



# COUNCILMEMBER HANDBOOK



# TABLE OF CONTENTS

<b>Chapter 1</b> .....	<b>1</b>
<b>Introduction &amp; Overview</b> .....	<b>1</b>
<i>Purpose of Handbook</i> .....	1
<i>Hughson – The Community, The City</i> .....	1
<i>City of Hughson Vision Statement</i> .....	1
<i>Overview of Basic City Documents</i> .....	2
Hughson Municipal Code.....	2
California Government Code .....	2
General Plan.....	2
Budget .....	5
<i>Emergency Operations Plan</i> .....	5
<i>Orientation of New Members</i> .....	6
<i>Overview of Department and Functions</i> .....	7
<b>Chapter 2</b> .....	<b>13</b>
<b>Hughson City Council:</b> .....	<b>13</b>
<i>City Council</i> .....	13
<i>Council Goals &amp; Objectives</i> .....	13
<i>Councilmember Appointments to Advisory Boards</i> .....	15
<i>Citizen Appointments to City Advisory Boards</i> .....	15
<b>Chapter 3</b> .....	<b>20</b>
<b>City Finances</b> .....	<b>20</b>
<i>Types of Revenue</i> .....	20
<i>The City Budget</i> .....	26
Budget Process .....	26
<i>Budget Preparation</i> .....	26
<i>Council Compensation</i> .....	31
<i>Expenditure Guidelines</i> .....	32
<i>Additional Information Regarding City Finances</i> .....	32
<b>Chapter 4</b> .....	<b>33</b>
<b>City Council Meetings</b> .....	<b>33</b>
<i>Open Meeting Laws (The “Brown Act”)</i> .....	33
<i>Formation and Preparation of the Agenda</i> .....	34
<i>Council Meetings and Rules of Procedure</i> .....	36
<i>Actions by the City Council</i> .....	40

<i>Tips on the Dais</i> .....	41
<b>Chapter 5</b> .....	<b>44</b>
<b>Conflicts &amp; Liability</b> .....	<b>44</b>
<i>Conflict of Interest</i> .....	44
<i>Political Reform Act</i> .....	45
<i>Government Code Section 1090</i> .....	46
<i>Common Law Conflict of Interest</i> .....	46
<i>Conflicts Related to Real Property Holdings</i> .....	46
<i>Ex Parte Communications</i> .....	47
<i>Liability</i> .....	48
<i>Anti-Harassment</i> .....	48
<i>AB 1234 – Ethics Training for Public Officials</i> .....	48
<b>Chapter 6</b> .....	<b>49</b>
<b>Support Provided to City Council</b> .....	<b>49</b>
<i>Staff/Clerical Support</i> .....	49
<i>E-mail</i> .....	49
<i>Mail, Deliveries</i> .....	50
<b>Chapter 7</b> .....	<b>51</b>
<b>Interaction with City Staff/Officials</b> .....	<b>51</b>
<i>Overview</i> .....	51
<i>Council/Manager Relationship</i> .....	51
<i>City Manager Code of Ethics</i> .....	52
<i>City Council/City Attorney Relationship</i> .....	52
<i>City Manager/City Attorney Relationship</i> .....	52
<i>Access to Information and Communications Flow</i> .....	53
<i>Dissemination of Information</i> .....	53
<i>Staff Relationships with Advisory Bodies</i> .....	54
<i>Restrictions on Political Involvement by Staff</i> .....	54
<b>Chapter 8</b> .....	<b>55</b>
<b>Communications</b> .....	<b>55</b>
<i>Overview</i> .....	55
<i>Speaking for “the City”</i> .....	55
<i>Correspondence from Councilmembers</i> .....	55
<i>Ceremonial Documents, Proclamations and Resolutions</i> .....	56
<i>Press &amp; News Media Relations</i> .....	57

<b>Chapter 9.....</b>	<b>59</b>
<b>Leaving Office .....</b>	<b>59</b>
<i>Filing Council Vacancies.....</i>	<i>59</i>
<i>Conflicts of Interest When Leaving Office .....</i>	<i>59</i>
<b>Chapter 10.....</b>	<b>60</b>
<b>Additional Training &amp; Resource Materials .....</b>	<b>60</b>
<i>League of California Cities.....</i>	<i>60</i>
<i>Institute for Local Government.....</i>	<i>60</i>
<i>National League of California Cities.....</i>	<i>60</i>
<i>International City Management Association (ICMA).....</i>	<i>61</i>
<i>Local Government Commission.....</i>	<i>61</i>
<i>Other Reference Materials on File .....</i>	<i>61</i>
<b>APPENDIX.....</b>	<b>62</b>
<i>Appendix A – City of Hughson Legislative Program.....</i>	<i>62</i>
<i>Appendix A-1 –Current Fiscal Year Budget .....</i>	<i>68</i>
<i>Appendix A-2 – Use of Electronic Communications Policy .....</i>	<i>105</i>
<i>Appendix A-3 – Policy For Reimbursement of Travel and Business Expenses .....</i>	<i>112</i>
<i>Appendix B – City Manager/Executive Director Authority Ord. 80-11 .....</i>	<i>122</i>
<i>Appendix C – Policies Re: Meetings &amp; Rules of Order Resolution No. 2012-49.....</i>	<i>130</i>
<i>Appendix D – COH Code of Conduct For Elected Officials.....</i>	<i>136</i>
<i>Appendix E – City Manager Code of Ethics Policy.....</i>	<i>157</i>
<i>Appendix F – City of Hughson Goals &amp; Objectives.....</i>	<i>159</i>
<i>Appendix G – A Public Official’s Guide to the Brown Act.....</i>	<i>172</i>
<i>Appendix H – Open and Public V – A Guide to the Ralph M. Brown Act .....</i>	<i>233</i>
<i>Appendix I – City of Hughson Memorandum of Understanding .....</i>	<i>298</i>
<i>Appendix J – League of California Cities– A Primer on California City Finance.....</i>	<i>326</i>

**ATTACHMENTS**

*City of Hughson Personnel Manual*

*City of Hughson Annual Financial Report Fiscal Year 2015-2016*

# Introduction & Overview

## Purpose of Handbook

The City staff has prepared this Handbook to assist new City Councilmembers to easily familiarize themselves with the City and to be able to easily obtain reference information on City Council adopted practices and procedures pertaining to City Council meetings, an overview of City operations, City Council powers and responsibilities and related matters.

## Hughson – The Community, The City

The City of Hughson is a small but prospering agricultural community nestled in the heart of the California's Central Valley. Although it is a growing community, the small hometown feel that longtime residents have always associated with the City is maintained.

Long before Hughson was a City, this was a vast prairie which was settled in 1851. Winter wheat was being raised on the open rolling land and by the turn of the century irrigation came. The rolling hills were flatten and the ability of irrigate enabled farmers to diversify their crops. Along came rail transportation and the area prospered. Agriculture is still the primary business.

The Township of Hughson was founded in 1907 on land purchased from Hiram Hughson, a local land owner. That same year the Gillette Hotel from Ceres was moved, by mule teams, to Main Street and was renamed Hughson Hotel. It still stands.

The volunteer Fire Department was the first to be established in Stanislaus County, on June 15, 1915. In December of 1972, Hughson was incorporated into a City under the Council Manager Form of government. In 2001, the City contracted with Stanislaus County Sheriff Department for law enforcement services. The City of Hughson provides full services.

Hughson is the smallest incorporated City in Stanislaus County, but has grown from a population of 3,259 in 1990 to 6,640 in 2010. Hughson is situated to the East of Ceres, to the North of Turlock, and to the Southeast of Modesto.

