns would be significantly reduced. Please note these returns can include pre-inception data and if included, this data will be represented in italics.

Investment Advisory Fees

The investment(s) returns do not necessarily reflect the deduction of all investment advisory fees. Client investment returns will be reduced if additional advisory fees are incurred such as deferred loads, redemption fees, wrap fees, or other account charges.

Asset Allocation

The weighting of the portfolio in various asset classes, including "Other", is shown in this graph and table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks. "Not classified" represents the portion of the portfolio that Morningstar could not classify at all, due to missing data.

In the graph and table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These new portfolio statistics help investors look "under the hood" of a portfolio. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

Most managed product portfolios hold fairly conventional securities, such as long positions in stocks and bonds. Other portfolios use other investment strategies or securities, such as short positions or derivatives, to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics.

Most portfolios take long positions in securities. Long positions involve buying the security outright and then selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. In this type of transaction, the investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can now buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience losses by buying it at a higher price than the sale price.

The strategy of selling securities short is prevalent in specialized portfolios, such as long-short, market-neutral, bear-market, and hedge funds. Most conventional portfolios do not typically short securities, although they may reserve the right to do so under special circumstances. Funds may also short derivatives, and this is sometimes more efficient than shorting individual securities. Short positions produce negative exposure to the security that is being shorted. This means that when the security rises in value, the short position will fall in value and vice versa. Morningstar's portfolio statistics will capture this negative exposure. For example, if a fund has many short stock positions, the percent of assets in stocks in the asset allocation breakdown may be negative. Funds must provide their broker with cash collateral for the short position, so funds that short often have a large cash position, sometimes even exceeding 100% cash.

Investment Style

The Morningstar Style Box reveals a fund's investment style as of the date

noted on this report.

For equity funds, the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, core, or growth).

For fixed-income funds, the vertical axis shows the credit quality of the bonds owned and the horizontal axis shows interest rate sensitivity as measured by a bond's effective duration.

Morningstar seeks credit rating information from fund companies on a periodic basis (e.g. quarterly). In compiling credit rating information Morningstar accepts credit ratings reported by fund companies that have been issued by all Nationally Recognized Statistical Rating Organizations (NRSROs). For a list of all NRSROs, please visit <http://www.sec.gov/divisions/marketreg/ratingagency.htm>. Additionally, Morningstar accepts foreign credit ratings from widely recognized or registered rating agencies. If two rating organizations/agencies have rated a security, fund companies are to report the lower rating; if three or more organizations/agencies have rated a security, fund companies are to report the median rating, and in cases where there are more than two organization/agency ratings and a median rating does not exist, fund companies are to use the lower of the two middle ratings. PLEASE NOTE: Morningstar, Inc. is not itself an NRSRO nor does it issue a credit rating on the fund. An NRSRO or rating agency ratings can change from time to time.

For credit quality, Morningstar combines the credit rating information provided by the fund companies with an average default rate calculation to come up with a weighted-average credit quality. The weighted-average credit quality is currently a letter that roughly corresponds to the scale used by a leading NRSRO. Bond funds are assigned a style box placement of "low", "medium", or "high" based on their average credit quality. Funds with a low credit quality are those whose weighted-average credit quality is determined to be less than "BBB-"; medium are those less than "AA-", but greater or equal to "BBB-"; and high are those with a weighted-average credit quality of "AA-" or higher. When classifying a bond portfolio, Morningstar first maps the NRSRO credit ratings of the underlying holdings to their respective default rates (as determined by Morningstar's analysis of actual historical default rates). Morningstar then averages these default rates to determine the average default rate for the entire bond fund. Finally, Morningstar maps this average default rate to its corresponding credit rating along a convex curve.

For interest-rate sensitivity, Morningstar obtains from fund companies the average effective duration. Generally, Morningstar classifies a fixed-income fund's interest-rate sensitivity based on the effective duration of the Morningstar Core Bond Index (MCBI), which is currently three years. The classification of Limited will be assigned to those funds whose average effective duration is between 25% to 75% of MCBI's average effective duration; funds whose average effective duration is between 75% to 125% of the MCBI will be classified as Moderate; and those that are at 125% or greater of the average effective duration of the MCBI will be classified as Extensive.

For municipal bond funds, Morningstar also obtains from fund companies the average effective duration. In these cases static breakpoints are utilized. These breakpoints are as follows: (i) Limited: 4.5 years or less; (ii) Moderate: more than 4.5 years but less than 7 years; and (iii) Extensive: more than 7 years. In addition, for non-US taxable and non-US domiciled fixed income funds static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: greater than 3.5 and less than equal to 6 years; (iii) Extensive: greater than 6 years.

Stock Regions

This section provides the allocation of the portfolio's long stock positions to the

world regions, in comparison with a benchmark.

Risk and Return

Standard deviation is a statistical measure of the volatility of a portfolio's returns around its mean.

Mean represents the annualized geometric return for the period shown.

Sharpe ratio uses a portfolio's standard deviation and total return to determine reward per unit of risk.

Alpha measures the difference between a portfolio's actual returns and its expected performance, given its beta and the actual returns of the benchmark index. Alpha is often seen as a measurement of the value added or subtracted by a portfolio's manager.

Beta is a measure of the degree of change in value one can expect in a portfolio given a change in value in a benchmark index. A portfolio with a beta greater than one is generally more volatile than its benchmark index, and a portfolio with a beta of less than one is generally less volatile than its benchmark index.

R-squared reflects the percentage of a portfolio's movements that is explained by movements in its benchmark index, showing the degree of correlation between the portfolio and a benchmark. This figure is also helpful in assessing how likely it is that alpha and beta are statistically significant.

Portfolio Yield

The dividend yield produced for the most recent 12 months is presented.

Fundamental Analysis

The below referenced data elements are a weighted average of the long equity holdings in the portfolio.

The median market capitalization of a subaccount's equity portfolio gives you a measure of the size of the companies in which the subaccount invests.

The Price/Cash Flow ratio is a weighted average of the price/cash-flow ratios of the stocks in a subaccounts portfolio. Price/cash-flow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

The Price/Book ratio is a weighted average of the price/book ratios of all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation.

The Price/Earnings ratio is calculated by dividing the market value of the equity assets by the trailing 12 month earnings. The 12 month earnings value comes from multiplying the number of shares and the adjusted trailing 12 months' earnings per share for each equity asset and summing the results.

The Price/Sales ratio is a weighted average of the price/sales ratios of the stocks in the underlying fund's portfolio. The P/S ratio of a stock is calculated by dividing the current price of the stock by its trailing 12 months' revenues per share. In computing the average, Morningstar weights each portfolio holding by the percentage of equity assets it represents.

The return on assets (ROA) is the percentage a company earns on its assets in a given year. The calculation is net income divided by end-of-year total assets, multiplied by 100.

The Return on Equity (ROE) is the percentage a company earns on its shareholders' equity in a given year. The calculation is net income divided by end-of-year net worth, multiplied by 100.

Market Maturity shows the percentage of a holding's long common stocks that are domiciled in developed and emerging markets.

The data elements listed below are a weighted average of the long fixed income holdings in the portfolio.

Average maturity is used for holdings in the taxable fixed-income category. This is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.

Credit quality breakdowns are shown for corporate-bond holdings and depict the quality of bonds in the underlying portfolio. The report shows the percentage of fixed-income securities that fall within each credit quality rating as assigned by an NRSRO. Bonds not rated by an NRSRO are included in the not rated (NR) category.

Debt as a percentage of capital is calculated by dividing long-term debt by total capitalization (the sum of common equity plus preferred equity plus long-term debt). This figure is not provided for financial companies.

Duration is a time measure of a bond's interest-rate sensitivity.

Net Margin is a measure of profitability. It is equal to annual net income divided by revenues from the same period for the past five fiscal years, multiplied by 100.

Type Weightings divide the stocks in a given holding's portfolio into eight type designations, each of which defines a broad category of investment characteristics. Not all stocks in a given holding's portfolio are assigned a type. These stocks are grouped under NA.

The data elements listed below are a weighted average of the total holdings in the portfolio.

The average expense ratio is the percentage of assets deducted each year for operating expenses, management fees, and all other asset-based costs incurred by the fund, excluding brokerage fees. Please note for mutual funds, variable annuities/life, ETFs and closed-end funds, we use the gross prospectus ratio as provided in the prospectus. Separate accounts and stocks are excluded from the average expense ratio.

Potential capital gains exposure is the percentage of a holding's total assets that represent capital appreciation.

Fixed Annuity and Fixed Indexed Annuity Holdings Proxy Disclosure

When reviewing or recommending a portfolio, your financial advisor analyses the investments in the portfolio along with their fees and expenses. Your financial advisor may choose to rely on a proxy to estimate this information. If included in this report, the Holding Type will be "PROXY".

If a proxy is used in this report, the data shown may not be an accurate representation of the data for the actual portfolio and should not be viewed as such. The actual portfolio data may be higher or lower than what is shown in

this report, and will vary depending on the actual investments in the portfolio and the allocation of those investments.

For Fixed Annuity or Fixed Indexed Annuity proxies included in this report, the performance of the proxy will be zero (0.00) over all time periods. A portfolio yield will not be calculated and all Risk and Return and MPT Statistics will be shown as zero (0.00). Your financial advisor should explain to you how an actual Fixed Annuity or Fixed Indexed Annuity will impact the portfolio shown in this report any other limitations or disclosures that may be material to your decision-making process.

Morningstar has not reviewed or verified any information input by your financial advisor, nor can Morningstar guarantee the completeness or accuracy of this data. Morningstar shall have no liability for any errors, omissions, or interruptions. Morningstar makes no warranty, express or implied, as to the results obtained by any person or entity from the use of a proxy or the data included therein. Morningstar makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the proxies or any data included therein. Without limiting any of the foregoing, in no event shall Morningstar have any liability for any special, punitive, indirect or consequential damages (including lost profits) even if notified of the possibility of such damages.

Morningstar makes no representation or warranty, express or implied, regarding the advisability of investing in securities generally or the ability of a proxy to approximate data of a specific security or security type. Before selecting a proxy you and your financial advisor should, among other factors, carefully consider the proxy and its applicability. There is no guarantee that a proxy will achieve any objective.

The proxy used in this report is provided for informational and educational purposes only to help your financial advisor illustrate and document a portfolio to you. Morningstar is not responsible for any trading decisions, damages, or other losses resulting from or related to a proxy, assumptions made in choosing a proxy, or the information noted herein. Any security noted is not an offer or solicitation by Morningstar to buy or sell that security.

In no way should the information about a proxy shown within this report be considered indicative or a guarantee of an actual portfolio. Actual results may differ substantially from that shown.

Please note: If a proxy is used in this report, you should not use it as the sole basis for your investment decisions.

Mutual Fund Detail Report Disclosure Statement

The Mutual Fund Detail Report is supplemental sales literature, and therefore must be preceded or accompanied by the mutual fund's current prospectus or an equivalent statement. Please read this information carefully. In all cases, this disclosure statement should accompany the Mutual Fund Detail Report. Morningstar is not itself a FINRA-member firm.

All data presented is based on the most recent information available to Morningstar as of the release date and may or may not be an accurate reflection of current data for securities included in the fund's portfolio. There is no assurance that the data will remain the same.

Unless otherwise specified, the definition of "funds" used throughout this Disclosure Statement includes closed-end funds, exchange-traded funds, grantor trusts, index mutual funds, open-ended mutual funds, and unit

investment trusts. It does not include exchange-traded notes or exchange-traded commodities.

Prior to 2016, Morningstar's methodology evaluated open-end mutual funds and exchange-traded funds as separate groups. Each group contained a subset of the current investments included in our current comparative analysis. In this report, historical data presented on a calendar-year basis and trailing periods ending at the most-recent month-end reflect the updated methodology.

Risk measures (such as alpha, beta, r-squared, standard deviation, mean, or Sharpe ratio) are calculated for securities or portfolios that have at least a three-year history.

Most Morningstar rankings do not include any adjustment for one-time sales charges, or loads. Morningstar does publish load-adjusted returns, and ranks such returns within a Morningstar Category in certain reports. The total returns for ETFs and fund share classes without one-time loads are equal to Morningstar's calculation of load-adjusted returns. Share classes that are subject to one-time loads relating to advice or sales commissions have their returns adjusted as part of the load-adjusted return calculation to reflect those loads.

Comparison of Fund Types

Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publically-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund's expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly

invested mutual funds.

Holding company depository receipts (HOLDRs) are similar to ETFs, but they focus on narrow industry groups. HOLDRs initially own 20 stocks, which are unmanaged, and can become more concentrated due to mergers, or the disparate performance of their holdings. HOLDRs can only be bought in 100-share increments. Investors may exchange shares of a HOLDR for its underlying stocks at any time.

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund's current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Performance

The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares, when sold, may be worth more or less than the original investment. Fund portfolio statistics change over time. Funds are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution.

Morningstar calculates after-tax returns using the highest applicable federal marginal income tax rate plus the investment income tax and Medicare surcharge. As of 2018, this rate is 37% plus 3.8% investment income plus 0.9%

Medicare surcharge, or 41.7%. This rate changes periodically in accordance with changes in federal law.

Pre-Inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the inception of the share class of the fund shown in this report ("Report Share Class"). If pre-inception returns are shown, a performance stream consisting of the Report Share Class and older share class(es) is created. Morningstar adjusts pre-inception returns downward to reflect higher expenses in the Report Share Class, we do not hypothetically adjust returns upwards for lower expenses. For more information regarding calculation of pre-inception returns please see the Morningstar Extended Performance Methodology.

When pre-inception data is presented in the report, the header at the top of the report will indicate this. In addition, the pre-inception data included in the report will appear in italics.

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. The underlying investments in the share classes used to calculate the pre-performance string will likely vary from the underlying investments held in the fund after inception. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

12b1 Expense %

A 12b-1 fee is a fee used to pay for a mutual fund's distribution costs. It is often used as a commission to brokers for selling the fund. The amount of the fee is taken from a fund's returns.

Alpha

Alpha is a measure of the difference between a security or portfolio's actual returns and its expected performance, given its level of risk (as measured by beta.) Alpha is often seen as a measure of the value added or subtracted by a portfolio manager.

Asset Allocation

Asset Allocation reflects asset class weightings of the portfolio. The "Other" category includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks, or cannot be classified by Morningstar as a result of missing data. Morningstar may display asset allocation data in several ways, including tables or pie charts. In addition, Morningstar may compare the asset class breakdown of the fund against its three-year average, category average, and/or index proxy.

Asset allocations shown in tables may include a breakdown among the long, short, and net (long positions net of short) positions. These statistics summarize what the fund's managers are buying and how they are positioning the fund's portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the fund's exposure and risk. Long positions involve buying the security outright and selling it later, with the hope the security's price rises over time. Short positions are taken with the hope of benefitting from anticipated price declines. The investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale,

the investor will have sold high and can buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience a loss buying it at a higher price than the sale price.

Most fund portfolios hold fairly conventional securities, such as long positions in equities and bonds. Morningstar may generate a colored pie chart for these portfolios. Other portfolios use other investment strategies or securities, such as short positions or derivatives, in an attempt to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics. Portfolios that incorporate investment strategies resulting in short positions or portfolio with relatively exotic derivative positions often report data to Morningstar that does not meet the parameters of the calculation underlying a pie chart's generation. Because of the nature of how these securities are reported to Morningstar, we may not always get complete portfolio information to report asset allocation. Morningstar, at its discretion, may determine if unidentified characteristics of fund holdings are material. Asset allocation and other breakdowns may be rescaled accordingly so that percentages total to 100 percent. (Morningstar used discretion to determine if unidentified characteristics of fund holdings are material, pie charts and other breakdowns may rescale identified characteristics to 100% for more intuitive presentation.)

Note that all other portfolio statistics presented in this report are based on the long (or long rescaled) holdings of the fund only.

Average Effective Duration

Duration is a time measure of a bond's interest-rate sensitivity. Average effective duration is a weighted average of the duration of the fixed-income securities within a portfolio.

Average Effective Maturity

Average Effective Maturity is a weighted average of the maturities of all bonds in a portfolio.

Average Weighted Coupon

A coupon is the fixed annual percentage paid out on a bond. The average weighted coupon is the asset-weighted coupon of each bond in the portfolio.

Average Weighted Price

Average Weighted Price is the asset-weighted price of bonds held in a portfolio, expressed as a percentage of par (face) value. This number reveals if the portfolio favors bonds selling at prices above or below par value (premium or discount securities respectively.)

Best Fit Index

Alpha, beta, and R-squared statistics are presented for a broad market index and a "best fit" index. The Best Fit Index identified in this report was determined by Morningstar by calculating R-squared for the fund against approximately 100 indexes tracked by Morningstar. The index representing the highest R-squared is identified as the best fit index. The best fit index may not be the fund's benchmark, nor does it necessarily contain the types of securities that may be held by the fund or portfolio.

Beta

Beta is a measure of a security or portfolio's sensitivity to market movements (proxied using an index.) A beta of greater than 1 indicates more volatility than the market, and a beta of less than 1 indicates less volatility than the market.

Credit Quality Breakdown

Credit Quality breakdowns are shown for corporate-bond holdings in the fund's portfolio and depict the quality of bonds in the underlying portfolio. It shows the percentage of fixed-income securities that fall within each credit-quality rating as assigned by a Nationally Recognized Statistical Rating Organization (NRSRO). Bonds not rated by an NRSRO are included in the Other/Not-Classified category.

Deferred Load %

The back-end sales charge or deferred load is imposed when an investor redeems shares of a fund. The percentage of the load charged generally declines the longer the fund's shares are held by the investor. This charge, coupled with 12b-1 fees, commonly serves as an alternative to a traditional front-end load.

Expense Ratio %

The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, includes interest and dividends on borrowed securities but does not reflect any fee waivers in effect during the time period.

Front-end Load %

The initial sales charge or front-end load is a deduction made from each investment in the fund and is generally based on the amount of the investment.

Geometric Average Market Capitalization

Geometric Average Market Capitalization is a measure of the size of the companies in which a portfolio invests.

Growth of 10,000

For funds, this graph compares the growth of an investment of 10,000 (in the base currency of the fund) with that of an index and/or with that of the average for all funds in its Morningstar Category. The total returns are not adjusted to reflect sales charges or the effects of taxation but are adjusted to reflect actual ongoing fund expenses, and they assume reinvestment of dividends and capital gains. If adjusted, effects of sales charges and taxation would reduce the performance quoted. If pre-inception data is included in the analysis, it will be graphed.

The index in the Growth of 10,000 graph is an unmanaged portfolio of specified securities and cannot be invested in directly. The index does not reflect any initial or ongoing expenses. A fund's portfolio may differ significantly from the securities in the index. The index is chosen by Morningstar.

Management Fees %

The management fee includes the management and administrative fees listed in the Management Fees section of a fund's prospectus. Typically, these fees represent the costs shareholders paid for management and administrative services over the fund's prior fiscal year.

Maximum Redemption Fee %

The Maximum Redemption Fee is the maximum amount a fund may charge if redeemed in a specific time period after the fund's purchase (for example, 30, 180, or 365 days).

Mean

Mean is the annualized geometric return for the period shown.

Morningstar Analyst Rating™

The Morningstar Analyst Rating™ is not a credit or risk rating. It is a subjective evaluation performed by Morningstar's manager research group, which consists of various Morningstar, Inc. subsidiaries ("Manager Research Group"). In the United States, that subsidiary is Morningstar Research Services LLC, which is registered with and governed by the U.S. Securities and Exchange Commission. The Manager Research Group evaluates funds based on five key pillars, which are process, performance, people, parent, and price. The Manager Research Group uses this five pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark, or in the case of exchange-traded funds and index mutual funds, a relevant peer group, over the long term on a risk-adjusted basis. They consider quantitative and qualitative factors in their research, and the weight of each pillar may vary. The Analyst Rating scale is Gold, Silver, Bronze, Neutral, and Negative. A Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's conviction in a fund's prospects for outperformance. Analyst Ratings ultimately reflect the Manager Research Group's overall assessment, are overseen by an Analyst Rating Committee, and are continuously monitored and reevaluated at least every 14 months. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to global.morningstar.com/managerdisclosures/.

The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause the Manager Research Group's expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund.

Morningstar Category

Morningstar Category is assigned by placing funds into peer groups based on their underlying holdings. The underlying securities in each portfolio are the primary factor in our analysis as the investment objective and investment strategy stated in a fund's prospectus may not be sufficiently detailed for our proprietary classification methodology. Funds are placed in a category based on their portfolio statistics and compositions over the past three years. Analysis of performance and other indicative facts are also considered. If the fund is new and has no portfolio history, Morningstar estimates where it will fall before giving it a permanent category assignment. Categories may be changed based on recent changes to the portfolio.

Morningstar Rank

Morningstar Rank is the total return percentile rank within each Morningstar Category. The highest (or most favorable) percentile rank is zero and the lowest (or least favorable) percentile rank is 100. Historical percentile ranks are based on a snapshot of a fund at the time of calculation.

Morningstar Rating™

The Morningstar Rating™ for funds, or "star rating", is calculated for funds and separate accounts with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. For more information about the Morningstar Rating for funds, including its methodology, please go to global.morningstar.com/managerdisclosures/.

The Morningstar Return rates a fund's performance relative to other managed products in its Morningstar Category. It is an assessment of a product's excess return over a risk-free rate (the return of the 90-day Treasury Bill) in comparison with the products in its Morningstar category. In each Morningstar category, the top 10% of products earn a High Morningstar Return (High), the next 22.5% Above Average (+Avg), the middle 35% Average (Avg), the next 22.5% Below Average (-Ave), and the bottom 10% Low (Low). Morningstar Return is measured for up to three time periods (three, five, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the product. Products with less than three years of performance history are not rated.

Morningstar Risk

Morningstar Risk evaluates a fund's downside volatility relative to that of other products in its Morningstar Category. It is an assessment of the variations in monthly returns, with an emphasis on downside variations, in comparison with the products in its Morningstar category. In each Morningstar category, the 10% of products with the lowest measured risk are described as Low Risk (Low), the next 22.5% Below Average (-Avg), the middle 35% Average (Avg), the next 22.5% Above Average (+Avg), and the top 10% High (High). Morningstar Risk is measured for up to three time periods (three, five, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the product. Products with less than three years of performance history are not rated.

Morningstar Style Box™

The Morningstar Style Box™ reveals a fund's investment strategy as of the date noted on this report.

For equity funds, the vertical axis shows the market capitalization of the long stocks owned, and the horizontal axis shows the investment style (value, blend, or growth.) A darkened square in the style box indicates the weighted average style of the portfolio.

For fixed-income funds, the vertical axis shows the credit quality of the long bonds owned and the horizontal axis shows interest-rate sensitivity as measured by a bond's effective duration. Morningstar seeks credit rating information from fund companies on a periodic basis (for example, quarterly). In compiling credit rating information, Morningstar accepts credit ratings reported by fund companies that have been issued by all Nationally Recognized Statistical Rating Organizations. For a list of all NRSROs, please visit <http://www.sec.gov/divisions/marketreg/ratingagency.htm>. Additionally, Morningstar accepts foreign credit ratings from widely recognized or registered rating agencies. If two rating organizations/ agencies have rated a security, fund companies are to report the lower rating; if three or more organizations/agencies have rated a security, fund companies are to report the median rating; and in cases where there are more than two organization/agency ratings and a median rating does not exist, fund companies are to use the lower of the two middle ratings.

Please Note: Morningstar, Inc. is not an NRSRO nor does it issue a credit rating on the fund. NRSRO or rating agency ratings can change from time to time.

For credit quality, Morningstar combines the credit rating information provided by the fund companies with an average default rate calculation to come up with a weighted-average credit quality. The weighted-average credit quality is currently a letter that roughly corresponds to the scale used by a leading NRSRO. Bond funds are assigned a style box placement of "low," "medium," or "high" based on their average credit quality. Funds with a "low" credit quality are those whose weighted-average credit quality is determined to be less than "BBB-"; "medium" are those less than "AA-", but greater or equal to "BBB-"; and "high" are those with a weighted-average credit quality of "AA-" or higher.

When classifying a bond portfolio, Morningstar first maps the NRSRO credit ratings of the underlying holdings to their respective default rates (as determined by Morningstar's analysis of actual historical default rates). Morningstar then averages these default rates to determine the average default rate for the entire bond fund. Finally, Morningstar maps this average default rate to its corresponding credit rating along a convex curve.

For interest-rate sensitivity, Morningstar obtains from fund companies the average effective duration. Generally, Morningstar classifies a fixed-income fund's interest-rate sensitivity based on the effective duration of the Morningstar Core Bond Index, which is currently three years. The classification of Limited will be assigned to those funds whose average effective duration is between 25% to 75% of MCB's average effective duration; funds whose average effective duration is between 75% to 125% of the MCB will be classified as Moderate; and those that are at 125% or greater of the average effective duration of the MCB will be classified as Extensive.

For municipal-bond funds, Morningstar also obtains from fund companies the average effective duration. In these cases, static breakpoints are used. These breakpoints are as follows: (i) Limited: 4.5 years or less; (ii) Moderate: more than 4.5 years but less than 7 years; and (iii) Extensive: more than 7 years. In addition, for non-U.S. taxable and non-U.S. domiciled fixed-income funds, static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: more than 3.5 years but less than or equal to 6 years; (iii) Extensive: more than 6 years.

Interest-rate sensitivity for non-U.S. domiciled funds (excluding funds in convertible categories) may be measured with modified duration when effective duration is not available.

P/B Ratio TTM

The Price/Book Ratio (or P/B Ratio) for a fund is the weighted average of the P/B Ratio of the stocks in its portfolio. Book value is the total assets of a company, less total liabilities. The P/B ratio of a company is calculated by dividing the market price of its outstanding stock by the company's book value, and then adjusting for the number of shares outstanding. Stocks with negative book values are excluded from this calculation. It shows approximately how much an investor is paying for a company's assets based on historical valuations.

P/C Ratio TTM

The Price/Cash Flow Ratio (or P/C Ratio) for a fund is the weighted average of the P/C Ratio of the stocks in its portfolio. The P/C Ratio of a stock represents the amount an investor is willing to pay for a dollar generated from a company's operations. It shows the ability of a company to generate cash and acts as a gauge of liquidity and solvency.

P/E Ratio TTM

The Price/Earnings Ratio (or P/E Ratio) for a fund is the weighted average of the P/E Ratios of the stocks in its portfolio. The P/E Ratio of a stock is the stock's current price divided by the company's trailing 12-month earnings per share. A high P/E Ratio usually indicates the market will pay more to obtain the company's earnings because it believes in the company's abilities to increase their earnings. A low P/E Ratio indicates the market has less confidence that the company's earnings will increase, however value investors may believe such stocks have an overlooked or undervalued potential for appreciation.

Percentile Rank in Category

Percentile Rank is a standardized way of ranking items within a peer group, in this case, funds within the same Morningstar Category. The observation with the largest numerical value is ranked zero the observation with the smallest numerical value is ranked 100. The remaining observations are placed equal

distance from one another on the rating scale. Note that lower percentile ranks are generally more favorable for returns (high returns), while higher percentile ranks are generally more favorable for risk measures (low risk).

Performance Quartile

Performance Quartile reflects a fund's Morningstar Rank.

Potential Capital Gains Exposure

Potential Capital Gains Exposure is an estimate of the percent of a fund's assets that represent gains. It measures how much the fund's assets have appreciated, and it can be an indicator of possible future capital gains distributions. A positive potential capital gains exposure value means that the fund's holdings have generally increased in value while a negative value means that the fund has reported losses on its book.

Quarterly Returns

Quarterly Return is calculated applying the same methodology as Total Return except it represents return through each quarter-end.

R-Squared

R-squared is the percentage of a security or portfolio's return movements that are explained by movements in its benchmark index, showing the degree of correlation between the security or portfolio and the benchmark. This figure is helpful in assessing how likely it is that beta and alpha are statistically significant. A value of 1 indicates perfect correlation between the security or portfolio and its benchmark. The lower the R-squared value, the lower the correlation.

Regional Exposure

The regional exposure is a display of the portfolio's assets invested in the regions shown on the report.

Sector Weightings

Super Sectors represent Morningstar's broadest classification of equity sectors by assigning the 11 equity sectors into three classifications. The Cyclical Super Sector includes industries significantly impacted by economic shifts, and the stocks included in these sectors generally have betas greater than 1. The Defensive Super Sector generally includes industries that are relatively immune to economic cycles, and the stocks in these industries generally have betas less than 1. The Sensitive Super Sector includes industries that ebb and flow with the overall economy, but not severely so. Stocks in the Sensitive Super Sector generally have betas that are close to 1.

Share Change

Shares Change represents the number of shares of a stock bought or sold by a fund since the previously reported portfolio of the fund.

Sharpe Ratio

Sharpe Ratio uses standard deviation and excess return (a measure of a security or portfolio's return in excess of the U.S. Treasury three-month Treasury Bill) to determine the reward per unit of risk.

Standard Deviation

Standard deviation is a statistical measure of the volatility of the security or portfolio's returns. The larger the standard deviation, the greater the volatility of return.

Standardized Returns

Standardized Return applies the methodology described in the Standardized Returns page of this report. Standardized Return is calculated through the most recent calendar-quarter end for one-year, five-year, 10-year, and/or since-inception periods, and it demonstrates the impact of sales charges (if

applicable) and ongoing fund expenses. Standardized Return reflects the return an investor may have experienced if the security was purchased at the beginning of the period and sold at the end, incurring transaction charges.

Total Return

Total Return, or "Non Load-Adjusted Return", reflects performance without adjusting for sales charges (if applicable) or the effects of taxation, but it is adjusted to reflect all actual ongoing security expenses and assumes reinvestment of dividends and capital gains. It is the return an investor would have experienced if the fund was held throughout the period. If adjusted for sales charges and the effects of taxation, the performance quoted would be significantly reduced.

Total Return +/- indicates how a fund has performed relative to its peers (as measure by its Standard Index and/or Morningstar Category Index) over the time periods shown.

Trailing Returns

Standardized Return applies the methodology described in the Standardized Returns page of this report. Standardized Return is calculated through the most recent calendar-quarter end for one-year, five-year, 10-year, and/or since-inception periods, and it demonstrates the impact of sales charges (if applicable) and ongoing fund expenses. Standardized Return reflects the return an investor may have experienced if the fund was purchased at the beginning of the period and sold at the end, incurring transaction charges.

Load-Adjusted Monthly Return is calculated applying the same methodology as Standardized Return, except that it represents return through month-end. As with Standardized Return, it reflects the impact of sales charges and ongoing fund expenses, but not taxation. If adjusted for the effects of taxation, the performance quoted would be significantly different.

Trailing Return +/- indicates how a fund has performed relative to its peers (as measure by its Standard Index and/or Morningstar Category Index) over the time periods shown.

ETF Detail Report Disclosure Statement

The Exchange-Traded Fund (ETF) Detail Report is supplemental sales literature, and therefore must be preceded or accompanied by the mutual fund's current prospectus or an equivalent statement. Please read this information carefully. In all cases, this disclosure statement should accompany the ETF Detail Report. Morningstar is not itself a FINRA-member firm. All data presented is based on the most recent information available to Morningstar as of the release date and may or may not be an accurate reflection of current data for securities included in the fund's portfolio. There is no assurance that the data will remain the same.

Unless otherwise specified, the definition of "funds" used throughout this Disclosure Statement includes closed-end funds, exchange-traded funds, grantor trusts, index mutual funds, open-ended mutual funds, and unit investment trusts. It does not include exchange-traded notes or exchange-traded commodities.

Prior to 2016, Morningstar's methodology evaluated open-end mutual funds and exchange-traded funds as separate groups. Each group contained a subset of the current investments included in our current comparative analysis. In this report, historical data presented on a calendar-year basis and trailing periods ending at the most-recent month-end reflect the updated methodology.

Risk measures (such as alpha, beta, r-squared, standard deviation, mean, or Sharpe ratio) are calculated for securities or portfolios that have at least a three-year history.

Most Morningstar rankings do not include any adjustment for one-time sales charges, or loads. Morningstar does publish load-adjusted returns, and ranks such returns within a Morningstar Category in certain reports. The total returns for ETFs and fund share classes without one-time loads are equal to Morningstar's calculation of load-adjusted returns. Share classes that are subject to one-time loads relating to advice or sales commissions have their returns adjusted as part of the load-adjusted return calculation to reflect those loads.

Comparison of Fund Types

Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publicly-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

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Holding company depository receipts (HOLDRs) are similar to ETFs, but they focus on narrow industry groups. HOLDRs initially own 20 stocks, which are unmanaged, and can become more concentrated due to mergers, or the disparate performance of their holdings. HOLDRs can only be bought in 100-share increments. Investors may exchange shares of a HOLDR for its underlying stocks at any time.

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund's current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Performance

The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares, when sold, may be worth more or less than the original investment. Fund portfolio statistics change over time. Funds are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution.

The market price noted on the ETF Detail Report is the price of the fund as of the close of trading on the last business day at month-end. This date is listed at the top of the ETF Detail Report.

Morningstar calculates after-tax returns using the highest applicable federal marginal income tax rate plus the investment income tax and Medicare surcharge. As of 2018, this rate is 37% plus 3.8% investment income plus 0.9% Medicare surcharge, or 41.7%. This rate changes periodically in accordance with changes in federal law.

12 Month Yield

12 Month Yield is derived by summing the trailing 12-months' income

distributions and dividing the sum by the last month's ending NAV, plus any capital gains distributed over the same period. Income refers only to interest payments from fixed-income securities and dividend payoffs from common stocks.

12b1 Expense %

A 12b-1 fee is a fee used to pay for a mutual fund's distribution costs. It is often used as a commission to brokers for selling the fund. The amount of the fee is taken from a fund's returns.

30-Day SEC Yield

The 30-day SEC Yield is a calculation based on a 30-day period ending on the last day of the previous month. It is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period. The figure listed lags by one month. When a dash appears, the yield available is more than 30 days old. This information is taken from fund surveys.

Alpha

Alpha is a measure of the difference between a security or portfolio's actual returns and its expected performance, given its level of risk (as measured by beta.) Alpha is often seen as a measure of the value added or subtracted by a portfolio manager.

Asset Allocation

Asset Allocation reflects asset class weightings of the portfolio. The "Other" category includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks, or cannot be classified by Morningstar as a result of missing data. Morningstar may display asset allocation data in several ways, including tables or pie charts. In addition, Morningstar may compare the asset class breakdown of the fund against its three-year average, category average, and/or index proxy.

Asset allocations shown in tables may include a breakdown among the long, short, and net (long positions net of short) positions. These statistics summarize what the fund's managers are buying and how they are positioning the fund's portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the fund's exposure and risk. Long positions involve buying the security outright and selling it later, with the hope the security's price rises over time. Short positions are taken with the hope of benefitting from anticipated price declines. The investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience a loss buying it at a higher price than the sale price.

Most fund portfolios hold fairly conventional securities, such as long positions in equities and bonds. Morningstar may generate a colored pie chart for these portfolios. Other portfolios use other investment strategies or securities, such as short positions or derivatives, in an attempt to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while other have unique return and risk characteristics. Portfolios that incorporate investment strategies resulting in short positions or portfolio with relatively exotic derivative positions often report data to Morningstar that does not meet the parameters of the calculation underlying a pie chart's generation. Because of the nature of how these securities are reported to Morningstar, we may not always get complete portfolio information to report asset allocation. Morningstar, at its discretion, may determine if unidentified characteristics of fund holdings are material. Asset allocation and other breakdowns may be rescaled accordingly so that

percentages total to 100 percent. (Morningstar used discretion to determine if unidentified characteristics of fund holdings are material, pie charts and other breakdowns may rescale identified characteristics to 100% for more intuitive presentation.)

Note that all other portfolio statistics presented in this report are based on the long (or long rescaled) holdings of the fund only.

Average Effective Duration

Duration is a time measure of a bond's interest-rate sensitivity. Average effective duration is a weighted average of the duration of the fixed-income securities within a portfolio.

Average Effective Maturity

Average Effective Maturity is a weighted average of the maturities of all bonds in a portfolio.

Average Weighted Coupon

A coupon is the fixed annual percentage paid out on a bond. The average weighted coupon is the asset-weighted coupon of each bond in the portfolio.

Average Weighted Price

Average Weighted Price is the asset-weighted price of bonds held in a portfolio, expressed as a percentage of par (face) value. This number reveals if the portfolio favors bonds selling at prices above or below par value (premium or discount securities respectively.)

Best Fit Index

Alpha, beta, and R-squared statistics are presented for a broad market index and a "best fit" index. The Best Fit Index identified in this report was determined by Morningstar by calculating R-squared for the fund against approximately 100 indexes tracked by Morningstar. The index representing the highest R-squared is identified as the best fit index. The best fit index may not be the fund's benchmark, nor does it necessarily contain the types of securities that may be held by the fund or portfolio.

Beta

Beta is a measure of a security or portfolio's sensitivity to market movements (proxied using an index.) A beta of greater than 1 indicates more volatility than the market, and a beta of less than 1 indicates less volatility than the market.

Credit Quality Breakdown

Credit Quality breakdowns are shown for corporate-bond holdings in the fund's portfolio and depict the quality of bonds in the underlying portfolio. It shows the percentage of fixed-income securities that fall within each credit-quality rating as assigned by a Nationally Recognized Statistical Rating Organization (NRSRO). Bonds not rated by an NRSRO are included in the Other/Not-Classified category.

Expense Ratio %

The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, includes interest and dividends on borrowed securities but does not reflect any fee waivers in effect during the time period.

Geometric Average Market Capitalization

Geometric Average Market Capitalization is a measure of the size of the companies in which a portfolio invests.

Growth of 10,000

For funds, this graph compares the growth of an investment of 10,000 (in the base currency of the fund) with that of an index and/or with that of the average for all funds in its Morningstar Category. The total returns are not adjusted to reflect sales charges or the effects of taxation but are adjusted to reflect actual ongoing fund expenses, and they assume reinvestment of dividends and capital gains. If adjusted, effects of sales charges and taxation would reduce the performance quoted. If pre-inception data is included in the analysis, it will be graphed.

The index in the Growth of 10,000 graph is an unmanaged portfolio of specified securities and cannot be invested in directly. The index does not reflect any initial or ongoing expenses. A fund's portfolio may differ significantly from the securities in the index. The index is chosen by Morningstar.

Management Fees %

The management fee includes the management and administrative fees listed in the Management Fees section of a fund's prospectus. Typically, these fees represent the costs shareholders paid for management and administrative services over the fund's prior fiscal year.

Maximum Redemption Fee %

The Maximum Redemption Fee is the maximum amount a fund may charge if redeemed in a specific time period after the fund's purchase (for example, 30, 180, or 365 days).

Mean

Mean is the annualized geometric return for the period shown.

Morningstar Analyst Rating™

The Morningstar Analyst Rating™ is not a credit or risk rating. It is a subjective evaluation performed by Morningstar's manager research group, which consists of various Morningstar, Inc. subsidiaries ("Manager Research Group"). In the United States, that subsidiary is Morningstar Research Services LLC, which is registered with and governed by the U.S. Securities and Exchange Commission. The Manager Research Group evaluates funds based on five key pillars, which are process, performance, people, parent, and price. The Manager Research Group uses this five pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark, or in the case of exchange-traded funds and index mutual funds, a relevant peer group, over the long term on a risk-adjusted basis. They consider quantitative and qualitative factors in their research, and the weight of each pillar may vary. The Analyst Rating scale is Gold, Silver, Bronze, Neutral, and Negative. A Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's conviction in a fund's prospects for outperformance. Analyst Ratings ultimately reflect the Manager Research Group's overall assessment, are overseen by an Analyst Rating Committee, and are continuously monitored and reevaluated at least every 14 months. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to global.morningstar.com/managerdisclosures/.

The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause the Manager Research Group's expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund.

Morningstar Category

Morningstar Category is assigned by placing funds into peer groups based on

their underlying holdings. The underlying securities in each portfolio are the primary factor in our analysis as the investment objective and investment strategy stated in a fund's prospectus may not be sufficiently detailed for our proprietary classification methodology. Funds are placed in a category based on their portfolio statistics and compositions over the past three years. Analysis of performance and other indicative facts are also considered. If the fund is new and has no portfolio history, Morningstar estimates where it will fall before giving it a permanent category assignment. Categories may be changed based on recent changes to the portfolio.

Morningstar Rank

Morningstar Rank is the total return percentile rank within each Morningstar Category. The highest (or most favorable) percentile rank is zero and the lowest (or least favorable) percentile rank is 100. Historical percentile ranks are based on a snapshot of a fund at the time of calculation.

Morningstar Rating™

The Morningstar Rating™ for funds, or "star rating", is calculated for funds and separate accounts with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. For more information about the Morningstar Rating for funds, including its methodology, please go to global.morningstar.com/managerdisclosures/.

Morningstar Return

The Morningstar Return rates a fund's performance relative to other managed products in its Morningstar Category. It is an assessment of a product's excess return over a risk-free rate (the return of the 90-day Treasury Bill) in comparison with the products in its Morningstar category. In each Morningstar category, the top 10% of products earn a High Morningstar Return (High), the next 22.5% Above Average (+Avg), the middle 35% Average (Avg), the next 22.5% Below Average (-Avg), and the bottom 10% Low (Low). Morningstar Return is measured for up to three time periods (three, five, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the product. Products with less than three years of performance history are not rated.

Morningstar Risk

Morningstar Risk evaluates a fund's downside volatility relative to that of other products in its Morningstar Category. It is an assessment of the variations in monthly returns, with an emphasis on downside variations, in comparison with the products in its Morningstar category. In each Morningstar category, the 10% of products with the lowest measured risk are described as Low Risk (Low), the next 22.5% Below Average (-Avg), the middle 35% Average (Avg), the next 22.5% Above Average (+Avg), and the top 10% High (High). Morningstar Risk is measured for up to three time periods (three, five, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the product. Products with less than three years of performance history are not rated.

Morningstar Style Box™

The Morningstar Style Box™ reveals a fund's investment strategy as of the date

noted on this report.

For equity funds, the vertical axis shows the market capitalization of the long stocks owned, and the horizontal axis shows the investment style (value, blend, or growth.) A darkened square in the style box indicates the weighted average style of the portfolio.

For fixed-income funds, the vertical axis shows the credit quality of the long bonds owned and the horizontal axis shows interest-rate sensitivity as measured by a bond's effective duration. Morningstar seeks credit rating information from fund companies on a periodic basis (for example, quarterly). In compiling credit rating information, Morningstar accepts credit ratings reported by fund companies that have been issued by all Nationally Recognized Statistical Rating Organizations. For a list of all NRSROs, please visit <http://www.sec.gov/divisions/marketreg/ratingagency.htm>. Additionally, Morningstar accepts foreign credit ratings from widely recognized or registered rating agencies. If two rating organizations/ agencies have rated a security, fund companies are to report the lower rating; if three or more organizations/agencies have rated a security, fund companies are to report the median rating; and in cases where there are more than two organization/agency ratings and a median rating does not exist, fund companies are to use the lower of the two middle ratings.

Please Note: Morningstar, Inc. is not an NRSRO nor does it issue a credit rating on the fund. NRSRO or rating agency ratings can change from time to time.

For credit quality, Morningstar combines the credit rating information provided by the fund companies with an average default rate calculation to come up with a weighted-average credit quality. The weighted-average credit quality is currently a letter that roughly corresponds to the scale used by a leading NRSRO. Bond funds are assigned a style box placement of "low," "medium," or "high" based on their average credit quality. Funds with a "low" credit quality are those whose weighted-average credit quality is determined to be less than "BBB-"; "medium" are those less than "AA-", but greater or equal to "BBB-"; and "high" are those with a weighted-average credit quality of "AA-" or higher. When classifying a bond portfolio, Morningstar first maps the NRSRO credit ratings of the underlying holdings to their respective default rates (as determined by Morningstar's analysis of actual historical default rates). Morningstar then averages these default rates to determine the average default rate for the entire bond fund. Finally, Morningstar maps this average default rate to its corresponding credit rating along a convex curve.

For interest-rate sensitivity, Morningstar obtains from fund companies the average effective duration. Generally, Morningstar classifies a fixed-income fund's interest-rate sensitivity based on the effective duration of the Morningstar Core Bond Index, which is currently three years. The classification of Limited will be assigned to those funds whose average effective duration is between 25% to 75% of MCBI's average effective duration; funds whose average effective duration is between 75% to 125% of the MCBI will be classified as Moderate; and those that are at 125% or greater of the average effective duration of the MCBI will be classified as Extensive.

For municipal-bond funds, Morningstar also obtains from fund companies the average effective duration. In these cases, static breakpoints are used. These breakpoints are as follows: (i) Limited: 4.5 years or less; (ii) Moderate: more than 4.5 years but less than 7 years; and (iii) Extensive: more than 7 years. In addition, for non-U.S. taxable and non-U.S. domiciled fixed-income funds, static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: more than 3.5 years but less than or equal to 6 years; (iii) Extensive: more than 6 years.

Interest-rate sensitivity for non-U.S. domiciled funds (excluding funds in

convertible categories) may be measured with modified duration when effective duration is not available.

P/B Ratio TTM

The Price/Book Ratio (or P/B Ratio) for a fund is the weighted average of the P/B Ratio of the stocks in its portfolio. Book value is the total assets of a company, less total liabilities. The P/B ratio of a company is calculated by dividing the market price of its outstanding stock by the company's book value, and then adjusting for the number of shares outstanding. Stocks with negative book values are excluded from this calculation. It shows approximately how much an investor is paying for a company's assets based on historical valuations.

P/C Ratio TTM

The Price/Cash Flow Ratio (or P/C Ratio) for a fund is the weighted average of the P/C Ratio of the stocks in its portfolio. The P/C Ratio of a stock represents the amount an investor is willing to pay for a dollar generated from a company's operations. It shows the ability of a company to generate cash and acts as a gauge of liquidity and solvency.

P/E Ratio TTM

The Price/Earnings Ratio (or P/E Ratio) for a fund is the weighted average of the P/E Ratios of the stocks in its portfolio. The P/E Ratio of a stock is the stock's current price divided by the company's trailing 12-month earnings per share. A high P/E Ratio usually indicates the market will pay more to obtain the company's earnings because it believes in the company's abilities to increase their earnings. A low P/E Ratio indicates the market has less confidence that the company's earnings will increase, however value investors may believe such stocks have an overlooked or undervalued potential for appreciation.

Percentile Rank in Category

Percentile Rank is a standardized way of ranking items within a peer group, in this case, funds within the same Morningstar Category. The observation with the largest numerical value is ranked zero the observation with the smallest numerical value is ranked 100. The remaining observations are placed equal distance from one another on the rating scale. Note that lower percentile ranks are generally more favorable for returns (high returns), while higher percentile ranks are generally more favorable for risk measures (low risk).

Performance Quartile

Performance Quartile reflects a fund's Morningstar Rank.

Potential Capital Gains Exposure

Potential Capital Gains Exposure is an estimate of the percent of a fund's assets that represent gains. It measures how much the fund's assets have appreciated, and it can be an indicator of possible future capital gains distributions. A positive potential capital gains exposure value means that the fund's holdings have generally increased in value while a negative value means that the fund has reported losses on its book.

Quarterly Returns

Quarterly Return is calculated applying the same methodology as Total Return except it represents return through each quarter-end.

R-Squared

R-squared is the percentage of a security or portfolio's return movements that are explained by movements in its benchmark index, showing the degree of correlation between the security or portfolio and the benchmark. This figure is helpful in assessing how likely it is that beta and alpha are statistically significant. A value of 1 indicates perfect correlation between the security or portfolio and its benchmark. The lower the R-squared value, the lower the correlation.

Regional Exposure

The regional exposure is a display of the portfolio's assets invested in the regions shown on the report.

Sector Weightings

Super Sectors represent Morningstar's broadest classification of equity sectors by assigning the 11 equity sectors into three classifications. The Cyclical Super Sector includes industries significantly impacted by economic shifts, and the stocks included in these sectors generally have betas greater than 1. The Defensive Super Sector generally includes industries that are relatively immune to economic cycles, and the stocks in these industries generally have betas less than 1. The Sensitive Super Sector includes industries that ebb and flow with the overall economy, but not severely so. Stocks in the Sensitive Super Sector generally have betas that are close to 1.

Share Change

Shares Change represents the number of shares of a stock bought or sold by a fund since the previously reported portfolio of the fund.

Sharpe Ratio

Sharpe Ratio uses standard deviation and excess return (a measure of a security or portfolio's return in excess of the U.S. Treasury three-month Treasury Bill) to determine the reward per unit of risk.

Standard Deviation

Standard deviation is a statistical measure of the volatility of the security or portfolio's returns. The larger the standard deviation, the greater the volatility of return.

Standardized Returns

Standardized Return applies the methodology described in the Standardized Returns page of this report. Standardized Return is calculated through the most recent calendar-quarter end for one-year, five-year, 10-year, and/or since-inception periods, and it demonstrates the impact of sales charges (if applicable) and ongoing fund expenses. Standardized Return reflects the return an investor may have experienced if the security was purchased at the beginning of the period and sold at the end, incurring transaction charges.

Total Return

Total Return, or "Non Load-Adjusted Return", reflects performance without adjusting for sales charges (if applicable) or the effects of taxation, but it is adjusted to reflect all actual ongoing security expenses and assumes reinvestment of dividends and capital gains. It is the return an investor would have experienced if the fund was held throughout the period. If adjusted for sales charges and the effects of taxation, the performance quoted would be significantly reduced.

Total Return +/- indicates how a fund has performed relative to its peers (as measure by its Standard Index and/or Morningstar Category Index) over the time periods shown.

Trailing Returns

Standardized Return applies the methodology described in the Standardized Returns page of this report. Standardized Return is calculated through the most recent calendar-quarter end for one-year, five-year, 10-year, and/or since-inception periods, and it demonstrates the impact of sales charges (if applicable) and ongoing fund expenses. Standardized Return reflects the return an investor may have experienced if the fund was purchased at the beginning of the period and sold at the end, incurring transaction charges.

Load-Adjusted Monthly Return is calculated applying the same methodology as Standardized Return, except that it represents return through month-end. As

with Standardized Return, it reflects the impact of sales charges and ongoing fund expenses, but not taxation. If adjusted for the effects of taxation, the performance quoted would be significantly different.

Trailing Return +/- indicates how a fund has performed relative to its peers (as measure by its Standard Index and/or Morningstar Category Index) over the time periods shown.

Morningstar Category Detail Report Disclosure Statement

The Morningstar Category Detail Report displays summary information reflecting the average behavior of all funds included in a particular Morningstar Category.

Morningstar Categories are unmanaged and cannot be invested in directly by investors. This report is made available for informational purposes only.

Morningstar is not itself a FINRA-member firm. Portfolio information is based on the most recent information available to Morningstar.

Performance

The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares when redeemed may be worth more or less than the original investment. Fund portfolio statistics change over time. The fund is not FDIC-insured, may lose value and is not guaranteed by a bank or other financial institution.

Total return reflects performance without adjusting for sales charges or the effects of taxation, but is adjusted to reflect all actual ongoing fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

Standardized Total Return is reflected as of month- and quarter-end time periods. It depicts performance without adjusting for the effects of taxation, but is adjusted for sales charges, all ongoing fund expenses, and assumes reinvestment of dividends and capital gains. If adjusted for the effects of taxation, the performance quoted would be reduced. The sales charge used in the calculation was obtained from the fund's most recent prospectus and/or shareholder report available to Morningstar. Standardized returns never include pre-inception history.

Load-Adjusted Monthly Return is calculated applying the same methodology as Standardized Returns, except that it represents return through month-end. As with Standardized Returns, it reflects the impact of sales charges and ongoing fund expenses, but not taxation. If adjusted for the effects of taxation, the performance quoted would be significantly reduced.

Growth of \$10,000

This graph compares the theoretical growth of an investment of 10,000 in the Category (in the base currency of the category) with that of the standard index and the category index. The total returns are not adjusted to reflect sales charges or the effects of taxation, but are adjusted to reflect actual ongoing fund expenses, and assume reinvestment of dividends and capital gains. If adjusted, sales charges would reduce the performance quoted. The category and indexes are an unmanaged portfolio of specified securities and cannot be invested in directly. The indexes and the category average do not reflect any

initial or ongoing expenses. The category's portfolio may differ significantly from the securities in the index. The indexes are chosen by Morningstar.

Risk Measures

The risk measures below are calculated for categories with at least a three-year history. Standard deviation is a statistical measure of the volatility of the average returns for the funds in the category. Mean represents the annualized geometric return for the period shown.

The Sharpe ratio uses standard deviation and excess return to determine reward per unit of risk.

Alpha measures the difference between a category's actual returns and its expected performance, given its level of risk (as measured by beta). Alpha is often seen as a measure of the value added or subtracted by a portfolio manager.

Beta is a measure of an investment's sensitivity to market movements. A portfolio with a beta greater than 1 is more volatile than the market, and a portfolio with a beta less than 1 is less volatile than the market.

R-squared reflects the percentage of an investment's movements that is explained by movements in its benchmark index, showing the degree of correlation between the fund and the benchmark. This figure is also helpful in assessing how likely it is that alpha and beta are statistically significant.

Asset Allocation

The weighting of the portfolio in various asset classes, including "Other" is shown in the table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks.

In the table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

Most managed product portfolios hold fairly conventional securities, such as long positions in stocks and bonds. Other portfolios use other investment strategies or securities, such as short positions or derivatives, to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics. Most portfolios take long positions in securities. Long positions involve buying the security outright and then selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. In this type of transaction, the investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can now buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience losses by buying it at a higher price than the sale price.