## City of Hughson Vision Statement

The City of Hughson is dedicated to enhancing the quality of life by recognizing our agricultural heritage and maintain our small town atmosphere, The City is also committed to providing a high level of public services, maintaining economic vitality and retaining the distinctiveness of our community.

## Overview of Basic City Documents

This Handbook is a summary of important aspects of City Council activities. However, it cannot incorporate all material and information necessary for undertaking the business of a City Council. Many other laws, plans and documents exist which bind the City Council to certain courses of action and practices. A summary of some of the most notable documents which establish City Council direction is provided below.



**Hughson Municipal Code:** The Hughson Municipal Code contains local laws and regulations adopted by ordinances. The Hughson Municipal Code is located online at <http://www.codepublishing.com/CA/Hughson/>. At

the request of a Councilmember, a hard copy of the Hughson Municipal Code and periodic amendments will be provided. Not all ordinances are published in the City's municipal code, but only those general ordinances which are the laws of the City. A full list of all ordinances is available in the table section of the municipal code, and the reference to each codified ordinance is noted in that table.

**California Government Code:** The state government code contains many requirements for the operation of city government and administration of meetings of City Councils throughout the state. Many of these requirements, such as open meeting laws, are replicated or referenced within the municipal code to ensure there is broad awareness of such requirements. Hughson is a "general law" city, rather than a "charter city", which means it is organized and governed in accordance with provisions of the government code. Also described within the Government Code is the Council-City Manager form of government which is practiced in Hughson. Basically, this form of government prescribes that a City Council's role is to establish policies and priorities, while the role of the City Manager is to administer the daily affairs of the City government.

**General Plan:** The City of Hughson's General Plan, adopted December 12, 2005, provides the fundamental basis for the City's land use and development policy, and represents the basic community values, ideals and aspirations to govern a shared environment through 2025. The General Plan addresses all aspects of development including land use, community character, transportation, housing, public facilities, infrastructure and open space, among other topics.

California Government Code Section 65300 requires that the General Plan be comprehensive, internally consistent and long-term. The overall role of the Hughson General Plan is to:

- ❖ Define a realistic vision of what the City desires to be in 20 years.
- ❖ Express the policy direction of the City of Hughson in regard to the physical, social, economic, cultural and environmental character of the city.

- ❖ Serve as a comprehensive guide for making decisions about land use, community character, circulations, open space, the environment, and public health and safety.
- ❖ Serve as the City’s “constitution” for land used and community development. That is, it is to provide the legal foundation for all zoning, subdivision and public facilities ordinances, decisions and projects, all of which must be consistent with the General Plan.
- ❖ Be in a clear and easy to understand form that encourages public debate and understanding.

The General Plan coordinates with the Housing Element update adopted in 2015. The General Plan’s implementation includes actions to update other planning documents to ensure consistency with the vision outlined in the Hughson General Plan.

The General Plan includes an introduction and brief overview of Hughson, as well as seven separate “elements” that set goals, policies and actions for each given subject. These seven elements cover the seven topics required by California State Government Code Section 65302. Some State-required topics have been combined or included into other elements, as allowed by State law. The Housing Element, one of the required elements, was adopted under a separate process and is available as a separate document. A brief explanation of the topics included in the Hughson General Plan is provided here.

**Land Use Element:** The State-required Land Use Element designates all land within the City for specific uses such as housing, commercial, industrial, open space and recreational, public facilities and agriculture uses. The land Use Element also provides development regulations for each land use category, and overall land use policies for the City. The Land Use Element was last updated in March 2015.

**Circulation Element:** State law requires that a Circulation Element specify the general location and extent of existing and proposed major streets and other transportation facilities. As required by law, all facilities in the Circulation Element are correlated with the land uses foreseen in the Land Use Element.

**Conservation and Open Space Element:** This Element combines two elements required under State-law; the Conservation Element and the Open Space Element. It addresses the preservation of open space and the conservation, development and utilization of natural resources. Also included in the Element are goals and policies for the protection and preservation of agricultural, biological and cultural resources. Finally, this Element covers the issues of air quality, energy conservation, and water quality conservation.

**Public Services and Facilities:** This optional Element assesses the current state of public services and facilities within the City, including law enforcement, fire services (including wildland and urban fires typically discussed in the Safety Element), schools, libraries, government facilities, water, wastewater, storm water drainage, solid waste

and utilities. Goals and policies focus on ensuring minimum service levels within Hughson, with and without additional development.

**Safety Element:** State law requires the development of a Safety Element to protect the community from risks associated with the effects of seismic and other geological hazards, flooding and dam inundation, hazardous materials, as well as ensuring adequate emergency preparedness. As previously mentioned, threats from wildland and urban fires are covered in the Public Services and Facilities Element.

**Noise Element:** The State also requires a Noise Element as part of the General Plan to address noise problems in the community, and analyze and quantify current and projected noise levels from a variety of sources.

**Housing Element:** As previously stated, the City's Housing Element was adopted in 2015 pursuant to State law. Government Code Section 65588 requires that Housing Elements be updated every eight years and include specific components such as analysis of existing housing stock, analysis of existing and projected housing needs, and quantification of the number of housing units that will be developed, preserved and improved through its policies and actions. The Housing Element is available as a separate document.

**Budget:** One of the most significant implementation actions the City Council undertakes each year is the approval of the City's budget. The primary purpose of the Budget text is to provide the City Council and other interested parties with an accurate picture of available resources, to set spending priorities and limits, and to legally authorize the appropriations and expenditures of City Funds. It is the means of setting public fiscal policy. It is also a source of financial and other information for Council, City staff and the public.

The Budget is a tool used to spell out the objectives and goals of an organization. As desired service levels are determined, these objectives become formalized. To evaluate its success, performance standards and measures need to be established. In times of limited funds, this process becomes even more important, more difficult and more complex. Councils no longer focus on the desirability of a particular service, but instead choose which services are to be funded, which has the greatest need.

The responsibility of the City Council in this process is to ensure that the needs of the residents are met to the greatest extent possible with the resources that are available. The Council's role is to set policies and provide guidance for the City's future. This part of the process occurs long before the Budget text is actually prepared. The Council should not concern itself extensively with the administrative and financial details underlying the Budget, as that is staff's role. Staff coordinates the material, makes informed projections as to the anticipated revenue and expenses, and balances the Budget. Department Heads request the allocation of funds as appropriate and necessary for their Departments to accomplish their goals and duties. These requests are reviewed by the Finance Director and City Manager as part of the Budget process.

In addition to adoption of the City's budget, the City Council also approves budgets for the Landscaping and Lighting Districts (LLDs), and the Benefit Assessment Districts (BADs).

## **Emergency Operations Plan:**

Stanislaus County maintains the City of Hughson's Emergency Operations Plan which is part of the nine cities within the county that have adopted the Stanislaus Operation Area Decision Process for Emergency Planning. The plan provides guidance for City response to extraordinary emergency situations associated with natural disasters, technological incidents, and nuclear defense operations, both war and peacetime. The plan concentrates on operational concepts and response procedures relative to large scale disasters primarily and also targets hazards as established by the Standardized Emergency Management Systems (SEMS). Additionally, the Operational Area Decision Process Emergency Planning is based upon the FIRESCOPE Decision Process and is in compliance with the National Incident Management System (NIMS), and Incident Command Systems (ICS).

The potential for a major catastrophe due to earthquake, flood, or other disaster causes all governmental entities with Stanislaus County to be prepared to share resources and information among themselves, as well as with the State of California, in order to protect public welfare. The California Emergency Services Act (Government Code Section §

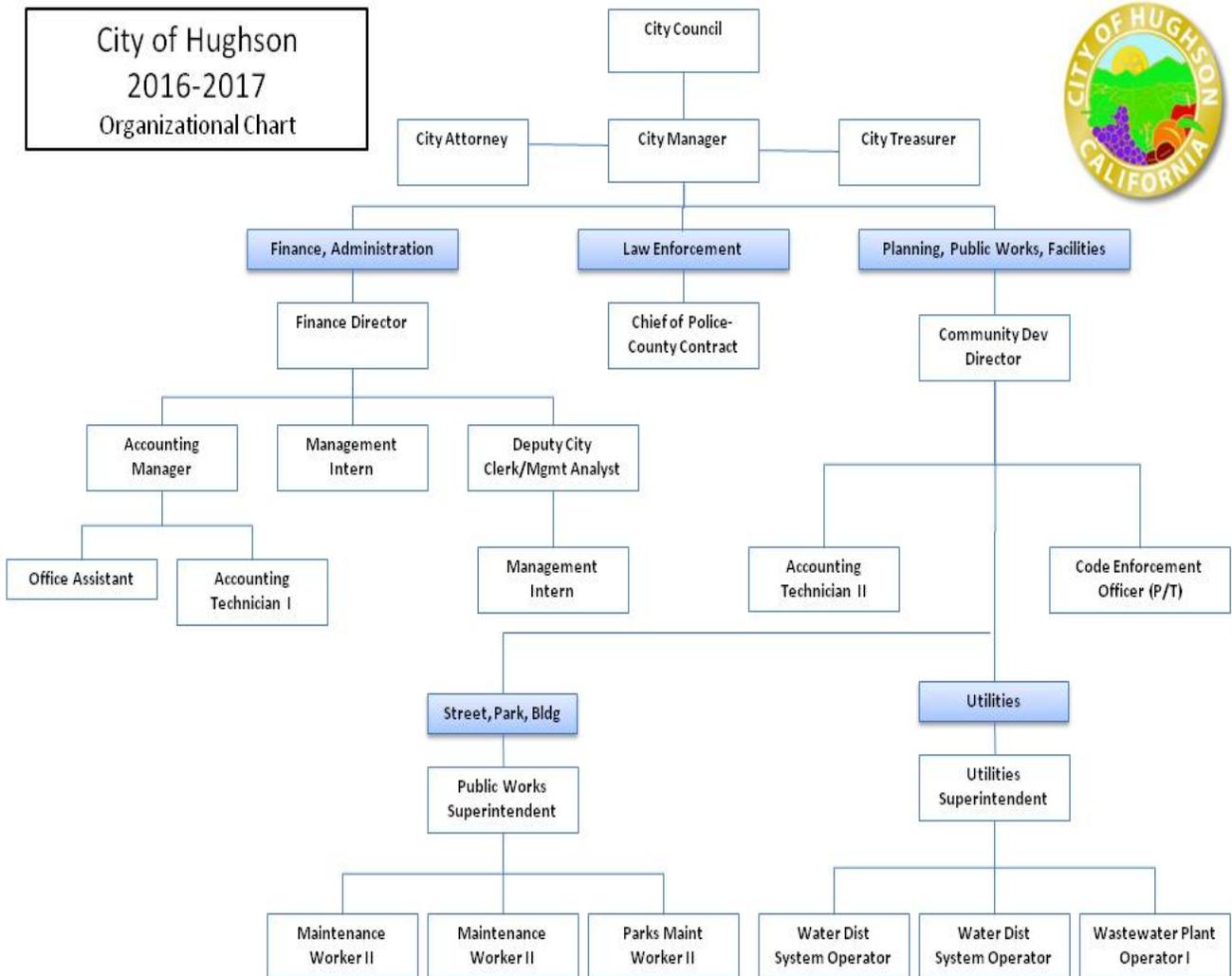
8550 et seq.) makes reference to the “operational area” and defines it as an “intermediate level of the state of emergency services organization” created to perform extraordinary functions for both county and city governments within a county area such as strengthening mutual coordination, providing a focal point and conduit for disaster information, and assisting in the efficient management of resources.

## **Orientation of New Members**

It is important that members of the Council gain an understanding of the full range of services and programs provided by the organization. As new members join the City Council, the City Manager can make arrangements for you to meet with each department and division and provide site tours of City facilities. At any time, if there are facilities or programs about which you would like more information, arrangements should be made through the City Manager’s office to increase your awareness of these operations.

# Overview of Department and Functions

Day-to-day operations are handled by the City's departments. Currently, the City is separated into departments which provide a wide range of services to citizens. An Organization Chart is located below. These services range from street repairs to building code inspections to parks and recreation services. The departments are run by department directors who report to the City Manager. This organization ensures the City Manager can keep the City Council aware of operational issues of importance and City-wide concern.



July 2016

## **City Manager**

The City of Hughson operates under a Council-Manager form of Government. The voters elect the City Council and the Council appoints the City Manager. The City Manager appoints all subordinate employees of the City of Hughson with the exception of the Treasurer, the City Attorney and the various Boards and Commissions.

The City Manager serves as the Chief Executive Officer of the City and directs the activities and operations of all departments, assists the City Council in the conduct of City business and provides administrative oversight to the operation and policy function of the City Government. The City Manager also serves as a Board Member to the Redevelopment Agency Oversight Board for the City of Hughson.

Ordinance No. 80-11 defines the duties, responsibilities and limits of authority of the City Manager. This ordinance is attached in Appendix B.

Chapter 2.08 of the Hughson Municipal Code specifically addresses the role of the City Manager.

## **City Treasurer**

The City Treasurer, appointed by the City Council, assures proper handling of municipal funds and oversees the investment of these funds.

## **City Attorney**

The City Attorney is appointed by the City Council and as of December 12, 1981, The City of Hughson has contracted with Neumiller and Beardslee for City Attorney Services. The City Attorney performs professional and administrative work as chief counsel and legal representative of the City of Hughson. The City Attorney provides legal counsel to the full City Council, the City Manager, Department Heads, and the commissions and boards of the City. The City Attorney's duties includes framing all City ordinances and regulations and provide other legal advice to the City Council, City Manager, and all City departments.

## **Professional Financial Audit Services**

The City has determined that it requires professional services from a consultant to perform annual audits of the financial statements of the City. On June 30, 2012 the City of Hughson entered into an agreement with Moss, Levy & Hartzheim LLP to perform annual financial audits. The Auditor's responsibility is to express opinions on the financial statements based on their audit. The audit is conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require the plan and performance of the audit obtain reasonable assurance about whether the financial statements are free from material misstatement.

The complete City of Hughson Annual Financial Report for Fiscal Year ending June 30, 2015 will accompany this handbook as an attachment.

## ***City Departments***

### **Administrative Services Department**

The Administrative Services Department oversees Finance, City Clerk, Human Resources, Risk Management, and Information Technology and provides technical and administrative assistance to the City Manager and City Council.

### **Department of Finance**

Finance is responsible for keeping and reporting the accounting records of the City in accordance with Generally Accepted Accounting Principles (GAAP). This ensures the fiscal foundation necessary to deliver community services. It provides accurate and timely financial information to the City Manager and the City Council which enables them to make sound business decisions. The Department of Finance is responsible for the City Budget preparation and compliance, accounting and financial reporting, cash management, debt issuance and management accounts payables, accounts receivables, payroll, business licensing, utility billing, central cashiering and sales.