The strategy of selling securities short is prevalent in specialized portfolios, such as long-short, market-neutral, bear-market, and hedge funds. Most conventional portfolios do not typically short securities, although they may reserve the right to do so under special circumstances. Funds may also short derivatives, and this is sometimes more efficient than shorting individual securities. Short positions produce negative exposure to the security that is being shorted. This means that when the security rises in value, the short position will fall in value and vice versa. Morningstar's portfolio statistics will capture this negative exposure. For example, if a fund has many short stock

positions, the percent of assets in stocks in the asset allocation breakdown may be negative. Funds must provide their broker with cash collateral for the short position, so funds that short often have a large cash position, sometimes even exceeding 100% cash.

Note that all other portfolio statistics presented in this report are based on the long holdings of the fund only.

Style Analysis

The Morningstar Style Box reveals a fund's investment style as of the date noted on this report. For equity style box the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, blend, or growth).

For fixed-income holdings, the vertical axis shows the credit quality of the bonds owned and the horizontal axis shows interest rate sensitivity as measured by a bond's effective duration.

Morningstar seeks credit rating information from fund companies on a periodic basis (e.g., quarterly). In compiling credit rating information Morningstar accepts credit ratings reported by fund companies that have been issued by all Nationally Recognized Statistical Rating Organizations (NRSROs). For a list of all NRSROs, please visit <http://www.sec.gov/divisions/marketreg/ratingagency.htm>. Additionally, Morningstar accepts foreign credit ratings from widely recognized or registered rating agencies. If two rating organizations/agencies have rated a security, fund companies are to report the lower rating; if three or more organizations/agencies have rated a security, fund companies are to report the median rating, and in cases where there are more than two organization/agency ratings and a median rating does not exist, fund companies are to use the lower of the two middle ratings.

PLEASE NOTE: Morningstar, Inc. is not itself a NRSRO nor does it issue a credit rating on the fund. A NRSRO or rating agency ratings can change from time-to-time.

For credit quality, Morningstar combines the credit rating information provided by the fund companies with an average default rate calculation to come up with a weighted-average credit quality. The weighted-average credit quality is currently a letter that roughly corresponds to the scale used by a leading NRSRO. Bond funds are assigned a style box placement of "low", "medium", or "high" based on their average credit quality. Funds with a low credit quality are those whose weighted-average credit quality is determined to be less than "BBB-"; medium are those less than "AA-", but greater or equal to "BBB-"; and high are those with a weighted-average credit quality of "AA-" or higher. When classifying a bond portfolio, Morningstar first maps the NRSRO credit ratings of the underlying holdings to their respective default rates (as determined by Morningstar's analysis of actual historical default rates). Morningstar then averages these default rates to determine the average default rate for the entire bond fund. Finally, Morningstar maps this average default rate to its corresponding credit rating along a convex curve.

For interest-rate sensitivity, Morningstar obtains from fund companies the average effective duration. Generally, Morningstar classifies a fixed-income fund's interest-rate sensitivity based on the effective duration of the Morningstar Core Bond Index (MCBI), which is currently three years. The classification of Limited will be assigned to those funds whose average effective duration is between 25% to 75% of MCBI's average effective duration; funds whose average effective duration is between 75% to 125% of the MCBI will be classified as Moderate; and those that are at 125% or greater of the average effective duration of the MCBI will be classified as Extensive.

For municipal bond funds, Morningstar also obtains from fund companies the average effective duration. In these cases static breakpoints are utilized. These breakpoints are as follows: (i) Limited: 4.5 years or less; (ii) Moderate: more than 4.5 years but less than 7 years; and (iii) Extensive: more than 7 years. In addition, for non-US taxable and non-US domiciled fixed income funds static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: greater than 3.5 and less than equal to 6 years; (iii) Extensive: greater than 6 years.

Equity Portfolio Statistics

The referenced data elements below are a weighted average of the equity holdings in the portfolio.

The Price/Earnings ratio is a weighted average of the price/earnings ratios of the stocks in the underlying fund's portfolio. The P/E ratio of a stock is calculated by dividing the current price of the stock by its trailing 12-months' earnings per share. In computing the average, Morningstar weights each portfolio holding by the percentage of equity assets it represents.

The Price/Cash Flow ratio is a weighted average of the price/cash-flow ratios of the stocks in a fund's portfolio. Price/cash-flow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

The Price/Book ratio is a weighted average of the price/book ratios of

all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation.

The geometric average market capitalization of a fund's equity portfolio offers a measure of the size of the companies in which the mutual fund invests.

Fixed-Income Portfolio Statistics

The referenced data elements below are a weighted average of the fixed income holdings in the portfolio.

Duration is a time measure of a bond's interest rate sensitivity. Average effective duration is a weighted average of the duration of the underlying fixed income securities within the portfolio.

Average effective maturity is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.

Average weighted coupon is generated from the fund's portfolio by weighting the coupon of each bond by its relative size in the portfolio. Coupons are fixed percentages paid out on a fixed-income security on an annual basis.

Average weighted price is generated from the fund's portfolio by weighting the price of each bond by its relative size in the portfolio. This number reveals if the fund favors bonds selling at prices above or below face value (premium or discount securities, respectively). A higher number indicates a bias toward premiums. This statistic is expressed as a percentage of par (face) value.

Credit quality breakdowns are shown for corporate-bond holdings and depict the quality of bonds in the underlying portfolio. The report shows the percentage of fixed-income securities that fall within each credit quality rating as assigned by a NRSRO. Bonds not rated by a NRSRO are included in the not rated (NR) category.

Turnover Ratio is a decent proxy for how frequently a manager trades his or her

portfolio. The inverse of a fund's turnover ratio is the average holding period for a security in the fund. As turnover increases, a fund's brokerage costs typically rise as well.

Operations

Potential capital gains exposure is the percentage of a mutual fund's total assets that represent capital appreciation.

The inception date shown reflects the earliest date as of which Morningstar has return data for the category.

Fees and Expenses

Prospectus Gross Expense Ratio reflects the annual percentage of a fund's assets paid out in expenses. Expenses include management, 12B-1, transfer agent and all other asset-based fees associated with the fund's daily operations and distribution, with the exception of brokerage commissions. It does not reflect expenses that have been reimbursed by the investment advisor, reductions from brokerage service arrangements or other expense-offset arrangements.

Prospectus Net Expense Ratio reflects actual expenses paid by the fund as well as any voluntary waivers, reductions from brokerage service arrangements and any other expense offset arrangements.

Investment Risk

International/Emerging Market Equities: Investing in international securities involves special additional risks. These risks include, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks.

Sector Strategies: Portfolios that invest exclusively in one sector or industry involve additional risks. The lack of industry diversification subjects the investor to increased industry-specific risks.

Non-Diversified Strategies: Portfolios that invest a significant percentage of assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investments.

Small Cap Equities: Portfolios that invest in stocks of small companies involve additional risks. Smaller companies typically have a higher risk of failure, and are not as well established as larger blue-chip companies. Historically, smaller company stocks have experienced a greater degree of market volatility than the overall market average.

Mid Cap Equities: Portfolios that invest in companies with market capitalization below \$10 billion involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

High-Yield Bonds: Portfolios that invest in lower-rated debt securities (commonly referred to as junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. The investor should be aware of the possible higher level of volatility, and increased risk of default.

Tax-Free Municipal Bonds: The investor should note that the income from tax free municipal bond funds may be subject to state and local taxation and the Alternative Minimum Tax.

Bonds: Bonds are subject to interest rate risk. As the prevailing level of bond interest rates rise, the value of bonds already held in a portfolio declines. Portfolios that hold bonds are subject to declines and increases in value due to general changes in interest rates.

HOLDERS: The investor should note that these are narrow, industry-focused products that, if the industry is hit by hard times, will lack diversification and possible loss of investment would be likely. These securities can trade at a discount to market price, ownership is of a fractional share interest, the underlying investments may not be representative of the particular industry, the HOLDER might be delisted from the AMEX if the number of underlying companies drops below nine, and the investor may experience trading halts.

Hedge Funds: The investor should note that hedge fund investing involves specialized risks that are dependent upon the type of strategies undertaken by the manager. This can include distressed or event-driven strategies, long/short strategies, using arbitrage (exploiting price inefficiencies), international investing, and use of leverage, options and/or derivatives. Although the goal of hedge fund managers may be to reduce volatility and produce positive absolute return under a variety of market conditions, hedge funds may involve a high degree of risk and are suitable only for investors of substantial financial means who could bear the entire loss of their investment.

Bank Loan/Senior Debt: Bank loans and senior loans are impacted by the risks associated with fixed income in general, including interest rate risk and default risk. They are often non-investment grade; therefore, the risk of default is high. These securities are also relatively illiquid. Managed products that invest in bank loans/senior debt are often highly leveraged, producing a high risk of return volatility.

Exchange Traded Notes (ETNs): ETNs are unsecured debt obligations. Any repayment of notes is subject to the issuer's ability to repay its obligations. ETNs do not typically pay interest.

Leveraged ETFs: Leveraged investments are designed to meet multiples of the return performance of the index they track and seek to meet their fund objectives on a daily basis (or other time period stated within the prospectus objective). The leverage/gearing ratio is the amount of excess return that a leveraged investment is designed to achieve in comparison to its index performance (i.e. 200%, 300%, -200%, or -300% or 2X, 3X, -2X, -3X). Compounding has the ability to affect the performance of the fund to be either greater or less than the index performance multiplied by the multiple stated within the funds objective over a stated time period.

Short Positions: When a short position moves in an unfavorable way, the losses are theoretically unlimited. The broker may demand more collateral and a manager might have to close out a short position at an inopportune time to limit further losses.

Long-Short: Due to the strategies used by long-short funds, which may include but are not limited to leverage, short selling, short-term trading, and investing in derivatives, these funds may have greater risk, volatility, and expenses than those focusing on traditional investment strategies.

Liquidity Risk: Closed-end fund, ETF, and HOLDER trading may be halted due to market conditions, impacting an investors ability to sell a fund.

Market Price Risk: The market price of ETFs, HOLDERS, and closed-end funds traded on the secondary market is subject to the forces of supply and demand and thus independent of the NAV. This can result in the market price trading at a premium or discount to the NAV, which will affect an investors value.

Market Risk: The market prices of ETFs and HOLDERS can fluctuate as a result of several factors, such as security-specific factors or general investor sentiment. Therefore, investors should be aware of the prospect of market fluctuations and the impact it may have on the market price.

Target-Date Funds: Target-date funds typically invest in other mutual funds and are designed for investors who are planning to retire during the target date year. The fund's target date is the approximate date when investors expect to begin withdrawing their money. A target-date fund's investment objective/strategy typically becomes more conservative over time, primarily by reducing its allocation to equity mutual funds and increasing its allocations in fixed-income mutual funds. An investor's principal value in a target-date fund is not guaranteed at any time, including at the fund's target date.

High double- and triple-digit returns: High double- and triple-digit returns were the result of extremely favorable market conditions, which may not continue to be the case. High returns for short time periods must not be a major factor when making investment decisions.

Investment Risks

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HOLDERS: The investor should note that these are narrow industry-focused products that, if the industry is hit by hard times, will lack diversification and possible loss of investment would be likely. These securities can trade at a discount to market price, ownership is of a fractional share interest, the underlying investments may not be representative of the particular industry, the HOLDER might be delisted from the AMEX if the number of underlying companies drops below nine, and the investor may experience trading halts.

Hedge Funds: The investor should note that hedge fund investing involves specialized risks that are dependent upon the type of strategies undertaken by the manager. This can include distressed or event-driven strategies, long/short strategies, using arbitrage (exploiting price inefficiencies), international investing, and use of leverage, options and/or derivatives. Although the goal of hedge fund managers may be to reduce volatility and produce positive absolute return under a variety of market conditions, hedge funds may involve a high degree of risk and are suitable only for investors of substantial financial means who could bear the entire loss of their investment.

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Long-Short: Due to the strategies used by long-short funds, which may include but are not limited to leverage, short selling, short-term trading, and investing in derivatives, these funds may have greater risk, volatility, and expenses than those focusing on traditional investment strategies.

Liquidity Risk: Closed-end fund, ETF, and HOLDER trading may be halted due to market conditions, impacting an investor's ability to sell a fund.

Market Price Risk: The market price of ETFs, HOLDERS, and closed-end funds traded on the secondary market is subject to the forces of supply and demand and thus independent of the NAV. This can result in the market price trading at a premium or discount to the NAV, which will affect an investor's value.

Market Risk: The market prices of ETFs and HOLDERS can fluctuate as a result of several factors, such as security-specific factors or general investor sentiment. Therefore, investors should be aware of the prospect of market fluctuations and the impact it may have on the market price.

Target-Date Funds: Target-date funds typically invest in other mutual funds and are designed for investors who are planning to retire during the target date year. The fund's target date is the approximate date when investors expect to begin withdrawing their money. A target-date fund's investment objective/strategy typically becomes more conservative over time, primarily by reducing its allocation to equity mutual funds and increasing its allocations in fixed-income mutual funds. An investor's principal value in a target-date fund is not guaranteed at any time, including at the fund's target date.

High double- and triple-digit returns: High double- and triple-digit returns were the result of extremely favorable market conditions, which may not continue to be the case. High returns for short time periods must not be a major factor when making investment decisions.

Benchmark Disclosure

BBgBarc US Agg Bond TR USD

This index is composed of the BarCap Government/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. The returns we publish for the index are total returns, which includes the daily reinvestment of dividends. The constituents displayed for this index are from the following proxy: iShares Core US Aggregate Bond ETF.

BBgBarc US Credit TR USD

Tracks the returns of all publicly issued, fixed-rate, nonconvertible, dollar-denominated, SEC-registered, investment-grade corporate debt. The constituents displayed for this index are from the following proxy: iShares US Credit Bond ETF.

BBgBarc US Universal TR USD

BarCap U.S. Universal Bond Index: The U.S. Universal Index mirrors the increasingly popular "Core Plus" choice set used by many U.S.-dollar investors. It is the union of the U.S. Aggregate Index, the U.S. High Yield Corporate Index, the 144A Index, the Eurodollar Index, the Emerging Markets Index, the non-ERISA portion of the CMBS Index, and the CMBS High Yield Index. Municipal debt, private placements, and non-dollar-denominated issues are excluded from the Universal Index. The constituents displayed for this index are from the following proxy: iShares Core Total USD Bond Market ETF.

Citi WGBI NonUSD USD

A market-capitalization weighted index consisting of the government bond markets of the following countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Netherlands, Spain, Sweden, Switzerland, and United Kingdom. Country eligibility is determined based upon market capitalization and investability criteria. The index includes all fixed-rate bonds with a remaining maturity of one year or longer and with amounts outstanding of at least the equivalent of US\$25 million. Government securities typically exclude floating or variable rate bonds.

DJ Moderately Conservative TR USD

This risk-based index consists stocks, bonds, and cash and is intended to represent 40% of the risk and return of the 100% Global Portfolio Index.

ICE BofAML US High Yield TR USD

The US High Yield Master II Index tracks the performance of below investment grade US dollar-denominated corporate bonds publicly issued in the US domestic market. "Yankee" bonds are included in the Index provided the issuer is domiciled in a country having an investment grade foreign currency long-term debt rating. 144a issues are not included in the index until they are exchanged for registered securities. Qualifying bonds must have at least one year remaining term to maturity, a fixed coupon schedule and a minimum amount outstanding of USD 100 million.

ICE BofAML USD 3M Dep OR CM TR USD

The BofA Merrill Lynch USD LIBOR 3 Month Constant Maturity Index represents the London intrabank offered rate (LIBOR) with a constant 3-month average maturity. LIBOR is a composite of the rates of interest at which banks borrow from one another in the London market.

Morningstar Mod Agg Tgt Risk TR USD

The Morningstar Moderately Aggressive Target Risk Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in a static allocation appropriate for U.S. investors who seek a slightly above-average exposure to equity market risk and returns.

Morningstar Mod Tgt Risk TR USD

The Morningstar Moderate Target Risk Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in a static allocation appropriate for U.S. investors who seek average exposure to equity market risk and returns.

MSCI ACWI Ex USA NR USD

The MSCI AC World ex USA is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets. The index consists of 48 developed and emerging market country indices. The returns we publish for the index are total returns, which include reinvestment of dividends. The constituents displayed for this index are from the following proxy: iShares MSCI ACWI ETF.

MSCI EAFE NR USD

This Europe, Australasia, and Far East index is a market-capitalization-weighted index of 21 non-U.S., industrialized country indexes.

This disclosure applies to all MSCI indices: Certain information included herein is derived by Morningstar in part from MSCI's Index Constituents (the "Index Data"). However, MSCI has not reviewed any information contained herein and does not endorse or express any opinion such information or analysis. MSCI does not make any express or implied warranties, representations or guarantees concerning the Index Data or any information or data derived therefrom, and in no event will MSCI have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of this information.

MSCI EM NR USD

Description unavailable. The constituents displayed for this index are from the following proxy: iShares MSCI Emerging Markets ETF.

Russell 1000 TR USD

Consists of the 1000 largest companies within the Russell 3000 index, which represents approximately 98% of the investable US equity market. Also known as the Market-Oriented Index, because it represents the group of stocks from which most active money managers choose. The constituents displayed for this index are from the following proxy: iShares Russell 1000 ETF.

Russell 3000 TR USD

Composed of the 3000 largest U.S. companies by market capitalization, representing approximately 98% of the U.S. equity market. The constituents displayed for this index are from the following proxy: iShares Russell 3000 ETF.

S&P 500 TR USD

A market capitalization-weighted index composed of the 500 most widely held stocks whose assets and/or revenues are based in the US; it's often used as a proxy for the U.S. stock market. TR (Total Return) indexes include daily reinvestment of dividends. The constituents displayed for this index are from the following proxy: iShares Core S&P 500 ETF.

S&P/LSTA Leveraged Loan TR

Description unavailable.

US Insurance Money Market - Taxable

These funds invest in short-term money market securities in order to provide a level of current income that is consistent with the preservation of capital.

USTREAS T-Bill Auction Ave 3 Mon

Three-month T-bills are government-backed, short-term investments considered to be risk-free and as good as cash because the maturity is only three months. Morningstar collects yields on the T-bill on a weekly basis from the Wall Street Journal.





Portfolio Review

Period Ending April 30, 2018

CITY OF BEACON

ONE MUNICIPAL PLAZA
BEACON, NY, 12508
USA

Program: PORTFOLIO FOCUS

Date Run: 5/9/2018

Account #: xxxx0914

Financial Advisor

DAVID ROGERS & GARY MAZZARELLI
RBC WEALTH MANAGEMENT
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ALBANY, NY 12206

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**Wealth
Management**

Disclosure

Service

This consolidated report is for informational purposes only, and may contain assets held outside of RBC Wealth Management. This report is not a substitute for account statements, confirmations and source documents provided by firms holding your assets.

This consolidated report contains information and security valuations which have been obtained from sources we believe to be reliable, but cannot be guaranteed as to accuracy and do not purport to be complete. Assets held outside of RBC Wealth Management, and included in the consolidated report, contain unverified information, may not be covered by SIPC, and may be outside of your Financial Advisor's area of expertise. A CMO's yield and average life will fluctuate depending on the actual rate at which mortgage holders prepay the mortgages underlying the CMO and changes in current interest rates. For the most updated account information, please contact the customer service department of the firm holding your assets. If you find discrepancies in this report, please consult your Financial Advisor or Branch Director.

Performance Calculations

The performance data quoted represents past performance and should not be considered indicative of future results. Performance figures can be calculated by Daily Valuation Time-Weighted Rate of Return (TWR) or Dollar-Weighted Rate of Return (IRR) methodologies. The TWR methodology annualizes returns greater than one year. The IRR methodology does not annualize returns greater than one year. Based on the availability of data, historical performance may include returns calculated monthly using the Modified Dietz time-weighted return method. Where applicable, returns will reflect the reinvestment of dividends and capital gains. Performance reporting includes foreign reclaimable tax withholdings and is reported as income in income reporting and cash flow analysis. Reclaimable income may be recaptured with your year-end tax filing. Performance returns either include, or are net of, investment advisory program fees, unless otherwise specified. For those accounts that have elected to have fees invoiced, performance returns will be shown gross of all applicable fees. This Consolidated Portfolio Review may include closed portfolio performance data. Due to

rounding, certain components may report percentages greater than or less than 100%. Calculations are supplied by Morningstar.

The dates used to calculate performance in this report may be different from the inception date(s) for your account(s). Returns shown may vary depending on the date(s) selected by your Financial Advisor. If you have questions regarding the time periods used in this report, please contact your Financial Advisor or Branch Manager.

Asset Classification Methodology

Morningstar asset classification methodology is used for reporting, with the exception of securities not covered by Morningstar or individual fixed income holdings. Securities not covered by Morningstar and fixed income holdings are classified according to RBC Wealth Management asset classification methodology. The default methodology employed by RBC is a "one-to-many" allocation whereby some securities (e.g., mutual funds) are mapped to more than one asset class based on the underlying holdings. Please refer to the Reference Guide, Report Options, to view the report selection(s).

Benchmark Returns

Benchmark returns are provided by Morningstar and may or may not be adjusted to reflect ongoing expenses such as sales charges. Investor's portfolios may differ significantly from the securities in the benchmark. Annual Investment Goal benchmarks are a fixed annual rate benchmark while Performance Adjusted benchmarks are a standard market index plus a fixed annual rate. Not all benchmarks are priced daily; however, benchmark information contained in the reports reflects the most current price information as provided by the vendor. Returns for blended benchmarks are calculated by applying user-supplied weightings to each benchmark's returns every month. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Blended benchmark returns thus assume monthly rebalancing. Although used as benchmarks for informational purposes, individual benchmarks are not available for direct investment. For a detailed explanation of the benchmarks referenced, please refer to the Reference Guide section of this report.

Tax Advice

RBC Wealth Management does not provide tax or legal advice. All decisions regarding the tax or legal implications of your investments should be made in connection with your independent tax or legal advisor. This report does not constitute a replacement for your 1099 Form or your RBC Wealth Management statement.

Cost Basis

If you did not purchase the securities represented in this report at RBC Wealth Management, the "cost basis" was provided by you and we have not verified this figure. Due to the complexity of calculating cost basis when multiple lots of a security are purchased, your report may reflect the average cost basis for multiple purchases (especially in the case of mutual fund transactions). To determine the actual cost basis for tax reporting purposes, please consult with your tax advisor.

Estimated Income

The Estimated Annualized Income (EAI) for certain securities could include coupon payments that are contingent upon market factors or a return of principal or capital gains, in which case EAI depicted on reports would be overstated. EAI is only an estimate of income generated by the investment; the actual income may be higher or lower. In the event the investment matures, is sold or called, the full EAI may not be realized. EAI may also include income generated by securities not held at RBC Wealth Management, LLC.

Accrued Interest

Accrued interest for fixed income securities that is explicitly displayed or included in calculated values (e.g., total portfolio value, rate of return) may include pending coupon payments. Pending coupons may include return of principal in addition to fully accrued interest.

Mutual Fund Pre-inception Returns

The analysis in the Fund Performance report may be based, in part, on adjusted historical returns for periods prior to the fund's actual inception. These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect the fees and expenses of this share class. When pre-inception data are presented in the report, the mutual fund returns will appear in italics.

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structure of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

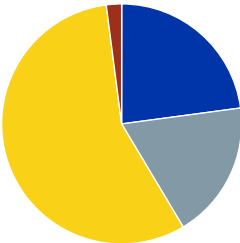
Portfolio Performance Summary

As of April 30, 2018

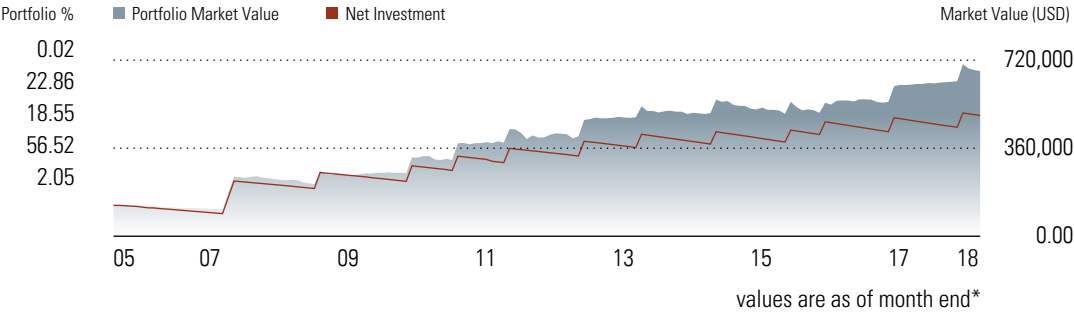
Primary Benchmark
xxxx0914 Primary Blended Benchmark

Return Type
Time-Weighted Rate of Return (TWR)

Asset Allocation



- Asset Class
- Cash
 - US Equities
 - International Equities
 - Fixed Income
 - Other



	QTD 4/1/2018 - 4/30/2018	YTD 1/1/2018 - 4/30/2018	1-Yr 5/1/2017 - 4/30/2018	3-Yr 5/1/2015 - 4/30/2018	5-Yr 5/1/2013 - 4/30/2018	10-Yr 5/1/2008 - 4/30/2018	Since Perf Start 10/31/2005 - 4/30/2018
Portfolio Return (%)	-0.04	-0.73	6.09	2.94	1.81	3.37	4.32
xxxx0914 Primary Blended Benchmark (%)	-0.12	-1.31	4.67	3.43	4.11	4.45	5.32

Portfolio Changes							
Beginning Value (USD)	679,641.94	634,026.97	620,043.49	517,286.12	486,713.18	230,835.18	0.00
Beginning Accrued Interest (USD)	0.00	0.00	0.00	0.00	0.00	189.14	0.00
Net Cash Flow (USD)	-3,687.86	47,904.54	20,196.64	101,410.10	131,516.09	289,182.81	493,804.19
Investment G/L plus Income (USD)	-245.24	-6,222.67	35,468.71	57,012.62	57,479.57	155,501.71	181,904.65
Ending Value (USD)	675,708.84	675,708.84	675,708.84	675,708.84	675,708.84	675,708.84	675,708.84
Ending Accrued Interest (USD)	0.00	0.00	0.00	0.00	0.00	0.00	0.00

As of April 30, 2018 you have Funds Available of \$16,965.52.

For a detailed explanation of the indices, as selected by your Financial Advisor, please refer to the Reference Guide section of this report.

Trailing and Calendar Year Returns

As of April 30, 2018

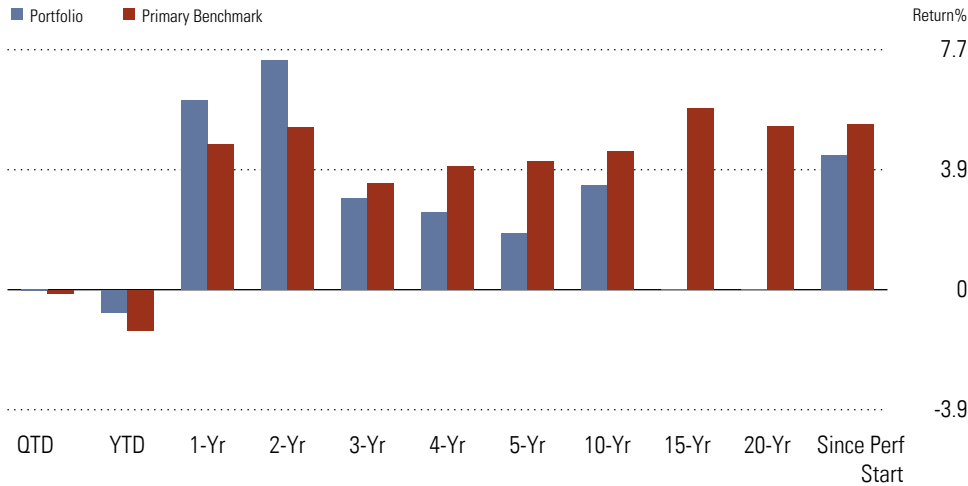
Primary Benchmark

xxxx0914 Primary Blended Benchmark

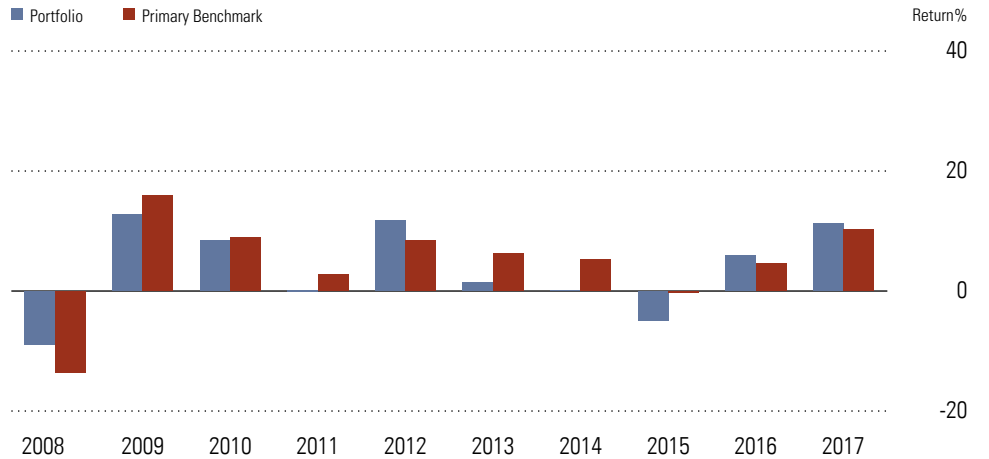
Return Type

Time-Weighted Rate of Return (TWR)

Trailing Returns



Calendar Returns



Trailing Returns	QTD (%)	YTD (%)	1-Yr (%)	2-Yr (%)	3-Yr(%)	4-Yr (%)	5-Yr (%)	10-Yr (%)	15-Yr (%)	20-Yr (%)	Since Perf Start (%) 10/31/2005
CITY OF BEACON											
xxxx0914	-0.04	-0.73	6.09	7.37	2.94	2.48	1.81	3.37	—	—	4.32
xxxx0914 Primary Blended Benchmark	-0.12	-1.31	4.67	5.22	3.43	3.95	4.11	4.45	5.82	5.25	5.32

Calendar Returns	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
CITY OF BEACON										
xxxx0914	-8.88	12.82	8.39	0.17	11.74	1.39	0.03	-4.90	5.87	11.23
xxxx0914 Primary Blended Benchmark	-13.55	15.88	8.91	2.73	8.39	6.21	5.33	-0.25	4.63	10.28

Portfolio Holdings: Consolidated Tax Lots

As of April 30, 2018

Securities Held Here	Quantity	Moody's/ S&P	Accrued Income (USD)	Purchase Date	Unit Cost (USD)	Net Cost (USD)	Market Price (USD)	Market Value (USD)	Unrealized G/L (USD)	Current Yield %	Est. Annual Income (USD)	% of Portfolio
Cash, Money Markets and Bank Deposits			—			16,965.52		16,965.52	0.00		0.00	2.51
RBC INSURED DEPOSITS ¹	16,965.5200	—	—	—	1.00	16,965.52	1.00	16,965.52	0.00	0.00	—	2.51
NOT SIPC COVERED												
Ticker: BDP-1, CUSIP: 123456790												
US Large Cap Value Equities			—			33,906.17		33,984.08	77.91		813.44	5.03
VANGUARD INDEX FUNDS	328.0000	—	—	3/27/2018	103.37	33,906.17	103.61	33,984.08	77.91	2.39	813.44	5.03
VANGUARD VALUE ETF												
Ticker: VTV, CUSIP: 922908744												
US Large Cap Core Equities			—			218,471.62		230,678.96	12,207.34		8,601.07	34.14
BLACKROCK MULTI ASSET INCOME	13,860.3290	—	—	10/28/2013	11.06	153,268.60	10.79	149,552.95	-3,715.65	4.82	7,207.37	22.13
PORTFOLIO FD INSTITUTIONAL CL												
Ticker: BIICX, CUSIP: 09256H336												
SCHWAB STRATEGIC TR	1,267.0000	—	—	11/3/2015	51.46	65,203.02	64.03	81,126.01	15,922.99	1.72	1,393.70	12.01
US BROAD MKT ETF												
Ticker: SCHB, CUSIP: 808524102												
International Equities			—			72,416.04		90,022.27	17,606.23		2,106.40	13.32
SCHWAB STRATEGIC TR	2,633.0000	—	—	2/11/2016	27.50	72,416.04	34.19	90,022.27	17,606.23	2.34	2,106.40	13.32
INTL EQUITY ETF												
Ticker: SCHF, CUSIP: 808524805												
Emerging Markets Equities			—			31,805.40		33,103.17	1,297.77		512.23	4.90
BLACKROCK FDS TOTAL EMERGING	3,201.4670	—	—	4/4/2017	9.93	31,805.40	10.34	33,103.17	1,297.77	1.55	512.23	4.90
MARKETS FUND INSTITUTIONAL CL												
Ticker: BEEIX, CUSIP: 091936427												
US Taxable Fixed Income			—			203,043.23		203,163.61	120.39		8,058.13	30.07
GUGGENHEIM FDS TR	5,084.6830	—	—	1/6/2015	26.45	134,490.36	26.65	135,506.80	1,016.44	3.26	4,423.67	20.05
MACRO OPPORTUNITIES FD INSTL												
Ticker: GIOIX, CUSIP: 40168W582												

Portfolio Holdings: Consolidated Tax Lots

As of April 30, 2018

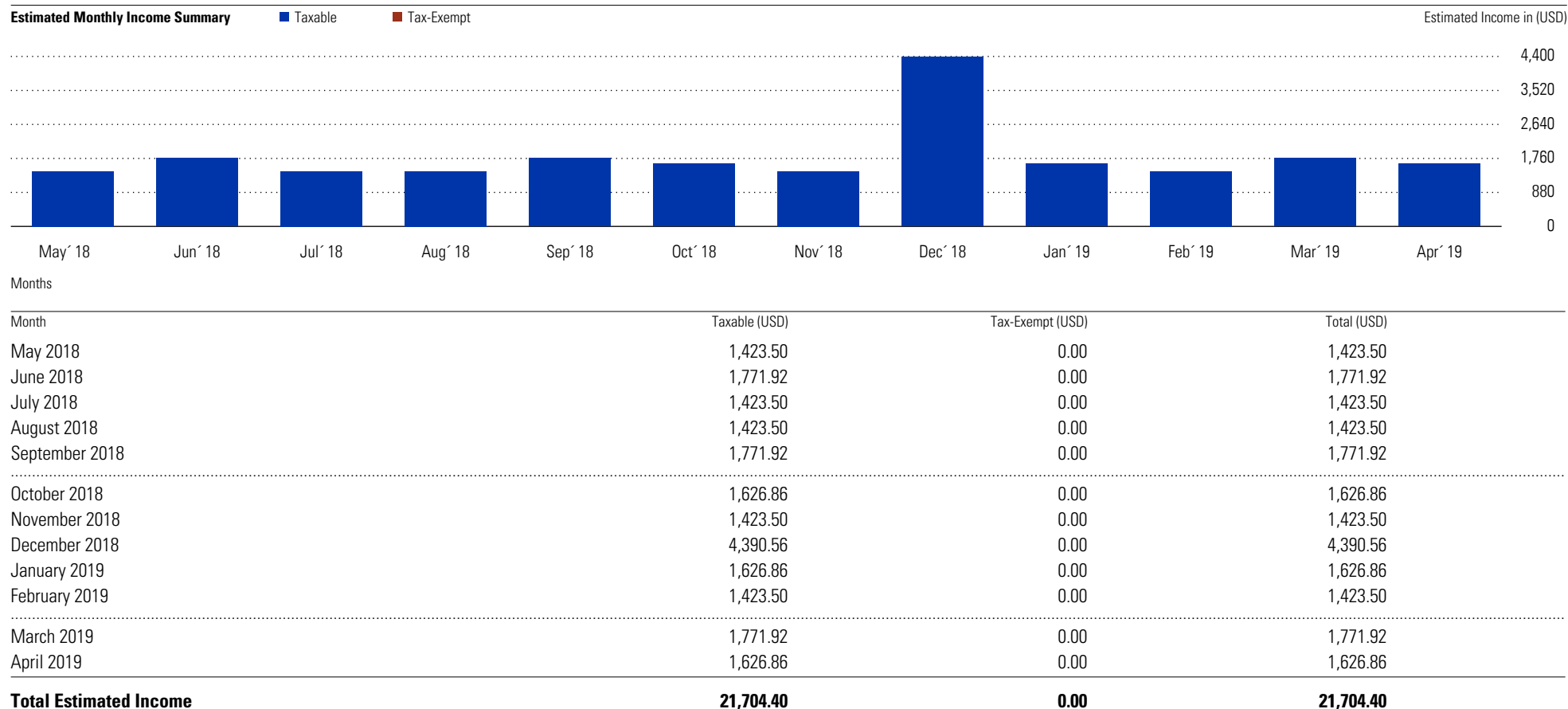
Securities Held Here	Quantity	Moody's/ S&P	Accrued Income (USD)	Purchase Date	Unit Cost (USD)	Net Cost (USD)	Market Price (USD)	Market Value (USD)	Unrealized G/L (USD)	Current Yield %	Est. Annual Income (USD)	% of Portfolio
PIMCO FDS	5,591.4720	—	—	4/4/2017	12.26	68,552.87	12.10	67,656.81	-896.06	5.37	3,634.46	10.01
INCOME FD CL I 2												
Ticker: PONPX, CUSIP: 72201M719												
International Fixed Income			—			64,399.99		67,791.23	3,391.24		1,816.49	10.03
JANUS INVT FD	7,265.9410	—	—	10/7/2015	8.86	64,399.99	9.33	67,791.23	3,391.24	2.68	1,816.49	10.03
HENDERSON STRTGC INCM FD CL I												
Ticker: HFAIX, CUSIP: 47103Y839												
Securities Held Here Total			0.00			641,007.96		675,708.84	34,700.88		21,907.76	100.00

The actual income received may be lower or higher than the estimated amount. Future income payments are subject to change. Does not include interest earned from the RBC Wealth Management Money Market Fund Cash Sweep Options, RBC Insured Deposits, RBC Cash Plus or Credit Interest Program.

1 RBC Insured Deposits balances are not covered by SIPC. RBC Insured Deposits Balances are FDIC insured up to certain amounts which may vary from time to time. For additional information refer to the RBC Insured Deposits Disclosure Statement.

Income Forecast Summary

As of May 08, 2018



The actual income received may be lower or higher than the estimated amount. Future income payments are subject to change. Does not include income earned from the RBC Wealth Management Money Market Fund Cash Sweep Options, RBC Insured Deposits, RBC Cash Plus or Credit Interest Program. Monthly numbers may not add up exactly to the annual total due to rounding.

Fund Performance

As of April 30, 2018

Name	Ticker	QTD %	YTD %	1-Yr %	3-Yr %	5-Yr %	10-Yr %	Since Fund Inception %	Fund Inception Date
US Fund Large Blend									
SCHWAB STRATEGIC TR US BROAD MKT ETF	SCHB	0.38	-0.36	13.07	10.12	12.71	—	14.08	11/2/2009
<i>Russell 1000 TR USD</i>		<i>0.34</i>	<i>-0.35</i>	<i>13.17</i>	<i>10.25</i>	<i>12.84</i>	<i>9.10</i>	—	—
US Fund Multisector Bond									
PIMCO FDS INCOME FD CL I 2	PONPX	-0.45	-0.75	3.97	5.28	5.10	8.86	8.86	4/30/2008
<i>BBgBarc US Universal TR USD</i>		<i>-0.67</i>	<i>-2.06</i>	<i>0.01</i>	<i>1.54</i>	<i>1.83</i>	<i>3.93</i>	—	—
US Fund Diversified Emerging Mkts									
BLACKROCK FDS TOTAL EMERGING MARKETS FUND INSTITUTIONAL CL	BEEIX	-2.27	-1.80	8.05	3.52	—	—	2.69	5/16/2013
<i>MSCI EM NR USD</i>		<i>-0.44</i>	<i>0.97</i>	<i>21.71</i>	<i>6.00</i>	<i>4.74</i>	<i>2.17</i>	—	—
US Fund Nontraditional Bond									
GUGGENHEIM FDS TR MACRO OPPORTUNITIES FD INSTL	GIOIX	0.03	0.41	3.30	4.47	4.03	—	6.10	11/30/2011
<i>ICE BofAML USD 3M Dep OR CM TR USD</i>		<i>0.18</i>	<i>0.51</i>	<i>1.30</i>	<i>0.81</i>	<i>0.59</i>	<i>0.74</i>	—	—
US Fund Foreign Large Blend									
SCHWAB STRATEGIC TR INTL EQUITY ETF	SCHF	1.42	0.35	14.71	5.30	5.88	—	6.43	11/2/2009
<i>MSCI ACWI Ex USA NR USD</i>		<i>1.60</i>	<i>0.40</i>	<i>15.91</i>	<i>5.01</i>	<i>5.46</i>	<i>2.26</i>	—	—
US Fund Large Value									
VANGUARD INDEX FUNDS VANGUARD VALUE ETF	VTV	0.42	-1.98	11.37	9.67	11.85	8.03	8.01	1/26/2004
<i>Russell 1000 Value TR USD</i>		<i>0.33</i>	<i>-2.51</i>	<i>7.50</i>	<i>7.66</i>	<i>10.52</i>	<i>7.30</i>	—	—
US Fund Tactical Allocation									
BLACKROCK MULTI ASSET INCOME PORTFOLIO FD INSTITUTIONAL CL	BIICX	0.37	-0.98	3.67	3.59	4.31	5.53	5.62	4/7/2008
<i>Morningstar Mod Agg Tgt Risk TR USD</i>		<i>0.36</i>	<i>-0.42</i>	<i>11.06</i>	<i>7.09</i>	<i>8.15</i>	<i>6.49</i>	—	—
Unclassified									
JANUS INVT FD HENDERSON STRTGC INCM FD CL I	HFAIX	—	—	—	—	—	—	—	—

Fund Performance

As of April 30, 2018

The performance figures provided have been obtained from sources we believe to be reliable, but cannot be guaranteed as to accuracy and do not purport to be complete. They do not reflect the actual performance of your account. These figures represent past performance and do not guarantee future results. Mutual fund returns appearing in italics are based, in part, on adjusted historical returns for periods prior to the fund's actual inception. See disclosure report for more information. For a detailed explanation of the indices, as selected by Morningstar, please refer to the Reference Guide section of this report.

Reference Guide

Return Type - Time-Weighted Rate of Return (TWR)

Time-Weighted Rate of Return (TWR) is a measure of the compound rate of growth in a portfolio. Because this method eliminates the distorting effects created by inflows of new money, it is used to compare the returns of investment managers.

This is also called the "geometric mean return", as the reinvestment is captured by using the geometric total and mean, rather than the arithmetic total and mean. It is assumed that all cash distributions are reinvested in the portfolio and the exact same periods are used for comparisons. When calculating time-weighted rate of return, the effect of varying cash inflows is eliminated by assuming a single investment at the beginning of a period and measuring the growth or loss of market value to the end of that period.

Benchmark Indices

Blended Benchmarks

xxxx0914 Primary Blended Benchmark	%
BBgBarc US Agg Bond TR USD	63.00
ICE BofAML US 3M Trsy Bill TR USD	2.00
MSCI ACWI NR USD	35.00

BBgBarc US Agg Bond TR USD

This index is composed of the BarCap Government/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. The returns we publish for the index are total returns, which include reinvestment of dividends.

BBgBarc US Universal TR USD

BarCap U.S. Universal Bond Index: The U.S. Universal Index mirrors the increasingly popular "Core Plus" choice set used by many U.S.-dollar investors. It is the union of the U.S. Aggregate Index, the U.S. High Yield Corporate Index, the 144A Index, the Eurodollar Index, the Emerging Markets Index, the non-ERISA portion of the CMBS Index, and the CMBS

High Yield Index. Municipal debt, private placements, and non-dollar-denominated issues are excluded from the Universal Index.

ICE BofAML US 3M Trsy Bill TR USD

This index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

Morningstar Mod Agg Tgt Risk TR USD

The Morningstar Target Risk Index family is designed to meet the needs of investors who would like to maintain a target level of equity exposure through a portfolio diversified across equities, bonds and inflation-hedged instruments. The Morningstar Moderately Aggressive Target Risk Index seeks approximately 80% exposure to global equity markets.

MSCI ACWI Ex USA NR USD

MSCI All Country World Ex-USA Represents stock market indices from 22 developed and 24 emerging countries. The benchmark is often used as a measure of common stock performance in both developed and emerging countries around the world, excluding the United States. Free float-adjusted, market capitalization-weighted. Net total return indices reinvest dividends after the deduction of withholding taxes, using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

MSCI ACWI NR USD

The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 45 country indices comprising 24 developed and 21 emerging market country indices. The developed market country indices included are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The emerging market country indices included are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey*. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

MSCI EM NR USD

MSCI Emerging Markets Represents stock market indices from 24 emerging countries (Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Korea, Malaysia,

Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand and Turkey). Securities in closed markets and those shares in otherwise free markets that are not purchasable by foreigners are excluded. The benchmark is often used as a measure of common stock performance in emerging countries around the world. Free float-adjusted, market capitalization-weighted.

Russell 1000 TR USD

Consists of the 1000 largest companies within the Russell 3000 index, which represents approximately 98% of the investable US equity market. Also known as the Market-Oriented Index, because it represents the group of stocks from which most active money managers choose.

Russell 1000 Value TR USD

Tracks the companies within the Russell 1000 with lower price-to-book ratios and lower forecasted growth values.

Asset Class Descriptions

Asset allocation reports give an indication of market exposure, which may include an illustration of underlying holdings within investment companies and not actual individual holdings.

Cash, Money Markets and Bank Deposits

Investments of high liquidity and safety with a known market value and a very short-term maturity. For investment companies with underlying holdings (e.g., mutual funds, ETFs) the Morningstar methodology is used to determine the Cash, Money Markets and Bank Deposits asset class.

Emerging Markets Equities

Investments in securities of companies domiciled in developing (emerging) countries outside of the United States.

International Equities

Investments in securities of companies domiciled in developed countries outside of the United States.

International Fixed Income

Investments in the debt securities (bonds) of non-U.S. corporations and other non-U.S. fixed income issuers. Debt securities are an obligation issued by a borrower that requires them to make payments to the lender (investor). These payments can be interest, principal or both and can be according to a fixed or variable interest rate. The income from these bonds is subject to taxation.

US Large Cap Core Equities

Investments in the stocks of the largest U.S. companies by market capitalization. "Core" stocks possess characteristics of both "Value" and "Growth" stocks.

US Large Cap Value Equities

Investments in the stocks of the largest U.S. companies by market capitalization. "Value" is defined generally based on low price-to-book valuations.

US Taxable Fixed Income

Investments in the debt securities (bonds) of U.S. corporations and other U.S. fixed income issuers. Debt securities are an obligation issued by a borrower that requires them to make payments to the lender (investor). These payments can be interest, principal or both and can be according to a fixed or variable interest rate. The income from these bonds is subject to taxation.

Funds Available

This value includes funds classified as deposits in Money Market Sweep Accounts, the RBC Cash Plus, the RBC Insured Deposits, and uninvested cash.

Fixed Income Analysis

Weighted Average Coupon

The average rate of interest payable per annum, weighted by the amount of each bond's principal.

Weighted Average Maturity

The average time it takes for securities in a portfolio to mature, weighted by the holding quantities. This calculation looks at only the stated final maturity of each bond and doesn't take into consideration call features or current levels of interest rates. Typically, a WAM will indicate the greater possibility of portfolio price volatility.

Weighted Average Purchase Yield

The average of projected yields for fixed income securities at the time of purchase weighted by percentage of the total fixed income value of your portfolio. Only those fixed income securities with a purchase yield will be included in the calculation of this statistic.

Maturity Distribution Chart

Maturity Distribution Chart reflects the dollar value of Fixed Income securities, distributed over time, based on effective maturity. Effective maturity is the date to which a bond is priced taking into effect embedded options (call or pay-down features). Call or average life dates are

substituted for maturity dates on bonds priced to a call for portfolio average calculations.

Credit Quality Ratings

Bonds are evaluated for credit risk based on the financial performance of the issuer, both past and present. This Portfolio Review utilizes both Moody's ratings and Standard & Poor's ratings. Investment Grade bonds are those bonds whose risk of defaulting on the interest and principal payments is unlikely based on evaluating the issuer's current and projected financial performance. Bonds rated below Investment Grade, sometimes referred to as "High Yield Bonds", are from issuers whose current financial position is either speculative or uncertain in their ability to make principal and interest payments.

Credit Ratings - by Moody's/Standard & Poor's Non-Rated

NR/WR Not being rated by the rating agencies; does not necessarily reflect credit worthiness

Investment Grade

Aaa/AAA Highest possible rating; principal and interest payments are considered very secure. Includes Moody's rating #Aaa.

Aa1 to Aa3/AA+ to AA High quality; differs from highest rating only in the degree of protection provided to bondholders. Includes Moody's ratings P-1, MIG1, VMIG1 and S&P ratings A-1+, A-1 and SP-1+.

A1 to A3/A+ to A- Good ability to pay principal and interest; more susceptible to adverse effects due to changing conditions. Includes Moody's ratings MIG2 and VMIG2 and S&P rating SP-1.

Baa1 to Baa3/BBB+ to BBB- Adequate ability to pay principal and interest; more susceptible to adverse effects due to changing conditions. Includes Moody's ratings P-2, VMIG3, MIG3 and P-3 and S&P ratings A-2, A-3 and SP-2.

Speculative Grade

Ba1 to Ba3/BB+ to BB- Faces ongoing uncertainties or exposure to adverse business, financial or economic conditions

Ba to B3/B+ to B- Great vulnerability to default, but currently meeting debt service. Includes Moody's ratings NP and SG and S&P rating SP-3.

Caa to C/CCC to C Currently identifiable risk or default (For Moody's, may already be in default)

Report Options

Report

Selection

Portfolio Performance Summary

Return Type	Time-Weighted Rate of Return (TWR)
Include Gross of Fees Performance	Off
Asset Allocation	One to Many
Include Net Cash Flow Details	Off
Larger Font Report	Off

Trailing and Calendar Year Returns

Return Type	Time-Weighted Rate of Return (TWR)
Include Gross of Fees Performance	Off

Portfolio Holdings

Sort Options	Detailed Asset Class
Security Description	Detailed
Amortization & Accretion	On
Tax Lots	Consolidated
Custody	Held Here
Cost	Reinvest Cost

Proposed sample

Investment Policy Statement

City of Beacon

Defined Benefit Length of Service Award Program

Retirement Plan – Directed by

Board of Trustees

Approved May, 2018

**RBC Wealth Management, a division of RBC Capital Markets Corporation,
Member NYSE/FINRA/SIPC**

This Investment Policy Statement should be reviewed from time to time with the Sponsoring Board's Investment Advisor. Any change to this policy should be communicated in writing and on a timely basis to the Investment Advisor. If any term or condition of this Investment Policy Statement conflicts with any trust and/or plan document, the document shall control, as long as such term or condition is consistent with the law

Executive Summary

Type of Client:	Non ERISA LOSAP Plan – Board Directed
Plan Name:	City of Beacon LOSAP Defined Benefit Plan
Client Sub-type:	ERISA Exempt
Fiduciary Standard of Care:	Other - Prudent Man Rule
Tax Id:	14-6002076
Current Assets:	\$ 690,000
Time Horizon:	Long - More than 5 years
Modeled Return:	5.5%

Allocation Range Legend

LL: Lower Limit

SA: Strategic Allocation

UL: Upper Limit

Broad Asset Class	Peer Group	LL	SA	UL
Fixed Income - Broad Fixed Income	Multi-sector Bond	5.0	10.0	30.0
Fixed Income - Global Fixed Income	World Bond	5.0	10.0	30.0
	Emerging Mkts Bond	0.0	0.0	20.0
	Currency	0.0	0.0	30.0
Fixed Income – Int. Fixed Income	Inflation-Protected Bond	0.0	0.0	30.0
	Intermediate-Term Bond	10.0	20.0	50.0
Fixed Income – Short Fixed Income	Short-Term Bond	10.0	20.0	100.0
	Bank Loan	0.0	0.0	30.0
Fixed Income – High Yield	High Yield	0.0	0.0	10.0
Convertible Bond	Convertible	0.0	0.0	10.0
International Equity - Diversified	World Stock	3.0	10.0	20.0
	Diversified Emerging Mkts	0.0	0.0	10.0
Large Cap Equity	Large Blend	5.0	10.0	30.0
Mid Cap Equity	Mid-Cap Blend	0.0	0.0	10.0
Money Market	Money Market Taxable As needed for cash payouts	0.0	5.0	100.0
Other	Conservative Allocation	0.0	5.0	30.0
	Moderate Allocation	0.0	5.0	30.0
	Other/Alternative/Multi-Asset	0.0	0.0	30.0
	Specialty-Natural Res	0.0	0.0	20.0
	Commodities/Mgd Futures	0.0	0.0	10.0
	Specialty-Real Estate	0.0	0.0	10.0
	World Allocation	0.0	5.0	40.0
Small Cap	Small Blend	0.0	0.0	5.0

Purpose

The purpose of this Investment Policy Statement (IPS) is to assist the Sponsoring (Board) in effectively supervising, monitoring and evaluating the investment of the Town's Length of Service Award Plan (Plan) assets. The Plan's investment program is defined in the various sections of this IPS by:

1. Stating in a written document the Board's attitudes, expectations, objectives and guidelines for the investment of all of the Plan's assets.
2. Encouraging effective communications between the Board and all parties involved with the investment management decisions.
3. Establishing formal criteria to select, monitor, evaluate and compare the performance results achieved by each investment option on a regular basis.
4. Setting forth an investment structure for managing the Plan's assets. This structure includes various asset classes, investment management styles, asset allocation and acceptable ranges that, in total, are expected to produce an appropriate level of overall diversification and total investment return over the investment time horizon.
5. Providing guidelines for each investment portfolio that control the level of overall risk and liquidity assumed in that portfolio, so all Plan assets are managed in accordance with stated objectives.

Statement of Objectives

Background

The Plan is a defined benefit plan established in 2001 and currently covers 66 participants. Plan size is currently \$ 690,000 and annual contributions should total \$ 61,722. The purpose of the plan is to retain and recruit active volunteer firefighters.

This IPS has been arrived at upon consideration by the Board by a wide range of policies, and describes the prudent investment process the Board deems appropriate. This process includes offering various asset classes and investment management styles that, in total, are expected to offer the opportunity to diversify the portfolio in a manner consistent with the specified risk and return requirements of the portfolio.

The objectives of the Plan are:

1. Have the ability to pay all benefit and expense obligations when due.
2. Control costs of administering the plan and managing the investments.
3. Maximize return within reasonable and prudent levels of risk in order to minimize contributions.

Time Horizon

The investment guidelines are based upon an investment horizon of greater than five years. The Plan's strategic asset allocation is also based on this long-term perspective. Short-term liquidity requirements are anticipated to be covered by the plans assets.

Risk Tolerances

The Board recognizes that some risk must be assumed in order to achieve the investment objectives of the plan. In establishing the risk tolerances of the IPS, the ability to withstand short and intermediate term variability were considered.

A 1-yr loss limit of -9.5% has been calculated for the portfolio. Statistically speaking, there is a 5% chance (once in every twenty years) that the 1-year return will actually be lower than -9.5%.

In summary, The Plan's long time horizon, current financial condition and several other factors suggest collectively some interim fluctuations in market value and rates of return may be tolerated in order to achieve the longer-term objectives.

Performance Expectations

The desired investment objective is a long-term rate of return on assets that is at least 5.50%. The target rate of return for the Plan has been based upon the assumption that future real returns will approximate the long-term rates of return experienced for each asset class in the IPS.

The Board realizes market performance varies and a 6.00% rate of return may not be meaningful during some periods. Accordingly, relative performance benchmarks for the investment options are set forth in the "Monitoring" section.

Duties and Responsibilities

LOSAP Sponsoring Board

As fiduciaries under the Plan, the primary responsibilities of the Board are:

1. Prepare and maintain this investment policy statement.
2. Prudently diversify the Plan's assets to meet an agreed upon risk/return profile.
3. Prudently select investment options.
4. Control and account for all investment, record keeping and administrative expenses associated with the Plan.
5. Monitor and supervise all service vendors and investment options.
6. Avoid prohibited transactions and conflicts of interest.

Custodian

Custodians are responsible for the safekeeping of the Plan's assets. The specific duties and responsibilities of the custodian are:

1. Value the holdings.
2. Collect all income and dividends owed to the Plan.
3. Settle all transactions (buy-sell orders).
4. Provide monthly reports that detail transactions, cash flows, securities held and their current value, and change in value of each security and the overall Plan since the previous report.
5. Maintain separate accounts by legal registration.

Investment Advisor

The Investment Advisor serves as an objective, third-party professional retained to assist the Board in managing the overall investment process. The Advisor is responsible for managing the assets and guiding the Board through a disciplined and rigorous investment process to enable the Board to meet the fiduciary responsibilities outlined above.

Asset Class Guidelines

The Board believes long-term investment performance, in large part, is primarily a function of asset class mix. The Board has reviewed the long-term performance characteristics of the broad asset classes, focusing on balancing the risks and rewards.

Historically while interest-generating investments, such as bonds, have the advantage of relative stability of principal value, they provide little opportunity for real long-term capital growth due to their susceptibility to inflation. On the other hand, equity investments, such as common stocks, clearly have a significantly higher expected return but have the disadvantage of much greater year-by-year variability of return. From an investment decision-making point of view, this year-by-year variability may be worth accepting given the Plan's long time horizon.

The following asset classes were selected and ranked in ascending order of "risk" (least to most) according to the most recent quarter's median 3-year Standard Deviation values.

Money Market Taxable
Short-Term Bond
Intermediate-Term Bond
Conservative Allocation
Multi-sector Bond
Inflation-Protected Bond
Moderate Allocation
World Bond
World Allocation
Large Blend
Foreign Large Blend
Mid-Cap Blend
Small Blend
Specialty-Real Estate
Specialty-Natural Res
Other

The performance expectations (both risk and return) of each broad asset class are contained in Appendix A.

Rebalancing of Strategic Allocation

The percentage allocation to each asset class may vary depending upon market conditions. Please reference the allocation table in the Executive Summary for the lower and upper limits for each asset class. When necessary and/or available, cash inflows/outflows will be deployed in a manner consistent with the strategic asset allocation and allocation ranges of the Plan. If there are no cash flows, the allocation of the Plan will be reviewed quarterly.

If the Board judges cash flows to be insufficient to bring the Plan within the target allocation ranges, the Board shall decide whether to effect transactions to bring the allocation of Plan assets within the threshold ranges.

Implementation

The Board will apply the following due diligence criteria in selecting each money manager or mutual fund.

1. Regulatory oversight: Each investment option should be managed by: (i) a bank; (ii) an insurance company; (iii) a registered investment company (mutual fund); or, (iiii) a registered investment adviser.
2. Correlation to style or peer group: The investment option should be highly correlated to the asset class being implemented. This is one of the most critical parts of the analysis since most of the remaining due diligence involves comparisons of the investment option to the appropriate peer group.
3. Performance relative to a peer group: The investment option's performance should be evaluated against the peer group's median manager return, for 1-, 3- and 5-year cumulative periods.
4. Performance relative to assumed risk: The investment option's risk-adjusted performance (Alpha and/or Sharpe Ratio) should be evaluated against the peer group's median manager's risk-adjusted performance.
5. Minimum track record: The investment option should have sufficient history so that performance statistics can be properly calculated.
6. Assets in the product: The investment option should have sufficient assets so that the portfolio manager can properly trade the account.
7. Holdings consistent with style: The underlying securities of the investment option should be consistent with the associated broad asset class.
8. Expense ratios/fees: The investment option's fees should be fair and reasonable. Core/Satellite approach can be implemented to control expenses. This is the recognition that passive management and index funds should be used for the more efficient asset classes combined with active management for less efficient asset classes.
9. Stability of the organization: There should be no perceived organizational problems.

Monitoring

Performance Objectives

The Board acknowledges fluctuating rates of return characterize the securities markets, particularly during short-term time periods. Recognizing that short-term fluctuations may cause variations in performance, the Board intends to evaluate investment performance from a long-term perspective.

The Board is aware the ongoing review and analysis of the investment options is just as important as the due diligence process. The performance of the investment options will be monitored on an ongoing basis and it is at the Board's discretion to take corrective action by replacing a manager if they deem it appropriate at any time.

On a timely basis, but not less than annually, the Board will meet to review whether each investment option continues to conform to the search criteria outlined in the implementation section; specifically:

1. The investment option's adherence to the watch list criteria;
2. Material changes in the investment option's organization, investment philosophy and/or personnel; and,
3. Any legal, SEC and/or other regulatory agency proceedings affecting the investment options organization.

Benchmarks

The Board has determined it is in the best interest of the Plan's participants that performance objectives be established for each investment option. Manager performance will be evaluated in terms of an appropriate market index (e.g. the S&P 500 stock index for large-cap domestic equity manager) and the relevant peer group (e.g. the large-cap growth mutual fund universe for a large-cap growth mutual fund).

Peer Group	Index
Conservative Allocation	Dow Jones U.S. Moderately Conservative
Foreign Large Blend	MSCI World ex US NDTR_D
Inflation-Protected Bond	Lehman Brothers U.S. Treasury TIPS
Intermediate-Term Bond	Lehman Brothers 5-10 Yr Govt/Credit Bond
Large Blend	Russell 1000
Mid-Cap Blend	Standard & Poors Midcap 400 PR
Moderate Allocation	Dow Jones U.S. Moderate Portfolio
Money Market Taxable	3 Month T-Bill

Multisector Bond	Lehman Brothers U.S. Universal Bond
Other	
	3 Month T-Bill
Short-Term Bond	Lehman Brothers 1-5 Yr Govt/Credit Bond
Small Blend	Russell 2000
Specialty-Natural Res	Goldman Sachs Natural Resources
Specialty-Real Estate	DJ Wilshire REIT
World Allocation	MSCI World NDTR_D
World Bond	Citigroup Non-USD WGBI USD

Watch List Criteria

An investment option may be placed on a Watch List and a thorough review and analysis of the investment option may be conducted, when:

1. An investment option performs below median for their peer group over a 1-, 3- and/or 5-year cumulative period.
2. An investment option's 3-year risk adjusted return (Alpha and/or Sharpe) falls below the peer group's median risk adjusted return.
3. There is a change in the professionals managing the investment option.
4. There is a significant decrease or increase in the investment option's assets.
5. There is an indication the investment option is deviating from the stated style and/or strategy.
6. There is an increase in the investment option's fees and expenses.
7. Any extraordinary event occurs that may interfere with the investment option's ability to prudently manage investment assets.

The decision to retain or terminate an investment option cannot be made by a formula. It is the Board's confidence in the investment option's ability to perform in the future that ultimately determines the retention of an investment option.

Measuring Costs

The Board will review at least annually all costs associated with the management of the Plan, including:

1. Expense ratios of each mutual fund against the appropriate peer group.
2. Administrative Fees; costs to administer the Plan, including record keeping, custody and trust services.
3. The proper identification and accounting of all parties receiving soft dollars and/or 12b-1 fees generated by the Portfolio.

Investment Policy Review

The Board will review this IPS at least annually to determine whether stated investment objectives are still relevant and the continued feasibility of achieving the same. It is not expected that the IPS will change frequently. In particular, short-term changes in the financial markets should not require adjustments to the IPS.

Prepared by:

David M Rogers
RBC Wealth Management

Signature

Date

Approved by:

LOSAP Sponsoring Board

Mayor

Date

Appendix A

Asset Allocation Model	Return	Risk	Yield	Dividend	Turnover
Cash	2.00%	2.00%	2.00%	0.00%	100.00%
CDs	2.50%	3.00%	2.50%	0.00%	100.00%
Fixed Annuities	2.50%	3.50%	0.00%	0.00%	5.00%
Intermediate-Term Fixed Income	4.75%	6.00%	4.75%	0.00%	60.00%
Long-Term Fixed Income	5.25%	8.00%	5.25%	0.00%	40.00%
Intermediate-Term Tax Exempt	3.25%	4.00%	3.25%	0.00%	60.00%
Long-Term Municipal	3.75%	8.00%	3.75%	0.00%	40.00%
Corporate Fixed Income	5.50%	8.50%	5.50%	0.00%	40.00%
Mortgage Backed Fixed Income	5.00%	7.50%	5.00%	0.00%	40.00%
High Yield Fixed Income	8.25%	16.00%	8.25%	0.00%	40.00%
Large Value Equities	8.50%	13.25%	0.00%	2.50%	40.00%
Large Growth Equities	9.60%	16.00%	0.00%	1.75%	40.00%
Small Value Equities	10.00%	18.75%	0.00%	2.25%	40.00%
Small Growth Equities	11.10%	22.00%	0.00%	1.50%	40.00%
Mid Cap Equities	9.75%	18.00%	0.00%	2.00%	40.00%
Balanced Funds	6.25%	11.00%	2.00%	0.50%	60.00%
Real Estate	6.50%	14.00%	5.50%	0.00%	10.00%
Futures/Commodities	7.00%	30.00%	0.00%	0.00%	100.00%
Venture Capital/Ltd. Partnerships.	11.50%	35.25%	0.00%	0.00%	10.00%
International Equities	10.00%	22.25%	0.00%	1.75%	40.00%
International Fixed Income	6.00%	13.25%	6.00%	0.00%	40.00%
Emerging Equities	10.50%	40.25%	0.00%	0.75%	40.00%

Asset Class Volatility Risk and Estimated Expected Return Rate Assumptions[®]

City of Beacon Workshop Agenda
5/29/2018

Title:

Waste Collection Agreement

Subject:

Background:

ATTACHMENTS:

Description	Type
Waste Collection Agreement	Agreement

TEAHAN & CONSTANTINO LLP

VINCENT L. TEAHAN
JAMES P. CONSTANTINO
EMIL D. CONSTANTINO*

RICHARD I. CANTOR
STEPHEN C.F. DIAMOND
ANN GIFFORD

ELIOT D. HAWKINS
GERALD V. HAYES

COUNSEL

*MEMBER OF MASSACHUSETTS BAR ONLY

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Tel (845) 677-2101

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May 24, 2018

VIA EMAIL ONLY

TO: Randy Casale, Mayor of the City of Beacon
Mayor@cityofbeacon.org

Anthony Ruggiero, City of Beacon Administrator
aruggiero@cityofbeacon.org

RE: DRAFT WASTE COLLECTION AGREEMENT

Gentlemen,

In accordance with your request, I attach a draft Waste Collection Agreement for the contract period commencing July 1, 2018. I have undertaken to use the language in the existing Agreement modifying it to reflect the recent bid adjustments. You will observe, however, that while some of the language is awkward, I believe it includes all of the services currently being provided to the City.

Service to Riverfront Park and Memorial Park were inadvertently excluded in the bid. I have added Memorial Park (as Lot 1, Item 13.1) and Riverfront Park (Lot 1, 13.2 for summer service and Lot 1, Item 13.3 for winter service) in the service and Price Schedule. As with our current Agreement there is no charge for servicing these locations. Other changes made to the underlining Agreement over its life have also been incorporated into this Agreement. For example, Royal agreed to provide up to 100 "95 gallon" recycling carts at no extra charge; that change is carried over in this Agreement.

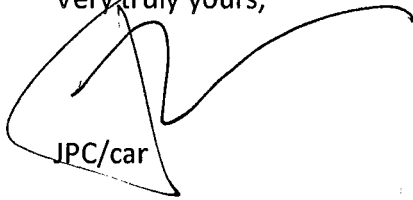
Finally, in an effort to assist the City with addressing the issue of its current budget with the mid year adjustment in this Contract, Royal agrees to adjust the price commencing July 1 based on the 2014 (not 2018) base contract price. See Exhibit "C". Commencing January 1, 2019, the bid adjusted contract price will adjust per the bid as impacted by the 2018 weight surveys.

TEAHAN & CONSTANTINO LLP

I am available to discuss this Agreement and to respond to any questions or comments you, council or your attorney may have.

Thank you for your continuing courtesy.

Very truly yours,

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a horizontal line and a small 'car' at the end. The signature is written over the text 'JPC/car'.

cc: Nicholas Ward-Willis, Esq.
Emil Panichi, President

DRAFT

Waste Collection Agreement Between the City of Beacon and Royal Carting

THIS AGREEMENT, made the ____ day of ___, 2018, but effective as of July 1, 2018, by and between the City of Beacon (the "City"), a municipal corporation with offices located at One Municipal Plaza, Beacon, New York 12508, and Panichi Holding Corp. d/b/a Royal Carting Service Co. ("Royal"), a corporation with offices located at 409 Route 82, Hopewell Junction, New York 12533.

WITNESSETH:

WHEREAS, the City wishes to employ a contractor to collect, remove and dispose of burnable and recyclable waste from designated privately-owned real property, municipal buildings and public spaces within the City of Beacon, and

WHEREAS, Royal has submitted a bid proposal to the City which the City Council has found to be advantageous to the City with respect to the collection and removal of burnable and recyclable waste.

NOW THEREFORE, in consideration of these mutual promises and covenants, and other good and valuable consideration, the parties hereby agree as follows:

ARTICLE I

A. Burnable Waste Collection and Disposal

Royal shall furnish all the materials, equipment and labor required to on a weekly basis collect, remove and dispose of one (1) Royal-supplied ninety-five (95) gallon container with attached lid and wheels for mechanical pickup of burnable waste from approximately 4,300 tax parcels in the City of Beacon.

Property owners may put additional containers out for pick up by purchasing "Add-a-Can" tags at City offices and attaching same to each additional can or by enrolling in the annual Add-a-Can Program. The City will reimburse Royal for every "Add-a-Can" tag turned into the City in accordance with the "Service and Price Schedule", annexed hereto as Exhibit "A".

Work shall include collection from street/trash-receptacles (defined herein as publicly-available trash receptacles maintained in a public right of way by the City of Beacon) five (5) times per week on Monday, Tuesday, Wednesday, Thursday, and Friday. The street trash

receptacles shall be combination trash/recycling containers with 18 gallon capacity each and a lockable door, except for up to twenty-two (22) new trash and/or recycling receptacles (without regard to the condition of the 22 receptacles to be replaced and to be provided by Royal at no equipment cost or rental to the City), having a capacity and design that shall be agreed to by the City and Royal. The City shall provide a list of street trash-receptacles (Exhibit "B", annexed) which list shall be attached to and become a part of this Contract as well as designate up to 20 receptacles to be replaced. Royal shall repair, maintain and replace, at its sole cost and expense, all street trash-receptacles existing or installed during the term of this Contract, or any renewal or extension thereof, except that in the event of accidental damage or destruction by the City or an act of vandalism, the City shall submit an insurance claim to cover the cost of repair or replacement, if coverage is available. "Vandalism," for purposes of this Agreement, shall mean the defacement or destruction of any street-trash receptacle by a third party to this Agreement, but shall not include instances of defacement or destruction facilitated by Royal's failure to properly secure or maintain said receptacles. The City reserves the right, upon written notification to Royal, to add to or delete from the attached list of street trash-receptacles at any time during the term of the Contract, including any renewal or extension term.

Royal shall collect, remove and dispose of residential, commercial and municipal waste collected from the curb or designated area on a day or days of the week agreed to by the City. Any spillage into the road or sidewalks while carrying the containers to the truck or while emptying containers into the truck must be cleaned up by Royal before moving to the next collection pickup. A broom and shovel shall be carried on each truck to facilitate clean up. Lids must be replaced on containers after pickup. Royal must notify the City Administration via facsimile on a form provided by the City of all waste not collected and the reason collection was refused. The City reserves the right to change the collection schedule and specifications.

B. Recyclable Waste Collection

Royal shall provide one (1) 65 gallon recycling collection bin for approximately 4,300 tax parcels, and shall furnish all materials and perform all work to collect, remove and dispose of single stream recyclables from each tax parcel that meets the collection specifications once every week corresponding with the burnable waste collection schedule. Royal shall provide without cost to the City up to one hundred (100) 95 gallon recycling collection bins and thereafter, additional 95 gallon recycling collection bins at cost, upon written demand. A broom and shovel shall be carried on each truck to facilitate clean-up of spillage or breakage during recyclable waste collection. Royal shall provide an additional 65 gallon recycling collection bin at the rate of \$60.00 per bin.

C. Container Lease and Services

Royal shall provide all equipment and perform all work to provide waste and/or recyclable collection services the Beacon City Hall, Transfer Station, Parks Department, Memorial Building, Memorial Park, Riverfront Park and Fire Station #2 or as more specifically described in the Service and Price Schedule, annexed. The burnable waste containers shall be serviced by the burnable waste collection truck. Containers shall be emptied in accordance with the requirements set forth in the Service and Price Schedule which includes, but is not limited to:

1. **Beacon City Hall**

Royal shall provide Beacon City Hall with containers for recyclables;

2. **Waste Water Treatment Facility**

Royal shall provide the Waste Water Treatment Facility with two (2) two-cubic-yard containers – one (1) for the septage receiving station and one (1) for grit removal. These containers shall be emptied daily; and

3. **Transfer Station**

Royal shall provide the Transfer Station with a service which includes the container hauling and disposal of materials in accordance with requirements more particularly described in the Service and Price Schedule. Containers shall be serviced on demand. The Transfer Station requires up to 12 containers (6 for commingles and 6 for newspapers).

ARTICLE II

A. Changes in Disposal Costs and Tonnage: Burnable Waste

1. Should Royal's cost of burnable waste disposal increase or decrease more than \$10.00 per ton during the term of this Contract, or any extension or renewal thereof, the City will increase or decrease its contract payments as follows:

<u>Base Disposal Cost Per Ton:</u>	Provided by Royal, subject to audit
------------------------------------	-------------------------------------

<u>New Disposal Cost per Ton:</u>	Provided to the City within three days of Royal's notification effective thirty days after change; also subject to audit.
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Monthly tonnage to be used **only** for calculation of payment change: 300 tons per month.

Calculation of payment change:

$[(\text{new per ton rate}) - (\text{base per ton rate})] * 300 = \text{increase/decrease in monthly payment}$

Example: Base rate = \$55.00 New Rate = \$65.00

$[(\$65.00 - \$55.00) * 300 = \$3,000 \text{ payment increase as a result of audited increase in Royal's cost of disposal.}$

2. Payment will be recalculated for each year beginning January 1, 2019, and January 1 of each renewal term based upon the average of the quarterly surveys of tonnage collected, but shall not be less than 300 tons per month effective as of July 1, 2018. Payment on the tonnage shall be reduced or increased as determined by the calculation of the results of quarterly surveys (to be conducted on a schedule the parties shall mutually establish) with such adjustment being made not later than the second monthly statement following the final survey for the relevant contract year. If the term of the Contract is extended for subsequent years, the tonnage will be adjusted based on the average tonnage collected in the preceding year, effective January 1st of the new term.

For the period July 1, 2018 through December 7, 2018, the City shall pay a special adjusted rate as more particularly calculated in the correspondence set forth in Exhibit "C" annexed.

B. Recyclable Waste Collection

Recyclable volume of 350 tons (per annum) of commingled recyclables and 300 tons (per annum) of mixed paper waste is anticipated. If the volume increases, the City will not be responsible for any increase in collection and removal costs incurred by Royal. The City will pay the actual cost of disposal and shall collect 100% of the revenue, if any, derived for the sale of such recyclable materials. All credits to be paid to (and all costs to be borne by) the City shall be pursuant to a separate and direct account to be established with ReCommunity Recycling.

If there is a change in disposal costs by any other recyclable disposal facility, the City must be notified in writing within two (2) days of the date Royal is notified. Payment, if any, will be based on an audit of Royal's disposal costs.

C. Roll Off Container and Dumpster Lease and Service

Cost based on service and lease of equipment in accordance with the Service and Price Schedule, and includes:

1. Transfer Station

Royal shall provide the charge for the container, hauling and disposal at the prices per the Service and Price Schedule. Any adjustment to these costs will be provided to the City within three (3) days of Royal's notification effective thirty (30) days after an approved adjustment by the New York State Office of General Services. Bulk waste shall include metal, construction and demolition debris, furniture and junk.

Decreases/Increases in collection costs will be calculated as follows: X (disposal price/ton)

X annual disposal costs = adjusted annual cost to city. X = new disposal rate/ton

2. Dumpster Lease

The dumpster lease for Beacon City Hall, Transfer Station, Parks Department, Memorial Park Riverfront Park* and Fire Station #2 shall be based on Service and Price Schedule. These rates will not increase during the life of the contract. These containers shall be serviced under the burnable waste and collection contract.

2.1 Riverfront Park

Collection services for the Riverfront Park shall be in accordance with the Service and Price Schedule, annexed.

3. Waste Water Treatment Facility

The Waste Water Treatment Facility requires two (2) two-cubic yard containers – one (1) for the septage receiving station and one (1) for grit removal.

ARTICLE III

Agreement Summary

The City shall pay Royal for the performance of solid waste management activities and for the provision of solid waste management equipment in accordance with the Service and Price Schedule.

ARTICLE IV

Term of Agreement

The work will be performed under this Contract shall begin as of July 1, 2018 and shall continue for a period of eighteen (18) months terminating on December 31, 2019.

The City of Beacon reserves the right to renew this contract for three (3) additional one-year terms under the same terms and conditions as this contract.

Royal's Bid Proposal Form and accompanying documentation, dated April 30, 2018, are attached and incorporated into this Contract with the intent that they be binding on the parties in accordance with the terms set forth therein.

Tonnage adjustments will be made upon renewal and shall take effect as of January 1, 2019 of the renewal term.

ARTICLE V

A. Entire Agreement

The terms and conditions set out herein are the entire terms and conditions of this Contract and any prior or contemporaneous understandings or Contracts, oral or written, are merged herein. There are no representations or warranties, Contracts, or covenants other than those expressly set forth in this Contract. This Contract may be amended or modified and/or any right or obligation arising under this Contract may be waived from time to time only by a written instrument executed by the City and Royal. The failure of either party at any time to enforce any of the provisions of this Contract shall not constitute a waiver of such provision.

B. Compliance with Law

The parties shall comply with Applicable Laws in performing their respective obligations hereunder.

C. Indemnification

Royal shall, during the performance of this Agreement, take all necessary precautions and place proper safeguards for the prevention of accidents and shall indemnify and save harmless, the City, its employees, officers and agents from any and all liability for damages,

costs, losses, penalties and expenses, including reasonable attorney's fees, resulting from any claim asserted by a third party for wrongful death, bodily injury and/or property damage which are caused solely by willfulness, negligence or carelessness in the performance of the Agreement or in guarding and protecting the same or from any improper methods, materials implements or appliances used in its performance or construction, except to the extent such damages, costs, losses, penalties and expenses are the result of any passive or concurrent negligent act or omission by the City or any of its employees, officers or agents.

D. Governing Law and Venue

This Contract and performance under it shall be governed by and construed in accordance with the laws of the State of New York. All claims counterclaims, disputes and other matters in question between the City and Royal, not otherwise resolved, arising out of or relating to this Contract or its breach shall be decided in a court of competent jurisdiction. The City and Royal hereby agree that there shall be no requirement for arbitration of any controversies or disputes hereunder, all such matters to be resolved at law.

E. Severability

If this Contract contains any unlawful provision, the same shall be deemed of no effect and shall, upon the application of either party, be deemed stricken from this Contract without affecting the binding force of the remainder.

F. Assignment or Novation

Royal shall not assign or transfer, whether by an assignment or novation, any of its rights, duties, benefits, obligations, liabilities or responsibilities under this Contract without the written consent of the City; provided, however, that assignments to banks, trust companies, or other financial institutions may be made without the consent of the City. No assignment or novation of this Contract shall be valid unless the assignment or novation expressly provides that the assignment of any of Royal's rights or benefits under the Contract is subject to a prior lien for labor performed, services rendered and materials, tools and equipment supplied for the performance of the work under this contract in favor of all persons, firms or corporations rendering such labor or services or supplying such materials, tools or equipment.

G. Prevailing Wage Determination

Royal shall ensure that the wages to be paid to laborers, workmen or mechanics shall not be less than the prevailing rate of wages as defined in New York Labor Law §220.

IN WITNESS WHEREOF, the parties hereto have caused their corporate seals to be hereunto affixed, and, these presents to be signed by their duly authorized officers the day and year first above written.

APPROVED AS TO FORM: CITY OF BEACON

By: _____
RANDY CASALE, Mayor

By: _____
ANTHONY RUGGIERO, City Administrator

By: _____
NICHOLAS M. WARD-WILLIS, City Attorney

APPROVED AS TO FORM: ROYAL CARTING SERVICE CO.

By: _____
EMIL PANICHI, President

ACKNOWLEDGMENT

STATE OF NEW YORK)
)ss.:
COUNTY OF DUTCHESS)

On the ____ day of _____, 2018, before me, the undersigned, Notary Public in and for said State, personally appeared **EMIL PANICHI**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the entity upon behalf of which the individual acted, executed the instrument.

Notary Public

EXHIBIT “A”

SERVICE AND PRICE SCHEDULE

EXHIBIT "A"

SERVICE AND PRICE SCHEDULE

SERVICE SCHEDULE

In addition to the service requirements outlined in the Master Contract, the following requirements shall also apply:

Region 14, Lot 1, Item #1 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: $\pm 4,300$ parcels - 95 gallon automated refuse collection carts picked up curbside once per week

Region 14, Lot 5, Item #2 Single Stream Recycling: $\pm 4,300$ parcels - 65 gallon automated refuse collection carts picked up curbside once per week

Region 14, Lot 1, Item #3 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: ± 60 - 35 gallon litter baskets picked up curbside five times per week

Region 14, Lot 1, Item #4 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: additional 95 gallon automated refuse collection cart picked up curbside once per week

Region 14, Lot 1, Item #5 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 2 to 10 cubic yards - 3 cubic yard container (Fire Station–Main Street) picked up twice per week

Region 14, Lot 5, Item #6 Single Stream Recycling: 65 gallon automated refuse collection cart picked up twice per week (Fire Station–Main Street)

Region 14, Lot 1, Item #7 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 2 to 10 cubic yards - 3 cubic yard container (City Hall) picked up three times per week

Region 14, Lot 1, Item #8 Disposal of Municipal Solid Waste in Bins Dumpsters or Roll-off Containers: 2 to 10 cubic yards – 4 cubic yard container (soccer club) picked up once per week

Region 14, Lot 1, Item #9 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 2 to 10 cubic yards – 2 cubic yard container (Water Treatment Plant) picked up five times per week

Region 14, Lot 1, Item #10 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 2 to 10 cubic yards – 4 cubic yard container (Camp) picked up twice per week (seasonal: June – August)

Region 14, Lot 1, Item #11 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 2 to 10 cubic yard container – 6 cubic yard container (Fire Station/Legion–South Avenue) picked up once per week

Region 14, Lot 1, Item #12 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 2 to 10 cubic yard container – 6 cubic yard container (Transfer Station) picked up once per week

Region 14, Lot 1, Item #13 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 2 - 95 gallon automated refuse collection carts (City Hall) picked up once per week

Region 14, Lot 1, Item #13.1 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 6 cubic yard container (Memorial Park) picked up twice per week

Region 14, Lot 1, Item #13.2 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 2 to 10 cubic yards – 4 cubic yard container (Riverfront Park) picked up twice per week (seasonal: May – September)

Region 14, Lot 1, Item #13.3 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 2 to 10 cubic yards – 4 cubic yard container (Riverfront Park) picked up once per week (seasonal: October – April)

Region 14, Lot 5, Item #14 Single Stream Recycling: 8 cubic yard container (Transfer Station) picked up once per week

Region 14, Lot 3, Item #15 Disposable of Construction and Demolition (C&D) Materials: 20 cubic yard roll-off container (Transfer Station) on-call

Region 14, Lot 13, Item #16 Recycling of Scrap Metal: 20 cubic yard roll-off container (Transfer Station) on-call

Region 14, Lot 10, Item #17 Recycling of Corrugated Cardboard: 20 cubic yard roll-off container (Transfer Station) on-call

Region 14, Lot 6, Item #18 Recycling of Comingled Recyclables (E-Waste Only): 15 cubic yard roll-off container (Transfer Station) on-call

Region 14, Lot 1, Item #19 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 33 gallon container on-call

Region 14, Lot 1, Item #20 Disposable of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers: 4 cubic yard container (Camp) seasonal (September – May) on-call

PRICE SCHEDULE

Lot 1 – Disposal of Municipal Solid Waste in Bins, Dumpsters or Roll-off Containers

Item 1: Bins (1 CY or smaller)

The bidder shall provide the following pricing:

\$ 3.20 price per container per pickup

\$ 13,760 price per pickup for all containers (price per container per pickup x number of containers)

\$ 59,580.80 /month -- weekly curbside trash

Item 2: Bins (1 CY or smaller)

The bidder shall provide the following pricing:

\$ 1.03 price per container per pickup

\$ 4,429 price per pickup for all containers (price per container per pickup x number of containers)

\$ 19,177.57/month -- weekly curbside recycling

Item 3: Bins (1 CY or smaller)

The bidder shall provide the following pricing:

\$ 1.00 price per container per pickup

\$ 60.00 price per pickup for all containers (price per container per pickup x number of containers)

\$ 1,299.00 /month -- weekly City trash/recycling receptacles

Item 4: Bins (1 CY or smaller)

The bidder shall provide the following pricing:

*\$ 4.33 price per container per pickup

\$ 18.75/month

* Extra 65 gallon container: \$3.68/pickup \$15.95/month

Extra 35 gallon container: \$2.95/pickup \$12.75/month

Item 5: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 0 price per container per pickup

Item 7: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 0 price per container per pickup

Item 8: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 0 price per container per pickup

Item 9: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 0 price per container per pickup

Item 10: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 0 price per container per pickup

Item 11: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 0 _____ price per container per pickup

Item 12: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 0 _____ price per container per pickup

Item 13: Bins (1 CY or smaller)

The bidder shall provide the following pricing:

\$ 0 _____ price per container per pickup

\$ 0 _____ price per pickup for all containers (price per container per pickup x number of containers)

Item 13.1: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 0 _____ price per container per pickup

Item 13.2: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 0 _____ price per container per pickup

Item 13.3: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 0 _____ price per container per pickup

Item 19: Bins (1 CY or smaller)

The bidder shall provide the following pricing:

\$ 2.25 _____ price per container per pickup

\$ N/A _____ price per pickup for all containers (price per container per pickup x number of containers)

ADD-A-CAN

Item 20: Dumpsters (2 to 10 CY)

The bidder shall provide the following pricing:

\$ 25.00 _____ price per container per pickup

\$ 0 _____ Rental fee

Lot 3 – Disposal of Construction and Demolition (C&D) Materials

Item 15: Roll-off Containers (20 to 40 CY)

The bidder shall provide the following pricing:

\$ 0 _____ Rental Fee (per month)

\$ 78.00 _____ Tipping Fee (per ton)

\$ 175.00 _____ Haul Charge (per pickup)

Lots 5 – Single Stream Recycling

Item 6: Bins (1 CY or smaller)

The bidder shall provide the following pricing:

\$ 0 _____ price per container per pickup

\$ 0 price per pickup for all containers (price per container per pickup x number of containers)

Item 14: (2 to 10 CY) Dumpsters

The bidder shall provide the following pricing for the service

\$ 0 price per cubic yard of dumpster per pickup

\$ 0 price per for the dumpster (price per cubic yard per pickup x dumpster size in CY)

\$ 0 Recyclable Processing Fee (per ton)

\$ 0 Recyclable Floor Price (per ton)

0 % Revenue Sharing Percentage

Lot 6 – Recycling of Comingled Recyclables (E-Waste Only)

Item 18: Roll-off Containers (15 CY)

The bidder shall provide the following pricing for the service

\$ 0 price per cubic yard of dumpster per pickup

\$ 117.00 price per for the dumpster (price per cubic yard per pickup x dumpster size in CY) (Haulage)

\$ ** Recyclable Processing Fee (per ton)

\$ 0 Recyclable Floor Price (per ton)

0 % Revenue Sharing Percentage

Lot 10 – Recycling of Corrugated Cardboard

Item 17: Roll-off Containers (20 to 40 CY)

The bidder shall provide the following pricing for the service

\$ 0 price per cubic yard of dumpster per pickup

\$ 75.00 price per for the dumpster (price per cubic yard per pickup x dumpster size in CY) (Haulage)

\$ 0 Recyclable Processing Fee (per ton)

\$ 0 Recyclable Floor Price (per ton)

0 % Revenue Sharing Percentage

Lot 13 – Recycling of Scrap Metal

Item 16: Roll-off Containers (20 to 40 CY)

The bidder shall provide the following pricing for the service

\$ 0 price per cubic yard of dumpster per pickup

\$ 50.00 price per for the dumpster (price per cubic yard per pickup x dumpster size in CY) (Haulage)

\$ 0 Recyclable Processing Fee (per ton)

\$ 0 Recyclable Floor Price (per ton)

100 % Revenue Sharing Percentage

**** Residents direct pay processing fee per schedule**

EXHIBIT B

Waste Collection Agreement
Between the City of Beacon and Royal Carting

SOUTH SIDE MAIN STREET

129 Main Street (*Bank Square Coffee House*)
149 Main Street (*Wood & Cotton*)
167 Main Street (*Play*)
Corner of Main Street and Cliff (*Bus Stop*)
201 Main Street (*Beacon Institute*)
213 Main Street (*BJ's Restaurant*)
223 Main Street (*County Building at corner*)
257 Main Street (*Barber Shop*)
285 Main Street (*Dry Cleaners*)
291 Main Street (*Old telephone building*)
303 Main Street (*Hair Dresser*)
307 Main Street (*Howland Library*)
319 Main Street (*formerly Weymes*)
335 Main Street (*Photography Shop*)
341 Main Street (*Pizza & Stuff*)
347 Main Street (*Main Street Cleaners*)
369 Main Street (*Post Office*)
381 Main Street (*Towne Crier Cafe*)
403 Main Street (*Pat Malouf*)
417 Main Street (*Memorial Building*)
445 Main Street (*Beacon Creamery*)
469 Main Street (*Seoul Kitchen*)
477 Main Street (*Howland Cultural Center*)
Main Street – (*bench across from South Street*)

NORTH SIDE MAIN STREET

144 Main Street (*Mountain Tops*)
172 Main Street (*Riverwinds*)
190 Main Street (*Sign of the Times*)
200 Main Street (*M & T Bank*)
200 Main Street (*by clock*)
240 Main Street (*Izamu*)
268 Main Street (*Key Food*)
276 Main Street (*Amarcord*)
294 Main Street (*Subway*)
300 Main Street (*Duso Travel*)
320 Main Street (*Rite Aid*)
338 Main Street (*near Antalek Insurance*)
348 Main Street (*Beacon Natural Market*)
364 Main Street (*Citizens Bank*)
378 Main Street (*Walden's Building*)
392 Main Street (*Kennedy Chicken*)
412 Main Street (*by tree planter*)
436 Main Street (*Ella's Bellas*)
466 Main Street (*Beacon Bagel*)
468 Main Street (*Echo*)
480 Main Street (*Utensil Store*)
498 Main Street (*corner of South Street*)
504 Main Street (*corner of South Street*)
530 Main Street (*Feng Shui*)

WOLCOTT AVENUE

Wolcott Avenue at Harborview Court
(*bus stop across from Hudson Avenue*)
North Avenue at Main (*Robert Pohill Park*)

EAST MAIN STREET

25 East Main Street (*L. Way Building*)
28 East Main Street (*side of Durkin's Deli*)
20 East Main Street (*McMillan Building*)

MUNICIPAL PARKING LOTS

Veteran's Place – 1 can
Tioronda Bridge Park at Wolcott Avenue – 1 can
206 Main (*near Pleasant Ridge Restaurant*) – 1 can

DRAFT

EXHIBIT "C"

May 24, 2018

Anthony Ruggiero, City Administrator
City of Beacon
1 Municipal Center
Beacon, New York 12508

**Re: December Trash and Recycling Weight Survey
2017 Rate Adjustment**

Dear Mr. Ruggiero:

Survey Results:

Enclosed are summaries of the 2017 trash and recycling surveys for City of Beacon materials collected as follows:

2017 Summary Results:

<u>SURVEY FOR WEEK OF</u>	<u>TRASH (tons)</u>	<u>RECYCLABLES (tons)</u>
December 11, 2017	55.50	-----
December 4, 2017	-----	23.51
September 18, 2017	72.53 ¹	-----

¹Monday and Tuesday of this week was not surveyed due to City personnel shortage. The actual tonage collected over the 3 day survey period was 43.52. Adjusting for a 5 day week resulted in estimated survey tonage of 72.53 determined as follows: $43.52 \text{ tons} \div 3 \times 5 = 72.53$ tons.

September 25, 2017	-----	19.37
June 12, 2017	71.08	-----

June 19, 2017	-----	21.63
April 3, 2017	66.89	-----
April 10, 2017	-----	21.26

Analysis - Trash:

As you know, the City was not increased in 2018, even though the holdover terms of its Agreement with Royal would have permitted such an increase. Given the City's current 2018 budget constraints, Royal proposes to use the 2014 base rate to compute its increase from July 1, 2018 through December 31, 2018. The 2018 base rate will be applied effective January 1, 2019 for rate adjustments (up or down) based on prior year surveys, it being understood that the 2019 rate will be based on 3 (not 4) quarterly surveys. The initial 2018 survey will be conducted during the week of June 10, 2018 for trash and the week of June 17, 2018 for recycling. The fall and winter surveys will be set at a later time.

Based on the forgoing and in accordance with Section II A.2. of the Waste Collection Agreement Between City of Beacon and Royal Carting (the "Agreement"), the 2018 Burnable Waste payment (provided for in Article III) should have been adjusted based on the 2017 survey results.

The annual estimated average trash disposal to be applied for 2017 is computed as follows:

$$(55.50 + 72.53 + 71.08 + 66.89) \div 4 \times 52 = 3,458 \text{ Tons}$$

Burnable Waste Collection and Disposal:

2014 Base Monthly Payment² \$57,863.21

Less: 2017 Weight Survey Result computed as follows:

2014 Agreement budget base of
300 tons per month X 12 = 3,600.00 Annual Tons³

Less 2017 average survey tonnage < 3,458>Tons

Difference 142 Tons

Times Disposal Rate (per ton) X 73.75

2016 Annual Survey Rate Reduction \$10,472.50

Divided by 12 to determine monthly
rate adjustment ÷ 12

Monthly Adjustment Amount 872.71 <872.71>

Tentative 2018 Adjusted Monthly Burnable Waste Fee⁴ \$56,990.50

Therefore, beginning July 1, 2018, through December 31, 2018 the adjusted monthly rate for curbside trash pick up will be 56,990.50⁵.

²Article III

³Article II 2

⁴ Effective July 1, 2018.

⁵ Per the bid, the recyclables collection fee remains unchanged for 2018.

Please feel free to communicate with me if you have any questions or comments.

Very truly yours,

James P. Constantino
General Counsel

JPC/cr
Enclosures

cc: Randy Casale, Mayor
Reuben Simmons, Jr., Highway Supt.
Nicholas M. Ward-Willis, Esq.
Emil Panichi, President
Betty Guarino, Accounts Supervisor

S:\jconstantino work files\Beacon 2009 Bid\Ltr to Ruggiero re December Trash & Rec Wt Survey and adjusted fee 5-24-18.wpd

City of Beacon Workshop Agenda
5/29/2018

Title:

Edgewater special use permit discussion

Subject:

Background:

ATTACHMENTS:

Description

Edgewater C&F ltr

Type

Cover Memo/Letter



445 Hamilton Avenue, 14th Floor
White Plains, New York 10601
T 914 761 1300
F 914 761 5372
cuddyfeder.com

Taylor M. Palmer, Esq.
tpalmer@cuddyfeder.com

May 24, 2018

VIA FEDERAL EXPRESS AND E-MAIL

Mayor Randy Casale
and Members of the City Council
City of Beacon City Hall
1 Municipal Plaza
Beacon, New York 12508

Re: Edgewater – Special Permit Application – Discussion of Reduced Unit Count

Dear Mayor Casale and Members of the City Council,

I'm writing to request a place on Tuesday's Workshop Agenda to discuss the Edgewater project.

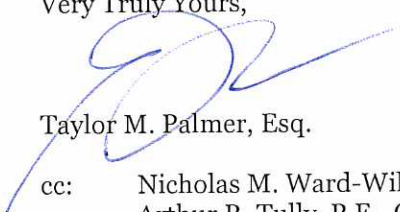
On Monday, the Council enacted the Lot Area per Dwelling Unit Local Law which had been under consideration for some months. While the potential impact on the unit count at Edgewater featured prominently in the public comment and discussion, the enacted law provides that the permissible unit count must be established based upon professional mapping and analysis of acreage and slopes.

We would like to appear before the Council next Tuesday in order to present our technical analysis of the impacts of the new law on the project's unit count. As anticipated, the unit count reduction is substantial. We recognize that the information we supply to the City will have to be reviewed and confirmed by the City Engineer.

The Applicant is still committed to the Edgewater project and wishes to proceed with the Special Permit review, subject to the reduced unit count as required by the recently enacted law. We also believe that the reduction in unit count effectuated by the recent enactment reduces many of the impacts and addresses many of the expressed concerns about the project and its contributions to the community and the riverfront neighborhood.

Thank you for your consideration in this matter. We look forward to discussing this matter with the Council on Tuesday, May 29th.

Very Truly Yours,



Taylor M. Palmer, Esq.

cc: Nicholas M. Ward-Willis, Esq., City Attorney
Arthur R. Tully, P.E., City Engineer
Lt. Timothy P. Dexter, Building Inspector
John Clarke, Beacon Planning Consultant
Michael A. Bodendorf, P.E., Hudson Land Design
Aryeh J. Siegel, Architect
Scenic Beacon Developments, LLC

City of Beacon Workshop Agenda
5/29/2018

Title:

Proposed Local Law to amend Chapter 223 of the Code of the City of Beacon concerning a) the Central Main Street District (CMS); b) Amendments to the City of Beacon Comprehensive Plan update involving changes to the Central Main Street (CMS), Central Business (CB), Off-Street Parking (PB), R1-5, Local Business (LB), General Business (GB), and c) Proposed Local Law to amend the Zoning Map of the City of Beacon

Subject:

Background:

ATTACHMENTS:

Description	Type
CMS Draft Law	Local Law
Comp Plan Amendments 3.19.18	Backup Material
Zoning Map Changes_4.12.18	Backup Material

LOCAL LAW NO. ____ OF 2018

CITY COUNCIL
CITY OF BEACON

LOCAL LAW AMENDING CHAPTER 223
OF THE CODE OF THE CITY OF BEACON

A LOCAL LAW to amend Chapter 223 of
the Code of the City of Beacon
regarding the Central Main District.

BE IT ENACTED by the City Council of the City of Beacon as follows:

Section 1. Chapter 223 of the City Code, Article IVD entitled “Central Main Street (CMS) District,” is hereby amended as follows:

Chapter 223. Zoning - Article IVD. Central Main Street (CMS) District

§ 223-41.16 Purpose.

The purpose of this Article IVD is to preserve the traditional character of Main Street, particularly for buildings in the Historic District and Landmark Overlay (HDLO) zone, while also increasing the vitality, attractiveness, and marketability of Main Street, and the Central Business District by providing more flexibility of land use while maintaining and enhancing urban form as recommended in the City of Beacon Comprehensive Plan Update adopted on December 17, 2007 April 3, 2017. This article promotes a vibrant, economically successful, and environmentally sustainable Main Street with a pedestrian-oriented public realm and mixed uses. ~~This article is also intended to provide a simplified and streamlined review process that facilitates redevelopment in accordance with its provisions and the intent of the Comprehensive Plan. See Figure 18-15: Main Street Infill Strategies Illustrative Sketch Plan, [1] adapted from the Appendix to the Comprehensive Plan.~~

~~[1] Editor's Note: See § 223-41.18L.~~

§ 223-41.17 Applicability and boundaries.

The provisions of this article apply to the area shown as the Central Main Street District (CMS) on the City of Beacon Zoning Map, ~~a portion of which is annexed hereto to amend said Zoning Map.~~ [1] All new uses of land and structures and changed uses of land and structures shall comply with this article. Existing nonconforming uses may continue as provided in § 223-10, Nonconforming uses and structures, except as may be otherwise provided in this article. Any existing conforming building that is destroyed by fire or casualty to an extent of more than 50% may be rebuilt on the same footprint and with the same dimensions and may be extended at the same height along its frontage. Any existing building that does not satisfy the minimum building height requirements in the district may continue, but any future expansion must conform to this chapter and may be expanded at the same height, provided that it is in conformity with all other dimensional requirements in the district. In case of any conflict between this article and other provisions of this Zoning Chapter, this article shall control. In order to encourage mixed uses, more than one permitted use shall be allowed on any lot or parcel, subject to all approval criteria contained herein.

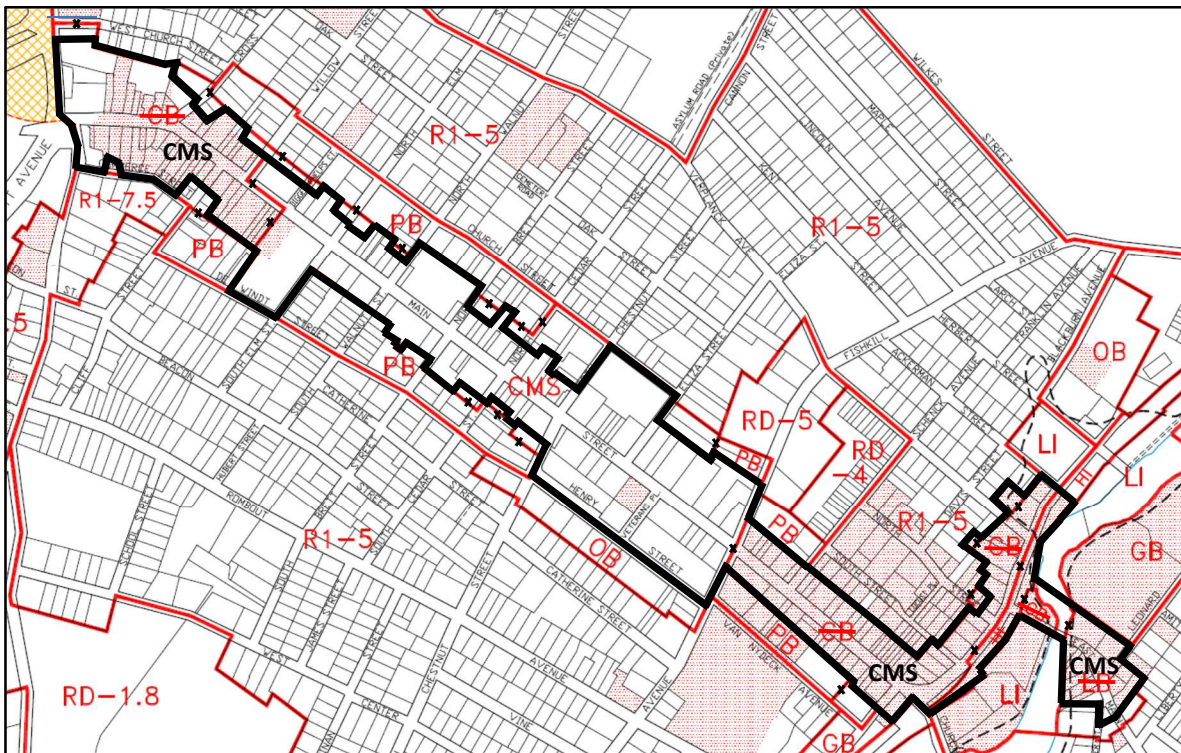


Figure 17-1: Central Main Street Zone Map

[1] Editor's Note: The Zoning Map is on file in the City offices.

§ 223-41.18 Regulations.

A. Uses by right. The uses listed below are permitted by right in the CMS district, in the manner and under the conditions specified below. Unless otherwise indicated in this § 223-41.18, all such uses require site plan review, ~~to be conducted in an expedited fashion pursuant to Subsection H below.~~ Site plan review shall not be required for a change of use in an existing building where the new use is allowed by right, the building will not be expanded, and the minimum number of off-street parking spaces required for the new use in § 223-41.18 G(2) is not more than 25% greater than the requirement for the existing use in § 223-26F herein.

- (1) Apartments, provided that for parcels fronting on Main Street or East Main Street they may ~~may~~ shall only be located on upper stories or at least ~~35~~ 50 feet behind the facade in the rear portion of a ground floor, ~~along Main Street.~~ The ~~limitations on~~ nonconforming residential uses on Main Street in § 223-10H shall not apply in the CMS District.
- (2) One-family, two-family, attached, and multifamily dwellings, provided that ~~they do not have ground floor frontage on Main Street~~ for parcels fronting on Main Street or East Main Street such uses are not permitted on the ground floor in the first 50 feet from the facade.
- (3) Hotel, subject to § 223-20, inn, or ~~subject to § 223-24.4.~~
- (4) Offices of any kind, including professional, medical, ~~or~~ business, and banks or other financial institutions.
- (5) Artist studio.
- (6) Art gallery.
- (7) Restaurant, coffee house, brew pub, and other establishments that serve food with or without alcoholic beverages, and are not a bar.

- (8) Food preparation business.
- (9) Retail and personal services.
- (10) Funeral home.
- (11) Off-street parking lot facilities, provided that ~~it is~~ they are set back at least 40 feet from the Main Street or East Main Street property line and screened from ~~the main street~~ by buildings and/or landscaping.
- (12) Public garage, as defined in this Chapter, without motor vehicle repair, vehicle sales, or fuel sales, provided that it is set back at least 40 feet and screened from ~~the main street~~ by buildings and/or landscaping. ~~[See "Parking" in F(1).]~~
- (13) School, public or not-for-profit educational institution, trade or vocational school, job placement or training program, continuing education program or instructional school such as karate school, dance school or studio, language school or vehicular driving school.
- (14) Indoor commercial recreation.
- (15) Park, plaza, green, community garden, and other forms of outdoor plant cultivation.
- (16) Artist live/work space subject to § 223-24.3, provided that they may only be located on upper stories or at least ~~35~~ 50 feet behind the facade, in the rear portion of a ground floor, along Main Street or East Main Street, unless the space in the ~~35~~ 50 feet behind the façade is used for the retail sale of the artist's wares.
- (17) Theater, museum, library, concert hall and other music venues, and other similar kinds of cultural facilities.
- (18) ~~Schools and other public or nonprofit educational institutions~~ Auction gallery.
- (19) Wireless telecommunications services facilities, provided that they are mounted on a building and do not increase its height by more than 15 feet above applicable height limits and consistent with § 223-24.5.
- (20) Buildings, structures and uses owned or operated by the City of Beacon or any department or agency thereof.
- (21) Spa, health club, gym, yoga and pilates studio, and similar kinds of fitness centers.
- (22) Microbrewery or microdistillery which has a retail or tasting room component of at least 200 square feet of floor area.
- (23) Retail sales from a truck or trailer, subject to § 223-26.3.
- (24) Workshop for the making or repair of clocks, watches, jewelry, musical instruments or similar ~~items~~ artisan workshops, ~~having a total floor area of not more than 800 square feet and~~ having a retail component of at least 200 square feet.
- (25) Tattoo parlor, subject to 223-26.2.
- (26) Club, civic or fraternal, subject to § 223-24.2, provided that for parcels fronting on Main Street or East Main Street such uses are not permitted on the ground floor in the first 50 feet from the facade.