#### ❖ Deputy City Clerk

The Deputy City Clerk, appointed by the City Manager, plans, organizes and directs all activities of the City Clerk's office, which include serving as clerk to the City Council, Secretary to the Planning Commission, and Parks, Recreation & Entertainment Commission. The City Clerk is the custodian of City records and the City Seal, is the elections official, and filing Officer for Statements of Economic Interests. The office of the City Clerk prepares agenda packets and minutes for City Council meetings, and provides information and services to the public as well as public access of records for review by interested parties.

#### ❖ Human Resources

The Human Resources Division conducts recruitments and testing for all City positions; maintains all employee personnel records; manages employee health and benefits programs, coordinates the worker's compensation program; ensures that City Personnel Rules and Regulations are implemented; and ensures Equal Employment/Federal Affirmative Action and Harassment policies are implemented.

#### ❖ Risk Management

The purpose of Risk Management is to provide insurance coverage for all City operations as required or as appropriate, to facilitate the transfer of sharing of risk when practical including monitoring worker's compensation and liability claims and recommending disposition of claims. It also administers the City's Safety Program.

The goal is to provide a comprehensive, pro-active and cost effective Risk Management program that promotes the health and safety of employees and the public and protects the assets of the City of Hughson. This effort is accomplished through the participation agreement with the Central San Joaquin Valley Risk Management Authority (CSJVRMA).

The Central San Joaquin Valley Risk Management Authority was formed on April 1, 1979. The CSJVRMA is an innovative member-driven joint powers authority of 54 cities, providing quality, cost-effective risk financing and risk control services, several self-insured programs, as well as, group purchased programs. All programs are designed to meet the member cities' various insurance needs. All programs with the exception of the Pooled Liability Program and Employee Assistance Program are optional.

The Central San Joaquin Valley Risk Management Authority is a public entity formed by a joint powers agreement in accordance with the California Government Code. The CSJVRMA contracts with Bickmore Risk Services, a firm specializing in the management of joint powers authorities, to handle the day to day operations of the CSJVRMA. The firm's employees provide general administrative, financial management, underwriting, loss prevention, claims management, litigation management, risk management, accounting, and other services as necessary for the operations of the CSJVRMA.

#### ❖ Information Technology

The City of Hughson currently contracts its Information Technology services with EZ Network Systems. EZ Network Systems provides Professional Managed Information Technology Services for Desktop PC Support, Systems Analysis/Project Management, General Infrastructure Maintenance, Application Maintenance, and IT Management. Additionally, the Information Technology (IT) Division is responsible for the following:

- Installing and maintaining the City's hardware and software technical infrastructure.
- Handling all departmental automated information processing needs;
- Providing website development and IT support services all year.

### **Community Development Department**

The Community Development Department is comprised of various City functions including Planning, Building, Public Works and Code Enforcement.

The Hughson Community Development Department—in cooperation with the City Council, other City Departments, the development community, the public and various partners—is the department responsible for enhancing the quality of life in our community; promoting safe, attractive and thriving developments; and facilitating development projects that add to the amenities and character of the City.

The role of the Department is to move the community toward the vision established in the General Plan and other planning documents. The Department establishes and helps to implement policies and goals to provide for the orderly and attractive growth of the community. The Department also works with new and existing residents on Building Permit and Code Enforcement issues to ensure the quality of the community is maintained. Staff coordinates activities to ensure that all applicable codes and laws are implemented and that the directives of the City Council are carried out.

A primary goal of the department, in the Public Works area, is to ensure the public's health and safety. The Department designs, maintains, improves, operates and repairs the City's infrastructure including water, sewer and storm drain systems as well as its equipment, vehicles, buildings, parks and streets, in the most cost effective manner possible while planning to meet the needs of the future.

### **Police Services**

As of September 1, 2001, the City of Hughson has contracted with the Stanislaus County Sheriff to provide the City with Police Services. The Sheriff department is committed to serve, protect and promote a safe community. This replaces the former Hughson Police Department, yet still provides the City with the same services and protections. The mission statement of Hughson Police is:

- ❖ We, the members of the Hughson Police Services, are committed to being responsive to our community in the delivery of quality services. We recognize our responsibility to maintain order, while affording dignity and respect to every individual. Our objective is to improve the quality of life through a community partnership which promotes safe, secure neighborhoods.

### **Fire Services – Hughson Fire Protection District**



Hughson Fire Protection District is a California Special District providing fire protection for the community of Hughson. The Hughson Fire Protection District was established 1915. The City of Hughson does not desire to organize a municipal fire department or employ a fire chief to perform the duties required to be performed by a City Fire Chief. The City of Hughson and the Hughson Fire Protection District of Stanislaus County entered into an agreement to designate

the Fire Chief to act as the Fire Chief for the City of Hughson on June 20, 1973.

The Hughson Fire Protection District Provides fire suppression, emergency medical services, technical rescue, hazardous material response, fire prevention, public education, and disaster preparedness to approximately 35 square miles of Stanislaus County and approximately 10,000 residents, including the City of Hughson. The Hughson Fire Protection District is dedicated to achieving and maintaining the highest

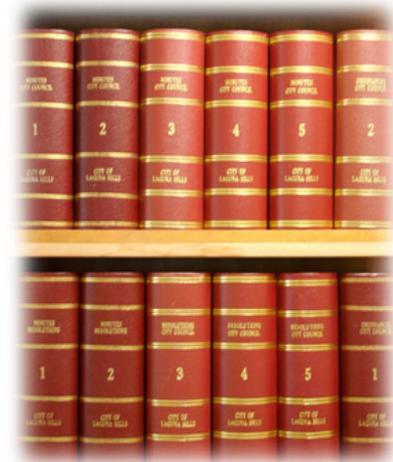
level of service in the most efficient manner possible, and to constantly safeguard and preserve life and property against the elements of fire and disaster.

The Hughson Fire Protection District is made up of a 5 member Board of Directors, 29 volunteers and 2 paid staff, all whom are dedicated, and proud of what they do for the residents of the Hughson Fire Protection District.

# Hughson City Council: General Powers and Responsibilities

## City Council

The City of Hughson operates according to the Council-City Manager form of government which vests authority in an elected City Council. The City Council is composed of five members elected at-large (the City is not divided into represented districts) on a nonpartisan basis to serve overlapping four-year terms. The Mayor is elected at large every other year and serves a two year term. The Mayor serves as the presiding officer at City Council meetings and as the official head of the City for legislative and ceremonial purposes. The City Manager is appointed by the City Council and serves at the pleasure of that body.



The City Council is the City's legislative and policy-making body. Acting as a whole, the City Council is responsible for passing ordinances and orders necessary for governing the City, as well as setting the direction of City policy. The City Manager is responsible for the overall administration of the City. This responsibility includes implementation of the general policies set by the City Council in addition to the day-to-day operations of all City functions. The City Manager, with the help of the staff, provides the City Council with the information needed to fulfill its policy-making role.

The Council-City Manager form of government separates legislative and executive responsibilities in a manner similar to state and federal governments. This system provides “checks and balances” of both policy and administrative branches of government by limiting the power of each.

## Council Goals & Objectives

Goal setting requires time, energy, and a well-defined process. From time to time, Council Workshops are held with the City Manager, senior management of the City departments, Planning Commission, Parks, Recreation & Entertainment Commission, City Staff (including the Hughson Police Chief) and other local leaders to review progress on goals previously set, establish priorities, and define new goals and objectives for the City. The City has established eight goals and objectives including:

- Land Use Goal - Updated 3/23/2015

- Economic Development Goal – Updated 5/26/2015
- Transportation Goal – Updated 9/9/2013
- Public Safety – Updated 9/9/2013
- Public Services – Updated 9/9/2013
- Public Facilities - Updated 9/9/2013
- Connectivity and Integration - Updated 9/9/2013
- Revenue Generation and Use Allocation - Updated 9/9/2013

While a myriad of responsibilities consume the limited time and energy of elected officials, there are some advantages for engaging in the process.

1. Goal setting gives the Council a basic framework for action. By setting goals and then deciding those that are most important, the Council is defining what it wants to achieve over a given period of time. Otherwise, the Council may find itself floating from issue to issue, crisis to crisis.
2. Goal setting helps the Council spend its time more wisely. By understanding what goals the Council wants to accomplish, the Council can wisely allocate time to achieve those goals.
3. Goal setting provides a framework to present individual priorities. Individual goals and priorities are presented and discussion is fostered among the Councilmembers so their differences can be addressed. The Council ends up with a list of goals to which everyone is committed.
4. Goal setting gives the City Manager clear guidelines to get the job done. It lets the City Manager know exactly what the Council is trying to accomplish as a group. Without clearly defined goals, the City Manager may get conflicting signals and end up not meeting anyone's goals.
5. Goal setting gives the Council and staff some important budget guidelines. Knowing what programs and issues are the highest priorities will enable staff to have a better idea of how to allocate funds when preparing the budget for Council approval.
6. Goal setting gives the Council an evaluation tool. When goals and priorities are set, the Council has valuable data in hand to determine how well the Council and the City Manager did in achieving the agreed upon goals and priorities.

Goal setting will not solve all the immediate problems nor guarantee that a crisis will not occur; but it will help to get a better idea of what is happening in the community and define what will happen over the long term.

A copy of the City's Goals and Objectives are attached in Appendix F.

## Councilmember Appointments to Advisory Boards

Councilmembers are requested to serve on various City and other agencies boards and committees. Annually, it is the duty of the City Council to review the list of current assignments and make recommendations for appointments. Any Councilmember desiring to serve on a certain committee (or who desires not to be considered) should inform the Mayor. These appointments are subject to approval by the majority of Council.

Below is a list of various boards and commissions:

- ❖ 2+2 Committee School District
- ❖ Hughson Sports & Fitness Complex Steering Committee
- ❖ 2+2 Fire District Committee
- ❖ Budget & Finance Subcommittee
- ❖ Economic Development Committee
- ❖ Southeast Stanislaus Hughson Family Resource Center Advisory Board
- ❖ Sierra Vista Children & Family Services Board
- ❖ League of California Cities Executive Committee
- ❖ San Joaquin Valley Air Pollution Control District
- ❖ Stanislaus Council of Governments (StanCOG) Policy Board
- ❖ Stanislaus County Disaster Council
- ❖ Stanislaus County Local Task Force on Solid Waste
- ❖ Stanislaus Economic Development Action Committee (EDAC)
- ❖ West Turlock Subbasin Groundwater Sustainability Agency

## Citizen Appointments to City Advisory Boards

The City has several committees, boards, and commissions. The following is a summary of the specific scope of responsibility for each committee, board, or commission.

**Qualifications:** Specific qualifications for appointment of members to the various committees, boards, and commissions are set forth in the Hughson Municipal Code.

**Appointment:** The City Council will make all appointments to committees, boards, and commissions.

**Terms:** Each advisory board has specific terms, usually two years per term. At the expiration of the term, the incumbent may need to reapply for appointment and compete with other interested candidates of the board position.

The following is a summary of the specific scope of responsibility for each committee, board, or commission.

### **Planning Commission**

The Planning Commission consists of five members appointed by the City Council to alternating two year terms. Responsibilities of the Planning Commission range from preparing and recommending to the City Council and amendment or repeal of the General Plan, recommending approval or disapproval or modification of all maps or plats of land subdivision, hold hearings on planning and zoning matters, advise and recommend the acquisition, used, or disposition of all City owned property and perform such other duties relating to planning and zoning as the Council may require by ordinance or resolution. Members of the Planning Commission receive a \$50 stipend for each meeting attended.

Chapter 2.12.110 of the Hughson Municipal Code specifically addresses the role of the Planning Commission.

### **Parks, Recreation and Entertainment Commission**



The Parks, Recreation and Entertainment Commission, which is an advisory board to the Hughson City Council consists of five members, serving alternating two-year terms. No less than three members must be residents of the City of Hughson, but up to two members can reside outside of the City but within the Hughson postal code area.

The commission formulates and recommends to the city council a recreation, park and entertainment program

for the inhabitants of the city, promotes and stimulates public interest in parks, recreation, arts and entertainment programs; advise the City Council on parks, recreation, arts and entertainment experiences; and which encourages to the fullest extent possible the cooperation of the local school authorities and other public and/or private agencies or interests. Advise the city council regarding the acceptance or rejection of offers of donations of money, personal and/or real property to the city for recreation, park and entertainment purposes and use and make recommendations where appropriate. Advise the city council regarding the parks, recreation and entertainment budgets and make recommendations as appropriate. The city council, with recommendation(s) from the Parks, Recreation, and Entertainment Commission, shall by resolution establish, adopt and amend guidelines and policies for the use of facilities within the boundaries of the city of Hughson for city-sponsored and co-sponsored recreational and entertainment activities. The city council may by resolution,

with recommendation(s) from the parks, recreation and entertainment commission, set fees for rental of parks or portions of parks. The donation of plants, buildings, fountains, sculptures, ponds, pools, or any other item or funds for such item for any park or building shall first be approved by the Parks, Recreation and Entertainment commission. Members of the Parks, Recreation and Entertainment Commission serve without compensation.

City of Hughson Ordinance 2016-07, section 2.14.010 of the Hughson Municipal Code specifically addresses the role of the Parks, Recreation and Entertainment Commission.

### **Economic Development Committee**

In June of 2011 the City Council approved the formation of the City of Hughson Economic Development Committee. The committee focuses on the following:

1. To develop and advocate for an economic development strategy that maximizes commercial property tax revenues and generates employment opportunities as part of a broader, long-range strategic plan for the community as established by the City Council.
2. To work with staff to assist in the development of a business incubator in Hughson that helps create new businesses that stay in Hughson.
3. To advocate for state and federal legislation and regulations that advance economic development in Hughson.
4. To work with staff to obtain federal and state grant funds to further the economic development strategy; and
5. To support and encourage new businesses seeking to locate in Hughson and existing businesses seeking to remain or expand in Hughson.

The committee is comprised of the following make up:

The committee is comprised of five (5) members appointed by and serving at the pleasure of the City Council for terms of two (2) years, to include two members of the council, two community members, and the City Manager, with preference given to individuals with professional expertise in agribusiness; commercial real estate financing or development; real estate law; utilities or technology; marketing or merchandising; business or non-profit organization development; training and education; business owners; or participation in business associations and organizations.

The City Manager and Community Development Director serve as ex officio members without the right to vote and are not counted in determining a quorum. Initially, two (2) members shall be appointed for two (2) years and the other three (3) members shall be appointed for (3) years to establish staggered, two-year (2) terms.

### **Redevelopment Agency – Oversight Board of the Successor Agency**

The Legislature created successor agencies to wind down the business and fiscal affairs of the redevelopment agencies dissolved by ABx1 26 (“AB 26”). More specifically, a successor agency must (1) continue to make payments for "enforceable obligations" of the former redevelopment agency; (2) remit unencumbered funds to the county auditor; and (3) dispose of real property assets. The City Council serves as the Board for the City’s successor agency. Each successor agency has an oversight board to monitor its progress in achieving these goals. In turn, the Department of Finance and the State Controller may review actions of the Oversight Board.