B. Uses by special permit.

- (1) The following uses are allowed by special permit from the ~~Planning Board~~ City Council, upon a finding that the proposed use is consistent with the City of Beacon Comprehensive Plan Update, will enhance the architectural character of the street and will benefit the urban, pedestrian-friendly qualities of Main Street and East Main Street, and that the conditions and standards in § 223-18 B(1)(a) through (d) have been met:
 - ~~(a) Any new project with over 10,000 square feet in building footprint area.~~

~~(b) A five-story building or tower of one additional story on a four-story building, provided that it complies with Subsection D(7) below and that the Planning Board finds that there are no substantial detrimental effects on parking, traffic, shadows, or specific views designated as important by the City Council. A five-story building with a setback of at least 15 feet behind the facade above the fourth story may be permitted on the north side of Main Street where it can call attention to a significant intersection. Corner locations are deemed most appropriate for such buildings, but they may be permitted elsewhere on the north side if they are compatible with the scale of the block on which they are located, and contribute architecturally to the block face. A five-story building will only be permitted if at least 15% of its residential units, and not less than five residential units, are designated as below market rate housing pursuant to Article IVB and/or at least 15% of the property's street level lot area adjacent to Main Street is available for public uses such as an outdoor dining area for a restaurant, pocket park or plaza.~~

(a) A public garage, as defined in this chapter, containing facilities used for repair of motor vehicles, but not for the sale of motor fuel. Such repair facilities shall ~~be located in the interior of a block and not front on or~~ be visible from ~~any public street Main Street or East Main Street except for a sign not larger than 24 square feet in area.~~

(b) A bar in which the primary product is alcoholic beverages and food service is incidental. Any establishment that serves alcoholic beverages and is open later than 1:00 a.m. on any night shall be presumed to be a bar for purposes of this section.

~~(c) Artist live/work space in accordance with § 223-24.3~~ Cigar and other lawful smoking establishments.

(2) In considering the appropriateness of the proposed use, the ~~Planning Board~~ City Council shall consider impacts on shadows, traffic, and parking and may impose traffic and parking mitigation measures. When making a decision on a special permit, the ~~Planning Board~~ City Council shall follow the ~~procedures~~ regulations in § 223-41.18 ~~(12)~~ of this chapter.

C. Accessory uses. The following are permitted accessory uses in the CMS District:

- (1) Any accessory building or use customarily incident to a permitted use, except outside storage.
- (2) Signs, in accordance with the provisions of § 223-15, as applicable.
- (3) Off-street parking areas, in accordance with § 223-41.18G.
- (4) Exterior lighting, in accordance with the provisions of § 223-41.18 L(13).
- (5) Home occupation, subject to 223-17.1.
- (6) Roof garden.
- (7) Greenhouse

D. Prohibited uses. Uses not listed in Subsection A or B above and the following specific uses are prohibited in the CMS District:

- (1) Gasoline filling stations.
- (2) Drive-through facilities, stand-alone or used in connection with any other use.

E. Dimensional regulations. All new construction or enlargement of existing structures in the CMS District shall be subject to the following minimum and maximum dimensional regulations. These may be modified as provided in Subsection J(15).

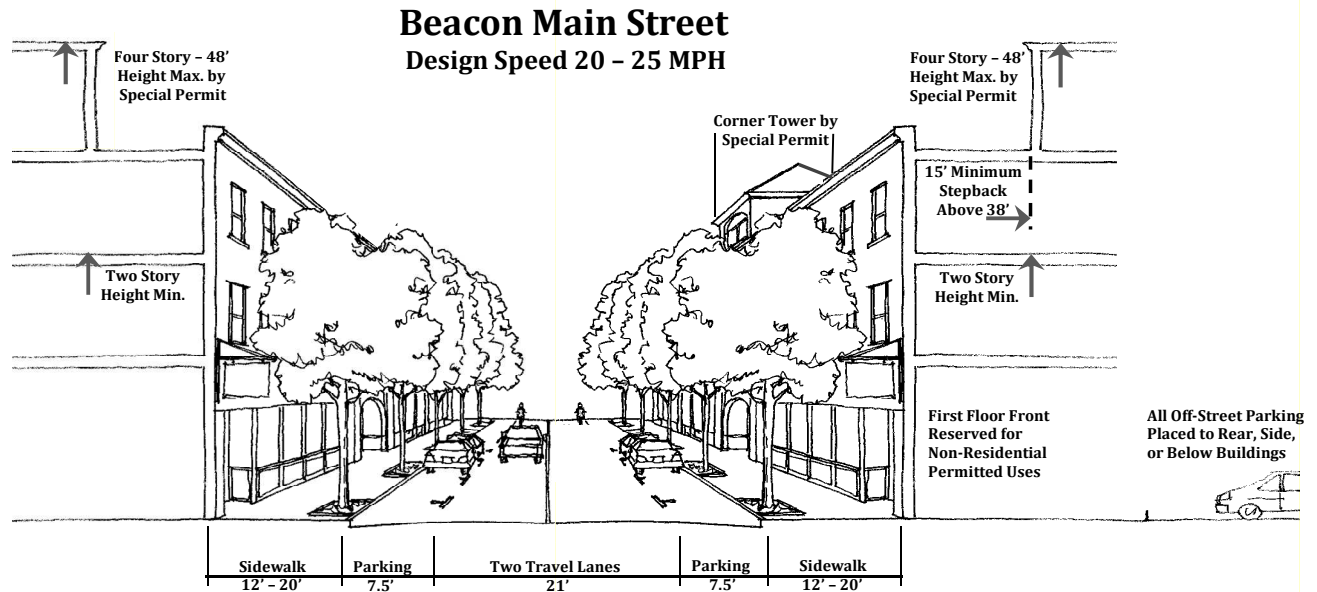


Figure 18-1: Central Main Street Zoning Requirements Illustrative View

- (1) Front setback on Main Street: minimum zero, maximum 10 feet, except that a larger maximum may be allowed if the area in front of a building has no parking spaces and is landscaped and used in a manner that enhances the street life on Main Street by such means as pocket parks or plazas, fountains, outdoor dining, public art, and outdoor display of items for sale on the premises. Such outdoor space shall be landscaped with plant materials as appropriate to the use, in a configuration approved by the Planning Board.
- (2) Front setback on other streets: minimum zero, maximum 25 feet. If surrounding buildings have a larger setback, the setback line may be placed in a location that harmonizes with the prevailing setbacks, provided that there is no parking in the front yard other than on a driveway accessing a rear garage.
- (2) Corner buildings: Corner buildings shall be treated as having frontage on both streets and front yard setbacks shall apply to both, as appropriate to the street. Corner buildings with frontage on Main Street shall wrap around corners and maintain a consistent setback line along the side.
- (3) Side setbacks: minimum of zero on Main Street, minimum of 10 feet on side streets. The minimum side setback on Main Street may be increased by the Planning Board to allow light and air to continue to penetrate an existing building that has side windows or to allow future development of an abutting parcel to the permitted building height.
- (4) Rear setbacks: minimum 25 feet for parcels 100 feet deep or more and minimum 10 feet for parcels under 100 feet deep, except that if the rear yard is voluntarily dedicated to the City of Beacon as all or part of a public parking lot or parking structure, the minimum setback shall be 10 feet with landscaping to screen adjacent uses.
- (5) Minimum frontage occupancy on Main Street or East Main Street: 100% for buildings with a shared side wall and 80% for detached buildings. Frontage occupancy is the percentage of the lot width which must be occupied by either a front building facade or structures that screen parking, located within the area between the minimum and maximum front setback. The purpose of this requirement is to maintain a sense of enclosure of the street. This requirement may be reduced by the Planning Board a) to the extent necessary to allow light and air into an adjacent building that has side windows; b) allow future development of an abutting parcel to the permitted building height; or c) if the applicant provides a suitably surfaced and lighted pedestrian passageway between Main the street and parking areas, public open spaces, or other streets, located behind the building.

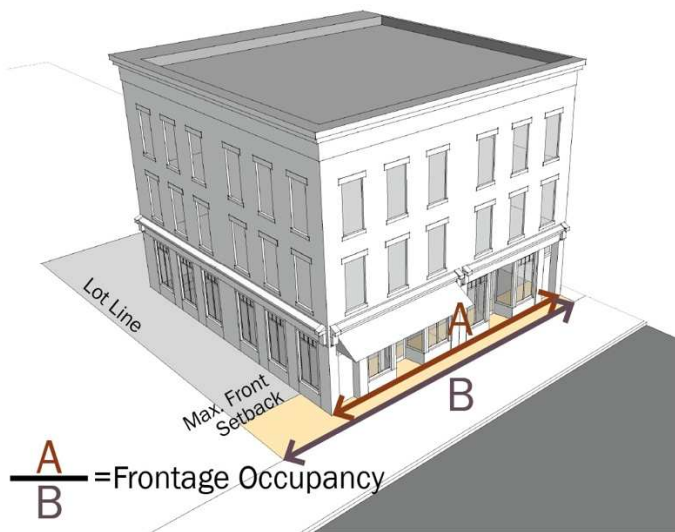


Figure 18-2: Frontage Occupancy

- (6) ~~Building height for a building fronting on Main Street:~~ minimum two stories, maximum ~~four~~ three stories and 38 feet, as determined from the average street front level. Stories built below the grade of the street shall not be counted toward building height. The second story of a two-story building shall be built in a manner that allows actual occupancy for one or more permitted uses and does not create the mere appearance of a second story. Chimneys, vent pipes, mechanical systems, elevator shafts, antennas, wireless communications facilities, roof gardens, ~~and~~ fences, greenhouses, solar collectors, wind energy systems, and other rooftop accessory structures may project up to 15 feet above the maximum permitted height. With the exception of roof gardens and solar collectors, such projections may occupy no more than 20% of the roof area and must be set back at least 15 feet from the ~~front~~ edge of the roof along any street frontage.
- (7) ~~Except for parcels facing East Main Street, a special permit may be granted pursuant to Subsection B above by the Planning Board for a five fourth story building on the north side of Main Street. with a setback of at least 15 feet behind the facade along any street frontage. A 15-foot building setback above 38 feet shall also be required for any side of a four-story building within 40 feet of a lot line abutting another zoning district. Except for parcels facing East Main Street, a special permit may also be granted for a four-story tower without a setback at a corner on the south side of Main Street facing an intersection and occupying no more than 25 % feet of the roof area corner frontage of the building. For any building over three stories on the south side of Main Street or four stories on the north side, a setback of at least 15 feet behind the facade shall be required for the top story, except for corner towers allowed by special permit.~~

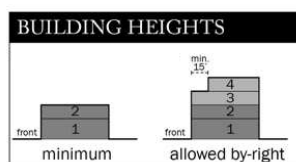
For proposed buildings on CMS parcels in or abutting the Historic District and Landmark Overlay Zone, any fourth story shall require a special permit by the City Council. The City Council may reduce a permitted building height to be no more than six feet higher than an existing building on an adjoining HDLO parcel for a distance of 30 feet along the frontage from the historic structure. All special permits in the CMS district shall require a finding that there are no substantial detrimental effects on shadows, parking, traffic, or specific views adopted as important by the City Council or in the Comprehensive Plan Update, that the new building will be compatible with the historic character of adjacent buildings, and that the conditions and standards in § 223-18 B(1)(a) through (d) have been met.

Building height for a building not fronting on Main Street or East Main Street: maximum three stories and 35 feet. Chimneys, vent pipes, roof gardens and fences, greenhouses, solar collectors, wind energy systems, and other rooftop accessory structures may project up to eight feet above the maximum height, provided that, with the exception of roof gardens and solar collectors, they occupy no more than 15% of the roof area and are set back at least 15 feet from the front edge of the roof.

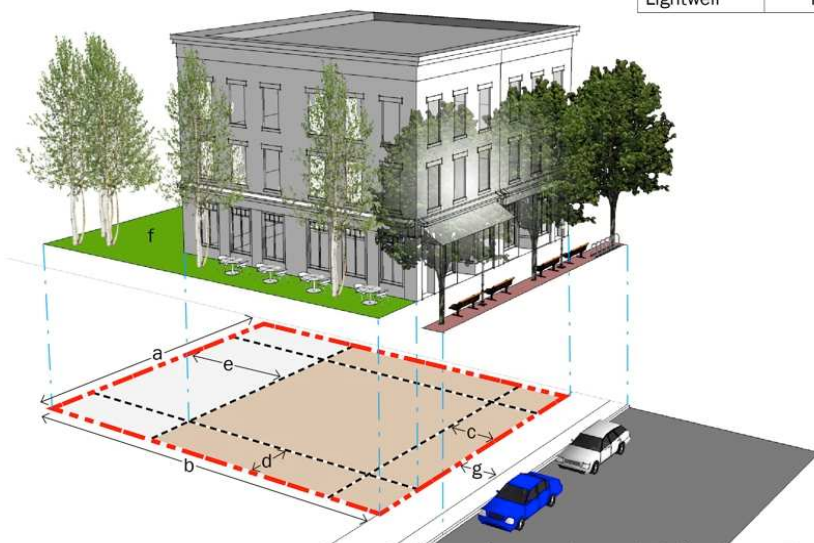
- (8) Building depth: corner buildings shall not extend along a side street more than 150 feet from the Main Street or East Main Street frontage, unless the rear building height is reduced to two stories.
- (9) Lot area and lot width: There are no minimum lot area or lot width requirements.

- (10) Lot depth: Minimum lot depth is 75 feet, except that on any lot in which the area behind a building is voluntarily dedicated to the City and accepted by the City Council for ~~as~~ public parking, there shall be no minimum depth requirement.
- (11) Floor area ratio: There is no maximum floor area ratio.
- (12) Landscaped area: ~~For lots fronting on Main Street, a~~ A minimum of 10% of the lot shall be landscaped with trees, shrubs, or grass in locations approved by the Planning Board that enhance the streetscape, ~~or provide a landscaped interior rear yard or courtyard, and are found to be consistent with the intent of the CMS District. This requirement shall be reduced to 5% if the landscaped area is accessible to the public. For lots not fronting on Main Street, a minimum of 15% of the lot shall be landscaped with trees and shrubs.~~ These requirements may be waived for lots of 5,000 square feet or less.
- (13) ~~Lots that front on Main Street~~ Dimensional standards.

LOT STANDARDS			
		Min.	Max.
	Lot Area	--	--
(a)	Lot Width	--	--
(b)	Lot Depth	75'	--
	F.A.R.	--	--
(c)	Front Setback	0'	10'
(d)	Side Setback	0'	--
(e)	Rear Setback	25'	--
(f)	Landscaped Area	10%	--
	Frontage Occupancy, detached building	80%	--
	Frontage Occupancy, buildings w/shared side wall	100%	--
(g)	Pedestrian Clearway	8'	--



FRONTAGE TYPES	
	Allowed
Storefront	yes
Forecourt	yes
Stoop	no
Porch	no
Lightwell	no



See text for exceptions and clarifications to Figure 18.3. Rear setback 10 feet for lots less than 100 feet deep.

Figure 18.3: ~~Lots that Front on Main Street~~ Dimensional Standards

(15) Lots that do not front on Main Street.

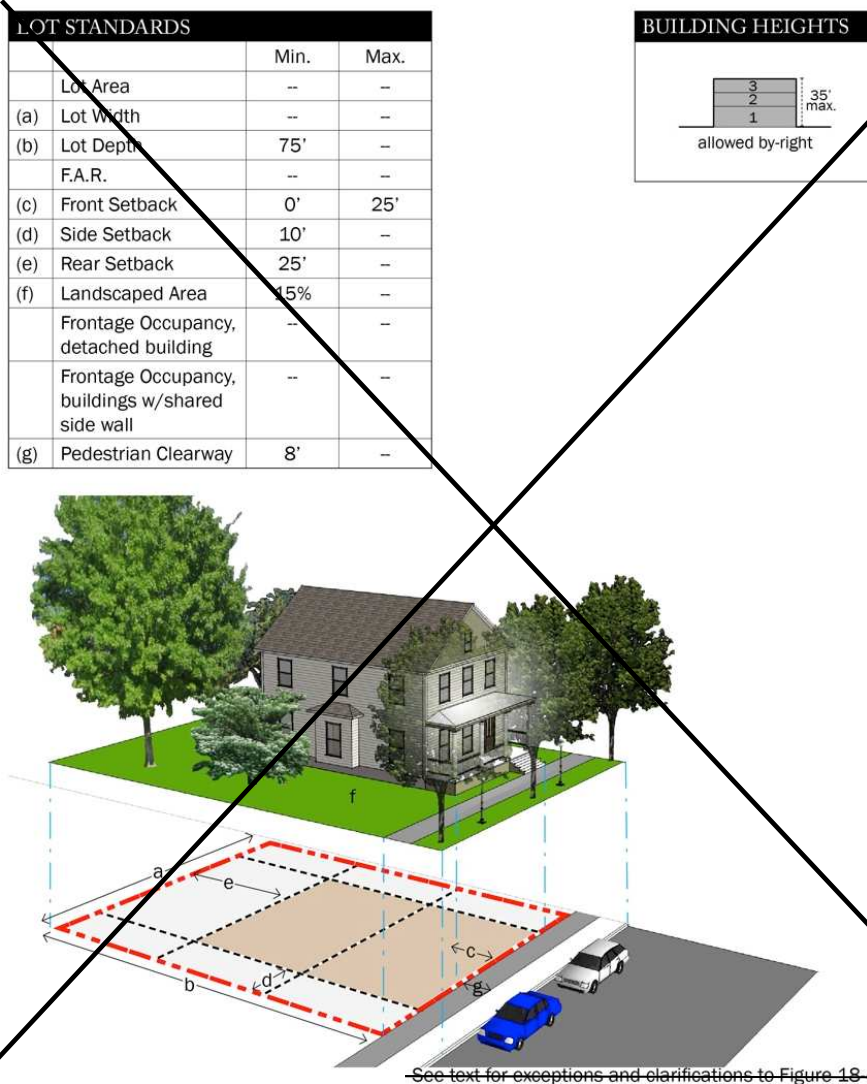


Figure 18-4: Lots That Do Not Front on Main Street or East Main Street

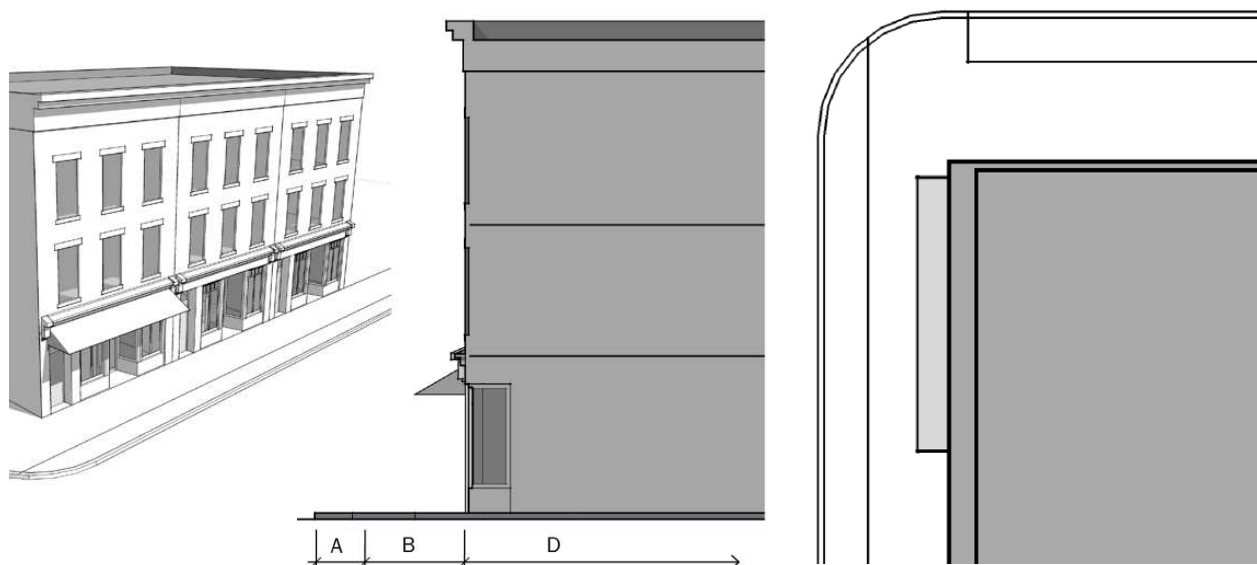
F. Frontage types.

(1) For new buildings, ~~along Main Street~~, only the following building frontage types are permitted:

- (a) Storefront.
- (b) Forecourt.

(2) ~~On other streets, there is no prescribed building or frontage type, except that no private garage may be located less than 20 feet behind the front facade of a building.~~

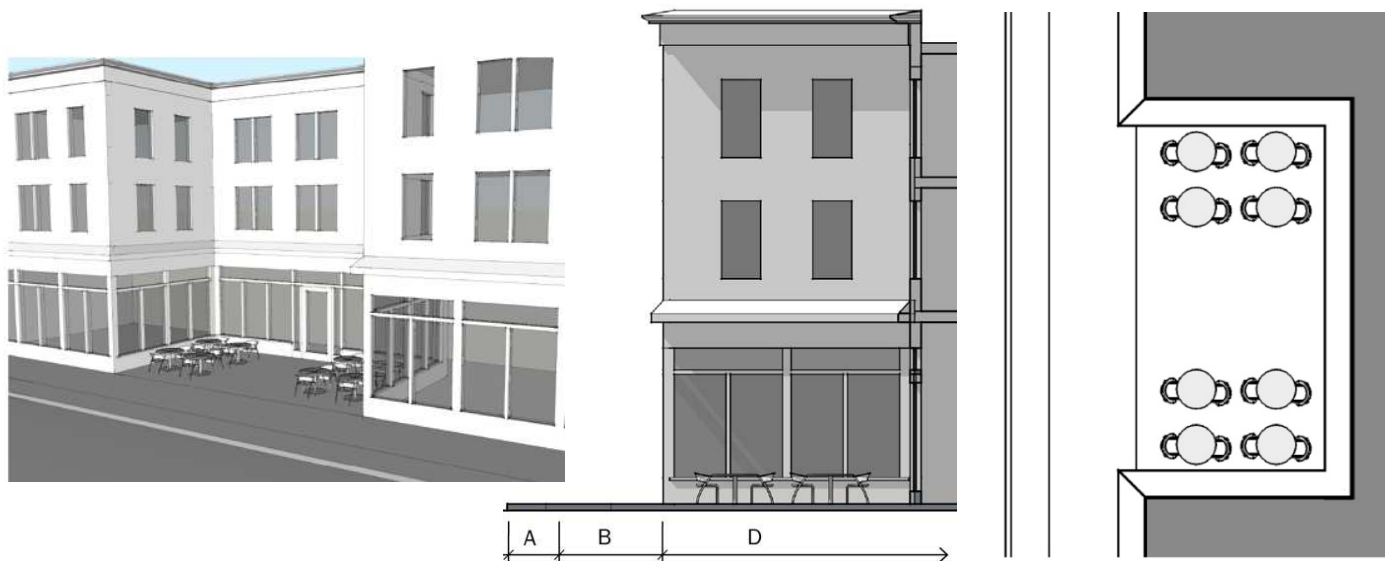
(2) Storefront frontage type: a frontage type where the building facade is placed at or close to the right-of-way line, with the entrance at sidewalk grade. This building frontage type is conventional for retail use. It is characterized by a high percentage of glazing on the first floor, a prominent entrance, and often an awning. Recessed doors ~~on storefronts~~ are ~~acceptable~~ typically used to avoid doors opening into the sidewalk.



See Figure 18-7 for key to letters

Figure 18-4: Illustrative View, Section View, and Plan View of Storefront Frontage Type

- (3) Forecourt frontage type. A forecourt is a semi-public exterior space whose back and sides are surrounded by a building and whose front opens to a thoroughfare — forming a court. The court is suitable for gardens, gathering space, and outdoor dining.



See Figure 18-7 for key to letters

Figure 18-5: Illustrative View, Section View, and Plan View of Forecourt Frontage Type

G. Parking location and quantity.

- (1) All off-street parking for buildings that have Main Street frontage shall be located behind, ~~underneath~~ under the ground floor, or to the side of a building. If on the side, the parking area shall be located at least 40 feet from the Main Street or East Main Street property line and be screened by a low brick or stone wall, hedge, ornamental fence, and/or other landscaping that maintains the continuity of the street wall in compliance with frontage occupancy requirements, and that screens parked cars from view from the street. A public garage ~~on a lot with Main Street frontage~~ shall have a storefront "liner building" at least 40 feet deep and one story high between the parking structure and the main street, but may have a zero-foot setback on the upper floors of the parking structure (over the storefront) and along any street that intersects the main street. Parking areas fronting on side streets shall have a minimum setback of five feet in which ornamental and/or buffer landscaping is planted.

(2) The minimum quantity of required on-site parking spaces shall be as follows:

(a) Residential: one space per unit.

(b) Office and nonretail commercial: ~~2.5~~ two spaces per 1,000 square feet of floor area.

(c) Retail commercial and personal services: ~~three~~ two spaces per 1,000 square feet of floor area.

(d) Other uses: as determined to be appropriate by the Planning Board in the course of site plan review, or in the case of a new use where site plan review is not required under § 223-41.18 A, as determined by the Building Inspector in consultation with the City Planner.

(3) The requirements in Subsection G(2) above may be modified by the Planning Board, in its discretion, based upon information submitted by the applicant or otherwise made available in the public record, demonstrating one or more of the following:

(a) That the projected operational characteristics of the proposed use require a different amount of parking.

(b) That adequate shared parking, contractually obligated for the duration of the proposed use, is available within 500 feet of the site and within the CMS or PB Districts.

(c) That the applicant has provided sufficient bicycle parking to reduce anticipated vehicular travel demand.

(d) That there is sufficient public parking available within 800 feet of the site and within the CMS or PB Districts to meet foreseeable parking needs of the proposed use and surrounding uses for the duration of the proposed use.

(e) That the applicant will voluntarily dedicate land for public parking on site or will acquire land by purchase or long-term lease (for the duration of the proposed use) within 800 feet of the site and within the CMS or PB Districts and voluntarily dedicate such land to the City for public parking.

(f) That a professional parking study of the proposed use and the surrounding area demonstrates that a different amount of parking would be appropriate for the use in its particular location and/or that existing and/or proposed off-site parking is sufficient.

(4) For lots of 8,000 square feet or less, where the provision of on-site parking is infeasible, the Planning Board may waive all parking requirements, provided that the total floor area of the building is no greater than 5,000 square feet.

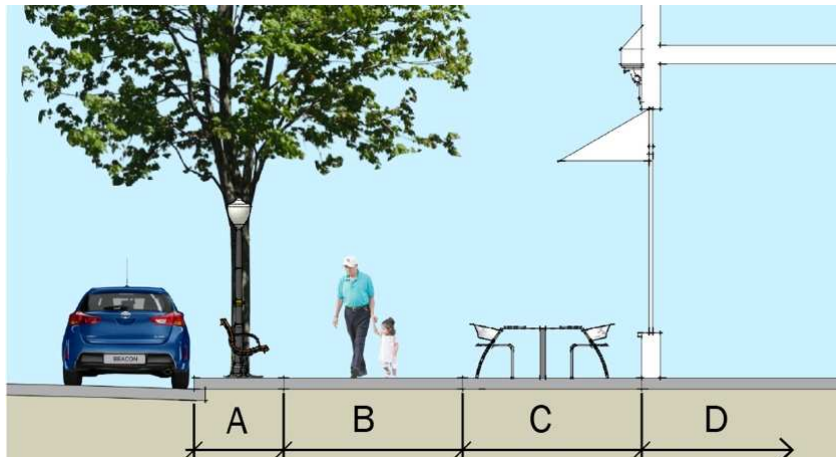
(5) Section 223-26B of this Chapter shall apply in the CMS District.

H. Streetscape improvements.

(1) Within the building transition zone, the Planning Board may require the lot owner to provide planters, trees, shrubs, or other landscaping to enhance the appearance of the streetscape. Ornamental fencing four feet or less in height may be provided to separate privately owned space from public space. Chain link, vinyl, and solid fencing shall be prohibited. For commercial uses, display areas, and outdoor dining and seating areas may be provided.

(2) A pedestrian clearway, at least eight feet wide, with unobstructed space for pedestrian activity shall be provided along the sidewalk, unless site conditions require a narrower clearway. Within the street transition zone, if space permits, lot owners may ~~plant trees and~~ place benches, tables, and outdoor seating areas with the approval of the Department of Public Works. The Planning Board ~~may shall~~ require the planting of street trees on average 30 feet to 40 feet apart as a condition of site plan approval, whenever street and sidewalk conditions permit.

- (3) The Planning Board may require the placement of bicycle racks of an approved design within the street transition and building transition zones. ~~Each bicycle rack holding two bicycles may be used to reduce the required parking by one parking space.~~ The Planning Board may require any building containing 5,000 square feet or more of floor area to provide one bicycle rack or equivalent indoor bicycle parking space for every 2,000 square feet of floor area.
- (4) The Planning Board may require that an applicant constructing a building greater than 10,000 square feet in floor area pay for the provision of related street improvements to improve pedestrian and/or bicycle safety.



A = Street Transition Zone
 B = Pedestrian Clearway
 C = Building Transition Zone
 D = Building Frontage

Figure 18-6: Parts of the Streetscape

1. Site plan review/special permit procedures and criteria:

- (1) In order to ensure an expedited review of site plans, this article contains a streamlined site plan review procedure for ~~any proposed building project of 10,000 square feet or less in footprint area, as follows:~~
 - (a) The applicant shall meet with the Building Inspector, who shall provide a site plan application and instruction sheet ~~describing the requirements for site plan approval and who may recommend that the applicant have a preapplication meeting with the Planning Board to determine application submission requirements.~~
 - (b) The applicant shall prepare a site plan with sufficient information for the Planning Board to determine whether or ~~not it complies with the provisions of this article.~~
 - (c) If no special permit is required, the applicant shall then meet with the Planning Board to discuss the proposal. No ~~public hearing will be required, unless the Planning Board determines that the proposal may have substantial detrimental effects or may cause public controversy.~~
 - (d) Within 45 days after such meeting, or if there is a public hearing, within 45 days after the closing of the public ~~hearing, the Planning Board shall issue an approval, approval with modifications, or denial of the application, stating the reasons for any modifications or denial. The Planning Board shall also issue a required schedule for initiation and completion of the project. Such approval shall lapse within two years if the applicant does not diligently pursue construction of the project, unless the applicant requests an extension, which may only be granted for good cause by the Planning Board.~~
- (2) For projects with over 10,000 square feet in building footprint area, or that otherwise require a special permit, the ~~applicant shall follow the procedures in §§ 223-18 and 223-25, except that the Planning Board shall take the place of the City Council in § 223-18. Such applications shall comply with those sections to the extent that such sections do not contain standards that conflict with this article. In case of a conflict, this article shall control.~~
- (3) The Planning Board may require a performance guarantee for the construction of public improvements in connection ~~with any project of 10,000 square feet or more in floor area.~~

~~(4) After completion of construction of new buildings, the applicant shall submit as-built plans to the Building Inspector showing the exact location of all site alterations and construction.~~

I. Site plan and special permit amendments. For any proposed change to an approved site plan, the applicant shall meet with the Building Inspector who shall make a determination as to whether or not the proposed change is significant. If the Building Inspector determines that the change is significant (e.g., a change in dimensions of more than 10% shall be presumed to be significant), the application shall be referred to the Planning Board for an amendment to the site plan or special permit, as appropriate. If the Building Inspector determines that the change is not significant and otherwise complies with applicable requirements, the Building Inspector is authorized to issue a building permit without further review.

~~K. Compliance with below market rate housing requirements. All applications involving residential development shall comply with Article IVB of this Chapter (Affordable Workforce Housing).~~

J. Design standards.

(1) Because of the design standards in this section, the architectural review provisions of Chapter 86 shall not apply within the CMS District. In addition to the preceding sections of this article, all new buildings or substantial alterations of existing buildings shall comply with the following design requirements. These design standards are intended to promote the following purposes:

- (a) Preserve and enhance the unique character and general public welfare of the City of Beacon;
- (b) Promote pedestrian access and activity, as well as a general sense of area security;
- (c) Restore and maintain the role of streets as civic and social spaces, framed by active uses;
- (d) Encourage economic development and a convenient mix of uses and services; and
- (e) Support a sense of design context that appropriately relates historic buildings, general facade and window patterns, and traditional streetscapes in the area to new redevelopment efforts, while still allowing ~~contemporary~~ architectural flexibility.

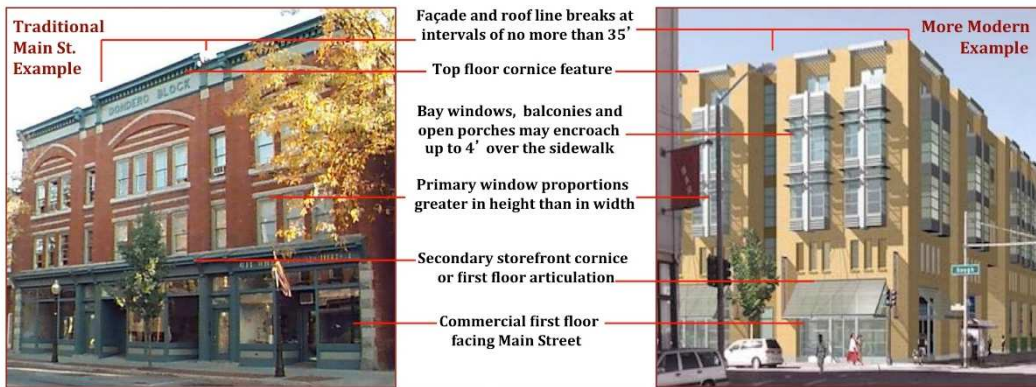
(2) Key Terms: Standards using the verb "shall" are required; "should" is used when the standard is to be applied unless the Planning Board finds a strong justification for an alternative solution in an unusual and specific circumstance; and "may" means that the "standard" is an optional guideline that is encouraged but not required.

(3) Proposed new buildings should be compatible with nearby historic-quality buildings along Main Street. References to the existing context should include scale, type and texture of materials, roof and cornice forms, spacing and proportion of windows and doors, signs, and street-front fixtures. Building exteriors in or directly adjoining the Historic District and Landmark Overlay sections of the CMS District shall reinforce historic patterns and neighboring buildings with an emphasis on continuity and compatibility, not contrast, but new construction may still be distinguishable in architectural details, most evident in window construction and interiors.

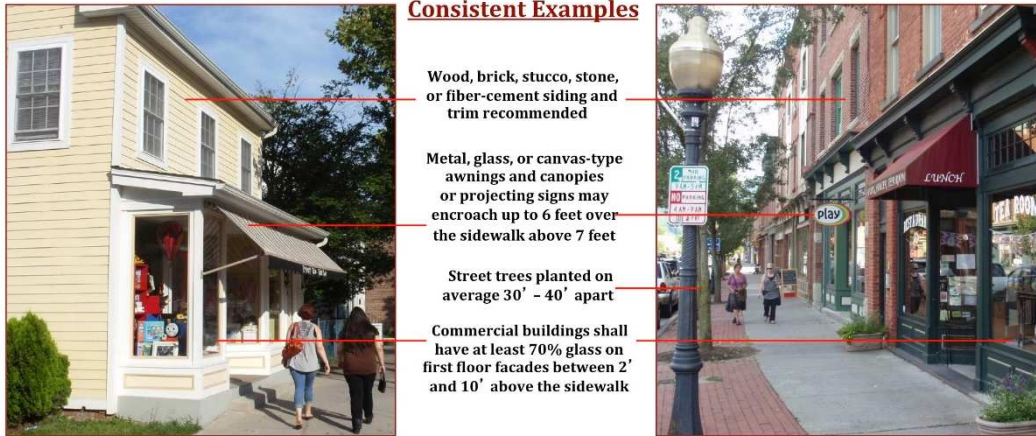
(4) Buildings should have a top-floor cornice feature and first-floor architectural articulation, such as a storefront with a secondary cornice or an architecturally emphasized entrance doorway, to accent the central body of the building.

(5) Architectural features and windows ~~should~~ shall be continued on all sides of the building that are clearly visible from a street or public parking area, avoiding any blank walls, except in cases of existing walls or potential common property walls. Larger buildings shall incorporate significant breaks in the facades and rooflines at intervals of no more than 35 feet.

- (6) Building elements that provide additional architectural interest, such as balconies, bay windows, open porches, and cornices, may encroach up to four feet ~~beyond the front lot line~~ above the sidewalk, if the bottom of the encroaching building elements is at least 12 feet above grade.
- (7) Metal, glass or canvas-type awnings and canopies or projecting signs are encouraged and may encroach up to six feet ~~into the front setback and~~ over the sidewalk above seven feet. Vinyl awnings are discouraged unless the applicant can demonstrate to the Planning Board's satisfaction that the finish and design of such awning are of high quality, aesthetically pleasing and meet the intended standards of the district, ~~as determined by said Board~~.
- (8) Buildings shall have a front entrance door facing the primary street and connected to the sidewalk. Front entrance doors for commercial buildings and retail storefronts shall be active and provide main access during business hours.
- (9) Primary individual window proportions shall be greater in height than in width, but the Planning Board may allow exceptions for storefront, transom, and specialty windows. Mirrored, reflective, or tinted glass, all-glass walls, and exterior roll-down security gates shall not be permitted. Any shutters shall match the size of the window opening, and appear functional, and be attached to the window frame.
- (10) Commercial buildings shall have at least 70% glass on the first-floor facades, located between two feet and 10 feet above the sidewalk. ~~Residential buildings shall~~ Main Street or East Main Street buildings should have at least 30% glass on the ~~first floor~~ upper floor facades.
- (11) Finish building materials should be wood, brick, traditional cement-based stucco, stone, smooth cast stone, ~~or smooth-finished~~ fiber-cement siding, or other materials deemed acceptable by the ~~Planning Board approving body~~. Vinyl, aluminum or sheet metal siding or sheet trim, exposed concrete blocks or concrete walls, plywood or other similar prefabricated panels, unpainted or unstained lumber, synthetic rough-cut stone, ~~or synthetic~~ brick, ~~or synthetic~~ stucco, exterior insulation and finishing system (EIFS), ~~or direct-applied finish system (DAFS)~~, and chain link, barbed wire, plastic, or vinyl fencing shall not be permitted.
- (12) Materials and colors should complement historic buildings on the block. Fluorescent, neon, metallic, or other intentionally garish colors, as well as stripes, dots, or other incompatible patterns, shall be prohibited.
- (13) Lighting fixtures shall be a maximum of 15 feet in height, except pole lights in rear parking lots shall be a maximum of 20 feet high. Lighting shall be energy efficient, have full spectrum color quality, and, except for short-term event lighting, shall prevent any lighting above ~~60 watts~~ 500 lumens that directly projects above the horizontal level into the night sky with full cut-off fixtures.
- (14) Mechanical equipment and refuse containers shall be concealed from public view by approved architectural or landscaping elements and shall be located to the rear of the site. Window or projecting air conditioners shall not be permitted on the front façade of new buildings or additions.
- (15) The Planning Board may waive setback requirements for landmark civic buildings, including government buildings, schools, libraries, or places of worship, and for pedestrian-oriented places, such as public greens or plazas and outdoor eating areas.
- (16) The following Figure 18-8 provides annotated photographs to illustrate design standards in this section:



Design Standards Consistent Examples



Design Standards Inconsistent Examples

- Two-story minimum required, allowing second floor occupancy
- Architectural features and windows should be continued on all sides, avoiding any blank walls
- Vinyl, aluminum, or sheet metal siding or sheet trim shall not be permitted



- Buildings should have a top floor cornice feature
- Primary window proportions shall be greater in height than in width
- Commercial buildings shall have at least 70% glass on the first floor facade



Vinyl awnings are discouraged, but metal, glass, and canvas-type awnings are encouraged



Design Standards Consistent Examples

- Wood, brick, stucco, stone, or fiber-cement siding and trim recommended
- Bay windows, balconies and open porches may encroach up to 4' into the setback
- Required landscaping between the sidewalk and building to enhance the streetscape



- In the Linkage District, a step-back of at least 15' behind the façade above the third story
- Primary window proportions greater in height than in width
- Secondary cornice or first floor articulation
- Residential buildings shall have at least 30% glass on first floor facades



- Top floor cornice feature
- Façade and roof line breaks at intervals of no more than 35'
- Street trees planted on average 30' - 40' apart
- Metal, glass, or canvas-type awnings and canopies may encroach up to 6 feet over the sidewalk above 7 feet

K. Main Street infill strategies illustrative sketch plan. This sketch plan provides one possible set of design solutions for infill Development with parking to the rear, which was included in the 2017 Comprehensive Plan Update as an illustration of planning principles for the Central Main Street District. The Plan also recommended the provision of periodic pocket parks or plazas and transit shuttle stops to be coordinated with new development projects and civic uses (see pages 61-67).



Figure 18-8: Central Main Street Infill Strategies and Illustrative Sketch Plan

Section 2. Ratification, Readoption and Confirmation

Except as specifically modified by the amendments contained herein, the Chapter 223 of the City of Beacon is otherwise to remain in full force and effect and is otherwise ratified, readopted and confirmed.

Section 3. Numbering for Codification

It is the intention of the City of Beacon and it is hereby enacted that the provisions of this Local Law shall be included in the Code of the City of Beacon; that the sections and subsections of this Local Law may be re-numbered or re-lettered by the Codifier to accomplish such intention; that the Codifier shall make no substantive changes to this Local Law; that the word "Local Law" shall be changed to "Chapter," "Section" or other appropriate word as required for codification; and that any such rearranging of the numbering and editing shall not affect the validity of this Local Law or the provisions of the Code affected thereby.

Section 4. Severability

The provisions of this Local Law are separable and if any provision, clause, sentence, subsection, word or part thereof is held illegal, invalid or unconstitutional, or inapplicable to any person or circumstance, such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, subsections, words or parts of this Local Law or their petition to other persons or circumstances. It is hereby declared to be the legislative intent that this Local Law would have been adopted if such illegal, invalid or unconstitutional provision, clause, sentence, subsection, word or part had not been included therein, and if such person or circumstance to which the Local Law or part hereof is held inapplicable had been specifically exempt there from.

Section 5. This local law shall become effective immediately upon filing with the Office of the Secretary of State.

- 4.4 Encourage the improvement of the streetscape along Main Street, such as encouraging businesses and owners to provide high quality landscaping, signage and facade treatments. The City should also explore funding opportunities for street improvements, including street trees, street benches, sheltered bus stops, bicycle racks, restrooms, information kiosks and public art displays. Existing street trees should be protected and maintained under the direction of a certified arborist.
- 4.5 Encourage the infill development of sites along Main Street to create new public spaces/pocket parks. Areas discussed in Section 4.2 include the Dutchess County Building and Veterans Place.
- 4.6 Change the zoning of areas on East and West Main Street to ~~reflect density allowed in Central Main Street district.~~ **include the design standards in the CMS district.**
- ~~4.7 Extend Central Main Street District north along Route 9D to Verplanck Avenue.~~

B. Artist Community

Cultivate the growing artist community so that it remains a part of the economic vitality of the City.

- 4.8 Encourage local and regional economic development organizations to study and provide direction regarding potential institutions or other strategies to attract and retain artists, art-related entrepreneurs, and potential consumers of their products and services.
- 4.9 Encourage creation of artist live/work spaces. Study the effect of Section 223-24.3 on the development of these spaces, and consider revising procedures which currently require the renewal of the special permit for artist live work space every two years. The City should consider the alternative of requiring renewal upon change of ownership or tenancy.
- 4.10 Support and nurture existing organizations that promote the development of Beacon's artist community.

C. Route 52

Maintain existing retail and service mix in the Route 52 business district while improving the character of the area through pedestrian amenities such as sidewalks and street trees, and improved architectural design.

- 4.11 Require property owners in this business district to provide sidewalks, street trees, and improved architectural design during site plan review.

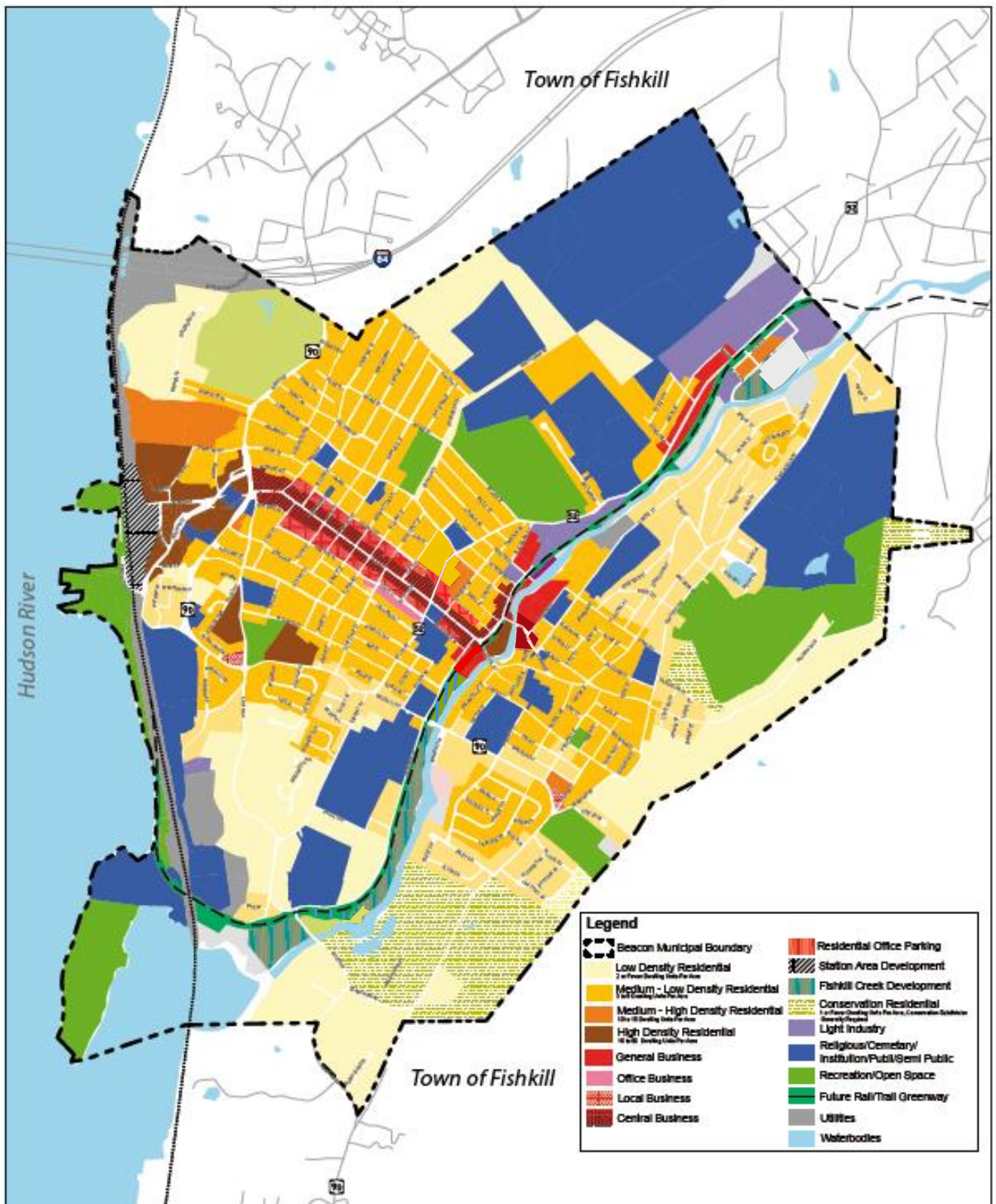


FIGURE 11-1: FUTURE LAND USE MAP

acre are generally found east of Fishkill Creek near Wolcott Avenue, or between Washington Avenue and Liberty Street. Densities of 5 to 8 dwellings per acre are generally found in neighborhoods north, south, and east of Main Street.

Recommendation

No changes from the previous Plan or from existing zoning are proposed for this land use category, except for three individual parcels along Fishkill Avenue (see Figure 12-1).

Residential – Medium-High Density

This category calls for 10 to 15 dwelling units per acre, which corresponds to areas in the City such as the townhouses on Schenck Avenue in the RD-4 Zoning District and the Tompkins Terrace Apartments and the Colonial Springs developments south of the golf course and north of the train station in the RD-3 Zoning District.

Recommendation

No changes from the previous Plan or from existing zoning are proposed for this land use category.

Residential – High Density

This category calls for 16 to 50 dwelling units per acre, which involves housing types such as apartment buildings and condominiums. Developed areas representing housing densities of this type are the Central Business District, which allows up to 29 dwelling units per acre, and the Forrestal Heights and Davies Terrace neighborhoods, which are in the RD-1.8 Zoning District (which allows 24 dwelling units per acre), and a redevelopment of an industrial site at one East Main Street. Properties in the Linkage Zone are also categorized as high density residential. The district allows 2-4 floor apartment buildings. The Linkage District does not regulate development through density limits. The code provides form-based design criteria that encourage buildings that increase the “vitality, attractiveness and marketability of the part of the City lying between Main Street and the Metro North Train Station.”

Recommendation

No changes from the previous Plan or from existing zoning are proposed for this land use category.

- East Main & Leonard Streets
- South & Wolcott Avenues
- Beekman & River Streets

Although the Dia:Beacon is also in the Local Business Zoning District, and is proposed to remain so, it is identified on the Land Use Plan Map as Institutional.

Recommendation

~~No changes from the previous Plan or from existing zoning are proposed for this land use category.~~ The historic section of the Local Business District in the Fountain Square area on East Main Street should be converted to the Central Main Street District to provide more specific architectural and design standards. Four Fountain Square area parcels not in the Historic District Overlay should be changed from LB to the adjacent R1-5 district (see Figure 12-1).

Central Business

The purpose of this category is to allow for the continued commercial vitality and mixed uses of area along Main Street, which is the Central Business District in the City. This area corresponds with the Central Business Zoning District. In 2013, the City Council rezoned a large portion of downtown into the Central Main Street (CMS) District. This area is identified as Central Main Street II. The CMS encourages infill development by raising development potential and lowering parking requirements.

Recommendation

~~The Plan supports the extension of the urban form of Main Street to Route 52 between Main Street and Verplanck Avenue. It is recommended that this stretch be rezoned to CMS. It is also recommended that the CMS district be extended to the upper and lower sections of Main Street that are currently zoned CB. With this change, the entirety of Main Street would have the same zoning district. The City may wish to rename the CMS district to represent that the zone covers the entire corridor and not just the central area. When extending CMS standards to the existing CB district, heights of Historic Overlay Zone parcels should be limited to what is currently allowed.~~

As noted in Chapter 3 and 9, the Main Street corridor should be planned in greater detail, with an overall strategy of identifying activity centers based on the types of activities that have developed in each area, identifying the types of activities to be encouraged in each center, the major amenities serving each center (such as small parks, parking facilities), and illustrations of the activity centers with sketch plans.

Gas stations are no longer a permitted use within the CB and CMS Districts. Gas stations should be encouraged to relocate to other locations outside of the Main Street area. Pre-existing non-conforming gas stations seeking building permits or other such approvals should be required to comply with architectural and design standards established specifically for gas stations.

Residential/Office/Parking

The purpose of this district is primarily to allow parking as a principal use on a lot in order to support the development of the Central Business District. The district is located to the north and south of the Central Business District, extending from the District boundary to Church Street on the north and DeWindt Street on the south.

Recommendation

~~No changes from the previous Plan or from existing zoning are proposed for this land use category.~~ The changes recommended for this district are to convert one parcel along Fishkill Avenue from RD-5 to the PB District and all or parts of eight parcels along the south side of South Street from R1-5 to PB to provide a transitional area between Main Street and the adjacent residential districts (see Figure 12-1).

General Business

The General Business category occurs between Conklin Street and State Street on Fishkill Avenue. The General Business District allows a broad range business uses, including residential uses.

Recommendation

~~No changes from the previous Plan or from existing zoning are proposed for this land use category.~~ The adjacent section of the HI rail right-of-way between Churchill Street and 850 feet north of Wolcott Avenue should be merged into the adjacent GB District (see Figure 12-1).

Light Industry

Industrial areas are generally found on scattered sites along the Fishkill Creek, most commonly on the west side of the Creek. There is a light industrial area adjacent to the train station, which is the location of MTA's commuter parking lot and maintenance shed (within the former Dorel Hat Factory). Two large underutilized properties between Fishkill Avenue and Fishkill Creek on the north end of the City are available for future industrial uses. Although the City has lost many industrial businesses in the past, the remaining industries are important to the tax base of the City, and they provide an important source of employment for many residents.

Recommendations

The Plan proposes to revise the regulation of industrial areas so that all active industrial sites will be within a Light Industrial Zoning District tailored to fit the operational criteria of these existing businesses. It is recommended that the light industrial zone adjacent to the train station allow uses that are not discordant with the adjacent land uses proposed for the station area (WD District). This area should not allow auto body shops, repair shops, or adult uses. Alternatively, the City may consider rezoning the station area LI zone to LB, with the provision that retail be limited to accessory uses within 1,000 feet of the station platform so that stores and shops do not compete with other retail areas including Main Street.

Section 12: Zoning and Implementation Plan

12.1. Zoning Recommendations

Based on the recommended land uses described above, this section provides a list of zoning recommendations that the City can pursue as it moves forward with implementation of the overall Comprehensive Plan. Upon adoption of this Plan, the City Council would be empowered to undertake specific zoning amendments to the City's Zoning Code in support of the land uses described in this Future Land Use Plan. Amendments to the Zoning Code would include site specific changes to the City's Official Zoning Map and corresponding text changes to the Zoning Code. The courts of the State of New York have consistently upheld the principle that "zoning should be based on a well-reasoned plan." Any future zoning amendments undertaken in support of this Plan are subject to the requirements of and compliance with the State Environmental Quality Review Act [6 NYCRR Part 617 (SEQR)].

Description of Proposed Zoning Recommendations

A series of zoning map and text amendments are needed to implement the land use proposals outlined in the Future Land Use Map. Depending on available funding for undertaking amendments to the Zoning Code and Zoning Map, the proposed zoning amendments could be undertaken in a series of steps or as one comprehensive set of text and map changes. The following presents a discussion of recommended zoning changes needed in order to implement the future land uses described in Section 11.1. A list of zoning recommendations is included in Table 12-1 and Figure 12.1.

Table 12-1: Proposed Zoning Changes

Area ID	Description	Existing Zoning	Proposed Zoning
1a	Rezone Long Dock Park to WP (see Section 10.0)	WD	WP
2a/2b	Rezone two areas east of station to WD (see Sec. 10.0)	WP, LB, LI	WD
3	<u>Rezone two parcels on Rt. 52 to R1-5</u>	<u>RD-5</u>	<u>R1-5</u>
4a/4b	Rezone <u>Main Street CB and Fountain Square</u> to CMS	CB, <u>LB</u>	CMS
5	Rezone southern Groverville Mills property to FCD	LI	FCD
6	Rezone <u>section of HI rail right-of-way to CB and GB</u>	<u>HI</u>	<u>CB, GB</u>
7	Rezone former DPW Garage to FCD	LI	FCD
8	Rezone section of HI rail right-of-way to FCD	HI	FCD
9	Rezone LI District to LB or restrict uses in LI	LI	LB or modified LI
10	<u>Rezone parcels on Rt. 52 and South St. to PB</u>	<u>RD-5, R1-5</u>	<u>PB</u>
11	Rezone parcel along Fishkill Creek to WP	FCD	WP
12	<u>Rezone parcels not facing main streets to adjacent zones</u>	<u>CB, CMS</u>	<u>R1-5, PB, R1-7.5</u>

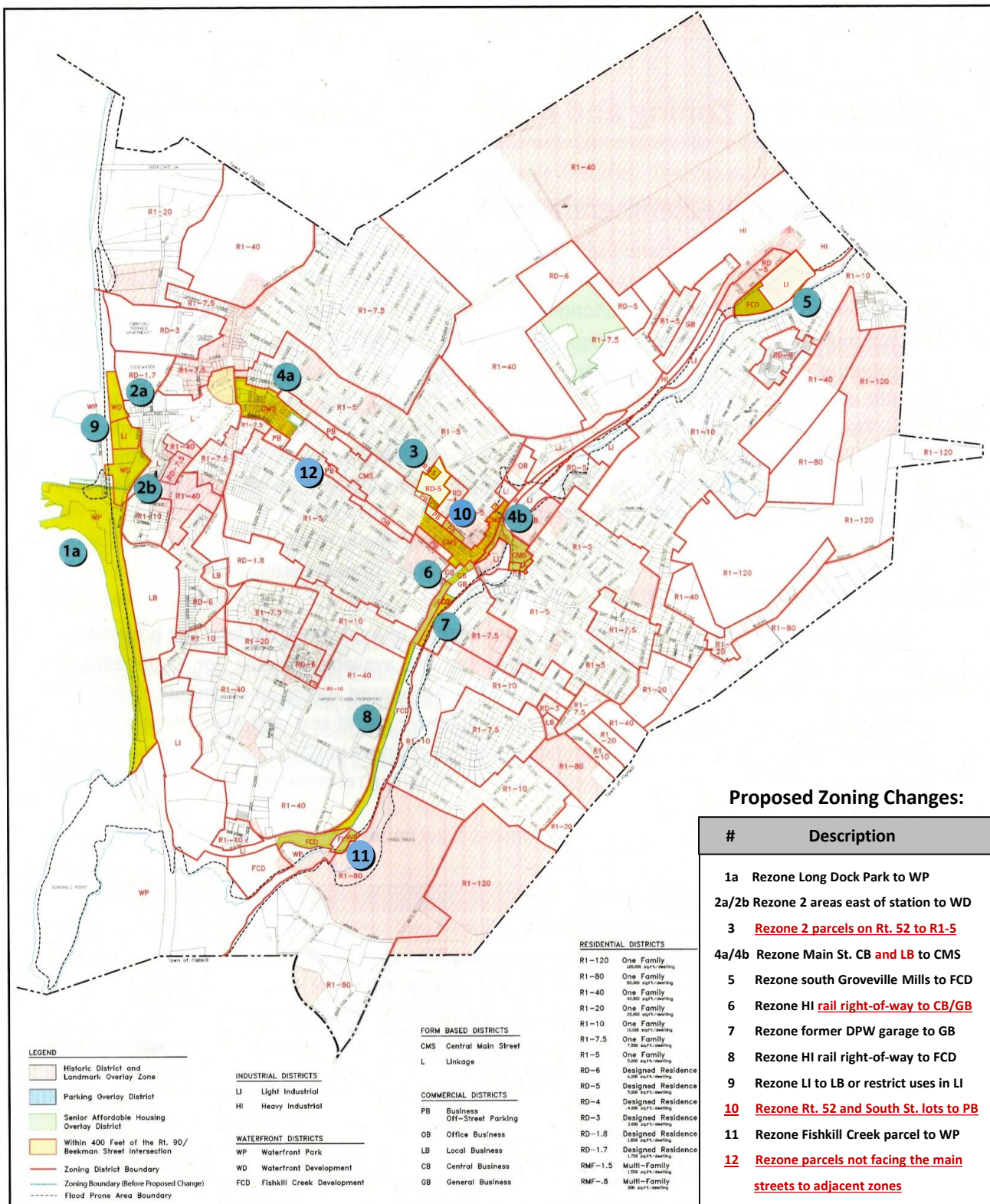


FIGURE 12-1: PROPOSED ZONING CHANGES

Draft: 4/12/18

LOCAL LAW NO. ____ OF 2018

**CITY COUNCIL
CITY OF BEACON**

**LOCAL LAW AMENDING THE ZONING MAP OF
THE CITY OF BEACON**

A LOCAL LAW to amend the
Zoning Map of the City of
Beacon.

BE IT ENACTED by the City Council of the City of Beacon as follows:

Section 1. Intent. The City Council believes that it is reasonable and appropriate to rezone certain areas in the central downtown business area in a manner that is not inconsistent with the City's Comprehensive Plan and provides for more efficient zoning boundaries. This local law is determined to be an exercise of the police powers of the City to protect the public health, safety and welfare of its residents.

Section 2. The zoning of the parcels listed below is hereby changed from the Existing Zoning District to the New Zoning District as shown in the table and as shown in Figure 1 annexed hereto:

Tax Parcel Number	Subject Property Address	Owner's Name and Address	Existing Zoning District	New Zoning District
6054-30-142808	554 Main Street Beacon, NY 12508	Further Properties, LLC 544 Main Street Beacon NY 12508	R1-5 (rear portion of lot) CB (portion of lot fronting on Main Street)	CMS
6054-30-151814	2 Ackerman Street	Joseph Valentin 2 Ackerman Street Beacon NY 12508	CB	CMS

p/o 6054-37-096715 (See Fig. 1 - along east side of Main Street from Ackerman Street to Churchill Street)	Main Street Beacon, NY 12508	Metro-North Commuter RR Co. 347 Madison Avenue New York, NY 10017	HI	CMS
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p/o 6054-30-168772 (See Fig. 1 - fronting on East Main Street)	8 East Main Street Beacon, NY 12508	10 Boulevard LLC 24 Woodbine Ave Northport, NY 11768	CB (west of Fishkill Creek) LB (east of Fishkill Creek)	CMS
6054-38-163747	15 East Main Street Beacon, NY 12508	Sharon Bronte 180 W. 58 th Street New York, NY 10019	LB	CMS
6054-38-166745	17 East Main Street Beacon, NY 12508	Gwenno M. James 20 South Chestnut Street Beacon, NY 12508	LB	CMS
6054-38-167740	19 East Main Street Beacon, NY 12508	Charalambos Peratikos P.O. Box 16 Beacon, NY 12508	LB	CMS
6054-38-167735	25 East Main Street Beacon, NY 12508	Weber Projects II LLC 25 East Main Beacon, NY 12508	LB	CMS
6054-38-169731	27-31 East Main Street Beacon, NY 12508	Accord Realty & Development Inc. P.O. Box 269 Somers, NY 10589	LB	CMS
6054-38-170728	33 East Main Street Beacon, NY 12508	VBK Properties LLC 10 North Gate Road Carmel, NY 10512	LB	CMS

6054-38-174726	East Main Street Beacon, NY 12508	POK Beacon LLC 3 Water Street Beacon, NY 12508	LB	CMS
6054-38-170722	3 Water Street Beacon, NY 12508	POK Beacon LLC 3 Water Street Beacon, NY 12508	LB	R1-5
6054-38-167716	5 Water Street Beacon, NY 12508	POK Beacon LLC 3 Water Street Beacon, NY 12508	LB	R1-5
6054-38-181714	49 East Main Street Beacon, NY 12508	Sophia Stuart 3 Water Street Beacon, NY 12508	LB	R1-5
6054-38-180717	47 East Main Street Beacon, NY 12508	47 East Main Street LLC 47 East Main Street Beacon, NY 12508	LB	CMS
6054-38-190723	44 East Main Street Beacon, NY 12508	Echo Properties I LLC 1777 Route 6 Carmel, NY 10512	LB	R1-5
6054-38-188729	36 East Main Street Beacon, NY 12508	Larry Way 39 Van Buren Street Beacon, NY 12508	LB	CMS
6054-38-183732	28 East Main Street Beacon, NY 12508	Rafiq Ahmed 28 East Main Street Beacon, NY 12508	LB	CMS
6054-38-186736	5 Leonard Street Beacon, NY 12508	Brian Haight 5 Leonard Street Beacon, NY 12508	LB	CMS
6054-29-041858	183 Fishkill Avenue Beacon, NY 12508	Lucy M. Cullinan 183 Fishkill Avenue Beacon, NY 12508	RD-5	R1-5

6054-38-182748	20 East Main Street Beacon, NY 12508	Kurt L. and Donald P. McMillen 160 Chelsea Rd Wappingers Falls NY 12590	LB	CMS
6054-29-047864	189 Fishkill Avenue Beacon, NY 12508	Emily DeCordova 189 Fishkill Avenue Beacon, NY 12508	RD-5	R1-5
6054-29-042814	158 Fishkill Avenue Beacon, NY 12508	Rocky Harbor, LLC 20 Dallis Place Beacon, NY 12508	RD-5	PB
p/o 6054-29-056780 (See Fig. 1 - portion of lot fronting on South Street)	Main Street Beacon, NY 12508	McDermott Properties 43 Jelliff Mill Rd New Canaan CT 06840	R1-5	PB
6054-29-063780	48 South Street Beacon NY 12508	John WH Dacey Holly R Sumner 48 South Street Beacon, NY 12508	R1-5	PB
p/o 6054-29-062771 (See Fig. 1 - portion of lot fronting on South Street)	424-428 Main Street Beacon NY 12508	Beacon Main Real Estate Group 8 Belford Ln Beacon NY 12508	R1-5	PB
p/o 6054-29-068768 (See Fig. 1 - portion of lot fronting on South Street)	432 Main Street Beacon NY 12508	Neil E Vaughn 432 Main Street Beacon NY 12508	R1-5	PB
6054-29-075770	34 South Street Beacon NY 12508	Neil Vaughn Erika M Foy 432 Main Street Beacon NY 12508	R1-5	PB
6054-29-079768	32 South Street Beacon NY 12508	Eric A. and Danielle F Brown 32 South Street Beacon NY 12508	R1-5	PB

6054-29-082764	28 South Street Beacon NY 12508	Norah Hart 305 Broadway New York NY 10007	R1-5	PB
p/o 6054-29-086757 (See Fig. 1 - portion of lot fronting on South Street)	Main Street Beacon NY 12508	Qualamar Corporation PO Box 4292 New Windsor NY 12553	R1-5	PB
5955-19-744005	1164 North Ave Beacon NY 12508	Clas Lindman 1164 North Ave Beacon NY 12508	CB	R1-5
p/o 5954-26-744995 (See Fig. 1 - excludes portion of lot fronting on W. Church St.)	1158 North Ave Beacon NY 12508	Hibernation Auto Storage Inc. 1158 North Ave Beacon NY 12508	CB	CMS
5954-26-748987	1156 North Ave Beacon NY 12508	Charles W Smith Jr 1156 North Ave Beacon NY 12508	CB	CMS
5954-26-740983	1154 North Ave Beacon NY 12508	Hibernation Auto Storage Inc. 1158 North Ave Beacon NY 12508	CB	CMS
5954-26-747977	134 Main Street Beacon NY 12508	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-27-757980	142 Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-27-761984	144-146 Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-27-765978	Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS

5954-27-768976	150 Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
p/o 5954-27-774986 (See Fig. 1 - excluding the portion of the lot fronting on West Church Street)	152 Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-27-773975	Main Street	284 Main Street Corp 284 Main Street Beacon NY 12508	CB	CMS
5954-27-777974	160 Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-27-781973	162 Main Street	Hose Company LLC 162 Main St. Beacon, NY 12508	CB	CMS
5954-27-787978	7 Cross Street	City of Beacon 1 Municipal Plaza Beacon NY 12508	CB	CMS
5954-27-788982	Cross Street	Crossix LLC 50 Simmons Ln Beacon NY 12508	CB	PB
5954-27-792985	9 Cross Street	Crossix LLC 50 Simmons Ln Beacon NY 12508	CB	PB
5954-27-793967	Main Street	Hudson Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-27-798971	4 Cross Street	Hudson Todd LLC 4 Cross Street Beacon NY 12508	CB	PB

5954-27-802974	8 Cross Street	Jose R. Santiago Myriam Orrego 8 Cross Street Beacon NY 12508	CB	PB
5954-27-799966	172 Main Street	Hudson Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-27-805964	174-178 Main Street	7215-18 th Avenue Realty Corp PO Box 417 Shrub Oak NY 10588	CB	CMS
p/o 5954-27-813968 (See Fig. 1 - portion of lot fronting on Main Street)	180 Main Street	180 Main LLC 48 Angola Rd Cornwall NY 12518	CB	CMS
p/o 5954-27-813963 (See Fig. 1 - portion of lot fronting on Main Street)	182 Main Street	182 Main Street Beacon LLC 3169 Glendale Blvd Los Angeles CA 90039	CB	CMS
5954-27-811956	184 Main Street	Paul and Jennifer Yeaple 7 Mackin Avenue Beacon NY 12508	CB	CMS
5954-27-814954	186-190 Main Street	190 Main St Inc. PO Box 115 Lincolndale NY 10540	CB	CMS
5954-27-817951	192 Main Street	Landstar Properties LLC PO Box 321 Sparkill NY 10976	CB	CMS
p/o 5954-27-820961 (See Fig. 1 - southern half of lot nearest to Main Street)	5 Willow Street	Susan C. Battersby 1 Mountain Ln Beacon NY 12508	CB	PB
5954-27-831951	6 Willow Street	Jonathan Halevah 6 Willow Street Beacon NY 12508	CB	PB

5954-27-837945	5 Digger Phelps Ct	Richard F Benash Shelita Birchett 339 Roberts Ave Yonkers NY 10703	CB	PB
5954-27-823922	217 Main Street	AMGC Corp 6405 Atlantic Ave Wildwood NJ 08260	CB	CMS
5954-27-821923	215 Main Street	Norbeh Hall Association Inc PO Box 149 Beacon NY 12508	CB	CMS
5954-27-819925	213-215 Main Street	Barbara and Brenda Joyce Sims 5 Kitteridge Place Beacon NY 12508	CB	CMS
5954-27-814929	201-211 Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-27-809932	199 Main Street	Starlight Beacon West LLC 272 St. Johns Golf Dr St Augustine FL 32092	CB	CMS
5954-27-806934	193-195 Main Street	Lazarus Rising LLC 98 Smithtown Rd Fishkill NY 12524	CB	CMS
5954-27-805940	185 Main Street	City of Beacon 1 Municipal Plaza Beacon NY 12508	CB	CMS
5954-27-799935	6 Cliff Street	Willie L Reed Sr 6 Cliff Street Beacon NY 12508	CB	PB
5954-27-797931	8 Cliff Street	Minerva Cabrera 8 Cliff Street Beacon NY 12508	CB	PB

5954-27-790938	20 Commerce Street	Paul B. and John L. Supple PO Box 510 Beacon NY 12508	CB	PB
5954-27-793942	5 Cliff Street	Paul B. and John L. Supple PO Box 510 Beacon NY 12508	CB	PB
5954-27-798947	181-185 Main Street	Burrow 181 Main LLC 84 Bedford Street New York NY 10014	CB	CMS
5954-27-793946	179 Main Street	Coldfire Holdings LLC 219 Cedar Ln Ossining NY 10562	CB	CMS
5954-27-791947	177 Main Street	Frog Leap Inc 177 Main Street Beacon NY 12508	CB	CMS
5954-27-789948	175 Main Street	Berisha Brothers Inc 4 Forest View Dr Hopewell Junction NY 12533	CB	CMS
5954-27-786950	169-173 Main Street	Berisha Brothers Inc 4 Forest View Dr Hopewell Junction NY 12533	CB	CMS
5954-27-783953	167 Main Street	Movil Development Corp 284 Main Street Beacon NY 12508	CB	CMS
5954-27-782958	163-165 Main Street	Chase Property Mgmt LLC 110 Anderson Street Beacon NY 12508	CB	CMS
5954-27-778961	157-161 Main Street	Barbara and Brenda Joyce Sims 5 Kitteridge Place Beacon NY 12508	CB	CMS

5954-27-774961	153-155 Main Street	Movil Development Corp 284 Main Street Beacon NY 12508	CB	CMS
5954-27-776952	14 Commerce Street	Gerardo J Cervone 14 Commerce Street Beacon NY 12508	CB	CMS
5954-27-771961	Main Street	151 Main St LLC PO Box 910 Beacon NY 12508	CB	CMS
5954-27-768956	149 Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-27-763957	145 Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-27-758957	139 Main Street	Star of Bethlehem Baptist Church 139-141 Main Street Beacon NY 12508	CB	CMS
5954-27-757950	6 Commerce Street	Hudson Todd LLC 4 Cross Street Beacon NY 12508	CB	PB
5954-27-753962	131-137 Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-26-749961	129 Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS
5954-26-749955	Main Street	Lindley Todd LLC 4 Cross Street Beacon NY 12508	CB	CMS

p/o 6054-29-026773 (See Fig. 1 – portion of lot fronting on Main Street)	423-425 Main Street	City of Beacon 1 Municipal Plaza Beacon NY 12508	CB	CMS
p/o 6054-29-035764 (See Fig. 1 – portion of lot fronting on Main Street)	427 Main Street	Beacon Court Associates Inc. 427 Main Street Beacon NY 12508	CB	CMS
p/o 6054-29-041761 (See Fig. 1 – portion of lot fronting on Main Street)	433 Main Street	Verizon New York Inc. PO Box 2749 Addison TX 75001	CB	CMS
p/o 6054-29-045758 (See Fig. 1 – portion of lot fronting on Main Street)	443 Main Street	Verizon New York Inc. PO Box 2749 Addison TX 75001	CB	CMS
p/o 6054-29-055758 (See Fig. 1 – portion of lot fronting on Main Street)	445 Main Street	Beacon Main Street Theater LLC 484 Main Street Beacon NY 12508	CB	CMS
6054-29-059752	451 Main Street	Jon Car Inc. 451 Main Street Beacon NY 12508	CB	CMS
6054-37-061750	453 Main Street	Stuart and Donna Wilensky 14 Longview Ln Middletown NY 10941	CB	CMS
6054-37-063747	455-457 Main Street	Joseph and Nancy Condon 20 Grove Street Beacon NY 12508	CB	CMS
p/o 6054-37-062739 (See Fig. 1 – portion of lot fronting on Main Street)	25 Van Nydeck Ave	City of Beacon 1 Municipal Plaza Beacon NY 12508	CB	CMS
6054-37-073725	5 Tioronda Ave	John J Goodall Jr Mary Goodal 5 Tioronda Avenue Beacon NY 12508	CB	PB

6054-37-068743	463 Main Street	Paul Quealey Anthony Fox 15 Saddlerock Dr Poughkeepsie NY 12603	CB	CMS
6054-37-071741	465 Main Street	465 Beacon Associates LLC 465 Main Street Beacon NY 12508	CB	CMS
6054-37-075738	469 Main Street	David Rich Paulette Myers-Rich 138 Grand Street New York NY 10013	CB	CMS
6054-37-077735	473 Main Street	Thomas L. Watkins Jr Sherry A Watkins 473 Main Street Beacon NY 12508	CB	CMS
6054-37-076730	475 Main Street	475 Main Street Beacon LLC 101 Castletown St Pleasantville NY 10570	CB	CMS
6054-37-084730	477 Main Street	Howland Center 477 Main Street Beacon NY 12508	CB	CMS
6054-37-091722	483 Main Street	Spanish Pentecostal Church PO Box 491 Beacon NY 12508	CB	CMS
6054-37-113729	493 Main Street	Verdi Boy Realty Group LLC PO Box 203 Hopewell Junction NY 12533	CB	CMS
6054-29-030795	390 Main Street	Beacon United LLC 284 Main Street Beacon NY 12508	CB	CMS

6054-29-034792	396 Main Street	Un-Locked LLC 35 Rombout Ave Beacon NY 12508	CB	CMS
6054-29-036791	398 Main Street	Benjamin Roosa 398 Main Street Beacon NY 12508	CB	CMS
6054-29-039788	Main Street	JP Morgan Chase Bank Natl Assn PO Box 810490 Dallas TX 75381	CB	CMS
6054-29-044784	404 Main Street	JP Morgan Chase Bank Natl Assn PO Box 810490 Dallas TX 75381	CB	CMS
6054-29-048780	412 Main Street	Hardy Homes LLC 5 Wodenethe Dr S Beacon NY 12508	CB	CMS
p/o 6054-29-056780 (See Fig. 1 - portion fronting on Main Street)	Main Street	McDermott Properties 43 Jelliff Mill Rd New Canaan CT 06840	CB	CMS
6054-29-056774	418 Main Street	EB 1 LLC 418 Main Street Beacon NY 12508	CB	CMS
p/o 6054-29-062771 (See Fig. 1 - portion fronting on Main Street)	424-428 Main Street	Beacon Main Real Estate Group 8 Belford Ln Beacon NY 12508	CB	CMS
p/o 6054-29-068768 (See Fig. 1 – portion fronting on Main Street)	432 Main Street	Neil E Vaughn 432 Main Street Beacon NY 12508	CB	CMS
6054-29-069762	436 Main Street	436 LLC 32 Cedar Street Dobbs Ferry NY 10522	CB	CMS

6054-29-074760	440 Main Street	Daniel Frasco 440 Main Street PO Box 938 Beacon NY 12508	CB	CMS
6054-29-075757	444 Main Street	Amarcord Inc 162 Main Street Cold Spring NY 10516	CB	CMS
6054-29-078756	446 Main Street	Qualamar Corporation PO Box 4292 New Windsor NY 12553	CB	CMS
p/o 6054-29-086757 (See Fig. 1 - portion fronting on Main Street)	Main Street	Qualamar Corporation PO Box 4292 New Windsor NY 12553	CB	CMS
6054-37-084750	456 Main Street	456 Main LLC 450 Alton Rd Miami Beach FL 33139	CB	CMS
6054-37-085749	458 Main Street	7215-18 th Avenue Realty Corp PO Box 417 Shrub Oak NY 10588	CB	CMS
6054-37-087747	460 Main Street	7215-18 th Avenue Realty Corp PO Box 417 Shrub Oak NY 10588	CB	CMS
6054-37-089746	462 Main Street	7215-18 th Avenue Realty Corp PO Box 417 Shrub Oak NY 10588	CB	CMS
6054-37-090745	464 Main Street	Melissa Badger 91 E 3 rd Street New York NY 10003	CB	CMS
6054-37-092744	466 Main Street	Gritster LLC 466 Main Street Beacon NY 12508	CB	CMS

6054-37-094741	468-470 Main Street	468-472 Main Street LLC 468-472 Main Street Beacon NY 12508	CB	CMS
6054-37-096740	472 Main Street	468-472 Main Street LLC 468-472 Main Street Beacon NY 12508	CB	CMS
6054-37-097737	474-476 Main Street	474-476 Main Street LLC 6 Slocum Rd Beacon NY 12508	CB	CMS
6054-37-100734	478-482 Main Street	Northview Restoration Corp 478 Main Street Beacon NY 12508	CB	CMS
6054-37-103737	484-488 Main Street	484 Main Street Realty 19 Garden Rd Harrison NY 10528	CB	CMS
6054-37-106741	490 Main Street	Matteawan On Main Inc 492 Main Street Beacon NY 12508	CB	CMS
6054-37-109744	498 Main Street	Rodney Weber 25 E Main Street Beacon NY 12508	CB	CMS
6054-37-117750	504 Main Street	500-504 Main Street LLC 6 Slocum Rd Beacon NY 12508	CB	CMS
6054-29-121755	506-512 Main Street	Chestnut Management Inc PO Box 9136 Bardonia NY 10954	CB	CMS
6054-29-124758	516 Main Street	518 Main Street LLC 215 W 83 rd Street New York NY 10024	CB	CMS

6054-30-130765	520 Main Street	Red Cardinal Holdings LLC 451 Main Street Beacon NY 12508	CB	CMS
6054-30-127768	5 North Street	Bankers Trust Co of CA, Trustee 252 Seventh Ave New York NY 10001	CB	R1-5
6054-29-124770	9 North Street	Ralph Marinaccio III 816 Route 52 Fishkill NY 12524	CB	R1-5
6054-30-131773	528-534 Main Street	534 Main Street LLC 534 Main Street Beacon NY 12508	CB	CMS
6054-30-132779	Main Street	536 Main Street LLC 206 Milton Tpke Milton NY 12547	CB	CMS
6054-30-129788	544 Main Street	544 Main Street LLC 215 W 83 rd Street New York NY 10024	CB (front facing Main Street) R1-5 (rear)	CMS
6054-30-134791	Main Street	City of Beacon 1 Municipal Plaza Beacon NY 12508	CB	CMS
6054-30-136795	Main Street	City of Beacon 1 Municipal Plaza Beacon NY 12508	CB	CMS
6054-29-004836	Eliza Street	CRE JV Five Branch Holdings LLC PO Box 460049 Houston TX 77056	CMS	PB
6054-29-007841	23 Eliza Street	John C. and Tara E. Thom 82 Sunrise Hill Rd Fishkill NY 12524	CMS	PB

5954-36-958873	Church Street	59 Church Street Development PO Box 390 Beacon NY 12508	CMS	PB
5954-36-954865	14 North Chestnut Street	Pamela S. Koeber-Diebboll 14 North Chestnut Street Beacon NY 12508	CMS	PB
5954-36-951861	12 North Chestnut Street	Patrick J. Hannon 12 North Chestnut Street Beacon NY 12508	CMS	PB
5954 28-951876	Church Street	Joseph Neville & Joan Ehrenberg 91 Rombout Ave Beacon NY 12508	CMS	PB
5954-28-943881	North Cedar Street	Cervone Realty Inc 111 North Walnut Street Beacon NY 12508	CMS	PB
5954-28-943875	10 North Cedar Street	Young Eun Figi & Kai Mark McLellan 10 North Cedar Street Beacon NY 12508	CMS	PB
5954-36-938872	8 North Cedar Street	Leli S Franco 49 North Chestnut Street Beacon NY 12508	CMS	PB
5954-28-930881	7 North Cedar Street	Lydia Panko Treanor, Luba Weidler, Nina Panko Keating, & Peter Panko 7 North Cedar Street Beacon NY 12508	CMS	PB
5954-28-917889	6 North Brett Street	Movil Development Corp 284 Main Street Beacon NY 12508	CMS	PB

5954-28-879914	5 North Walnut Street	Colin Chayne & Helen Nelson 5 North Walnut Street Beacon NY 12508	CMS	PB
5954-27-864924	4 North Elm Street	Charles Kacherski 4 North Elm Street Beacon NY 12508	CMS	PB
5954-27-857931	5 North Elm Street	Daniel Aubry 196 Bowery New York NY 10012	CMS	PB
5954-27-846941	6 Digger Phelps Ct	David Maros & Agnieszka Maros 1456 Ulster Hts Ellenville NY 12428	CMS	PB
5954-36-909853	7-9 South Cedar Street	Ramroop Bhagwandin & Chanderdai Bhagwandin 14 Richmond Pl Cortlandt Manor NY 10567	CMS	PB
5954-36-922847	6 South Cedar Street	Hudson Todd LLC 4 Cross Street Beacon NY 12508	CMS	PB
5954-36-935836	South Chestnut Street	J & S Ritter Realty 2 Cedarcliff Ln Poughkeepsie NY 12601	CMS	PB

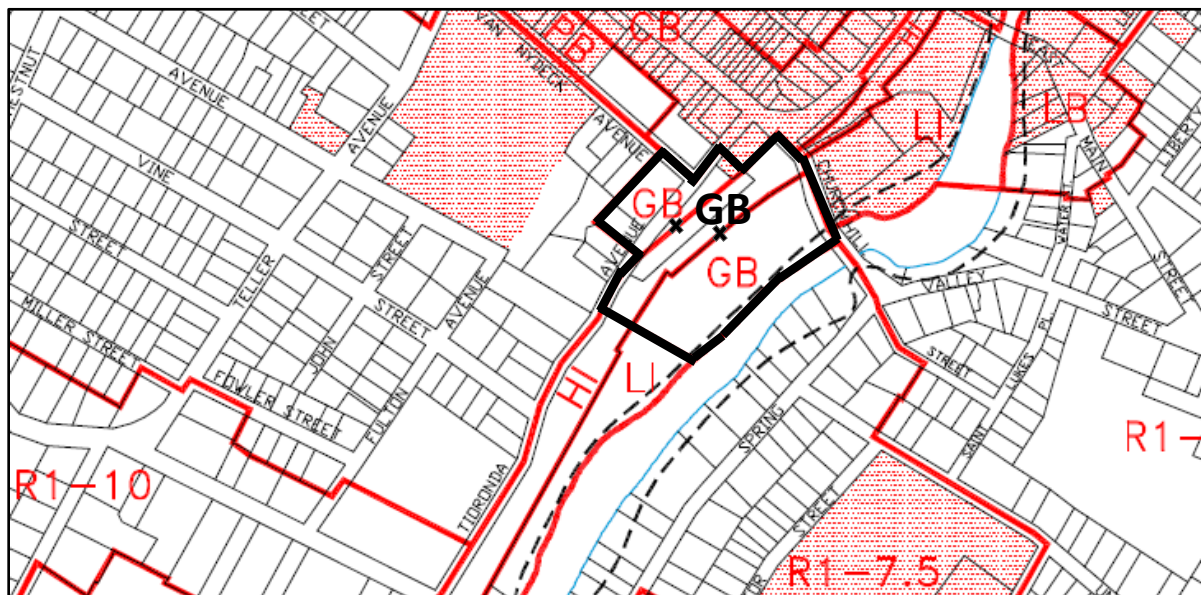
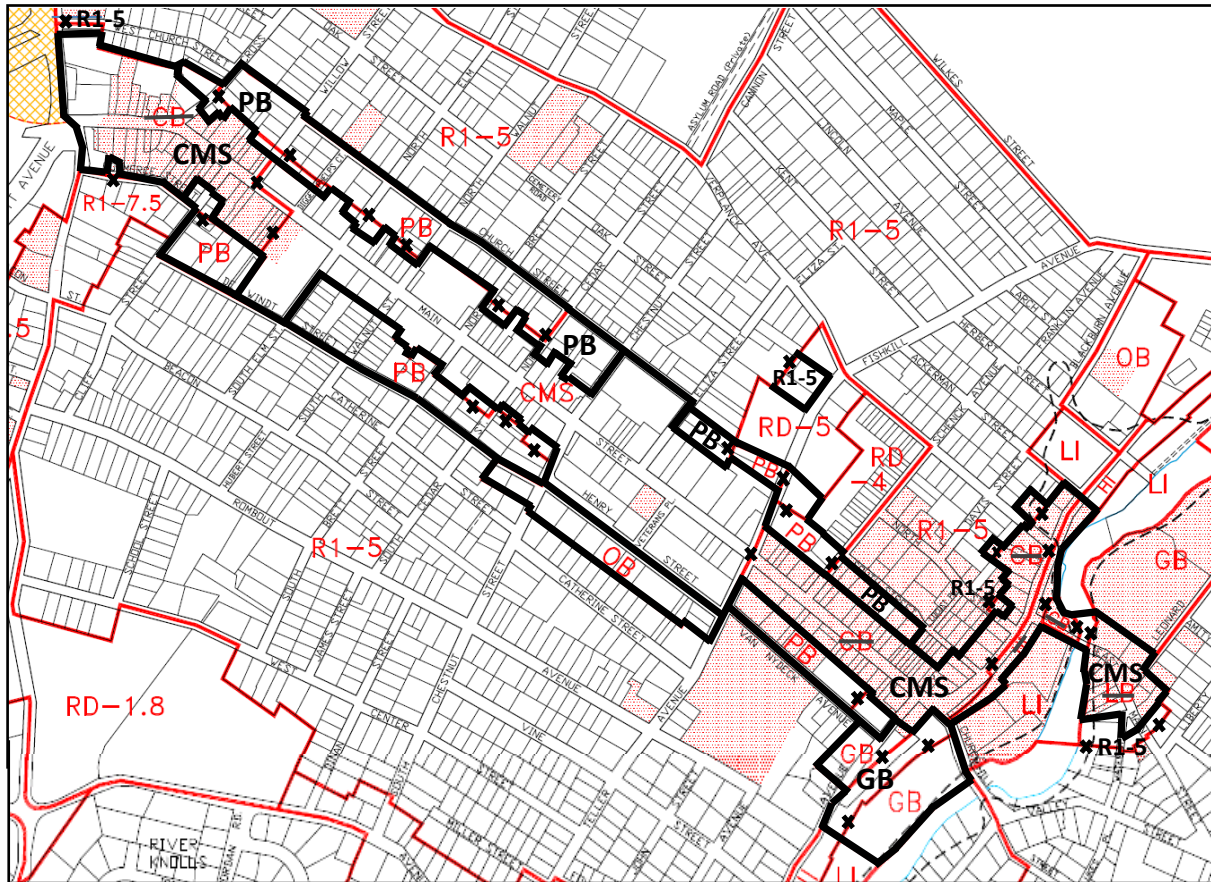
Section 3. The zoning of the parcels listed below is hereby changed from the Existing HI Zoning District to the New Zoning District as shown in the table and as shown in Figure 2 annexed hereto:

Tax Parcel Number	Subject Property Address	Owner's Name and Address	Existing Zoning District	New Zoning District
p/o 6054-37-096715 (See Fig. 2 - from Churchill Street to 850 feet north of Wolcott Ave)	Main Street Beacon, NY 12508	Metro-North Commuter RR Co. 347 Madison Avenue New York, NY 10017	HI	GB
/o 6054-37-077707	12 Tioronda Avenue Beacon, NY 12508	Jude Builders Inc. P.O. Box 69 Beacon, NY 12508	HI	GB

Section 4. Severability. The provisions of this Local Law are separable and if any provision, clause, sentence, subsection, word or part thereof is held illegal, invalid or unconstitutional, or inapplicable to any person or circumstance, such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, subsections, words or parts of this Local Law or their petition to other persons or circumstances. It is hereby declared to be the legislative intent that this Local Law would have been adopted if such illegal, invalid or unconstitutional provision, clause, sentence, subsection, word or part had not been included therein, and if such person or circumstance to which the Local Law or part hereof is held inapplicable had been specifically exempt there from.

Section 5. This local law shall become effective immediately upon filing with the Office of the Secretary of State.

Attachments: Figures 1 and 2.



City of Beacon Workshop Agenda
5/29/2018

Title:

Small cell wireless facilities Local Law discussion

Subject:

Background:

ATTACHMENTS:

Description	Type
Small Cells Draft LL	Local Law
Verizon Atty ltr	Cover Memo/Letter

DRAFT LOCAL LAW NO. ____ OF 2018

**CITY COUNCIL
CITY OF BEACON**

**PROPOSED LOCAL LAW TO
ADD SECTION 223-26.4 OF THE CODE OF THE
CITY OF BEACON**

A LOCAL LAW to
create Section 223-26.4
of Code of the City of
Beacon, concerning
Small Cell Wireless
Facilities.

BE IT ENACTED by the City Council of the City of Beacon as follows:

Section 1. Section 223-26.4 of the Code of the City of Beacon entitled “Small Cell Wireless Telecommunications Facilities” is hereby created as follows:

- A. Purpose. The purpose of this Section is to establish uniform policies and procedures for the deployment and installation of small cell wireless telecommunications facilities in the City of Beacon, which will provide a public health, safety, and welfare benefit consistent with the preservation of the integrity, safe usage, and visual qualities in the City.
- B. Permit Required.
- (1) No person shall install a small cell wireless telecommunications facility without first filing a small cell wireless telecommunications facility application and obtaining a small cell permit from the Planning Board.
 - (2) The Planning Board may issue a permit for the following:
 - (a) The modification of an existing tower or base station that does not incur a substantial change to the tower or base station or that otherwise qualifies as an Eligible Facilities Request.
 - (b) Collocation of a small cell wireless telecommunications facility or DAS Facility on an existing tower, utility pole or streetlight not exceeding 50 feet in height in the public right-of-way.

- (c) Collocation on existing buildings within the City of Beacon.
- (d) Replacement of a utility pole or street light that does not result in a change from the original dimensions.
- (e) Installation of a monopole or utility pole for small cell or DAS Facilities in the public right-of-way that does not exceed 50 feet in height.

C. Special Use Permit approval by the City Council is required under § 223-24.5 for the following uses:

- (1) A substantial change to an existing tower or base station.
- (2) Any other application for placement, installation or construction of transmission equipment that does not constitute an Eligible Facilities Request.
- (3) Installation of a new tower.
- (4) Placement of new antenna on an existing tower or base station that results in a substantial change to the tower or base station.
- (5) Installation of equipment located on sidewalk.
- (6) Installation of equipment located at an elevation less than ten feet from the ground.
- (7) Installation of a small cell facility on a pole located within 20 feet of a dwelling unit.

D. Permit Application.

- (1) All small cell wireless telecommunications facility applications for small cell permits filed pursuant to this Section shall be on a form provided by the City.
- (2) The small cell permit application shall be made by the wireless telecommunications provider or its duly authorized representative and shall contain the following:
 - (a) The applicant's name, address, telephone number, and e-mail address;
 - (b) The names, addresses, telephone numbers, and email address of all consultants, if any acting on behalf of the applicant with respect to the filing of the application.

- (c) A general description of the proposed work and the purpose of the work proposed.
 - (d) Identify and disclose the number and locations of any small cells that the applicant has installed or locations the applicant has considered in the past year for small cell infrastructure within the City and those submitted or anticipated to be submitted within a one year period.
 - (e) A description of the anticipated maintenance needs, including frequency of service, personnel needs and equipment needs, and the potential traffic safety and noise impact of such maintenance.
 - (f) Any amendment to information contained in a small cell permit application shall be submitted in writing to the City within 30 days after the change necessitating the amendment.
- (3) An application shall not be required for: (i) routine maintenance; and (ii) the replacement or upgrade of a previously permitted small cell wireless telecommunications facility with another small cell wireless telecommunications facility that is the same as or smaller in size, weight, and height at the same location.
 - (4) A wireless telecommunications provider authorized to install small cell wireless telecommunications facilities shall pay to the City an application fee and administrative fee as set forth in this section.
 - (5) A wireless telecommunications provider is authorized, after 30 days written notice to the City Building Inspector, to remove its facility at any time from the rights-of-way and cease paying the City the administrative fee.

E. Location

- (1) The following locational priorities shall apply in the order specified, consistent with the City's obligation to create the least amount of adverse aesthetic impact and to preserve the scenic values of the City:
 - (a) On the roof of any City owned or federal, state or local government owned buildings or structures.
 - (b) Location on privately-owned buildings
 - (c) Location on an existing City owned utility poles
 - (d) Location on City-owned infrastructure on private poles
 - (e) Location City-owned property, where there is no existing pole

(f) Location on privately-owned utility poles.

- (2) If the proposed site is not the highest priority listed above, then a detailed explanation must be provided as to why a site of higher priority was not selected. The person seek such an exemption must satisfactorily demonstrate the reason or reasons why such a permit should be granted for the proposed site and the hardship that would be incurred by the applicant if the permit were not granted for the proposed use.

F. Right of Way Fees

- (1) In order to ensure that the limited private use of the public right of way authorized herein does not become an additional cost to the City, it is hereby determined by the City Council that the following fees shall be charged to applicants and permit holders seeking to use the public right of way pursuant to this Local Law.
- (2) Small Cell Permit Application Fee: shall be \$500.000 (non-refundable) due to the City Building Department upon submittal of a completed application for review.
- (3) Annual Small Permit Fee:
- (a) For placement on Existing Private Utility Poles -\$1,000.00 per year
 - (b) For placement on Existing City-owned buildings, utility poles, infrastructure or property - \$1,500.00 per year
 - (c) For placement of new poles in the right of way \$2,000 per year
 - (d) Fee start date: The annual permit fee shall be payable January 2 of the year following installation. Failure to pay the annual permit fee shall result in the imposition of a 5% penalty fee, additional collection fees if necessary, and suspension or revocation of the permit.

G. City requirements as to aesthetics and neighborhood impact mitigation

- (1) In order to preserve the character and integrity of City neighborhoods the City Council finds that the following requirements are essential to protect the public health, safety and welfare.
- (a) New small cell facilities shall not be located in the Historic District and Landmark Overlay Zone.
 - (b) Wherever possible, new small cell facilities shall include stealth technology designs.

- (c) All small cells placed on any roof shall be set back at least 15 from the edge of the roof along any street frontage.
 - (d) The Planning Board shall consider all impacts to site lines and aesthetic views.
 - (e) Except within the public right of way, all proposed poles, pole equipment and enclosures shall comply with the designated setback requirements.
 - (f) Up to three (3) small cells will be allowed per utility pole if technically feasible and if in the determination of the Planning Board there are no safety or aesthetic concerns. Small cells must be designed and placed in an aesthetically pleasing manner to the reasonable satisfaction of the approving agency.
 - (g) No small cell placement shall be allowed on ornamental street lighting poles as determined by the Building Inspector.
 - (h) No small cell facilities or associated equipment shall be placed on any sidewalk and shall not obstruct pedestrian or vehicular traffic in any way.
 - (i) In no event shall any utility pole or wireless telecommunication support structure as of January 1, 2018, installed in the public right of way, exceed 50 feet. A shorter pole may be required if the initial proposal is deemed out of character of with the neighborhood as determined by the Planning Board.
 - (j) Each new small cell wireless telecommunications facility, including antennas or other associated equipment, installed in the public right-of-way shall not exceed more than ten (10) feet above the existing utility pole or wireless telecommunications support structure on which it is being located.
- H. Duration. Construction pursuant to a small cell permit issued under this section must be commenced within twelve (12) months of issuance of the small cell permit and diligently pursued thereafter, or such small cell permit shall expire.
- I. Routine Maintenance and Replacement. An application shall not be required for: (i) routine maintenance; and (ii) the replacement or upgrade of a small cell wireless telecommunications facility with another small cell wireless telecommunications facility that is same as or smaller in size, weight and height at the same location.
- J. Information Updates. Any amendment to information contained in a small cell building/work permit application shall be submitted in writing to the City within thirty (30) days after the change necessitating the amendment. On an annual basis, the wireless telecommunication provider shall provide a list of existing small cell locations within the City.
- K. Removal, relocation or modification of Small cell Wireless Telecommunications Facility in the Public Right-of-Way

- (1) Notice. Within ninety (90) days following written notice from the City , the wireless provider shall, at its own expense, protect, support, temporarily or permanently disconnect, remove, relocate, change or alter the position of any small cell wireless telecommunications facilities within the public right-of-way whenever the City has determined that such removal, relocation, change or alteration, is necessary for the construction, repair, maintenance, or installation of any City improvement in or upon, or the operations of the City in or upon, the public right-of-way.
- (2) Emergency Removal or Relocation of Facilities. The City retains the right and privilege to cut or move any small cell wireless telecommunications facility located within the public right-of-way, as the City may determine to be necessary, appropriate or useful in response to any public health or safety emergency. If circumstances permit, the City shall notify the wireless telecommunications provider and provide the wireless telecommunications provider an opportunity to move its own facilities prior to cutting or removing a facility and shall notify the wireless telecommunications provider after cutting or removing a small cell wireless telecommunications facility.
- (3) Abandonment of Facilities. Upon abandonment of a small cell wireless telecommunications facility within the public rights-of-way of the City, the wireless provider shall notify the City within ninety (90) days. Following receipt of such notice the City may direct the wireless provider to remove all or any portion of the small cell wireless telecommunications facility if the City, or nay of its departments, determines that such removal will be in the best interest of the public health, safety and welfare.

Section 2. Ratification, Readoption and Confirmation

Except as specifically modified by the amendments contained herein, Chapter 223 of the City of Beacon Code is otherwise to remain in full force and effect and is otherwise ratified, readopted and confirmed.

Section 3. Severability

The provisions of this Local Law are separable and if any provision, clause, sentence, subsection, word or part thereof is held illegal, invalid or unconstitutional, or inapplicable to any person or circumstance, such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, subsections, words or parts of this Local Law or their petition to other persons or circumstances. It is hereby declared to be the legislative intent that this Local law would have been adopted if such illegal, invalid or unconstitutional provision, clause, sentence, subsection, word or part had not been included therein, and if such person or circumstance to which the Local Law or part hereof is held inapplicable had been specifically exempt there from.

Section 4. Effective Date

This local law shall take effect immediately upon filing with the Office of the Secretary of State.

DRAFT

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May 23, 2018

City of Beacon City Council
Beacon City Hall
1 Municipal Plaza
Beacon, New York 12508

RE: Proposed Local Law to Add Section 223-26.4 of the Code of the City of Beacon
Concerning Small Cell Wireless Facilities

Dear Mayor Casale and Members of the City Council:

Our firm represents Orange County-Poughkeepsie Limited Partnership DBA Verizon Wireless ("Verizon Wireless"). Verizon Wireless appreciates the opportunity to provide the following comments and concerns relative to the above-referenced proposed local law under consideration by the City Council.

As the City Council is likely aware, Verizon Wireless previously submitted separate special use permit applications requesting permission to install and operate two small cell facilities within two city rights-of-way. These applications were submitted on November 17, 2017. Both applications involve installing equipment and a small antenna on utility poles owned by Central Hudson Gas & Electric ("CHGE"). No equipment will be located on the ground within such rights of way.

Based on the foregoing and because Verizon Wireless anticipates the need for future small cell facilities in the City of Beacon, Verizon Wireless has a significant interest in the adoption of a fair, reasonable and competitively neutral small cell local law. Verizon Wireless also believes that a fair, competitively neutral and non-discriminatory approach to small cell

deployment within the city will benefit the city by limiting the use of already scarce city resources for these relatively minor installations, which in many instances are extremely similar to traditional electrical utilities currently deployed in the public rights of way.

The following comments on the draft local law are respectfully provided below for your consideration.

1. Section 223-26.4(B)(2)(a). This subsection, as currently written, provides that the Planning Board may issue a permit for certain proposals, including a proposed modification of an existing tower or base station that does not involve a substantial change to the tower or base station or is a modification that qualifies as an “eligible facilities request” pursuant to the Middle Class Tax Relief and Job Creation Act of 2012 (“TRA”).

Comment. Verizon Wireless recommends that this provision be removed from the local law for the following reasons. First, by definition “eligible facilities requests” under the TRA are by definition minor in nature and do not involve substantial changes to an existing tower or base station. Moreover, according to federal law, an eligible facilities request must be approved and cannot lawfully be denied by the local municipality. Based on the foregoing, it would appear that these types of applications could easily be administered via the Building Permit process, which would have the effect of significantly reducing the Planning Board’s case load with respect to these types of minor facilities.

2. Section 223-26.4(B)(2)(b). This subsection appears to require a permit for a simple collocation of a small cell facility on an existing tower, utility pole or streetlight not exceeding 50 feet in height in the public right-of-way.

Comment. Due to the minor nature of a collocation of equipment on an existing tower, utility pole or streetlight, we believe it is appropriate for such projects to be approved administratively via a Building Permit, instead of requiring formal Planning Board review and approval. Administrating these types of minor projects through the Building Department will also free up limited city resources and will allow faster deployment of these facilities which will significantly enhance wireless service throughout the city.

3. Section 223-26.4(B)(2)(d). According to the proposed language in this subsection, the Planning Board is authorized to issue a permit for the replacement of an existing utility pole that does not result in a change from the original dimensions.
4. Comment. We question whether this is intended to apply to traditional utility company installations, such as “landline” telephone and electric poles also. It is possible to interpret the proposed local law to exclude such traditional utility company pole replacements. If that is the case, we feel that such interpretation is inconsistent with existing federal law.

Federal law prohibits state or local actions that would erect substantial barriers to wireless facilities deployment, including prevention of a wireless provider from competing on a level playing field with others.¹ Under federal law, regulation need not be an absolute preclusion to be found unlawful.² The law requires management of public rights-of-way to be conducted on a competitively neutral and non-discriminatory basis.³ Thus, a wireless carrier can be neither denied access nor charged more for the same rights and services than a traditional utility. To be competitively neutral and non-discriminatory, the City of Beacon is required to treat the proposed VZW infrastructure improvements similar to the manner in which the traditional utilities (land-line telephone and electric, etc.) are treated relative to zoning permits and approvals.

In addition to being required by Federal law, evenhanded treatment of wireless providers is critical to the New York State's "Broadband for All" policy which promotes broadband access, including wireless access throughout the state.⁴ Imposing greater burdens on wireless providers than on traditional utility providers is simply inconsistent with that policy.

¹ The federal Telecommunications Act of 1996, codified at 47 U.S.C., was enacted "to open up markets to competition by removing regulatory barriers to entry... To provide for a pro-competitive, de-regulatory national policy framework designed to accelerate rapidly private sector deployment of advanced information technologies and services to all Americans by opening all telecommunications markets to competition." (Conference Report, telecommunications act of 1996, House of Representatives, 104th Congress, 2d Session, H. Rept. 104-458, at p.1). "Telecommunications" is not limited to wireless carriers/service (see 47 U.S.C. §153(50)). Specifically, 47 U.S.C. §253(a) prohibits State and local statutes/regulations that "may prohibit or have the effect of prohibiting the ability of an entity to provide any interstate or intrastate telecommunications service." The federal statute places a similar prohibition on a State and/or local government's regulation of the "placement, construction, and modification" of wireless telecommunications facilities, requiring that such regulations "shall not prohibit or have the effect of prohibiting the provision of personal wireless services." 47 U.S.C. §332(c)(7)(B)(i)(II). Accordingly, a different regulatory framework, including access regulations and fees, for similar telecommunications technologies works to "prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service" in violation of §253(a).

² "a regulation need not erect an absolute barrier to entry in order to be found prohibitive... It is enough that [the regulation] would 'materially inhibit' the provision of services." Quest Corp. the City of Santa Fe, 380 F. 3d 1258, 1267 (10th Cir. 2004), citing RT communications, Inc. v. FCC, 201 F.3d 1264, 1268-69 (10th Cir. 2000). In Quest Corp., the Court of Appeals found requirements placed on telecommunications providers by the city's ordinance with respect to both rent and construction costs to be "substantial," representing a "massive increase in cost," and thus were prohibitive under §253(a) of the telecommunications act and thereby unenforceable. Id. at 1271-75.

³ "Nothing in this section affects the authority of a State or local government to manage the public rights-of-way or to require fair and reasonable compensation for telecommunications providers, on a competitively neutral and nondiscriminatory basis, for use of public rights-of-way on a nondiscriminatory basis, if the compensation required is publicly disclosed by such government." 47 U.S.C. §253(c). Notably, the courts and the FCC have interpreted this subsection to require regulations as to both the management of the rights-of-way and any required compensation to be "competitively neutral" and "non-discriminatory." Quest Corp., supra at 1271.

⁴ See <https://www.ny.gov/programs/broadband-all>

We, therefore, believe that it is inappropriate to single out small cell facilities and impose different requirements on such facilities as compared to traditional utility infrastructure.

5. Section 223-26.4(B)(2)(e). This provision requires a permit for the installation of a monopole or utility pole intended for small cell or DAS facilities to be located in a public right-of-way that does not exceed 50 feet in height.

Comment. We question whether this facility is intended to apply just to small cell facilities or whether it will apply equally to traditional utility installations. As indicated above, public rights-of-way must be managed in a competitively neutral and nondiscriminatory manner. If this provision is intended only to apply to utility poles for small cell facilities, and not traditional utility poles, we question whether this provision is competitively neutral and nondiscriminatory in nature.

6. Section 223-26.4(C)(6). This subsection would require issuance of a special use permit from the City Council for certain proposals, including a project which proposed the installation of equipment located on a pole less than 10 feet from the ground.