Each oversight board has seven members comprised of members of several different agencies. A majority of the seven members constitutes a quorum and a majority vote of the total membership of the board is required for action. Board members have personal immunity from suit for their actions taken within the scope of their responsibilities. The oversight board has fiduciary responsibilities to the holders of enforceable obligations and taxing entities. Health & Safety Code Section 34179. The holders of enforceable obligations are owed money by the successor agency. The taxing entities will receive property taxes after the following payments have been made: pass-through payments; enforceable obligations; and successor agency administrative costs.

The oversight board is also required to direct the successor agency to do all of the following:

- Dispose of all assets and property of the former redevelopment agency that were funded by tax increment. The oversight board may direct the successor agency to transfer ownership of certain public assets, such as roads, school buildings, parks and fire stations, to an appropriate public agency pursuant to any existing agreements relating to the construction or use of such assets.
- Cease performance under any agreements that do not meet the definition of "Enforceable Obligations."
- Terminate any agreements between the redevelopment agency and any public entity providing funding for debt service obligations or for the construction or operation of facilities owned and operated by the public entity, if the oversight board determines that early termination would be in the best interest of the taxing entities.
- Determine whether any agreements with private parties should be terminated or renegotiated to reduce liabilities and increase revenues to the taxing entities.

Health & Safety Code Section 34181

City of Hughson Resolution No. 2012-04, electing to have the City of Hughson serve as the Successor Agency to the Hughson Redevelopment Agency is available by contacting the City of Hughson City Clerk.

### **Budget and Finance Subcommittee**

The Budget and Finance Subcommittee is comprised of two members of the City Council that meet as needed with City staff to provide direction in the area of budget and financial management. The role of the Budget and Finance Subcommittee is primarily to provide financial oversight for the City. Responsibilities of the Budget and Finance Subcommittee include reviewing the budget, monitoring adherence to the budget and reviewing the annual audit. Other areas of focus include the assessment districts, revenue generating strategies, investment policies, capital improvement plan, capital facilities fees, and finance management system. Once financial items are approved by the Subcommittee, the items are brought before the entire City Council for approval.

# City Finances



City revenue comes from a variety of sources. Major sources of City revenue for day-to-day operations and services come from sales and use tax, property tax, business license tax (a tax on businesses in the City, usually measured by gross receipts). Unlike a private business, much of the City's revenue is restricted to certain uses by law. Some revenue is payment for a specific service by customers. Still other revenue comes by state and federal agencies, and the City has no control over how much it receives, and the type of

project for which the money can be spent. The California Constitution and state law often provide specific distinctions among municipal revenue sources and layers of limitations expending these designated program funds.

## Types of Revenue

Local governments receive revenue from various sources. There are many types of income and their impact has shifted over the years. Prior to 1978 (pre-Proposition 13), cities relied on Property Tax revenue for much of their funding. As this source of income has been limited, other sources of funding have become far more important. This change of funding has been the single most significant factor in local government finances. The gap has been made up by imposing user fees, obtaining grant funding, and eliminating services to the citizens.

Realization has come to government that all resources are limited. All programs and services have costs. It has become the local government's mission to determine the cost of these services and create fees to offset them whenever there is legal authority to do so.

## Revenue Projections

Projecting the revenue that a City can expect in the upcoming Budget year is a critical and difficult process. The spending plan is directly related to the anticipated revenue. Revenue projections are made conservatively. While it is possible to overstate revenue numbers during the Budget process to allow for greater spending, it is not wise, nor fiscally responsible. Many of the revenue sources are out of the City's control. Property Tax revenue is based on assessed property value. It is collected, then distributed by the County. Motor Vehicle Fees are determined by the State legislature and uses the assessed value of property as the formula to distribute the payment. The problem is that the assessed value of Property Tax is used to calculate the revenue. This is good, while assessments are increasing. However, when assessed property value drop, so

do the Motor Vehicle Fees. Projected numbers are obtained from the County's Auditor's Office, as it has a better handle on what the local housing and property market holds for the immediate future. Grants, which constitute a large portion of the City's revenue, are awarded through the application process, which can be very competitive. Forecasting this revenue is based on a complete understanding of the program and periodic reviews of the status of funding. If the grant is not received, the project cannot be done or the service cannot be provided (unless another funding source is identified).

Other funding sources are not easily determined either. The Sales Tax projection is based on prior year collections, along with anticipated economic activity in the area. It is not as difficult to make estimates in a smaller community, where businesses are few. Hughson relies on data furnished by HDL, a contractor who analyzes Sales Tax data. User fees, defined as fees collected by the City for services provided (water, sewer, garbage, etc) are based on prior participation, along with any new or enhanced programs. Any rate study that has or will be implemented is also incorporated in the projections. Fees are continually evaluated to ensure that they are adequate to cover the cost of the service. However, Proposition 218 does restrict fee increases, requiring a vote to approve and other specific parameters that need to be followed.

The money that the City receives as income has been categorized:

**Property Taxes:**

Property Tax is an Ad Valorem Tax imposed on real property (land and permanently attached improvements) and tangible personal property (movable property). It is based on the value of the property, rather than on a fixed amount or benefit. Proposition 13 states "the maximum amount of any Ad Valorem Tax on real property shall not exceed one percent of the full cash value of such property..." Cities, counties, school districts and special districts share that 1% Property Tax. The County allocates Property Tax revenues according to the proportion of Property Tax allocated to each to each agency prior to Proposition 13. Of every \$1.00 collected in Property Tax, the City receives an average of \$.08 to \$.16. Since the passage of Proposition 13 in 1978, several other propositions have been passed to clarify its implementation. One of the more significant was Proposition 4 (known as the Gann Initiative). Rather than limiting population and CPI (Consumer Price Index). Specific discussion of Proposition 4 and the Appropriation Limit is found in the Budget Format section.

The assessed value of real property does not change, unless there is a change of title or substantial construction. The annual increase is limited to 2%, tied with the CPI and not on the market value. However, the Assessor's Office did a countywide reassessment in 2009. The average home's assessment dropped to the 1985 values. All cities took an extremely hard hit.

There is good news. The trend of falling property value appears to have shifted. The three years 2008-2009 to 2011-2012 witnessed a total of 31.16% drop on property value. However during the last three years (2013-2014 to 2016-2016) the value has increased by 37.94%. Hopefully this is a continuing trend.

**Tax Increment:**

The primary source of funding for the Redevelopment Agency (RDA) is the use of Tax Increment. The increment is determined by calculating the difference between the original value assessed when the Redevelopment Agency was established and the current rate. The total one-percent tax rate on that difference is transferred directly to the Redevelopment Agency.

As of February, 1 2012, all RDAs in California have been dissolved, with oversight committees governing unwinding activity. Increment is used to pay off the RDA’s bond obligation.

**Sales Tax:**

The tax imposed on the total retail price of any tangible personal property is a major source of revenue and is known as Sales Tax. In 1955, the State Legislature passed the Bradley-Burns Uniform Local Sales and Use Tax Law. The law authorizes the State Board of Equalization to collect 1% of retail sales as Sales and Use Tax for all California cities and counties. The current statewide Sales and Use Tax is 7.5%. The distribution at this time is as follows:

State General Fund	5.00%
State Fiscal Recovery Fund	.25%
State Education Protection	.25%
Local Revenue (City/County)	.75%
County Transportation (LTF)	.25%
County Mental Health Obligations	.50%
Prop 172-Public Safety	.50%

The rate in Hughson (as in the entire Stanislaus County) is 7.625%. The additional .125 is a result of the Library Tax Initiative that became effective July 1, 1995 and has been successfully renewed since then. After the start of 2017, the sales tax rate in Stanislaus County will increase by 0.5% due to the passage of Measure L, the local Transportation Sales Tax initiative. Over 25 years, the City of Hughson is expected to receive \$7.86 million, of which \$6.05 million is to be used for city street resurfacing projects. Please see attached City of Hughson Transportation Sales Tax Measure Project List.