Comment. Verizon Wireless is extremely cognizant of the need to attempt to keep equipment out of reach of the public, and attempts to do so when feasible. However, this specific provision could actually result in taller pole heights due to the fact that small cell equipment needs to maintain a certain separation distance from other pole attachments. There could be situations where equipment on existing poles would require the proposed small cell equipment to be located at a height of less than 10 feet from the ground. In order to install the proposed small cell equipment at a minimum height of 10 feet above ground, a taller tower may be required in certain circumstances. Is the city willing to accept this trade-off? Additionally, does this requirement apply equally to the traditional utility installation (i.e. non-wireless)?

7. Section 223-26.4(D)(3). This subsection exempts certain projects, including routine maintenance and the replacement or upgrade of a previously permitted facility with equipment that is the same as or smaller in size, weight and height at the same location from the requirement to obtain a permit under this proposed local law.

Comment. Verizon Wireless agrees that it is appropriate to exempt certain small cell projects from the need to obtain land-use and zoning permits. We also believe that it is appropriate to consider removing the reference to “weight” in section 223-26.4(D)(3). It is possible that replacement equipment could be equal in size and height, or smaller, but be heavier in weight, depending upon the design. We believe that the weight of the replacement equipment should not be a threshold for requiring an application, as long as the existing structure has adequate capacity to accommodate the replacement equipment.

8. Section 223-26.4(D)(4). This subsection requires a telecommunications provider to pay the city an application fee and administrative fee outlined in the proposed local law based upon the specific project proposed.

Comment. While Verizon Wireless does not necessarily oppose the requirement for application or administrative fees, any such fees must be limited to the city's right of direct cost recovery for activities related to the application.

Where a license or permit fee is imposed under the power to regulate, the amount charged cannot be greater than a sum reasonably necessary to cover the costs of issuance, inspection and enforcement. *New York Tel. Co*, 200 A.D.2d at 316; *Torsoe*, 49 A.D.2d at 465; *Orange & Rockland Utilities, Inc.*, 80 A.D.2d at 847; *Bally's Aladdin's Castle, Inc.*, 126 Misc. 2d at 545; *Mobil Oil Corp.*, 85 Misc. 2d at 806. Moreover, a properly imposed fee is one that has been determined on the basis of reliable factual studies or statistics. *Jewish Reconstructionist Synagogue of N. Shore v. Inc. Vill. of Roslyn Harbor*, 40 N.Y.2d 158, 163 (1976).

9. Section 223-26.4(E). This provision attempts to establish location priorities for the siting of small cell facilities. The proposed law attempts to give the highest priority to city-owned or federal, state or local government owned buildings or structures. In each instance, municipally owned structures or property are given preference over privately owned structures or property.

Comment. We believe that an attempt to give priority to municipally owned structures or property represents an arbitrary and unlawful provision. Where a local law lists preferences for site location that involves ownership of land—specifically, municipally owned property—as opposed to location or zoning classification of land, it violates equal protection and police power principles. *Countryman v. Schmitt*, 176 Misc. 2d 736 (Sup. Ct. Monroe Cty. 1998) (holding that a town law governing grants of special use permits for communication towers, which prioritized location, and placed property owned by the town above residential land in priority, violated equal protection rights). The proposed provision, as currently written, inappropriately attempts to force applicants to municipally-owned properties and/or structures.

As a result of the minor nature of the infrastructure associated with typical small cell facilities and the fact that such facilities are or will be needed in many areas within the city regardless of the zoning classification, it is more appropriate to simply create a hierarchy which gives preference to collocation on existing and/or replacement utility poles or structures. Under this scenario, a new utility pole or structure would not be permitted unless the applicant adequately demonstrates that collocation on an existing pole or structure is not a viable alternative.

10. Section 223-26.4(F). This provision establishes certain application and annual fees for the placement of small cell facilities on: (i) existing private utility poles; (ii) existing

city-owned buildings, utility poles, infrastructure or property; (iii) new poles in the right-of-way (presumably city-owned).

Comment. We have several concerns with this provision.

We also question whether the small cell permit application fee applies equally to traditional telephone and electric utility installations. In other words, is a telephone or electric utility company required to pay a \$500 application fee to install a new pole? In order to maintain a competitively neutral and nondiscriminatory review process, as required by Federal law, the city is not permitted to treat licensed wireless communications providers differently from other traditional utility providers. To do so would constitute an unlawful barrier under the Telecommunications Act of 1996.

As set forth above in item number eight (8) above, for municipal application fees to be proper, the fees must be equal to a sum reasonably necessary to cover the costs of issuance, inspection and enforcement of the permit. Have the proposed fees been determined on the basis of reliable factual studies or statistics? If so, we respectfully request to be provided with a copy of such factual studies or statistics.

In addition to the above, we believe that the annual small permit fee schedule may be unlawful on its face. For example, Section 223-26.4(F)(3)(a) purports to require payment of a \$1,000 annual small cell permit fee for placement of a small cell facility on an existing private utility pole. Is the \$1,000 fee is intended to apply to collocation on an existing private utility pole located outside of a city-owned right-of-way? As currently written, an argument exists that such fee would in fact apply to collocations on existing private utility poles located on private property. The city has absolutely no right to impose an annual fee for a use limited to private property, in which it has no interest.

A further concern involves the fact that many small cell facilities involve the use of replacement utility poles. Many existing utility poles are located in acceptable locations but are not tall enough to accommodate small cell facilities. In these instances, Verizon Wireless typically proposes to install a replacement utility pole which is taller in height than the existing pole. Section 223-26.4(F) does not appear to address this situation.

11. Section 223-26.4(G). Section 223-26.4(G)(1)(a) provides that new small cell facilities shall not be located in the Historic District and Landmark Overlay Zone. Section 223-26.4(G)(1)(b) provides that wherever possible, new small cell facilities shall include stealth technology designs. Section 223-26.4(G)(1)(c) requires all small cell facilities located on a roof to be set back at least 15 feet from the edge of the roof along any street frontage. Section 223-26.4(G)(1)(f) requires small cell facilities to be designed and placed in an aesthetically pleasing manner to the reasonable satisfaction of the approving agency.

Historic District and Overlay Zone

Banning small cell facilities (i.e. utilities) from the Historic District and Landmark Overlay Zone is problematic on several fronts. First, such a ban ignores the fact that these types of facilities are required to be located in areas where the wireless service will be utilized, including historic districts. And, due to the nature of the service provided by a small cell facility, it is often not feasible to design a small cell facility outside historic districts if that is the area in need of such service.

If this provision survives and becomes law, it would require wireless communications providers to seek a use variance from the Zoning Board of Appeals to be able to install a small cell facility in a historic district. This requirement would simply add another bureaucratic layer to the overall process. Moreover, given the existing public utility variance standard adopted by the New York State Court of Appeals, it is very unlikely that a use variance would be lawfully denied for such zoning district. In light of this, we respectfully recommend that the City Council consider revising this provision to allow for the installation of small cell facilities in the Historic District and Landmark Overlay Zone provided that an applicant provide adequate justification as to the need for the facility in such a zoning district.

Banning small cell facilities from the Historic District and Landmark Overlay Zone also runs the risk of being in violation of the Telecommunications Act of 1996 which prohibits local municipalities from taking actions that prevent wireless communications providers from competing on a level playing field with traditional utilities. By allowing traditional utilities to locate in the Historic District and Landmark Overlay Zone, while preventing wireless communications providers from installing small cell facilities in such district, the City Council is not treating the wireless communications providers on a competitively neutral and non-discriminatory manner. This is inconsistent with the Telecommunications Act of 1996.

Banning small cell facilities from the Historic District and Landmark Overlay Zone, with an implied desire to maintain a perceived notion of historic accuracy, may actually be ignoring history. Attached are three photographs taken from the early 1900s which depict areas within the city of Beacon and the Poughkeepsie-Wappinger Falls trolley. All pictures include prominent and significant utility structures, cables and related improvements along the right-of-way. To attempt to ban small cell facilities from a particular zoning district to maintain a perceived aesthetic view shed appears to be historically inaccurate.

Stealth Design

Although incorporating stealth design into new small cell facilities sounds good on paper, there are significant issues with such requirement. With the move towards newer technology, including the anticipated deployment of 5G service, the use of camouflage materials will actually negatively impact the signals from the antenna.

The antennas used, or to be used in the future, with small cell facilities will not be able to be camouflaged without significant signal degradation. As a result, the proposed provision which requires new small cell facilities to include stealth technology designs when possible, will likely result in significant service issues that could lead to the need for a substantial amount of additional small cell facilities.

Roof Set Back

The requirement that all small cell facilities shall be set back at least 15 feet from the edge of a roof along any street frontage presents the following concerns. Based on the manner in which this provision is written, any small cell facility that fails to comply with the 15 foot setback requirement would require an area variance from the Zoning Board of Appeals. There may be instances where a lesser setback is not objectionable depending upon the design of the small cell facility and/or the surrounding neighborhood. For such situations, it would appear to be more appropriate for the law to allow the reviewing board to allow for a lesser setback if the reviewing board determines that such lesser setback is no less protective of the surrounding environment.

Aesthetically Pleasing Design

Section 223-26.4(G)(1)(f) which requires all small cell facilities to be designed and placed in an aesthetically pleasing manner to the reasonable satisfaction of the approving agency appears vague and open ended. Without specific criteria to guide the reviewing board, it is possible that this provision could be the source of dispute as to what constitutes an aesthetically pleasing design and location.

12. Section 223-26.4(I). This provision confirms that an application shall not be required for routine maintenance or the replacement or upgrade of a previously approved small cell facility.

Comment. This provision is duplicative. See Section 223-26.4(D)(3).

13. Section 223-26.4(J). This section requires a wireless telecommunications provider to provide a list of existing small cell locations within the city on an annual basis.

Comment. This appears to be overly burdensome since each application under this section requires a list of existing small cell facilities and anticipated small cell facilities to be developed in the future. The requirement to include these lists in the application materials should obviate the need for an annual requirement to provide essentially the same lists to the city.

14. Section 223-26.4(K)(2). This subsection provides that the city retains the right and privilege to cut or move any small cell telecommunications facility located in the

public right-of-way as the city may determine to be necessary, appropriate or useful in response to any public health or safety emergency.

Comment. Although Verizon Wireless appreciates the need for the city to protect the public health and safety of his residents, cutting or other rise significantly altering a small cell wireless telecommunications facility could be considered an unlawful interference with the right to broadcast pursuant to an existing Federal Communications Commission license.

On behalf of Verizon Wireless, we extend our appreciation to the City Council for the opportunity to provide the above comments on the proposed local law to regulate small cell facilities. We are happy to answer any questions the City Council may have with respect to this letter or our concerns in general.

Very truly yours,
YOUNG SOMMER, LLC



Scott P. Olson

SPO/
enclosure

C: Mark Coon (Verizon Wireless; via e-mail)
Margaret Hayes (Verizon Wireless; via e-mail)
Nicholas M. Ward-Willis, Esq. (via e-mail)



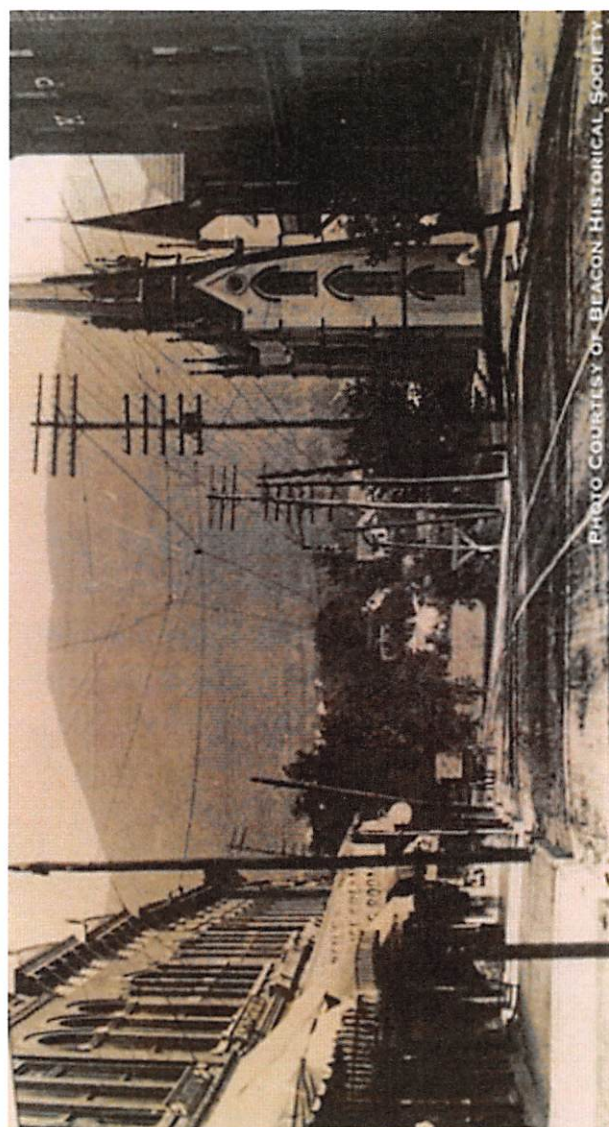


PHOTO COURTESY OF BEACON HISTORICAL SOCIETY



City of Beacon Workshop Agenda
5/29/2018

Title:

South Avenue Bridge

Subject:

Background:

ATTACHMENTS:

Description	Type
South Ave Bridge	Backup Material
South Ave Bridge Presentaion	Backup Material



CITY OF BEACON New York

Anthony J. Ruggiero, M.P.A.
City Administrator

OFFICE OF CITY ADMINISTRATOR

845-838-5000

To: Mayor Casale and City Council

From: Anthony J. Ruggiero, MPA, City Administrator

Date: May 23, 2018

Re: Tioronda/South Avenue Bridge

This was last before the City Council at the Workshop on February 26, 2018. The next day on February 27, 2018, the City's Consulting Bridge Engineer, Barney T. Martin, Jr., PhD, PE, transmitted to the City Council visualizations of the latest bridge alternative – a one lane bridge with two sidewalks, the presentation made on February 26, 2108 with a dimensioned section of the one lane bridge added, and the HAER drawings of the original bridge. These items are attached again.

At this point, before moving forward with additional designs and monies, the Council needs to come to a decision on if a bridge is desired and what type of bridge design.

TIORONDA BRIDGE

BEACON • 1872 - 73 • NEW YORK

THE TIORONDA BRIDGE, CARRYING SOUTH AVENUE ACROSS FISHKILL CREEK IN THE CITY OF BEACON, NEW YORK, WAS ERECTED DURING 1872 OR 1873. THIS BRIDGE IS A RARE SURVIVING EXAMPLE OF THE IRON "BOWSTRING" TRUSS BRIDGE PATENTED BY JOHN GLASS, GEORGE P. SCHNEIDER, AND WILLIAM B. REZNER ON DECEMBER 10, 1867 (NO. 71,868). THE BRIDGE ALSO UTILIZES A DISTINCTIVE, ADJUSTABLE CAST IRON SKEWBACK (FOOTBLOCK) PATENTED BY WILLIAM B. REZNER ON JULY 2, 1872 (NO. 128,509).

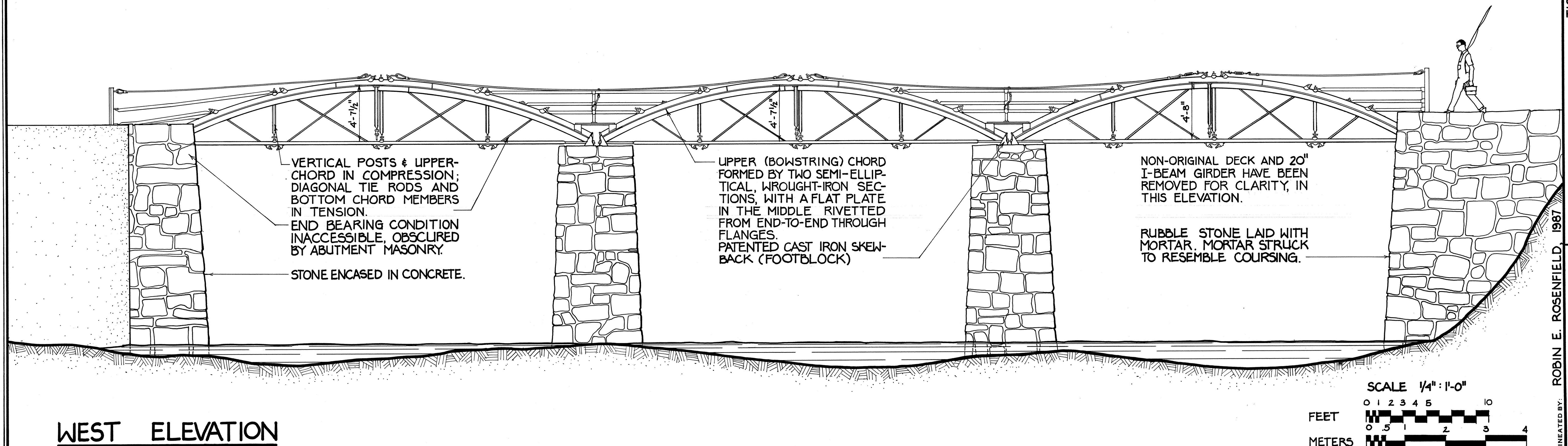
REZNER CALLED HIS BRIDGE AN OVAL WROUGHT-IRON TUBULAR ARCH TRUSS. OF EQUAL INTEREST AS THE FOOT BLOCKS ARE THE TUBULAR ARCHES. THEY WERE FABRICATED FROM TWO HALF-SECTIONS OF WROUGHT-IRON ROLLED IN AN ELLIPTICAL FORM THAT HE CALLED "CRESTS," AND A FLAT PLATE HE CALLED A "MIDRIFF." ALL THREE PIECES WERE CURVED AND RIVETED FROM END-TO-END THROUGH FLANGES.

THE TIORONDA BRIDGE WAS BUILT BY THE OHIO BRIDGE COMPANY OF CLEVELAND, A COMPANY FORMED BY GLASS, SCHNEIDER, AND REZNER IN 1869. THE OHIO BRIDGE COMPANY, ONE OF THE MANY SMALL BRIDGE BUILDING COMPANIES TO ARISE AND BRIEFLY PROSPER IN THE YEARS AFTER THE CIVIL WAR, CEASED TO EXIST IN 1873.

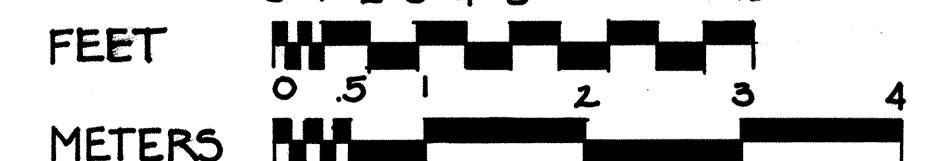
THIS RECORDING PROJECT IS PART OF THE HISTORIC AMERICAN ENGINEERING RECORD (HAER), A LONG-RANGE PROGRAM TO DOCUMENT THE ENGINEERING AND INDUSTRIAL HERITAGE OF THE UNITED STATES. THE HAER PROGRAM IS ADMINISTERED BY THE NATIONAL PARK SERVICE, U.S. DEPARTMENT OF THE INTERIOR. THE NEW YORK HISTORIC BRIDGES RECORDING PROJECT WAS COSPONSORED DURING THE SUMMER OF 1987 BY THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION. FRANKLIN E. WHITE, COMMISSIONER; DANIEL J. EGAN, DIRECTOR, PROGRAM PLANNING AND MANAGEMENT GROUP; MARY E. IVEY AND

KAREN McCANN, ENVIRONMENTAL ANALYSIS BUREAU; WILLIAM P. CHAMBERLIN, ENGINEERING RESEARCH AND DEVELOPMENT BUREAU.

FIELD WORK, MEASURED DRAWINGS, HISTORICAL REPORTS, AND PHOTOGRAPHS WERE PREPARED UNDER THE GENERAL DIRECTION OF DR. ROBERT J. KAPSCHE, CHIEF, HISTORIC AMERICAN BUILDINGS SURVEY/HISTORIC AMERICAN ENGINEERING RECORD (HABS/HAER), AND ERIC DELONY, PRINCIPAL ARCHITECT, HAER. THE RECORDING TEAM CONSISTED OF CHARLES SCOTT, PROJECT HISTORIAN; HUGH S. O'BRIEN, ARCHITECTURAL SUPERVISOR; ANDREW Q. COLE (MARY WASHINGTON COLLEGE) ASSISTANT HISTORIAN; AND KIM KUYKENDALL (UNIVERSITY OF ARIZONA), ROBIN E. ROSENFELD (TEXAS TECH UNIVERSITY), AND CHARISSA WANG (UNIVERSITY OF MARYLAND), ARCHITECTURAL DELINEATORS. RECORD PHOTOGRAPHS WERE TAKEN BY MARTIN STUPICH. CONSULTING SERVICES WERE PROVIDED BY JOHN R. BOWIE, AIA.



SCALE 1/4" = 1'-0"



WEST ELEVATION

TIORONDA BRIDGE, 1872-73

ON SOUTH AVENUE, OVER FISHKILL CREEK, 1 MILE SOUTHWEST OF BEACON

DUTCHESS COUNTY

BEACON

ROBIN E. ROSENFELD, 1987

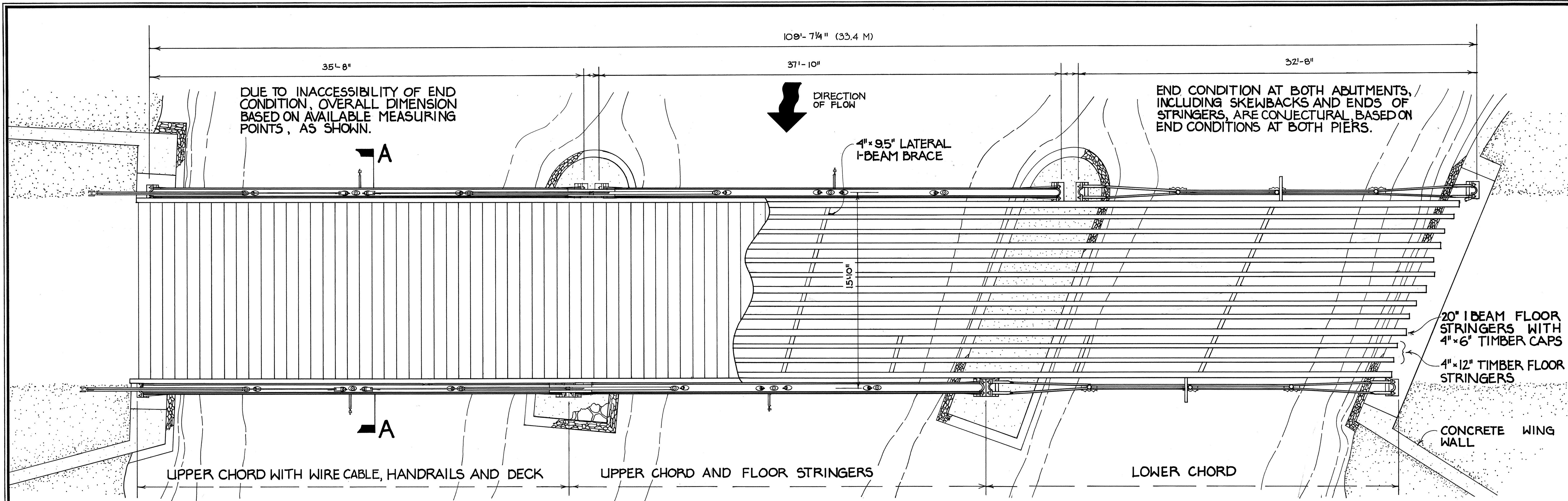
NEW YORK BRIDGES RECORDING PROJECT
HISTORIC AMERICAN ENGINEERING RECORD
UNITED STATES DEPARTMENT OF THE INTERIOR

HISTORIC AMERICAN
ENGINEERING RECORD
NY-168

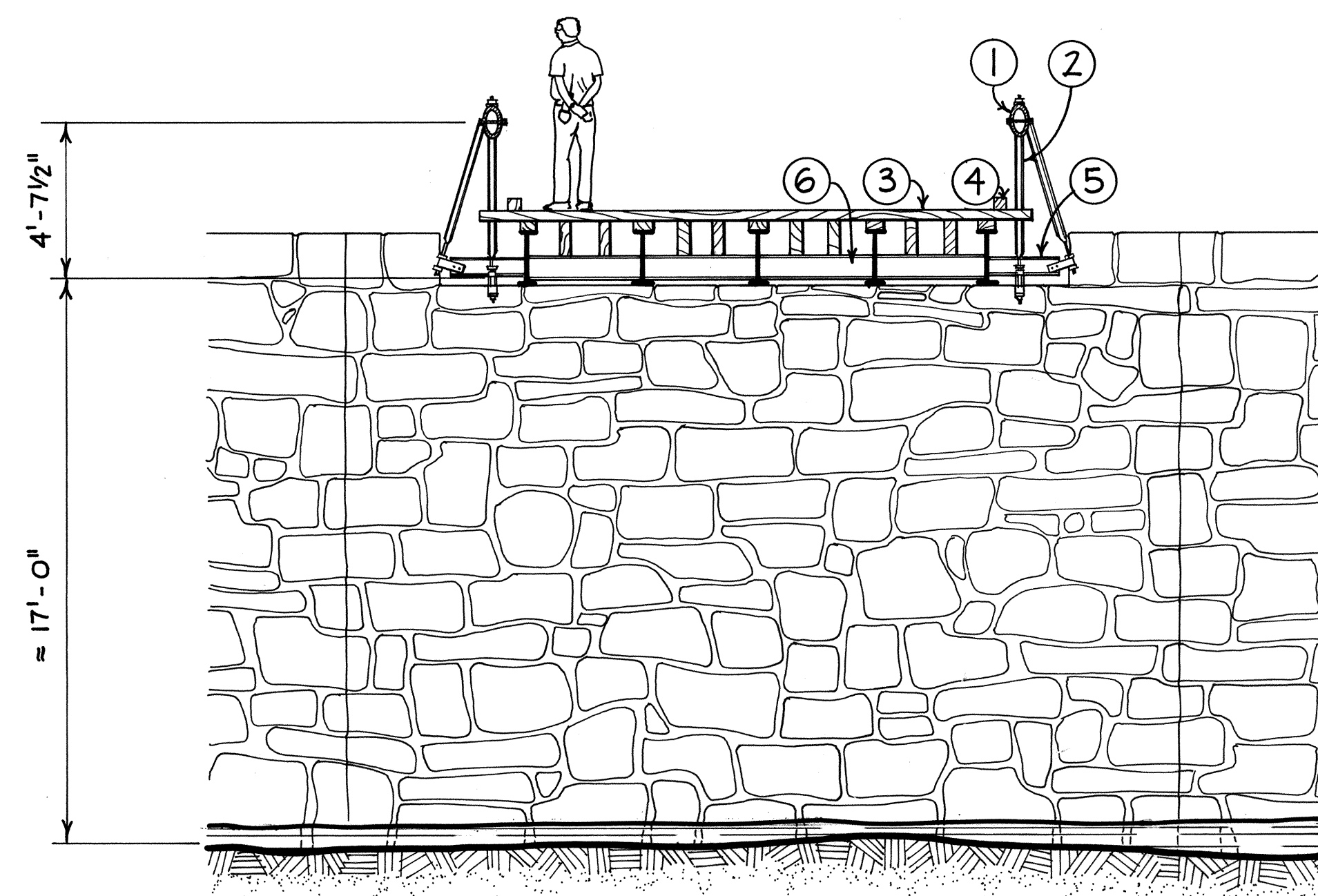
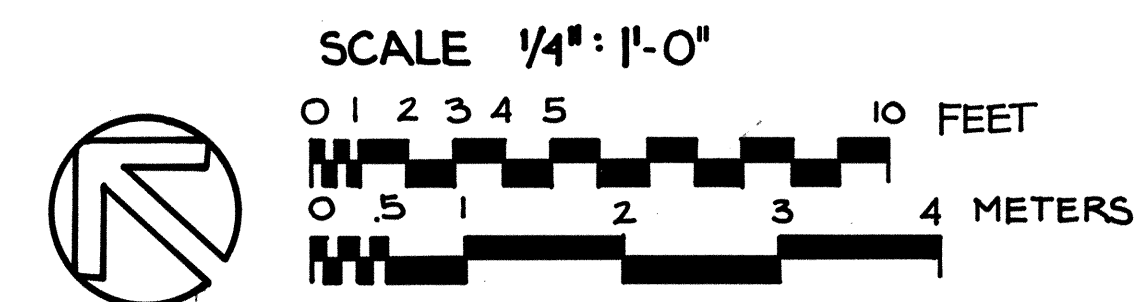
SHEET
1 of 4

NEW YORK

IF REPRODUCED, PLEASE CREDIT: HISTORIC AMERICAN ENGINEERING RECORD, NATIONAL PARK SERVICE, NAME OF DELINEATOR, DATE OF THE DRAWING

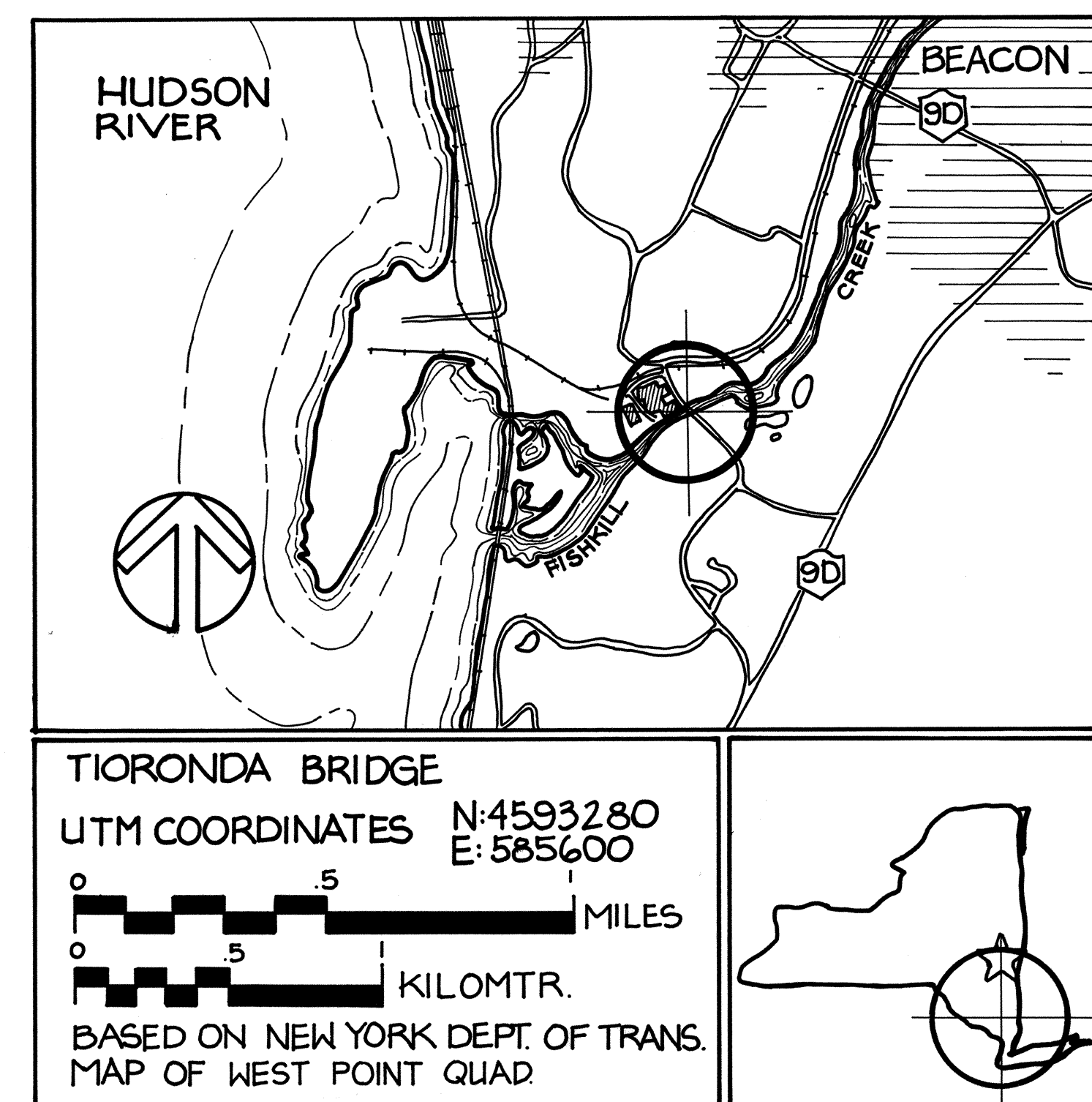


FLOOR PLAN



SECTION A-A

- KEY
- ① RIVETED, SEMI-ELLIPTICAL WROUGHT-IRON SECTION WITH A FLAT PLATE IN THE MIDDLE
 - ② MIDSPAN POSTS IN COMPRESSION
 - ③ 3 1/2" WOOD PLANK DECK
 - ④ 4" x 4" WOOD CURB
 - ⑤ 6" x 2 3/4" x 3/8" STEEL GIRDER AT MIDSPAN
 - ⑥ 4" x 95" LATERAL I-BEAM BRACE



DELINATED BY: ROBIN E. ROSENFELD, 1987

NEW YORK BRIDGES RECORDING PROJECT
HISTORIC AMERICAN ENGINEERING RECORD
UNITED STATES DEPARTMENT OF THE INTERIOR

ON SOUTH AVENUE, OVER FISHKILL CREEK, 1 MILE SOUTHWEST OF BEACON
DUTCHESS COUNTY

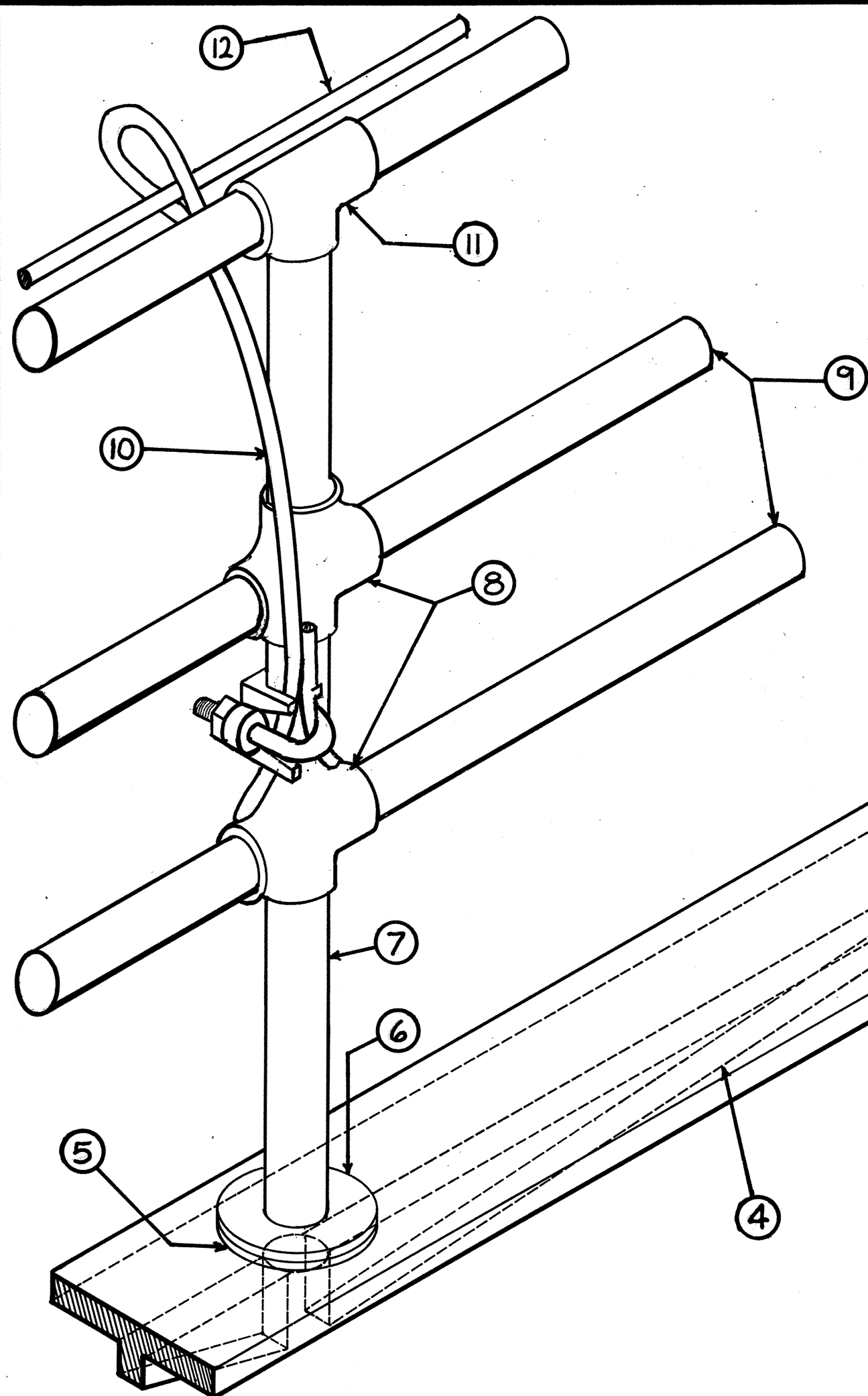
NEW YORK

SHEET 2 OF 4

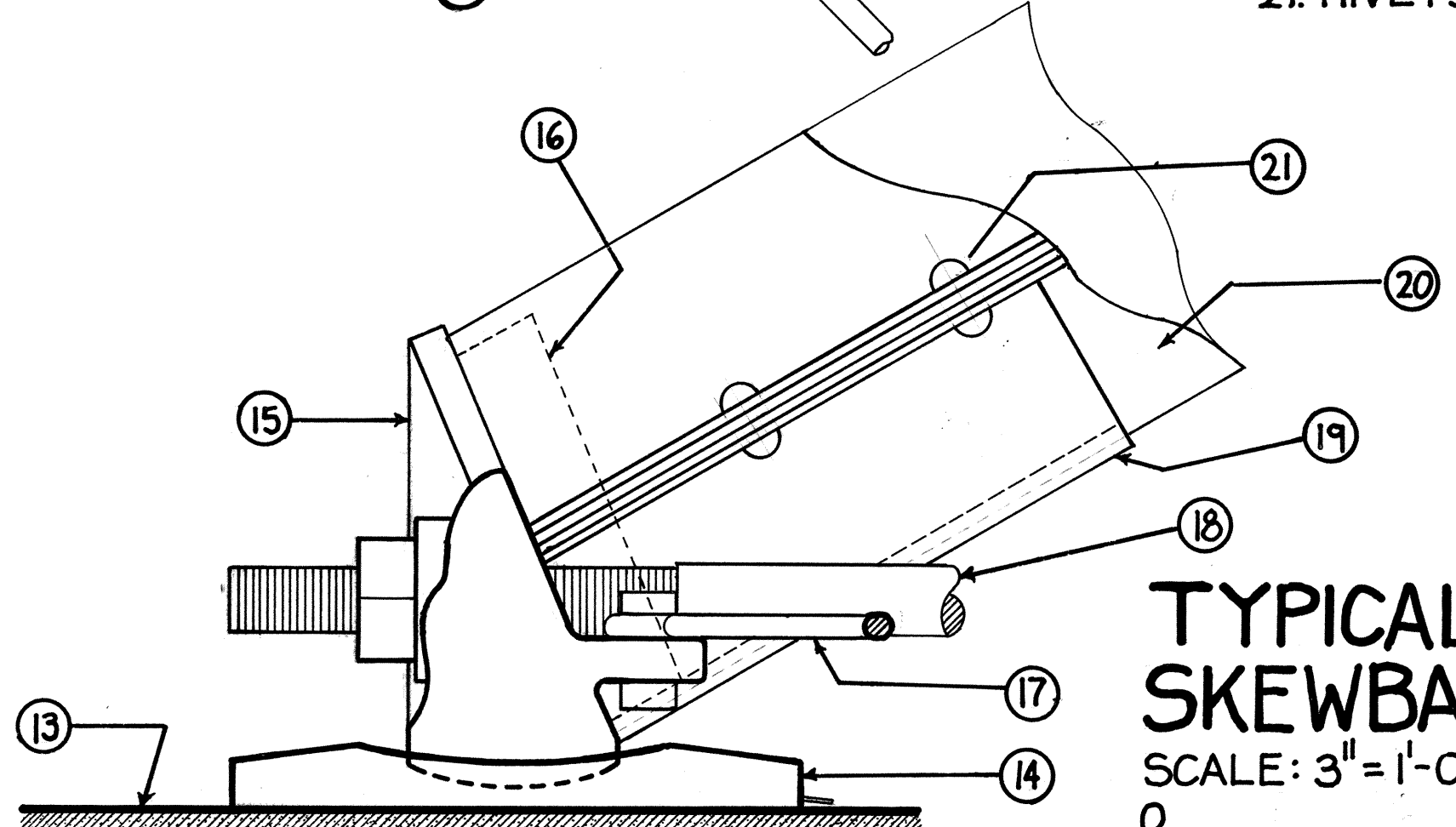
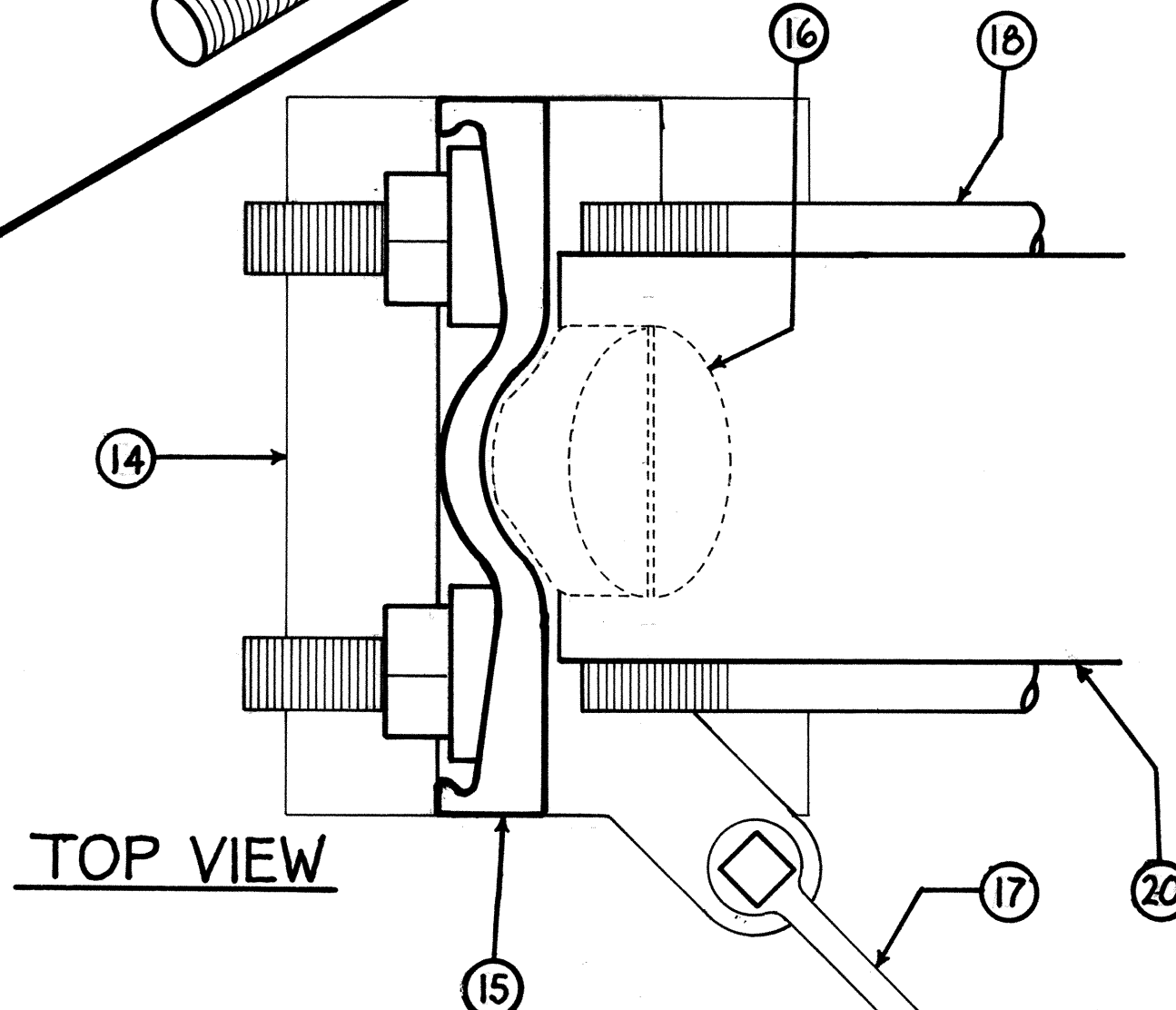
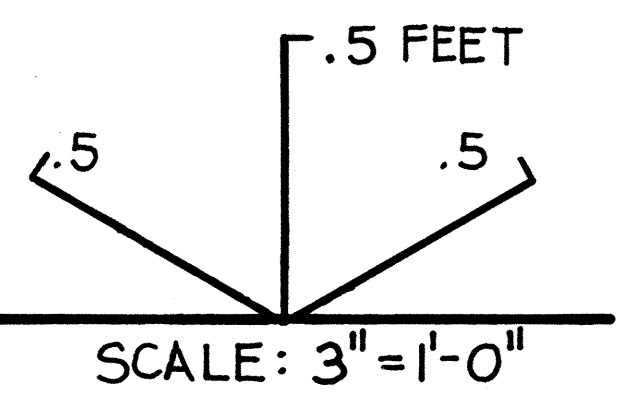
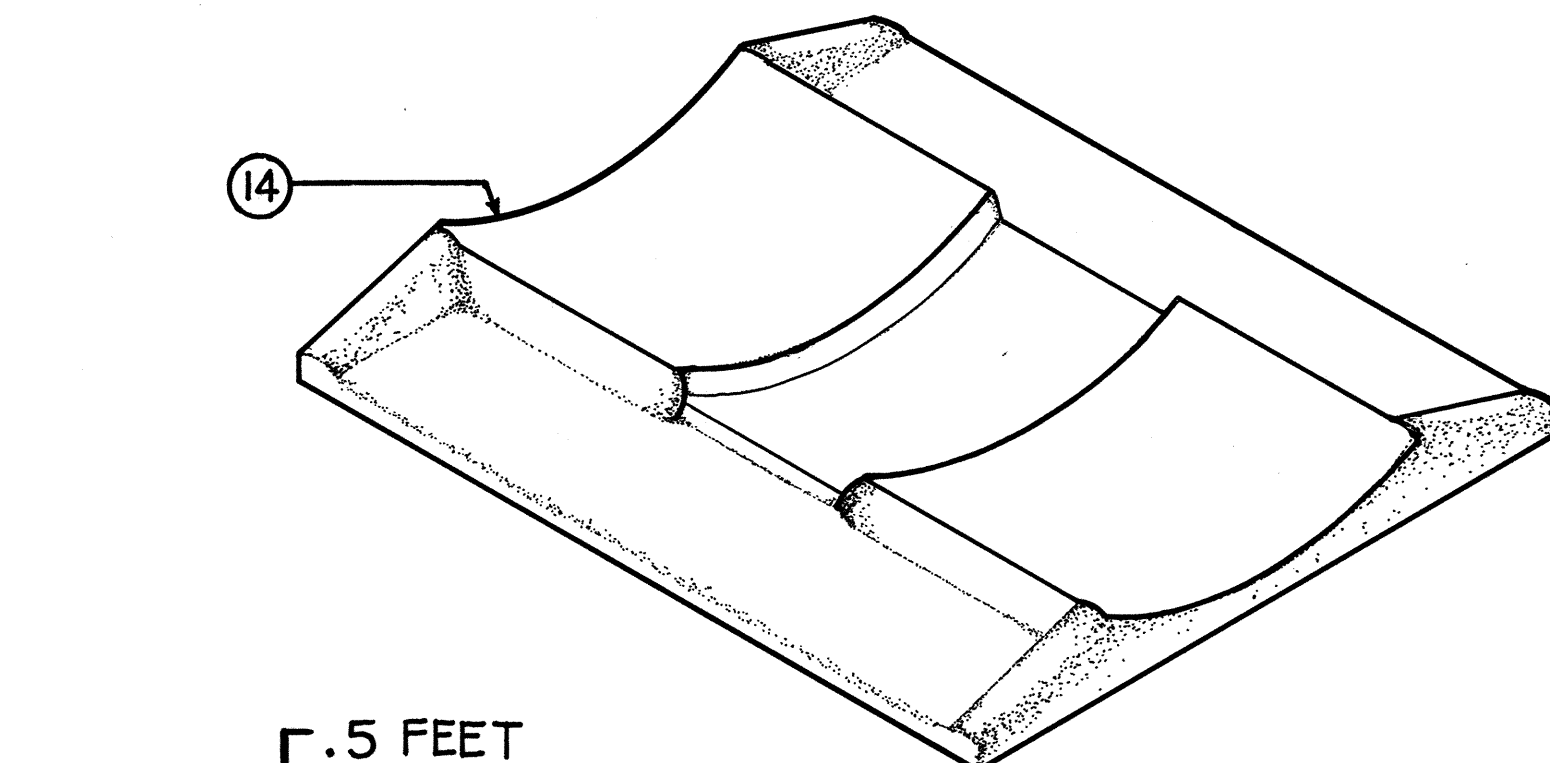
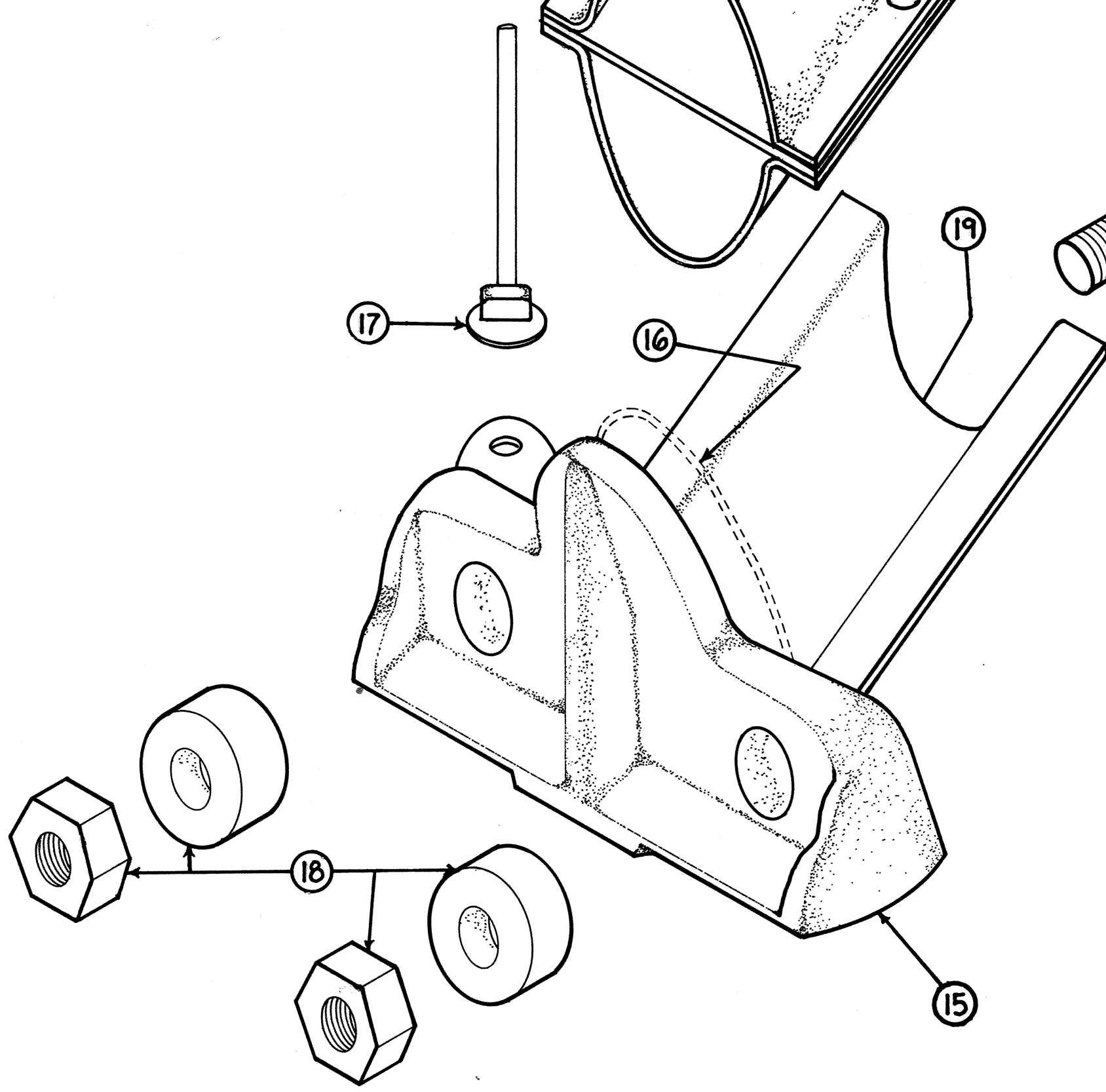
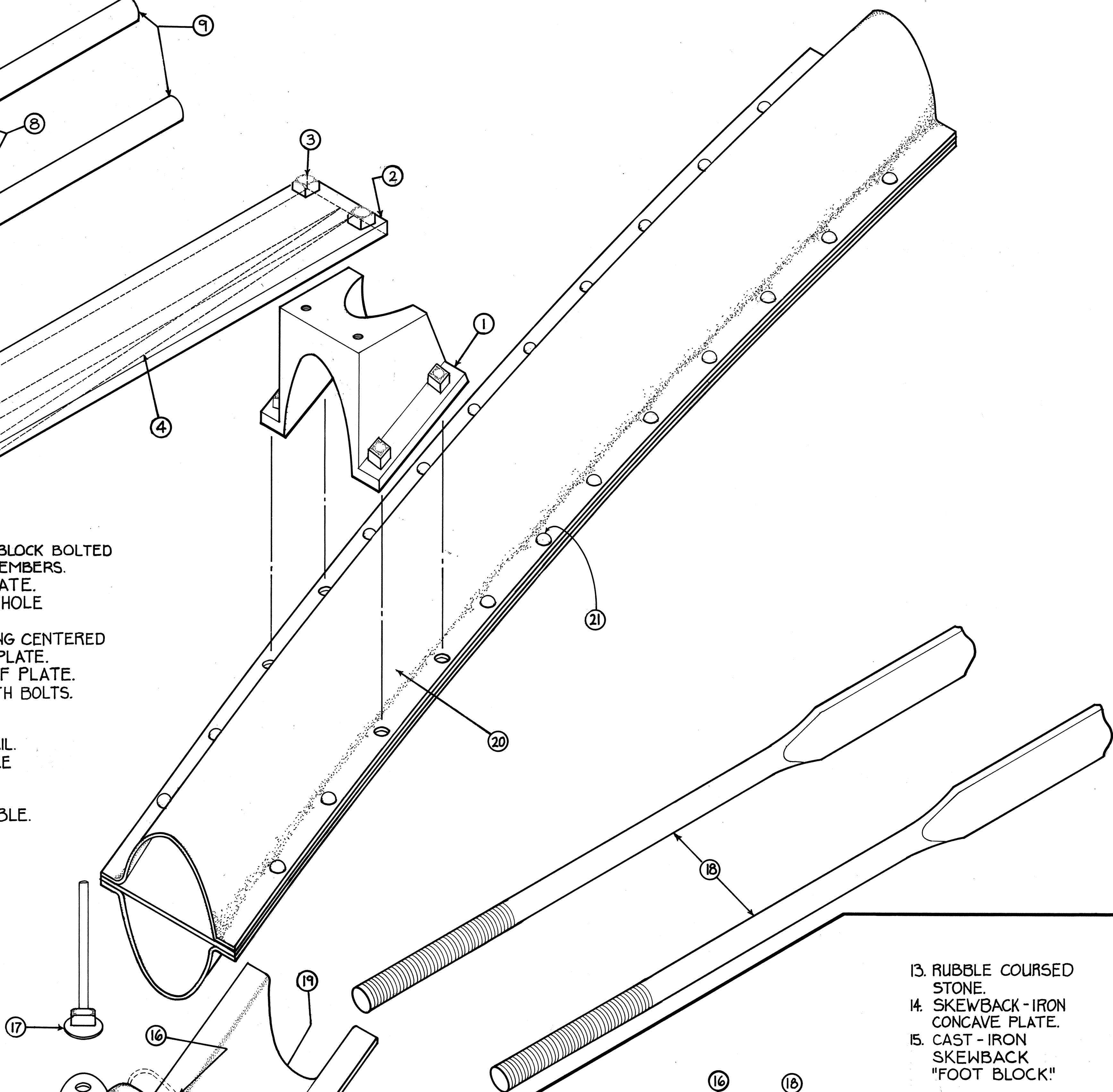
HISTORIC AMERICAN ENGINEERING RECORD
NY-168

IF REPRODUCED, PLEASE CREDIT: HISTORIC AMERICAN ENGINEERING RECORD, NATIONAL PARK SERVICE, NAME OF DELINEATOR, DATE OF THE DRAWING

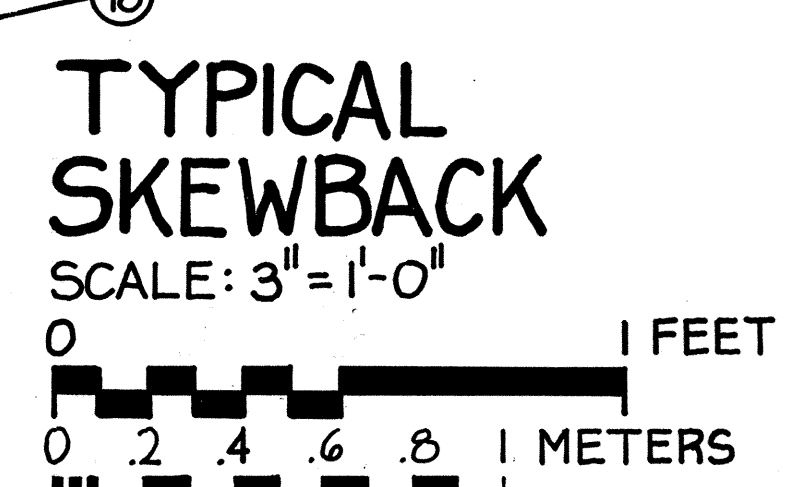
END DETAIL HANDRAIL AT MIDSPAN



1. CAST-IRON SADDLE BLOCK BOLTED TO UPPER CHORD MEMBERS.
2. HANDRAIL POST PLATE.
3. BOLTS - SHAFT AND HOLE SIZE (CONJECTURAL)
4. CAST ANGLED BRACING CENTERED ON UNDERSIDE OF PLATE.
5. CAST LIP ON TOP OF PLATE.
6. WASHER PLATE WITH BOLTS.
7. METAL PIPE POST.
8. CROSS FITTING.
9. METAL PIPE HANDRAIL.
10. BRAIDED WIRE CABLE CLASP FITTING.
11. 'T' FITTING.
12. BRAIDED WIRE CABLE.