Proposition 172 allocates funds for local public safety. Most of these proceeds are retained by the County’s District Attorney’s office.

Sales Tax revenue in the City of Hughson is comparable size in Stanislaus County and the State of California. While the City does not have large retail stores, there are several manufacturing businesses that produce sales tax revenues.

**Business License Tax:**

This tax is assessed on businesses for the privilege of conducting business within the City. The City of Hughson levies an annual fee, this fee is strictly a revenue-raising function, not regulatory.

## **Fees**

### **Assessments:**

Benefit Assessment District (BAD) are formed to provide services to maintain storm drain catch basins and provide street lighting, as well as storm drain management and line maintenance. Funds are generated through fees levied to pay for these services within a pre-determined district. The rate varies from district to district and is computed by a licensed engineer. The assessment is levied on the annual Property Tax bill. Once the rate is approved by Council, it is submitted to the County Auditor. The establishment of a Benefit Assessment District requires owner approval, but once in place, fees are assessed to the property owner, even if the property subsequently changes hands. The implementation of Proposition 218 has limited the City's ability to raise the fees. (A district-wide election would be required).

### **Landscape Lighting District (LLD):**

Much like the Benefit Assessment District, Landscape Lighting Districts are formed to provide services to maintain parks, streetscape landscaping, street lighting and remove graffiti. City staff is continually reviewing ways to keep the costs to maintain the Districts within the estimated and actual revenues from each district.

### **Developer Fees:**

Developer Fees (also known as Capital Facility Fees or Impact Fees) are imposed by the City on development projects to mitigate the additional demands they place on infrastructure and public facilities. The use of this revenue-generating mechanism is a widespread practice in California, especially in areas where growth has had an impact on local government. Revenue collected should be used or at least obligated within 5 years of its receipt on capital or equipment-related expenditures. The fees are justified as an offset to the future impact that development will have on existing infrastructure (as a result of population growth). Hughson collects the fees via building permits, or upfront as specified in the development agreement. Fees vary from agreement to agreement and cover a number of benefits. Additional fees are collected on behalf of Stanislaus County and State of California. Revenue projections are based on the projected number of buildings and the potential subdivisions that are being considered.

### **Licenses and Permit Fees:**

Cities can charge for reimbursement of costs relating to the regulation of certain types of activities. For example, the charge for Dance Permits allows the City to recoup costs that are necessitated by additional police services during a public / private dance. The regulatory function that the City is performing is provided to protect overall community interests. Revenue from this source is not a significant portion of the Budget. Other permits cover yard sales, oversized loads and encroachment on City property.

### **Building Permits:**

Building regulation, plan review and inspection services have been assumed by a contract building inspector/plan check consultant, Pacific Plan Review, owned by Dennis Trumbly. After a dramatic slowdown in housing activity around 2009, the economy and the housing market continue to improve. Remodeling and other home improvements have picked up significantly. There is a notable increase in permits for additions, accessory units, solar, pools, re-rook projects, patios and the like.

**Fines and Penalties:**

Fines, forfeitures and penalties are revenues received upon conviction of a misdemeanor or municipal infraction. The source of revenue is parking fines and code violations.

**Interest and Rent:**

Municipalities have been given the opportunity to invest their idle funds in interest bearing accounts. Most of the investments are done via investments with Multi Bank Security Inc., deposits to money market accounts and deposits to the State of California Local Agency Investment Fund (LAIF). All interest earned is allocated to the appropriate fund, based on its cash balance at the end of each quarter. A resolution was adopted which allowed interest not to be paid to any fund with a balance under \$100,000 (unless other stipulations exist).

The City has adopted a conservative Investment Policy, which is reviewed annually. The City Council began reviewing the City's investment practices to determine if other opportunities exist to enhance interest income while still maintaining the City's objectives of safety of principal, liquidity and return on investment.

**Grant and Funding from other Governmental Agencies:**

Much funding is received from outside sources, such as Housing Rehabilitation through HUD (CDBG), Gas Tax and other Street funding (collected on a State and Federal level). The purpose of these funds is clearly defined, and they must be appropriated accordingly.

Another program which provides additional revenue is the Abandoned Vehicle Abatement program. In 1992, the State legislature approved the assessment of a \$1.00 fee on each vehicle being registered. This money is being distributed to the County to put into place a program which will abate abandoned vehicles in each community. It is used to offset the cost of Police Services for enforcement.

The most significant contribution is the grants and loans received for the enhancement of the Water and Waste Water Systems.

**User Fees:**

The greatest opportunity available to the City to ensure sufficient revenue for operations is the proper imposition of User Fees. These fees are the charges assessed to a citizen for a specific service or item. As a result of Proposition 13, and subsequently, Proposition 4, cities have been forced to charge full costs for requested services. The "Costs Reasonably Borne" concept implies a direct relationship between payment of fees/charges and the receipt of a service. The direct fee-for-service principle is not upheld when taxes are used to subsidize services that can be identified and quantified. Local government needs to be cautious when imposing fees to ensure that Proposition 218 is not activated. A recent Court decision has expanded Proposition 218's definition to include utility services. This adds another layer of work and cost the City.

**Other Revenue:**

Other revenues collected by the City which do not fall into the categories delineated above are items such as sale of supplies and property, salary reimbursements, etc. A major contributor to Other Revenue in the General Fund is the Administrative Charge. Part of this represents transfers from non-General funds for administrative support.

# **The City Budget**

## **Budget Process**

As mentioned in Chapter 1, perhaps the most significant action the City Council undertakes each year is the approval of the City's budget. The budget is based on projected revenues and is the roadmap to spending those revenues for the public benefit. The budget document contains a complete overview of the revenues projected and the proposed departmental expenditures.

The Budget process can be considered the process of resource allocation. It is a forum to:

1. Accumulate financial information for all services the City provides and present it in a consistent, easy-to-utilize format;
2. Analyze the merits of each service;
3. Set priorities as to which services the City can and cannot afford to provide;
4. Make decision about the level and cost of services that will be provided in the upcoming Fiscal Year.

This process is ongoing, and all of the information is brought together and viewed in its entirety, providing a complete picture of the future financial outlook for the City.

## **Budget Preparation**

### **Preliminary Budget**

The preliminary Budget provides an important control function for the City, because annual appropriations outlined in this document are legally authorized by an elected body (the City Council). The process begins in January when the Finance Director meets with each Department Head to obtain his or her input regarding anticipated expenses and revenues. Additional data is collected from various sources, such as other entities (e.g. County and State Governments). Revenue projections are compiled from many sources of information. The gathered material is then reviewed by the City Manager and Finance Director. Requested expenditures are balanced against projected revenue and cash carryover. Every item is carefully evaluated before it is brought to the City Council for consideration. Meetings are held with the Departments Heads, City Manager, Finance Director and Budget and Finance Subcommittee for "fine-tuning" of all Budget items. Upon completion of this process, a balanced Budget is presented to Council as the Preliminary Budget. As required by State Law, this document is adopted by Council before June 30<sup>th</sup>.

### **Final Budget**

At this point in the process, additional refinement occurs. Year-end balances provide a clearer picture of the City's financial situation for the new Fiscal Year. The Final Budget is usually adopted in August or September. Revisions are made as needed, and additional meetings are held with various Department Heads if particular items need

further consideration. At this point, Council members may meet individually with the Finance Director and City Manager in order to become more familiar with the document. Upon Council acceptance, the Budget becomes a policy statement for the City.

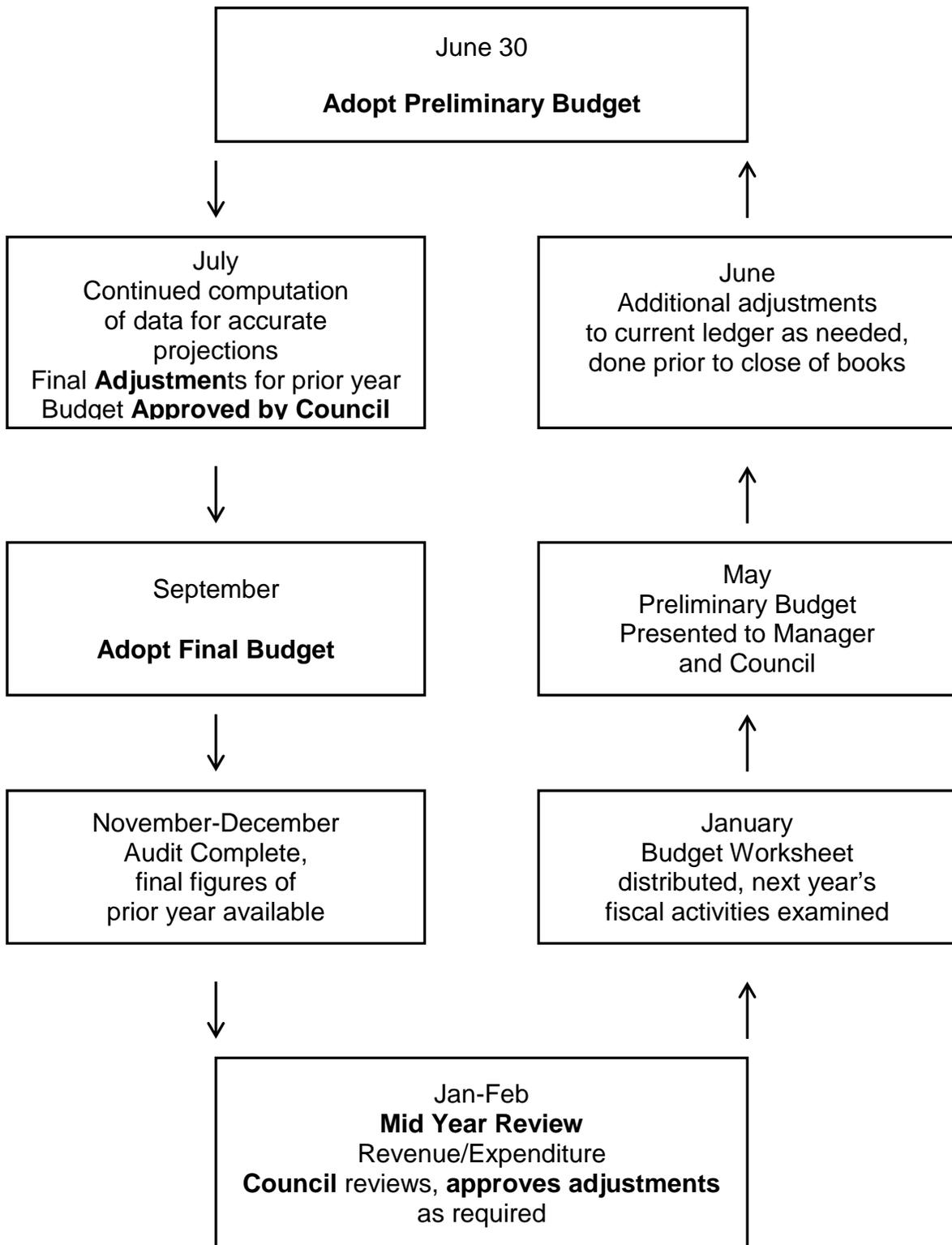
### **Mid Year / Year End Budget Review**

Council authorizes additional spending during the course of the year, and every project and major program is given further review at regularly scheduled meetings. All of these approvals, along with any additional anticipated changes, are compiled and evaluated at Mid-Year and Year-End Budget reviews.

A semi-annual review of the City's financial situation occurs in February. At that time, consideration for further funding may be made, or cuts may have to be initiated if revenue has not been earned as anticipated. This is also the opportunity for minor adjustments authorizing transfers between various "objects" or "line items". The Council then reviews all accounts and authorizes any necessary Budget transfers. All Budget adjustments that have already been approved by Council are also incorporated in the requested transfers. Review of actual spending patterns is also completed. Additionally, it is necessary at this time to evaluate major revenue sources, such as Property Tax and Sales Tax, to verify that projections were accurate. This is also the time when the overall impact of new projects and/or programs is reviewed. This entire process also occurs at year end, usually in August, to obtain final approval for any transfers necessary at this time. Mid-year Review and Year-end Budget Review are the two occasions during which Council reviews and approves all Budget adjustments.

# CITY OF HUGHSON

## Budgeting Cycle



## **Budget Control**

Finance staff puts the Budget adjustment worksheets together for each Department, and the Department Heads complete and return them to Finance. These Budget requests are then compiled and reviewed by the Finance Director and the City Manager, and any necessary adjustments are made. The Council then formally approves all adjustments and adopts the Budget adjustments. While it is common practice to allow Budget transfers within a Department, all adjustments are ultimately approved by Council, either during the Mid-Year Review or at Year-End. Council also makes Budget amendments during the course of the year as new items are presented and approved.

It is essential that the City has in place a system of controls to both ensure and demonstrate budgetary compliance. Timely assessment of information is necessary to determine uncommitted balances at any point in time. Initial requests, updates on the prior year's Budget, and actual expenditures and revenue are keyed into a Microsoft Excel spreadsheet. Formulas are created to verify accuracy and the balances of various funds. Spreadsheets are created to summarize, sort, total, and arrange the data in various meaningful ways. These sheets are presented throughout the Budget document. Once Council adopts the Budget, the actual numbers (revenue and expenses) are imported into the City's computer system (using MOM software). Using the accounting package (provided by MOM), the Budget numbers are tied into the General Ledger, satisfying the need for Budget integration. This comparison of actual to budgeted expenditures is a Generally Accepted Accounting Principle, or GAAP. At the point of processing payables, purchase orders, and other encumbrances, as well as running status reports, staff can access the balance of any account, and compare actual to Budget figures. Departments use the hard copy of the Budget document, as well as monthly status reports as run by Finance, to verify the balances and activity in their accounts.

## **Budget Format**

Budgeting is an essential element of the financial planning, control and evaluation processes of municipal government. The primary purpose of the Budget document is to provide the City Council, and the public, with the truest picture of the City's total available resources. The Budget process allows staff and the City Council to work cooperatively in setting spending priorities and limits, and culminates in the production of the Budget document. The Budget document then becomes a reference and information resource for Council, City staff and the public alike.

## **FUNDS**

**FUND:** Fund – designates the source of the revenue. It indicates money segregated for a specific purpose. It is indicated by the first digits in the account number for a given line item (e.g., Wastewater Treatment Plant, **60-xxx-xxxx**). It is an accounting entity that has a set of self-balancing accounts. This is the major factor that differentiates governmental record-keeping from that of the private sector. The City of Hughson has three primary fund types. The major category is the **General Fund**. This is the fund used for the City's day-to-day operating expenses, and is the fund type over which the Council has control: Monies from this fund can be spent at the City's discretion. The primary source of revenue for this fund is taxes (Property, Sales, and Motor Vehicle

Fees). Most of the expenditures from this fund type are for Public Safety, Administration, Parks, Community Development and other functions for which the