13. RUBBLE COURSED STONE.
14. SKEWBACK - IRON CONCAVE PLATE.
15. CAST - IRON SKEWBACK "FOOT BLOCK".
16. FORMED BOSS MENTIONED IN PATENT DESCRIPTIONS (*128,509, DATED JULY 2, 1872) - INACCESSIBLE TO FIELD INVESTIGATION. DELINEATION SHOWN IS CONJECTURAL.
17. LOWER LATERAL TIE ROD.
18. THREADED BOTTOM CHORD WITH BOLT AND SLEEVE WASHER.
19. SLEEVE PLATE FORMED TO TUBULAR ARCH.
20. TUBULAR ARCH.
21. RIVETS.

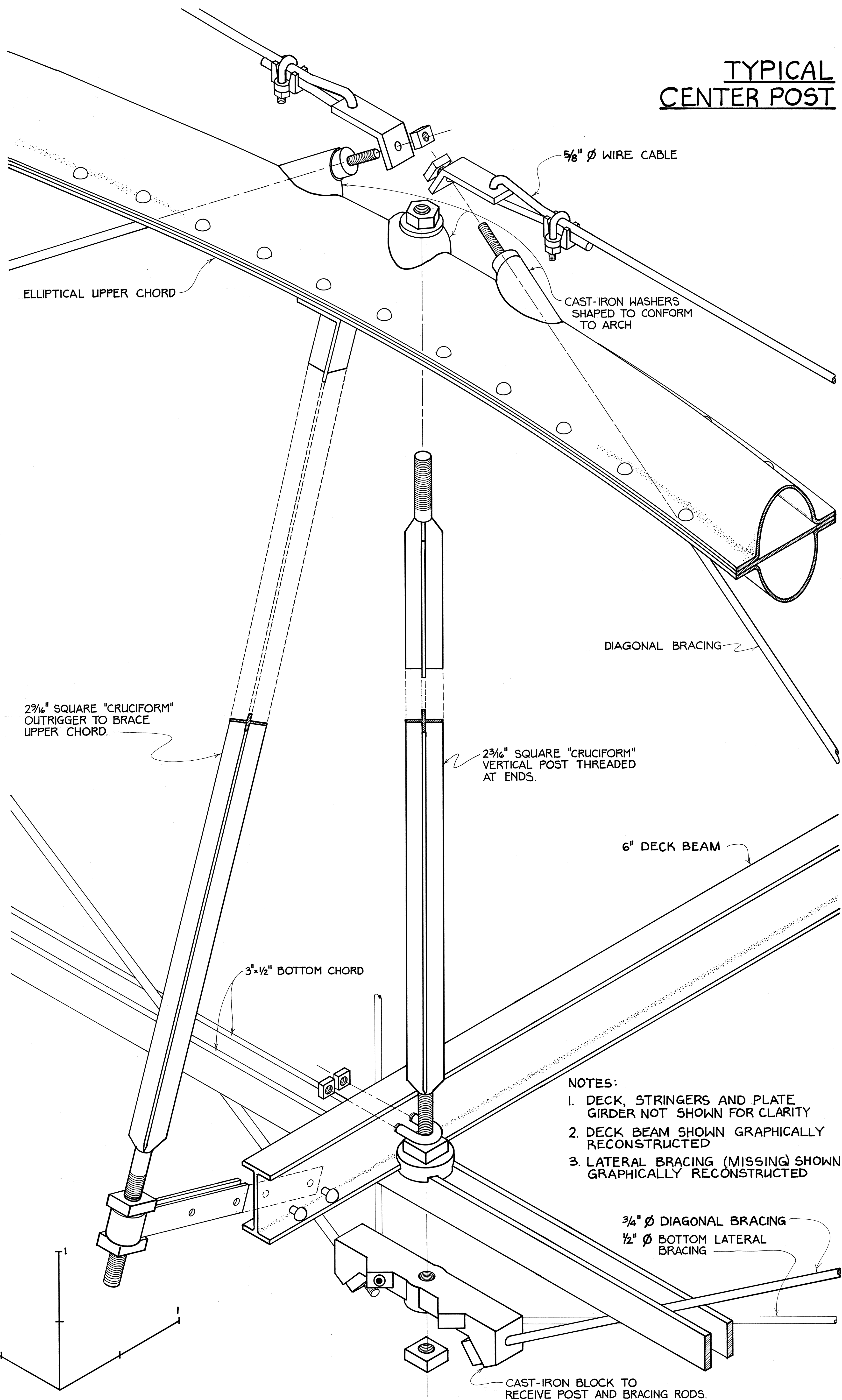


DELINEATED BY: KIM KUYKENDALL / DONALD M. PURST, 1987

NEW YORK BRIDGES RECORDING PROJECT HISTORIC AMERICAN ENGINEERING RECORD NATIONAL PARK SERVICE UNITED STATES DEPARTMENT OF THE INTERIOR	BEACON	TIORONDA BRIDGE, 1872-73 ON SOUTH AVENUE, OVER FISHKILL CREEK, 1 MILE SOUTHWEST OF BEACON DUTCHESS COUNTY	NEW YORK	SHEET 3 OF 4	HISTORIC AMERICAN ENGINEERING RECORD NY-168	LIBRARY OF CONGRESS INDEX NUMBER
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IF REPRODUCED, PLEASE CREDIT: HISTORIC AMERICAN ENGINEERING RECORD, NATIONAL PARK SERVICE, NAME OF DELINEATOR, DATE OF THE DRAWING

TYPICAL CENTER POST



DELINEATED BY: CHARISSA WANG, 1987

NEW YORK BRIDGES RECORDING PROJECT
HISTORIC AMERICAN ENGINEERING RECORD
NATIONAL PARK SERVICE
UNITED STATES DEPARTMENT OF THE INTERIOR

BEACON

TIORONDA BRIDGE, 1872-73
ON SOUTH AVENUE, OVER FISHKILL CREEK, 1 MILE SOUTHWEST OF BEACON
DUTCHESS COUNTY

NEW YORK

SHEET
4 OF 4

HISTORIC AMERICAN
ENGINEERING RECORD
NY-168

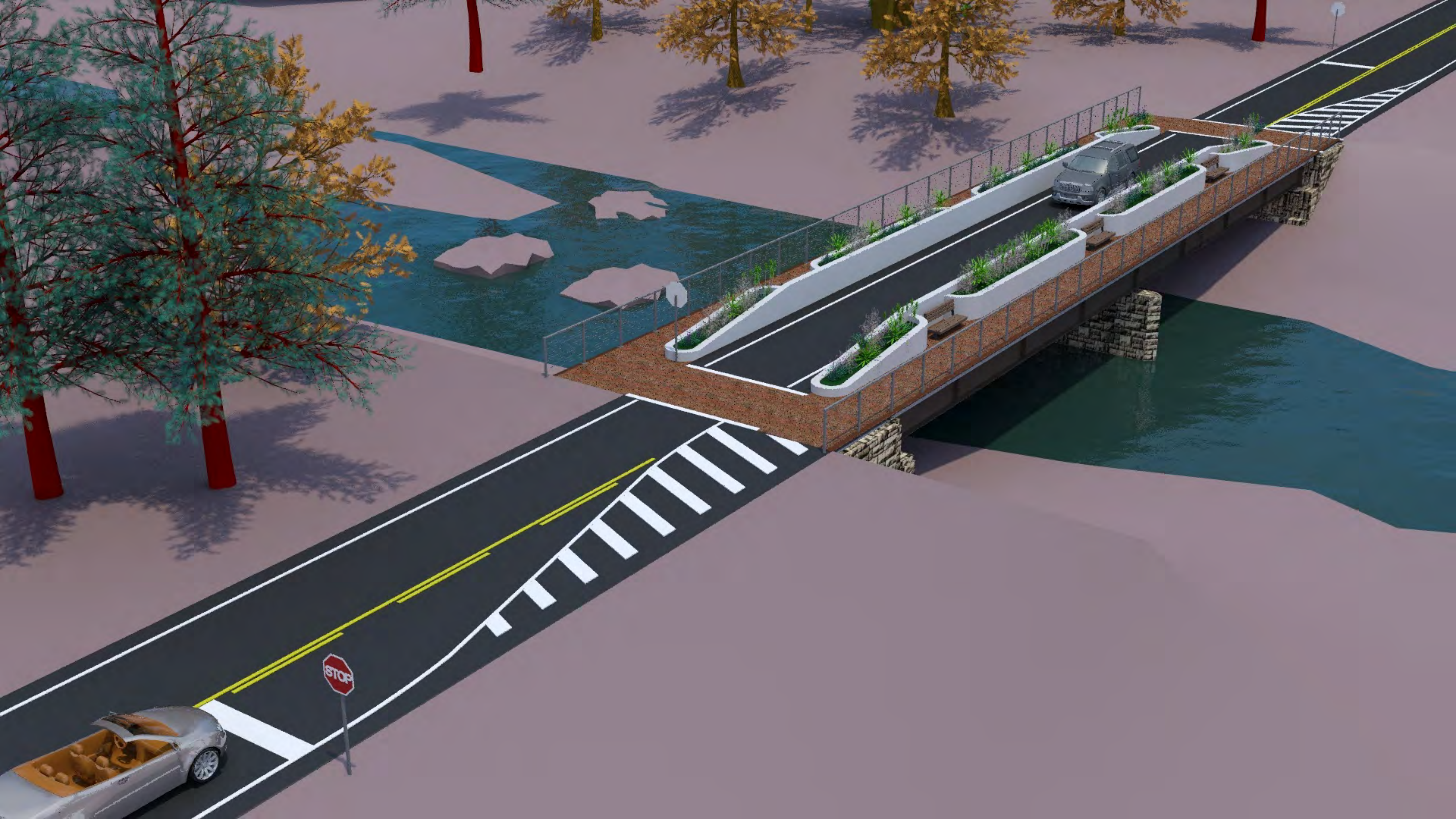
LIBRARY OF CONGRESS
HISTORIC NUMBER

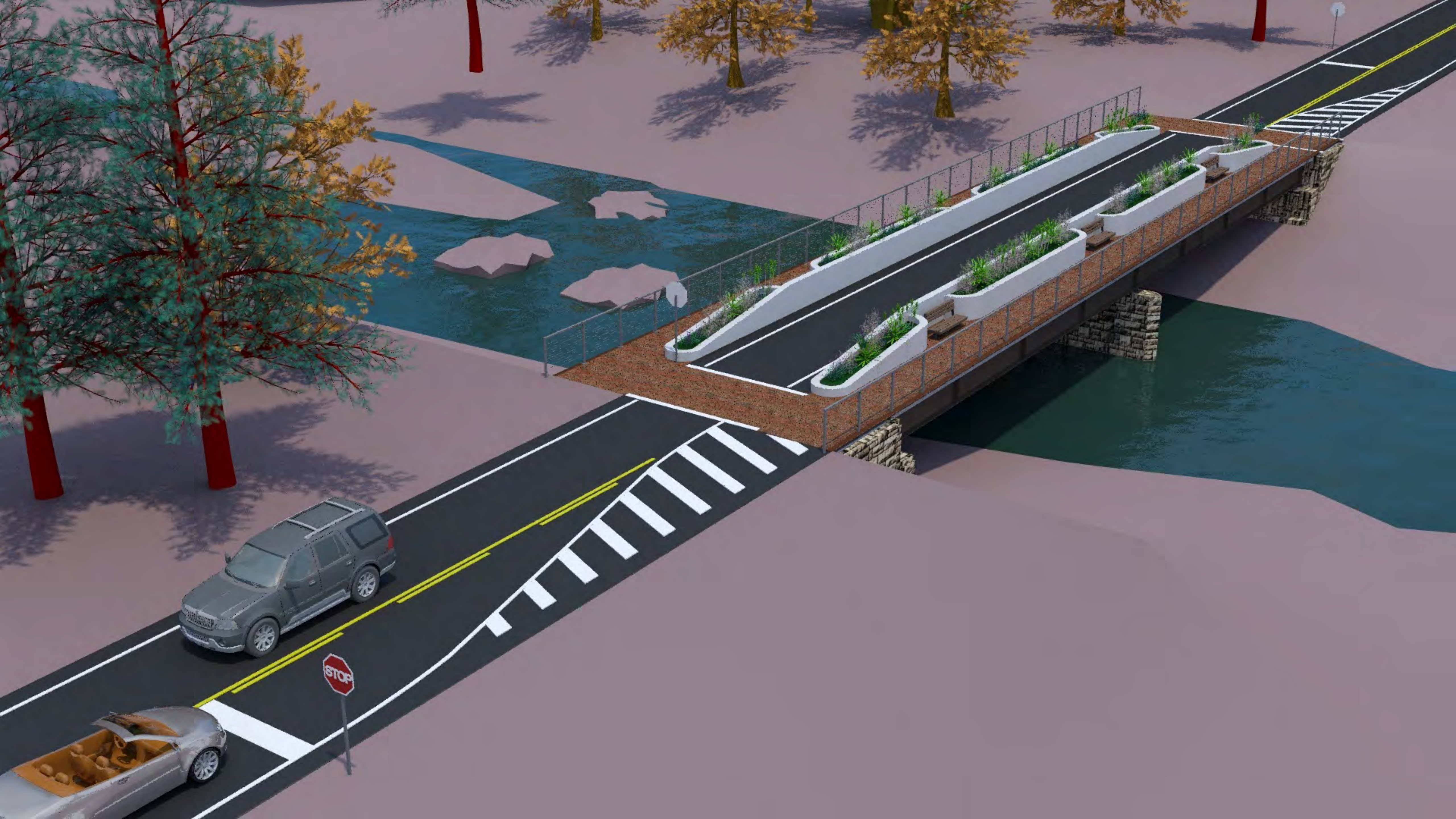
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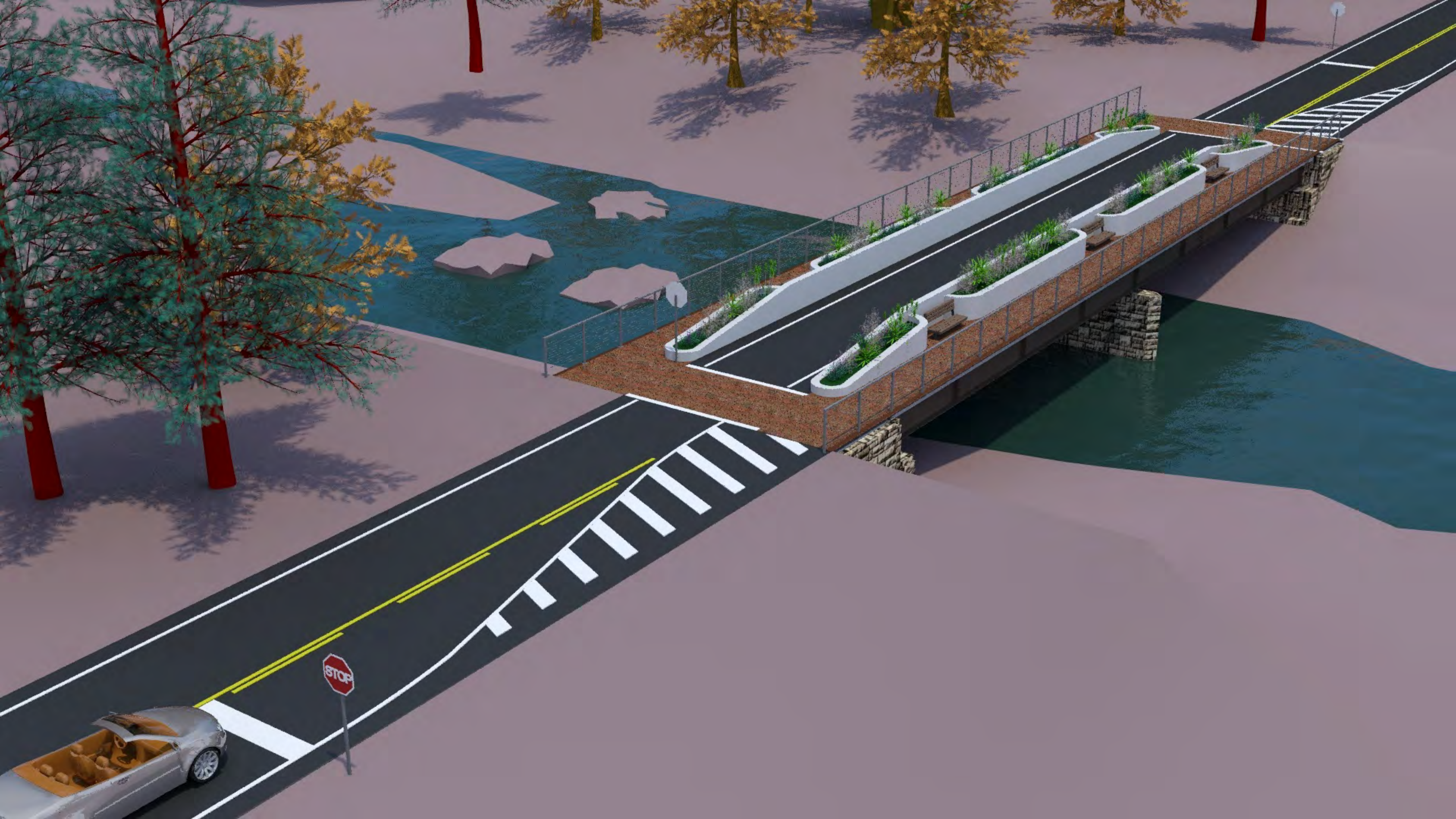


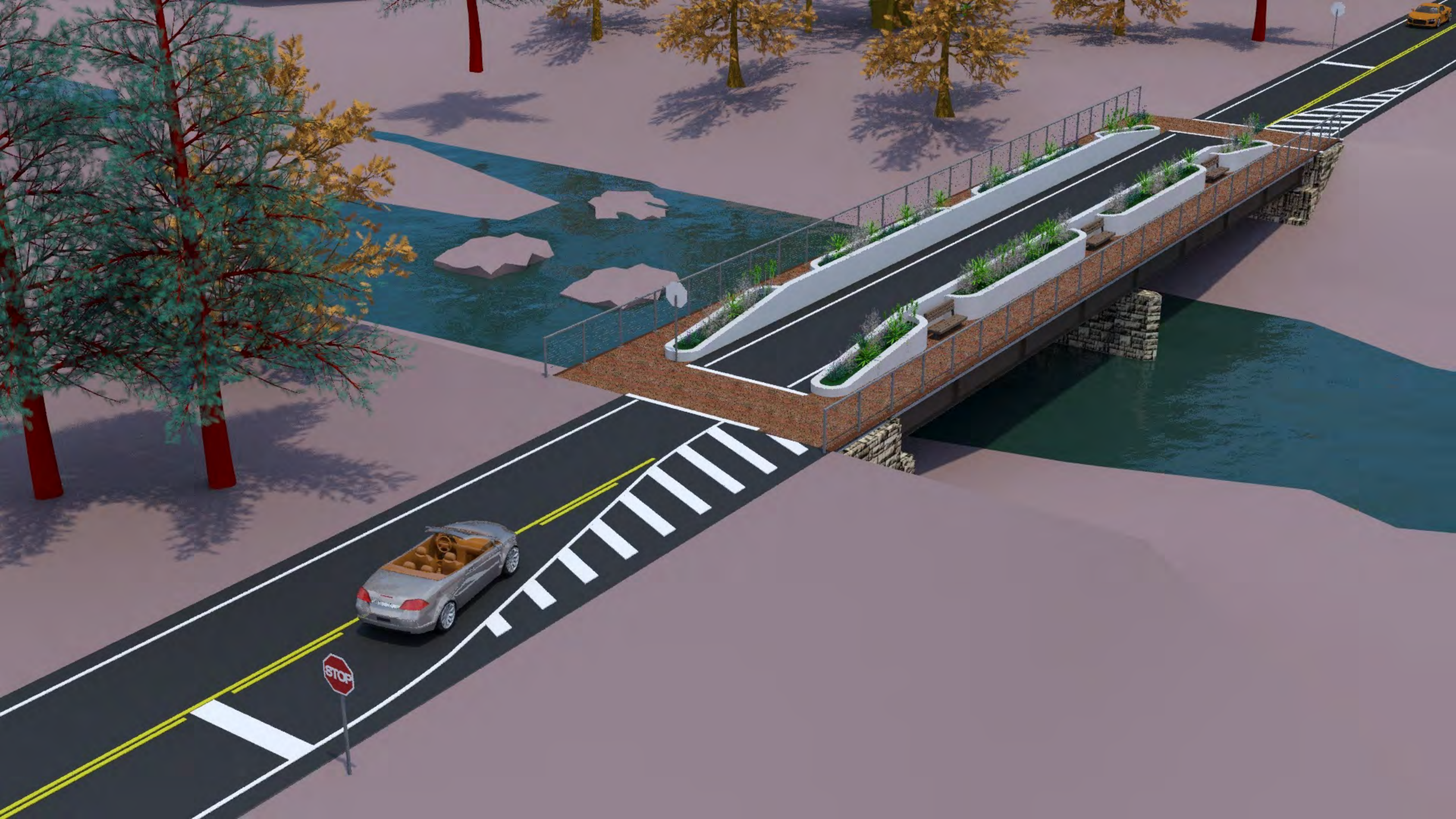


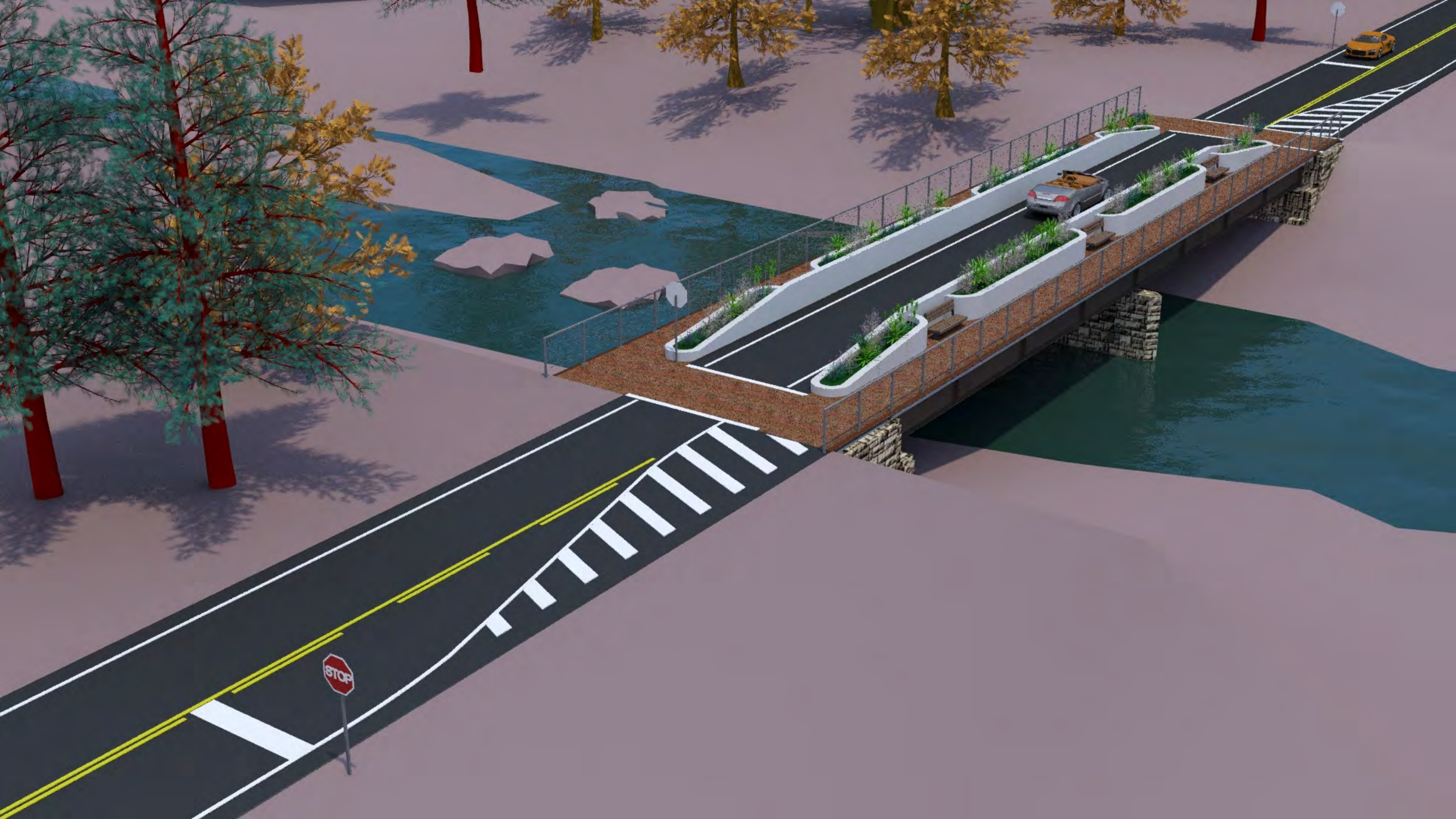


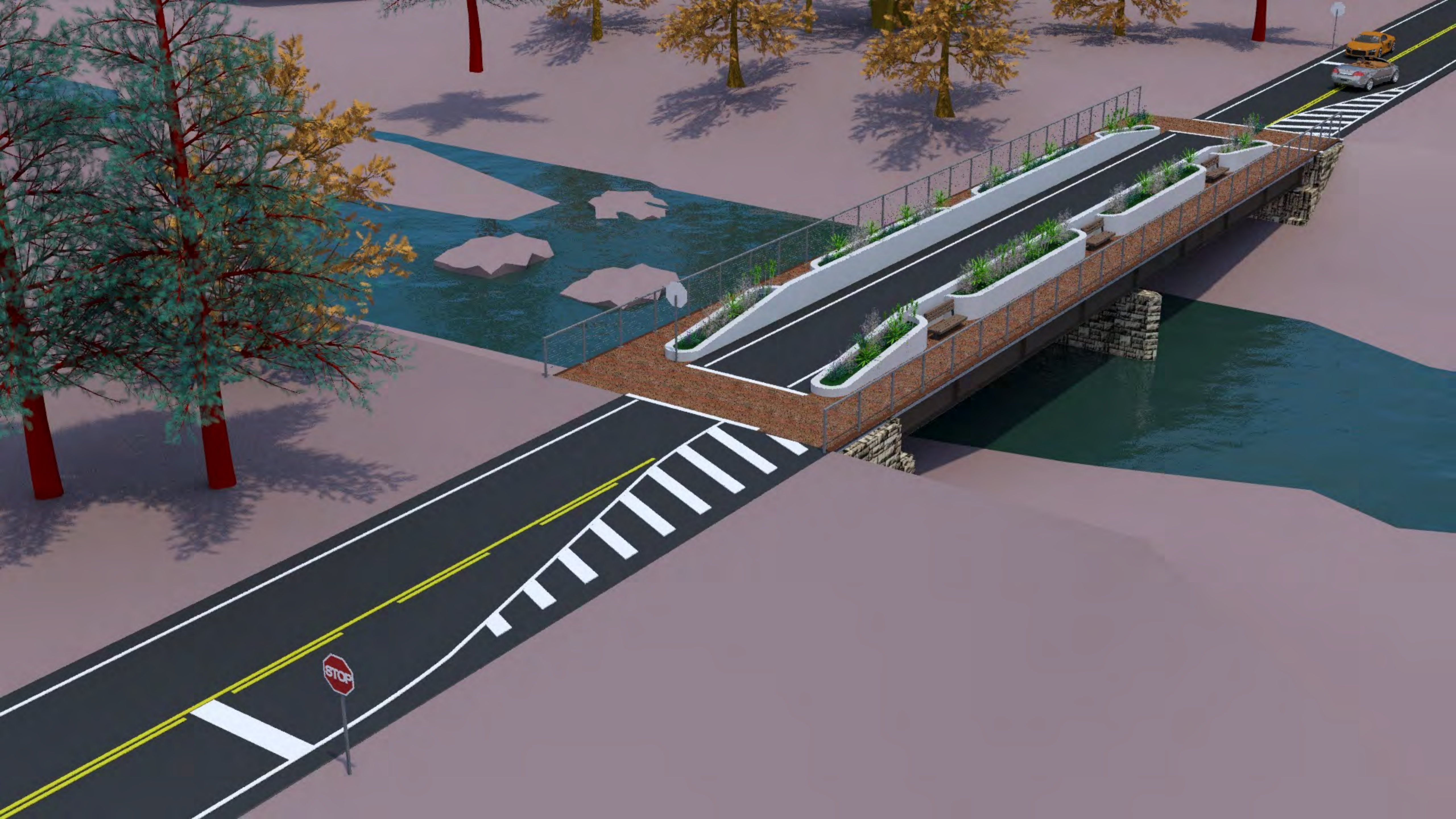


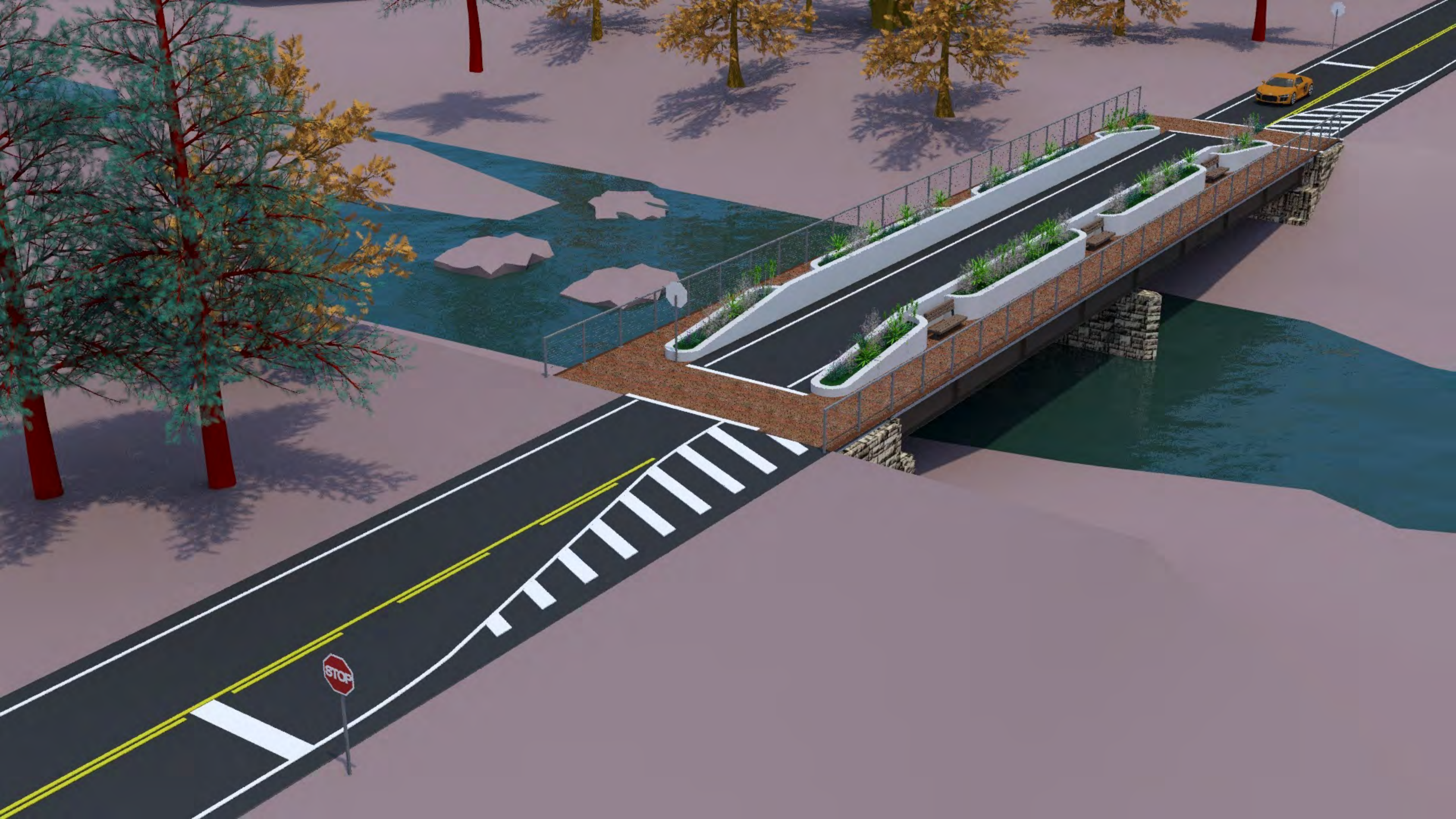


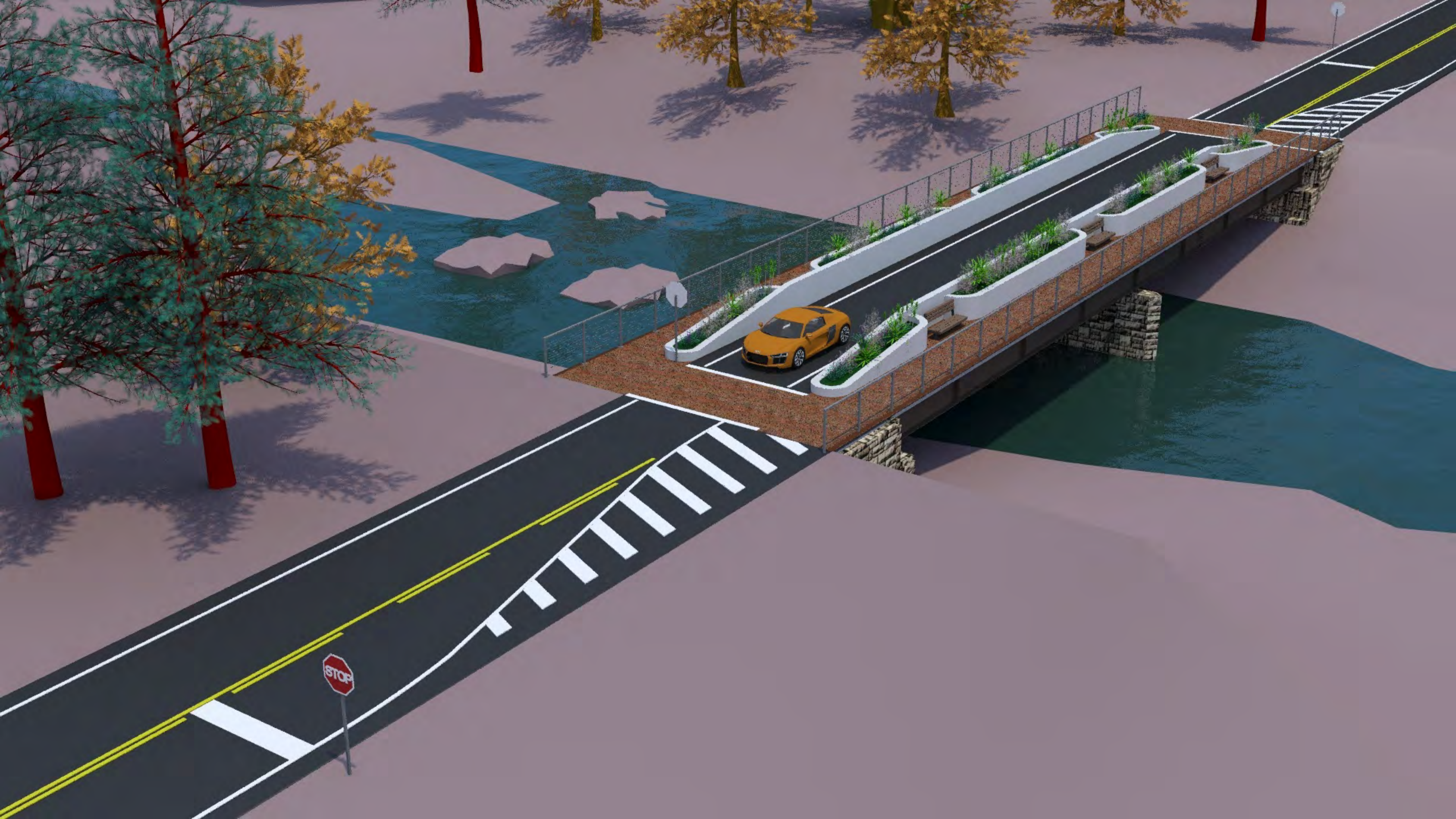












Proposed South Avenue Bridge

Presented to:

Beacon City Council

February 26, 2018

This document was prepared for the New York State Department with funds provided under Title 11 of the Environmental Protection fund.



Original Bridge 1/07



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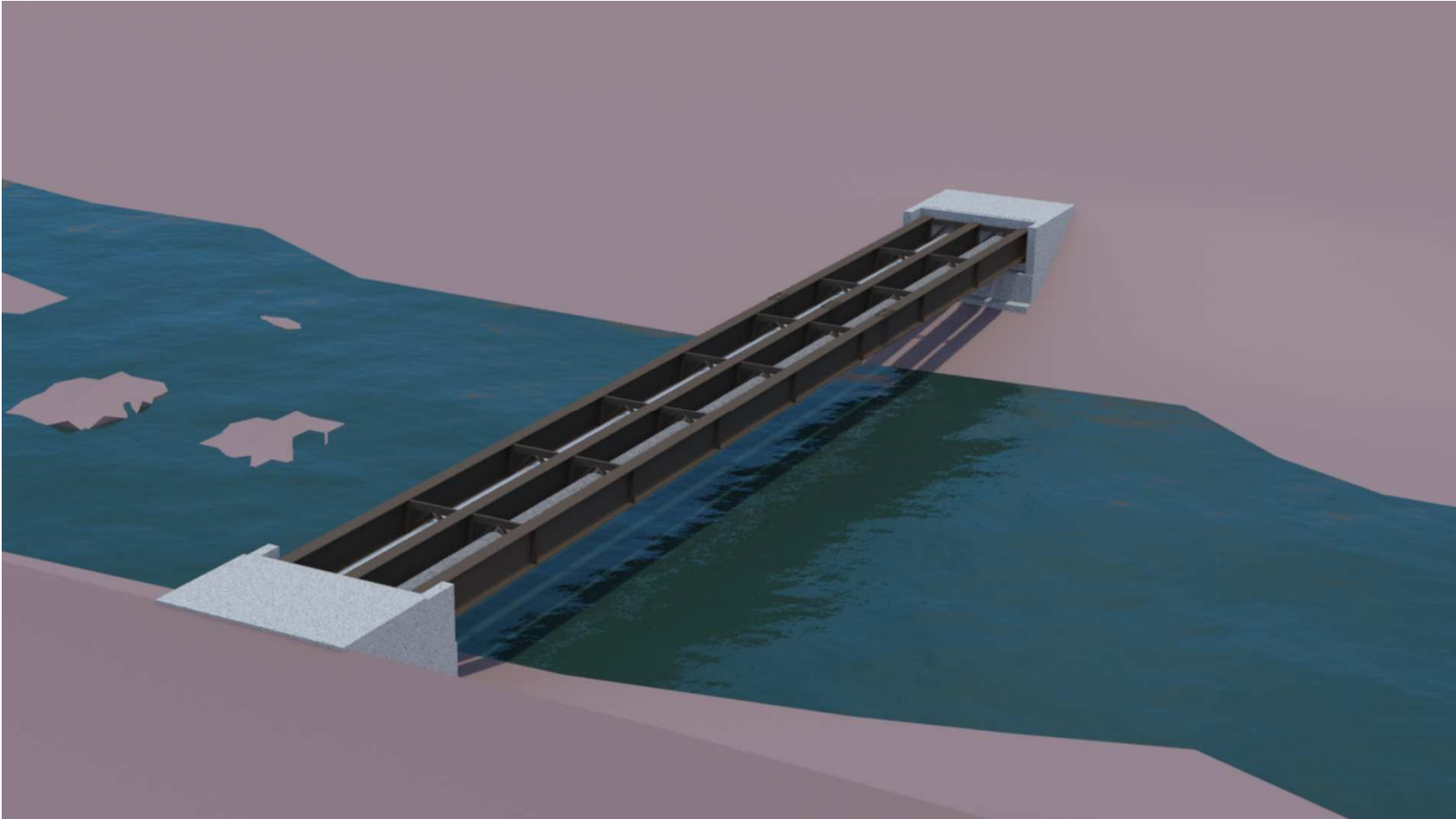
Present Configuration



This document was prepared for the New York State Department with funds provided under Title 11 of the Environmental Protection fund.



Present Configuration



This document was prepared for the New York State Department with funds provided under Title 11 of the Environmental Protection fund.

South Avenue Bridge

- Original Concept Design Parameters
 - Two Lane Bridge
 - Pedestrian Sidewalk
 - Bicycles to Share Roadway
 - South Avenue is a Designated Scenic Road
 - 10' lanes
 - 2' shoulders
 - Urban Street Design Speed (20-30 mph)

This document was prepared for the New York State Department with funds provided under Title 11 of the Environmental Protection fund.



32'-9" OUT-TO-OUT

1'-8" 5'-5" SIDEWALK 2'-0" SHLDR. 10'-0" LANE 10'-0" LANE 2'-0" SHLDR. 1'-8"

STEEL BRIDGE RAILING (4-RAIL)

STEEL BRIDGE RAILING (5-RAIL)

AESTHETIC ARCH (TYP.)

CROWN OF ROADWAY

2% 2% 2%

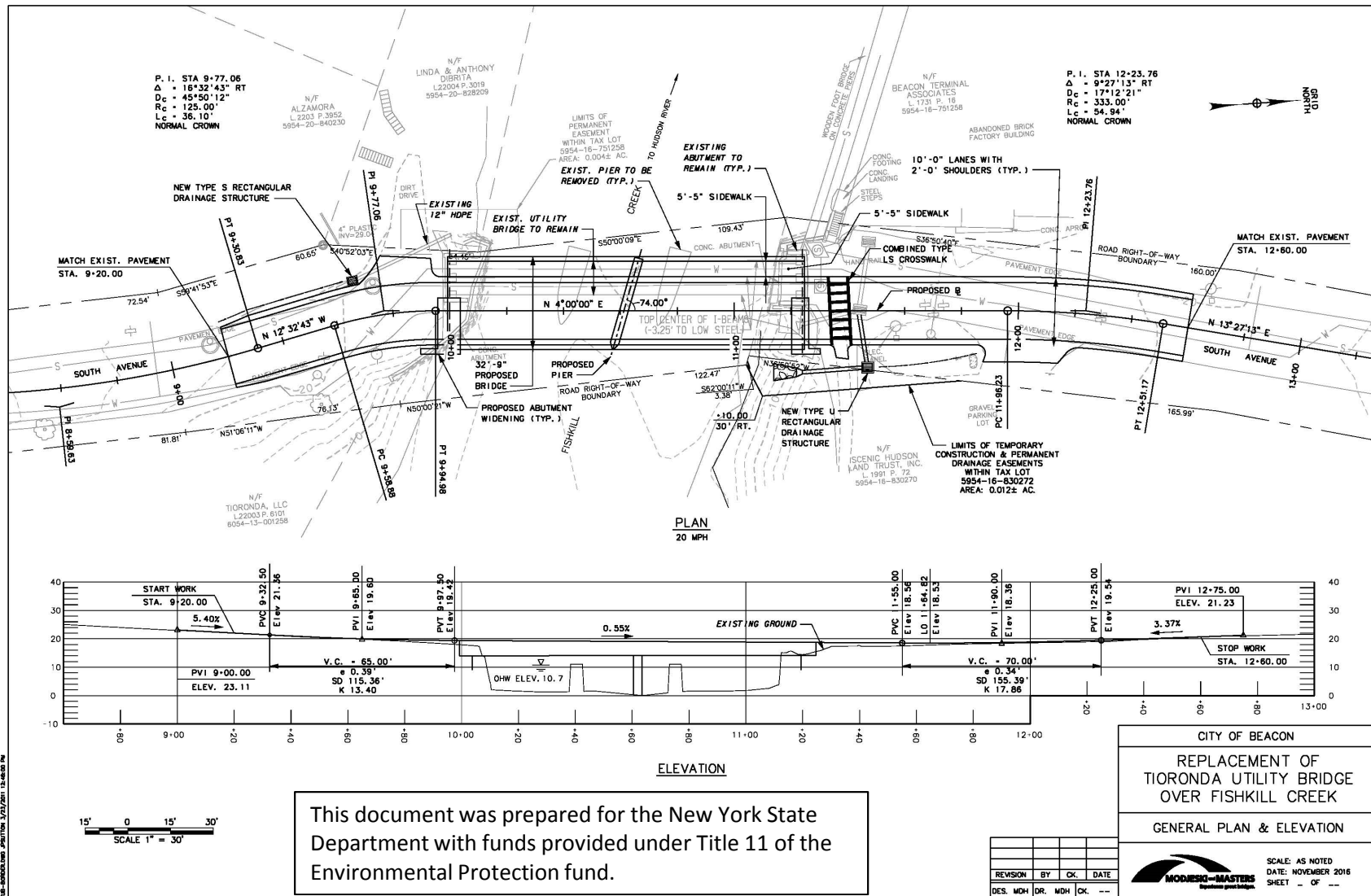
1'-4 1/2" 6'-0" 6'-0" 6'-0" 3 1/2" 6'-0" 6'-0" 6'-0" 1'-4 1/2"

EXISTING UTILITY BRIDGE (TO REMAIN)

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Original Proposal (Plan)

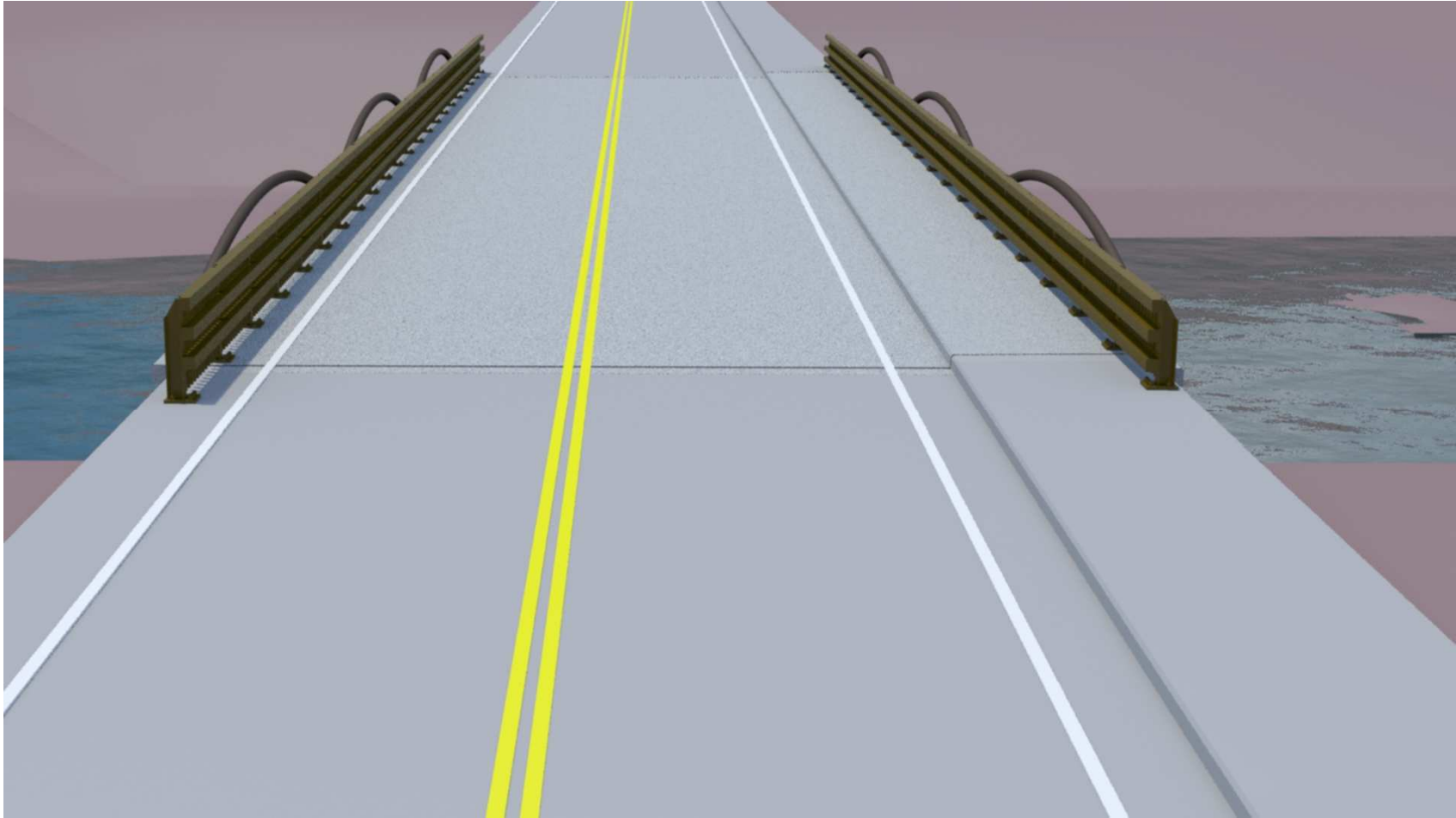


Original Proposal (Visualization)



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Original Proposal (Visualization)



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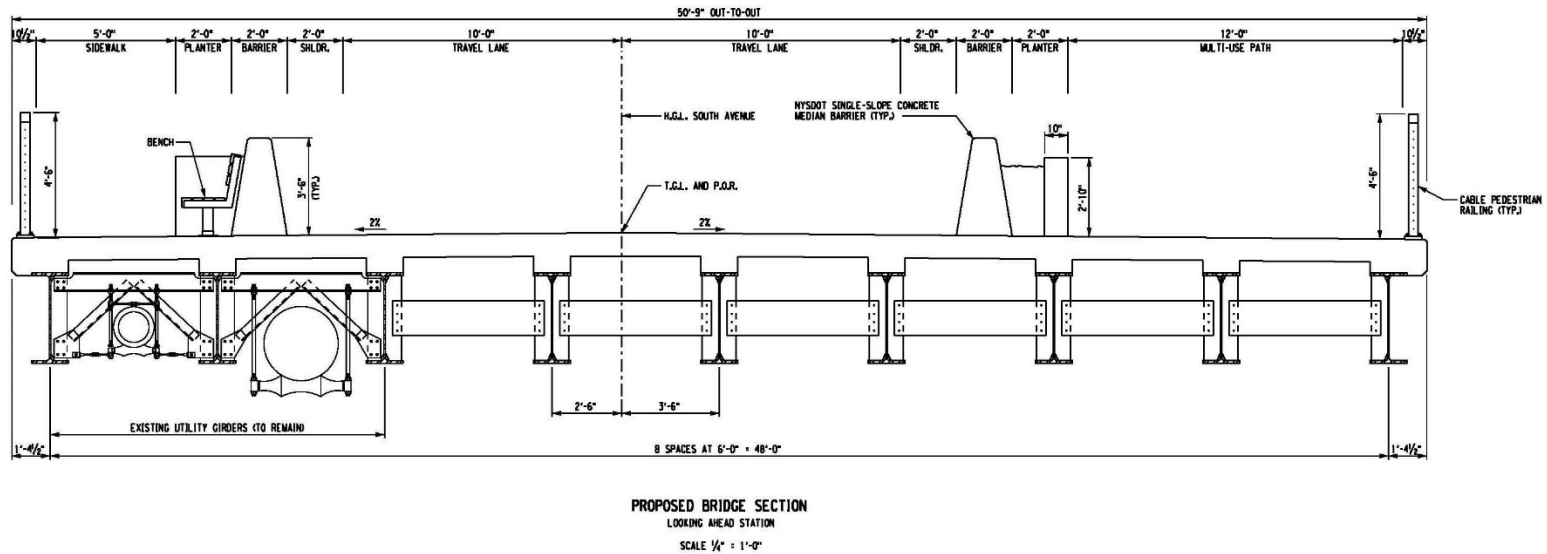


Alternative




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Second Iteration (Section)

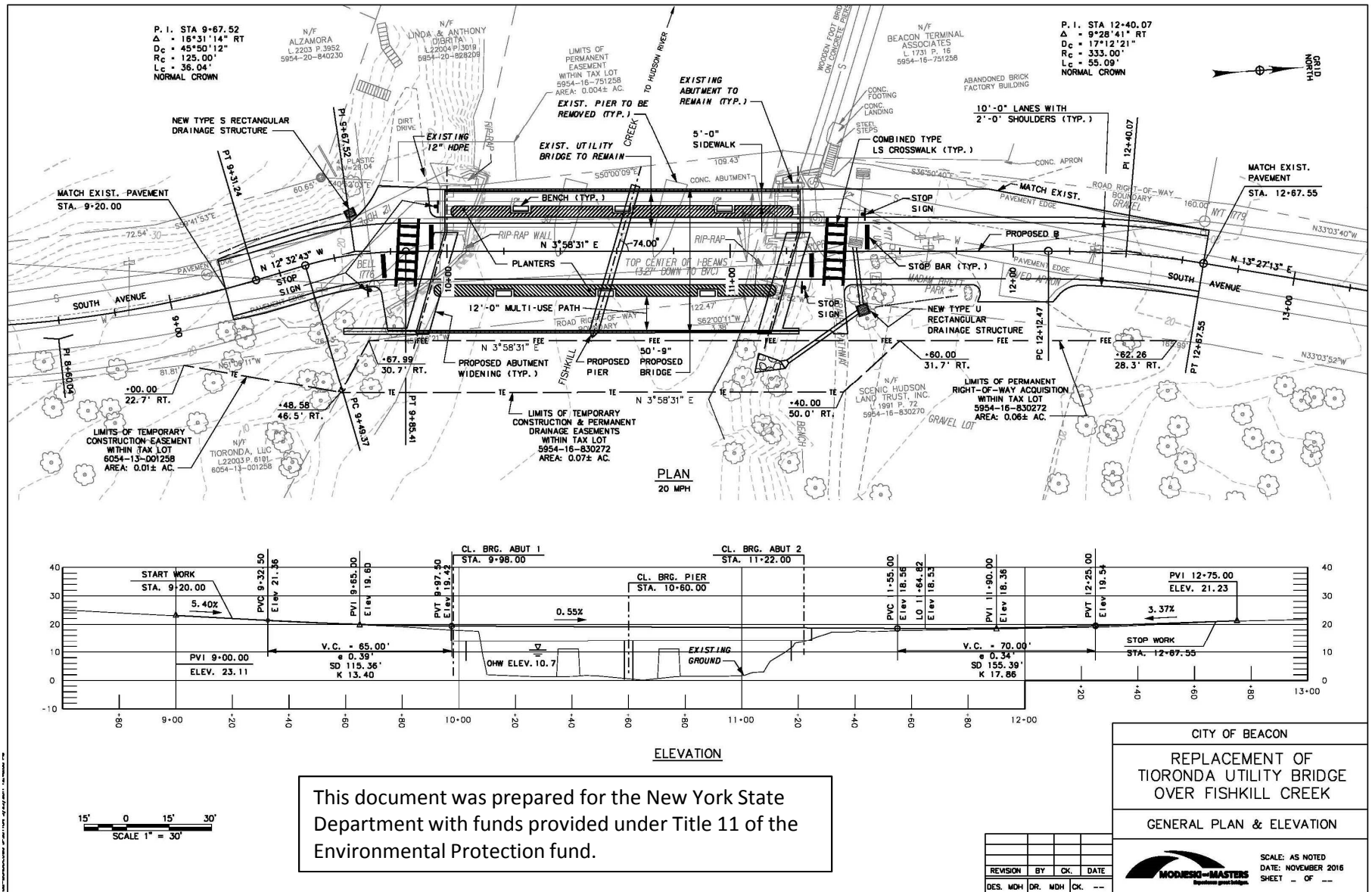


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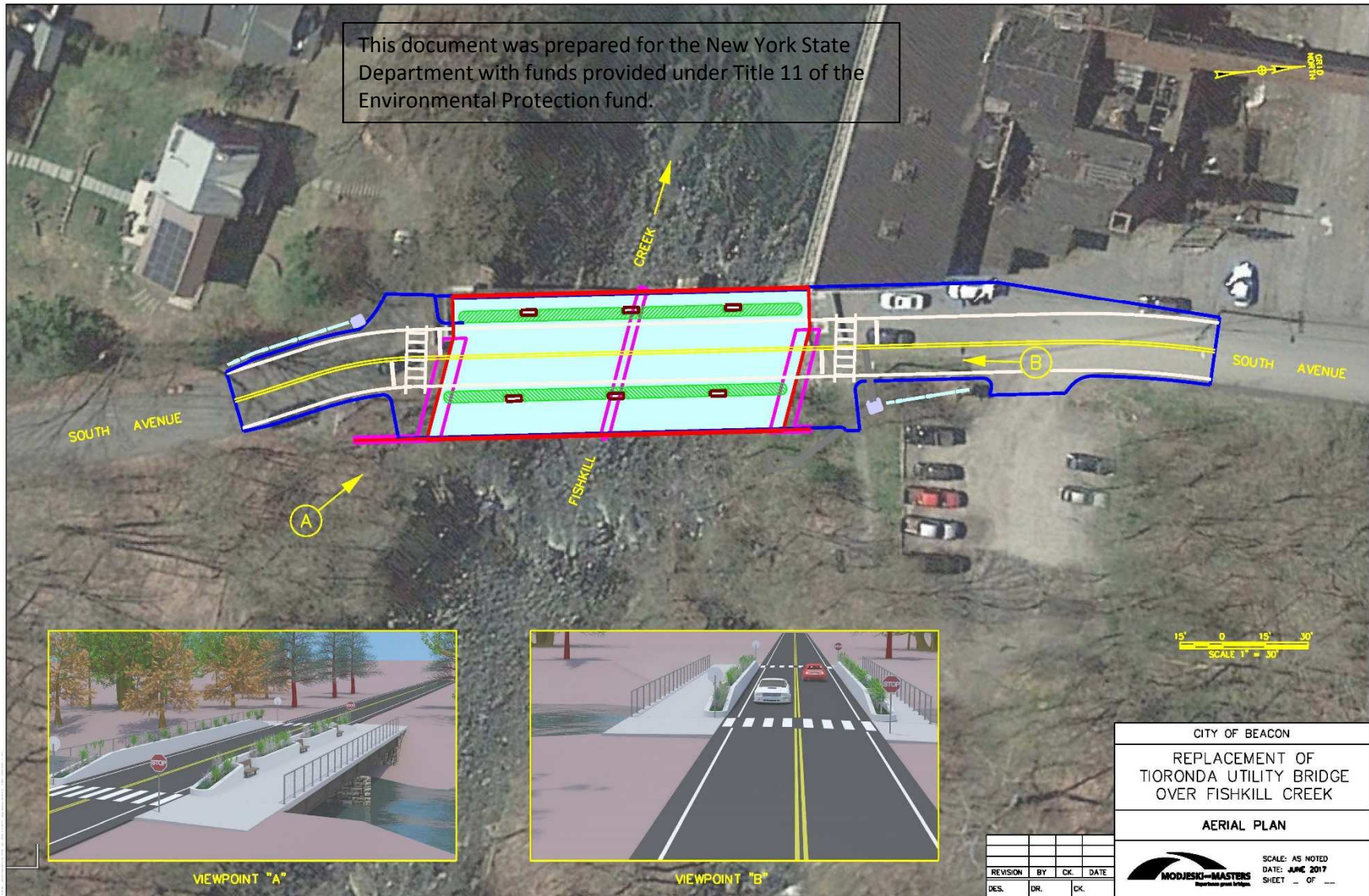
REVISION	BY	CK.	DATE
DES.	DR.	CK.	

CITY OF BEACON
REPLACEMENT OF SOUTH AVENUE BRIDGE OVER FISHKILL CREEK
TYPICAL SECTION - ALT. 5
 SCALE: AS NOTED DATE: APRIL 2017 SHEET - OF -

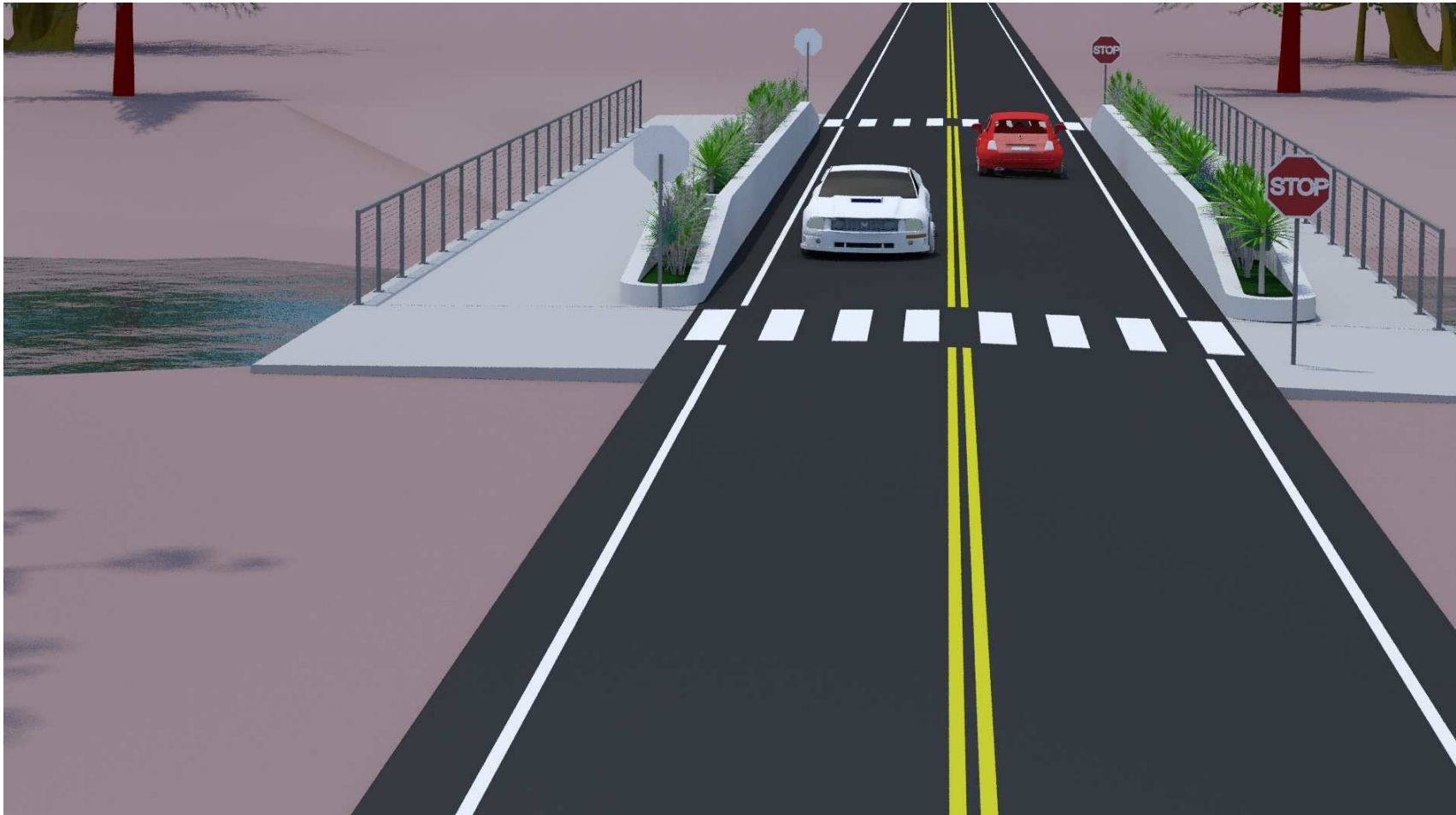
Second Iteration (Plan View)



Second Iteration (Plan View)



Second Iteration (Visualization)



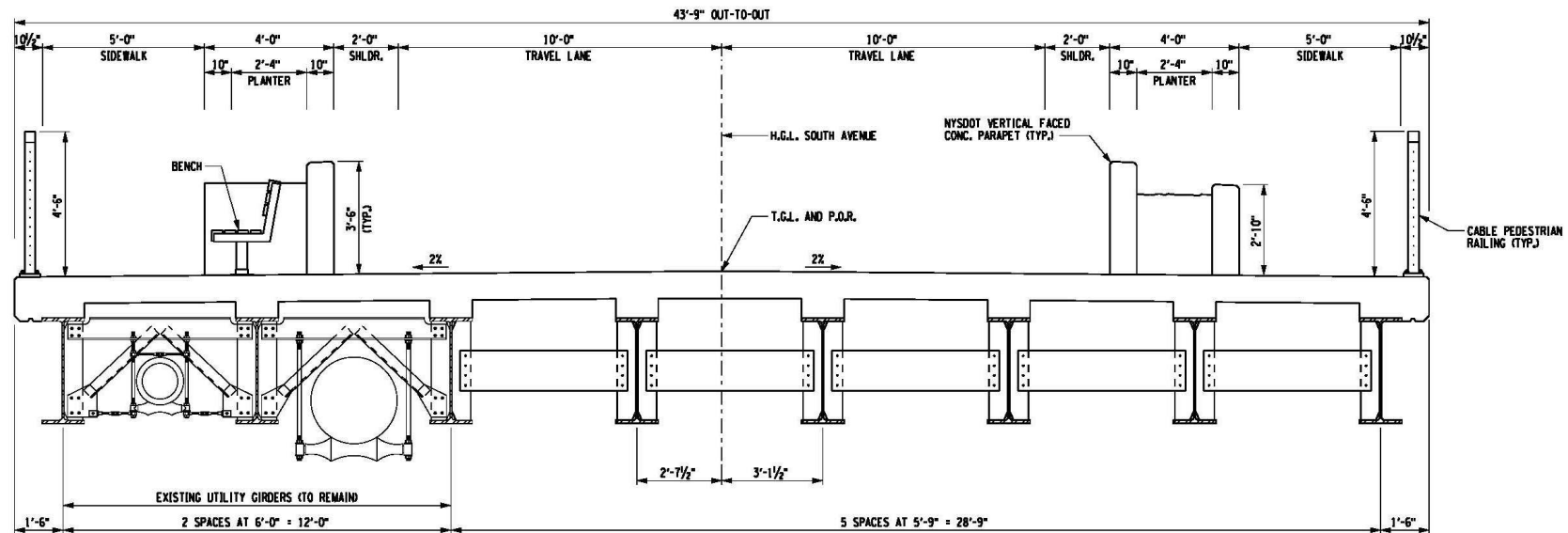
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Second Iteration (Visualization)



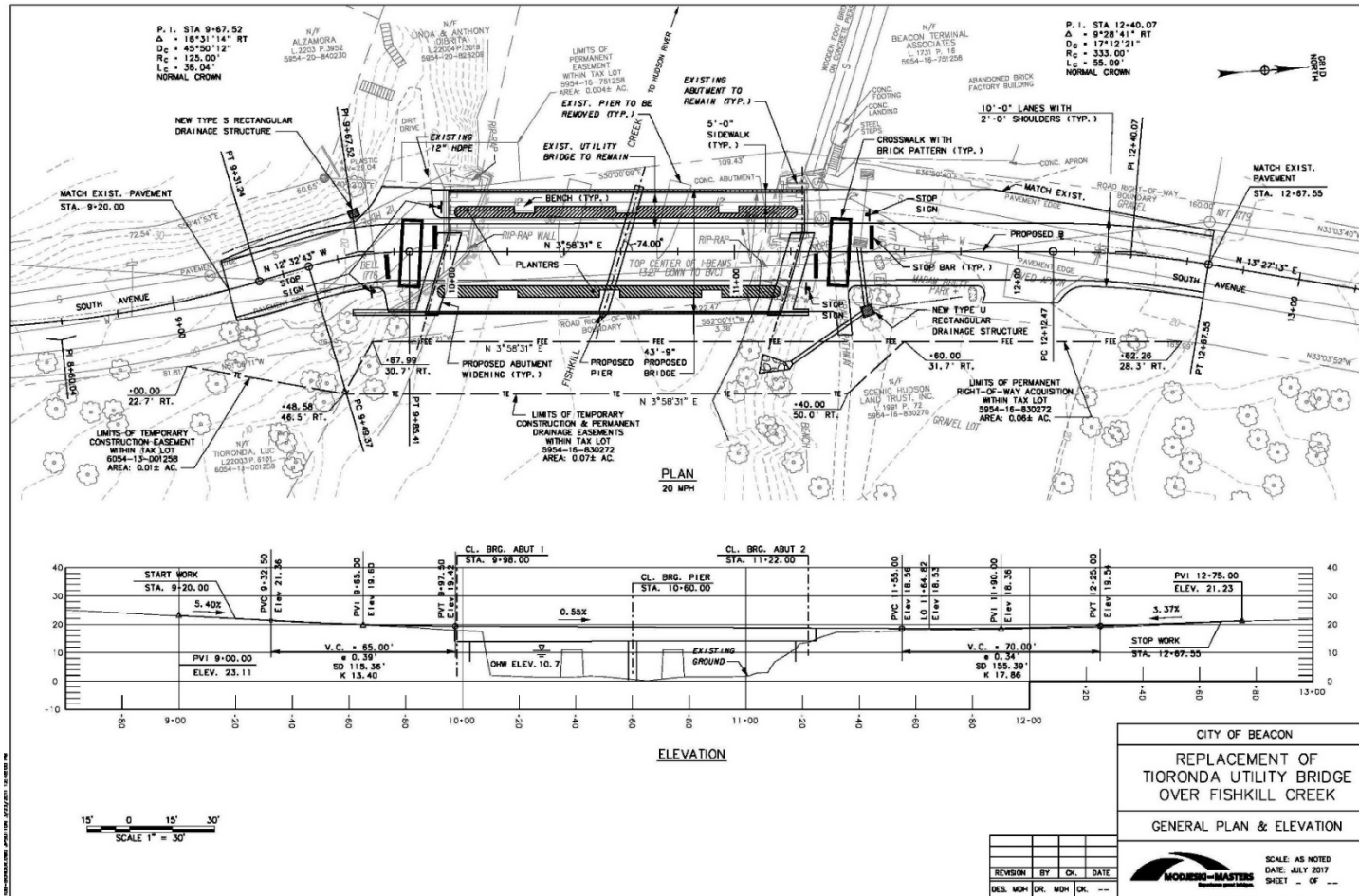
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7-31-17 Iteration (Section)

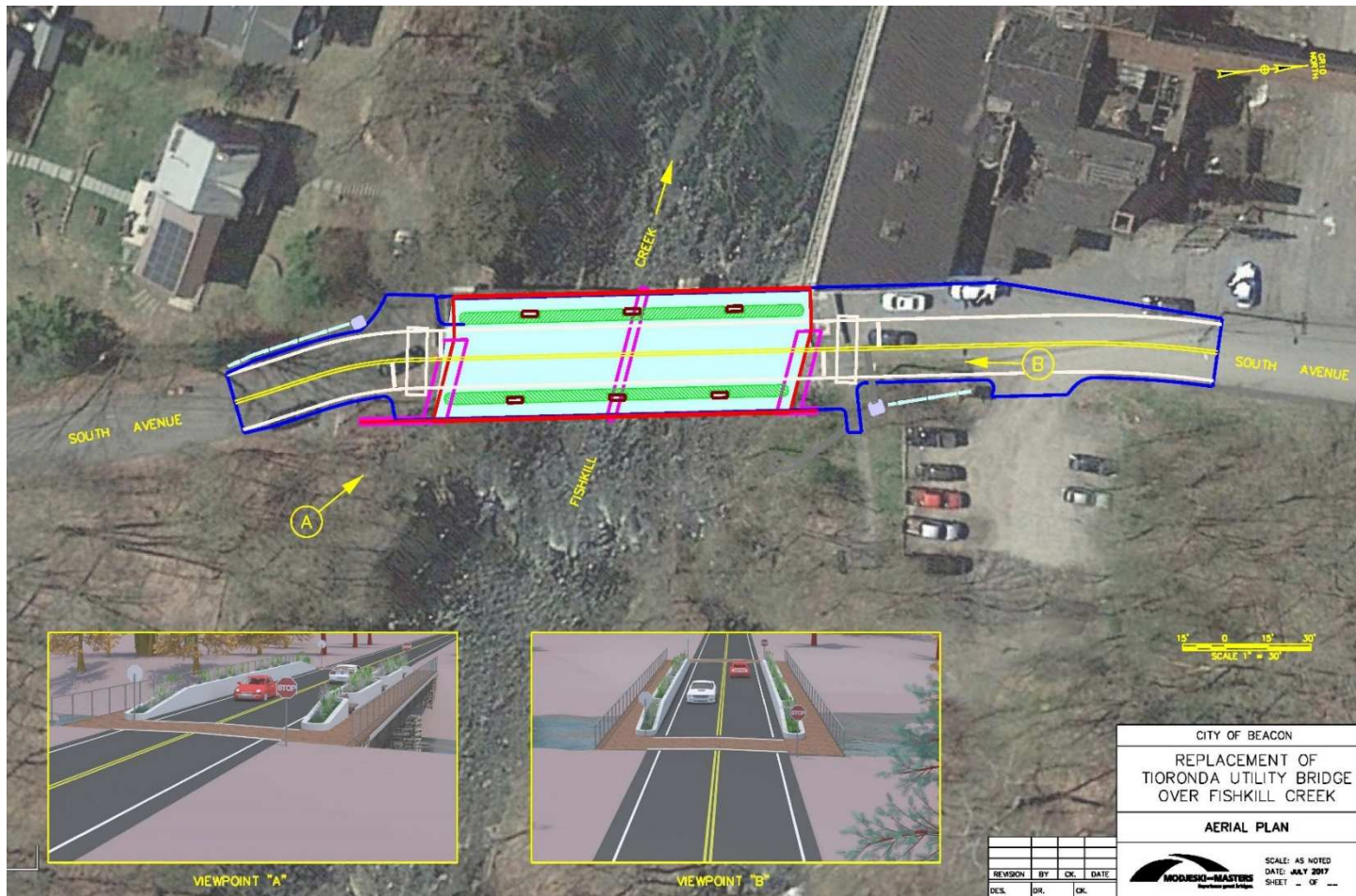


PROPOSED BRIDGE SECTION
LOOKING AHEAD STATION
SCALE 1/4" = 1'-0"

This document was prepared for the New York State Department with funds provided under Title 11 of the Environmental Protection fund.



7-31-17 Iteration (Aerial)



This document was prepared for the New York State Department with funds provided under Title 11 of the Environmental Protection fund.

7-31-17 Iteration (Visualization)



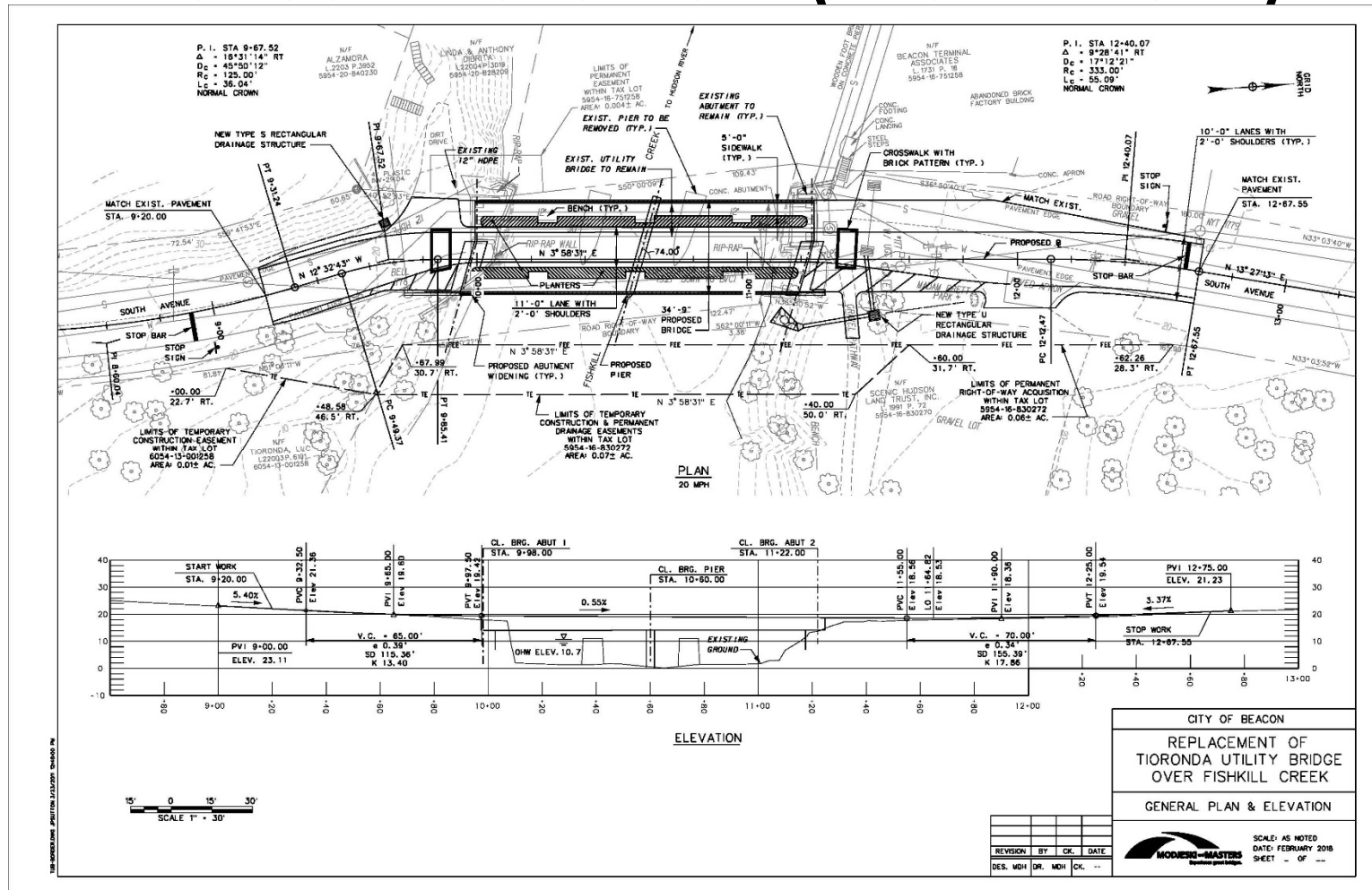
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7-31-17 Iteration (Visualization)

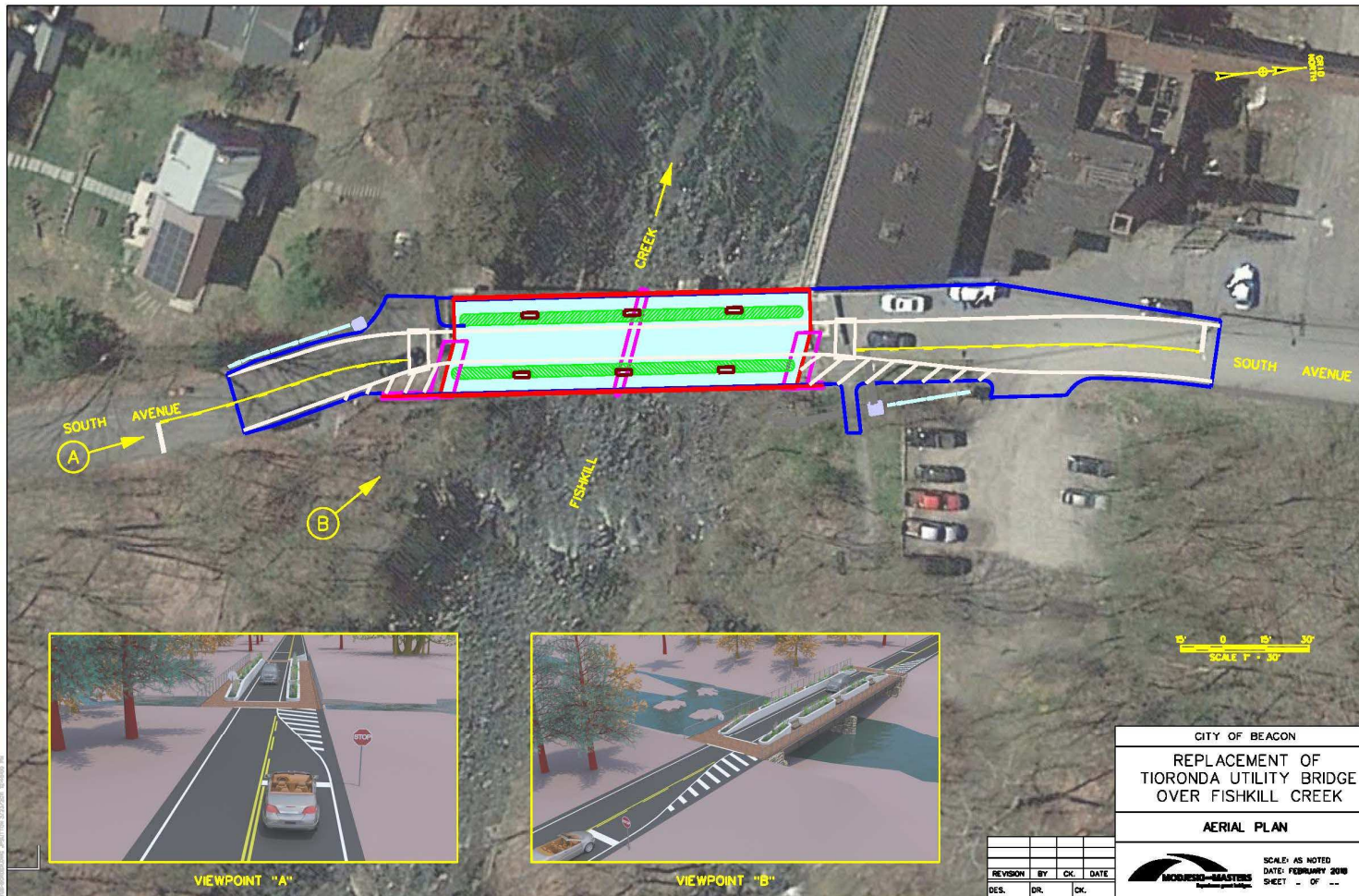


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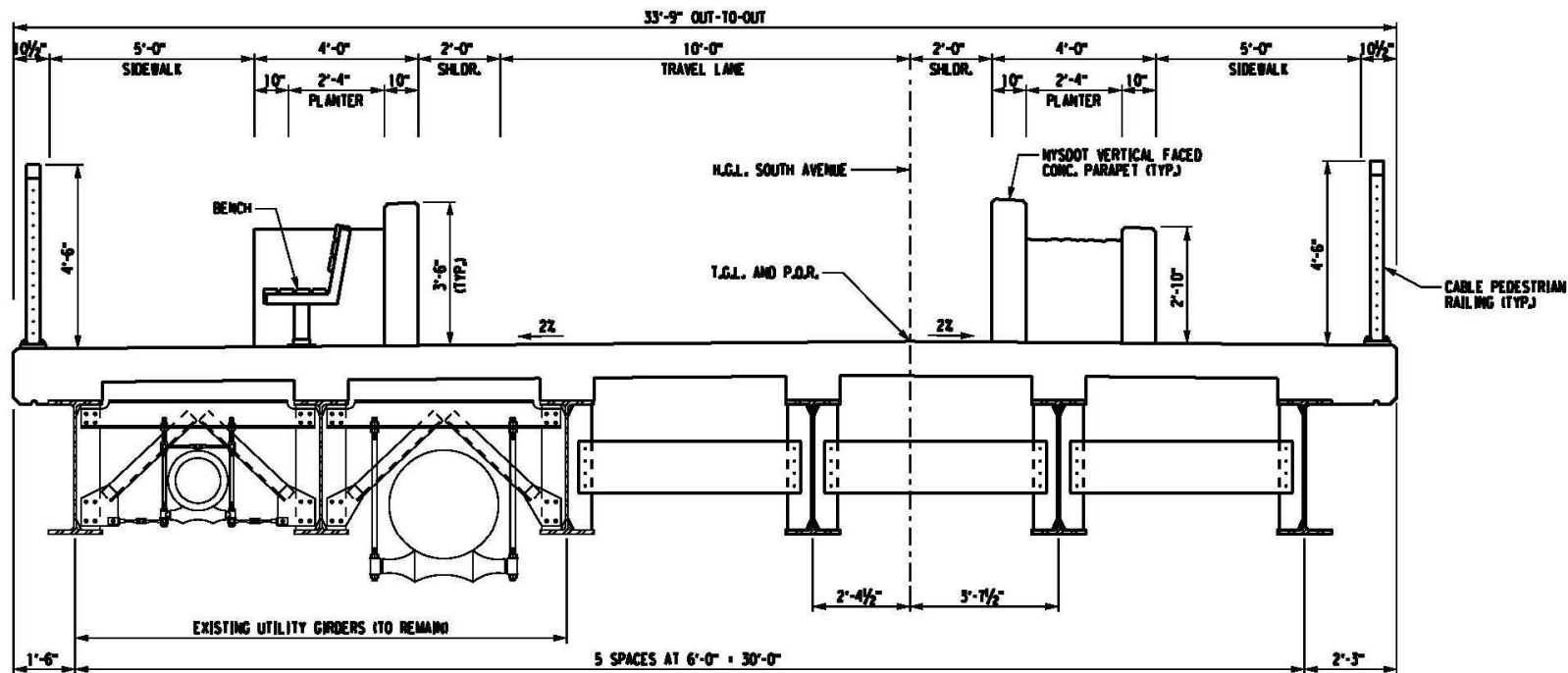
Latest Iteration (Plan View)



Latest Iteration (Aerial)



Latest Iteration (Visualization)

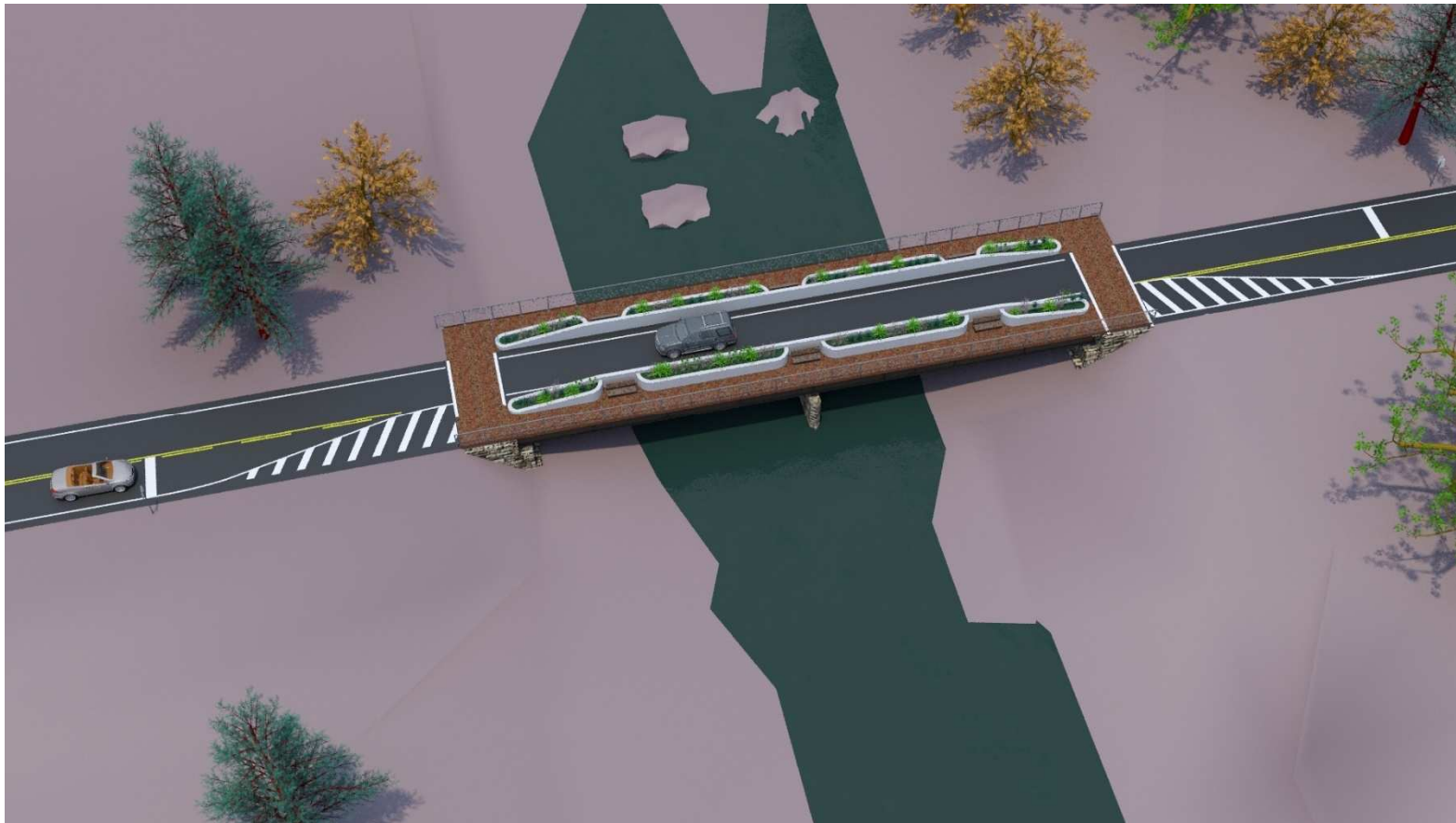


PROPOSED BRIDGE SECTION
LOOKING AHEAD STATION
SCALE 1/4" = 1'-0"

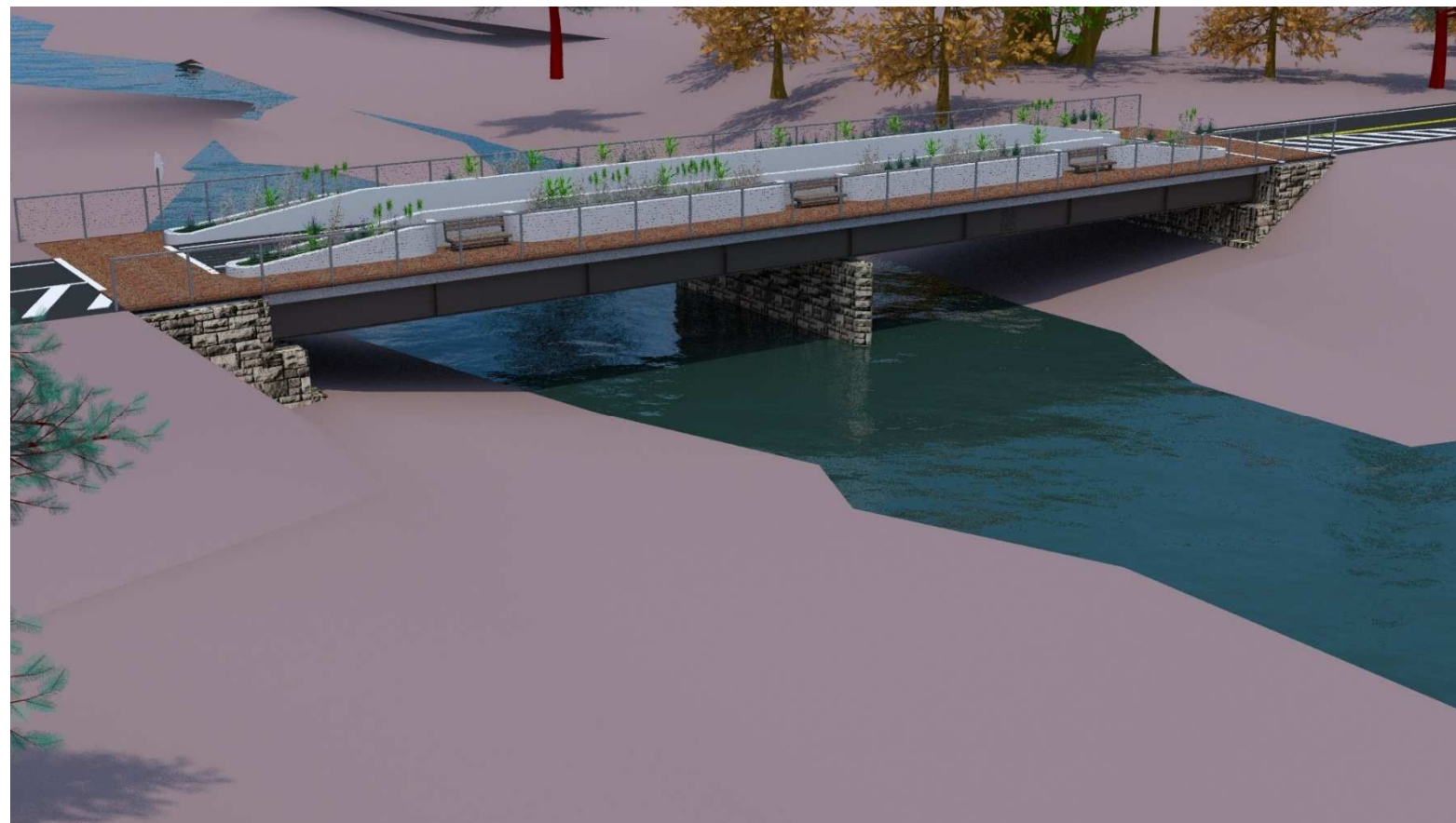
Latest Iteration (Visualization)



Latest Iteration (Visualization)



Latest Iteration (Visualization)



Latest Iteration (Visualization)



A scenic photograph of a river flowing through a forest with vibrant autumn foliage. A bridge spans the river, and the water reflects the surrounding trees. The text "Thank You!" is overlaid in the center.

Thank You!

Questions?

A partial view of a logo, showing a dark blue curved shape on a white background.

City of Beacon Workshop Agenda
5/29/2018

Title:

Lead Agency Letters

Subject:

Background:

ATTACHMENTS:

Description	Type
Lead Agency Ltr - 31 Mtn Lane	Backup Material
Lead Agency Ltr - 38 St Lukes Pl	Backup Material
Lead Agency Ltr - Ferry Landing	Backup Material



CITY OF BEACON New York

John Gunn
Planning Board Chairman

Planning Board

845-838-5002

May 21, 2018

New York State Department of Environmental Conservation
New York State Historic Preservation Office
Dutchess County Department of Health
Beacon City Council

Subject: **31 Mountain Lane**
Tax Map No. 30-6054-02-535593-00
Designation of Lead Agency in Accordance with SEQRA

Dear Sir/Madam:

The City of Beacon Planning Board is hereby notifying you that it has received an application for a Subdivision in connection with a proposal to subdivide a 5.527-acre parcel with one existing house into two lots for the construction of an additional house with two new subsurface sewage disposal systems. Pending further review, the Project may also require a Special Use Permit for a bed and breakfast. The parcel is located in the R1-80 zoning district.

The City of Beacon Planning Board hereby declares its intent to serve as the Lead Agency for the environmental review of the proposed action. Further, the City of Beacon Planning Board is hereby notifying you that, in accordance with the provisions of the State Environmental Quality Review Act (SEQRA), the Planning Board will automatically become the Lead Agency unless you submit a written objection to the Board within 30 calendar days of the mailing of this notification. Enclosed for your use, if you choose, is a form for responding to the Planning Board.

In accordance with the requirements of SEQRA, enclosed for your review are Part 1 of the Short Environmental Assessment Form (EAF) which has been prepared by the project sponsor for the proposed action, and a copy of the application.

Very truly yours,

John Gunn, Chairman

Enclosures: 3

cc: Lt. Timothy P. Dexter Arthur R. Tully, PE
Jennifer L. Gray, Esq. John Clarke, City Planner
Badey & Watson, PC, Project Consultants

RESPONSE FORM TO CITY OF BEACON PLANNING BOARD

To: City of Beacon Planning Board

From: _____ [please insert your agency name]

Date: _____ [please insert date]

Subject: 31 Mountain Lane
30-6054-02-535593-00
Designation of Lead Agency in Accordance with SEQRA

With respect to the declaration that the City of Beacon Planning Board intends to serve as the Lead Agency for the environmental review of the application for a Subdivision in connection with a proposal to subdivide a 5.527-acre parcel with one existing house into two lots for the construction of an additional house with two new subsurface sewage disposal systems. Pending further review, the Project may also require a Special Use Permit for a bed and breakfast. The above identified agency:

[please check one box below]

- ☐ Has no objection to the Planning Board serving as Lead Agency.
- ☐ Takes no position with respect to the Planning Board serving as Lead Agency.
- ☐ Objects to the Planning Board serving as Lead Agency.

Printed Name

Signature

Title



CITY OF BEACON New York

John Gunn
Planning Board Chairman

Planning Board

845-838-5002

May 18, 2018

New York State Department of Environmental Conservation
New York State Historic Preservation Office
Dutchess County Department of Health
Beacon City Council

Subject: **38 St. Luke's Place Subdivision**
Tax Map No. 30-6054-38-156634-00
Designation of Lead Agency in Accordance with SEQRA

Dear Sir/Madam:

The City of Beacon Planning Board is hereby notifying you that it has received an application for Subdivision Approval in connection with a proposal to subdivide a 0.405-acre parcel with one existing house into three lots for the construction of two new houses. The parcel is located in the R1-5 zoning district. The Project is classified as a Type 1 action due to its proximity to the St. Luke's Episcopal Church Complex which is on the National Register of Historic Places.

The City of Beacon Planning Board hereby declares its intent to serve as the Lead Agency for the environmental review of the proposed action. Further, the City of Beacon Planning Board is hereby notifying you that, in accordance with the provisions of the State Environmental Quality Review Act (SEQRA), the Planning Board will automatically become the Lead Agency unless you submit a written objection to the Board within 30 calendar days of the mailing of this notification. Enclosed for your use, if you choose, is a form for responding to the Planning Board.

In accordance with the requirements of SEQRA, enclosed for your review are Part 1 of the Long Environmental Assessment Form (EAF) which has been prepared by the project sponsor for the proposed action, and a copy of the application.

Very truly yours,

John Gunn, Chairman

Enclosures: 3

cc: Lt. Timothy P. Dexter Arthur R. Tully, PE
Jennifer L. Gray, Esq. John Clarke, City Planner
Hudson Land Design, Project Consultants

RESPONSE FORM TO CITY OF BEACON PLANNING BOARD

To: City of Beacon Planning Board

From: _____ [please insert your agency name]

Date: _____ [please insert date]

Subject: 38 St. Luke's Place Subdivision
30-5954-33-156634-00
Designation of Lead Agency in Accordance with SEQRA

With respect to the declaration that the City of Beacon Planning Board intends to serve as the Lead Agency for the environmental review for Subdivision Approval in connection with a proposal to subdivide a 0.405-acre parcel with one existing house into three lots for the construction of two new houses, the above identified agency:

[please check one box below]

- ☐ Has no objection to the Planning Board serving as Lead Agency.
- ☐ Takes no position with respect to the Planning Board serving as Lead Agency.
- ☐ Objects to the Planning Board serving as Lead Agency.

Printed Name

Signature

Title



CITY OF BEACON New York

John Gunn
Planning Board Chairman

Planning Board

845-838-5002

May 21, 2018

Dutchess County Planning
New York State Department of Environmental Conservation
New York State Historic Preservation Office

Subject: **Ferry Landing at Beacon**
30-5954-33-556840-00
Designation of Lead Agency in Accordance with SEQRA

Dear Sir/Madam:

The City of Beacon Planning Board is hereby notifying you that it has received an application for Site Plan Approval in connection with a proposal to construct six-single family townhouses on 0.56 acres in the Linkage zoning district and Coastal Management Zone. The project will also require a Subdivision Application to create six townhouse lots and one common lot to be owned by a Homeowner's Association.

The City of Beacon Planning Board hereby declares its intent to serve as the Lead Agency for the environmental review of the proposed action. Further, the City of Beacon Planning Board is hereby notifying you that, in accordance with the provisions of the State Environmental Quality Review Act (SEQRA), the Planning Board will automatically become the Lead Agency unless you submit a written objection to the Board within 30 calendar days of the mailing of this notification. Enclosed for your use, if you choose, is a form for responding to the Planning Board.

In accordance with the requirements of SEQRA, enclosed for your review are Part 1 of the Short Environmental Assessment Form (EAF) which has been prepared by the project sponsor for the proposed action, and a copy of the application.

Very truly yours,

John Gunn, Chairman

Enclosures: 3

cc: Lt. Timothy P. Dexter Arthur R. Tully, PE
Jennifer L. Gray, Esq. John Clarke, City Planner
Ferry Landing at Beacon, Ltd.

RESPONSE FORM TO CITY OF BEACON PLANNING BOARD

To: City of Beacon Planning Board

From: _____ [please insert your agency name]

Date: _____ [please insert date]

Subject: Ferry Landing @ Beacon
30-5954-33-556840-00
Designation of Lead Agency in Accordance with SEORA

With respect to the declaration that the City of Beacon Planning Board intends to serve as the Lead Agency for the environmental review of the applications Site Plan Approval in connection with a proposal to construct six-single family townhouses on 0.56 acres in the Linkage zoning district and Coastal Management Zone. The project will also require a Subdivision Application to create six townhouse lots and one common lot to be owned by a Homeowner's Association, the above identified agency:

[please check one box below]

- ☐ Has no objection to the Planning Board serving as Lead Agency.
- ☐ Takes no position with respect to the Planning Board serving as Lead Agency.
- ☐ Objects to the Planning Board serving as Lead Agency.

Printed Name

Signature

Title

City of Beacon Workshop Agenda
5/29/2018

Title:

Executive Session: Personnel

Subject:

Background:

City of Beacon Workshop Agenda
5/29/2018

Title:

Executive Session: Advice of Counsel

Subject:

Background: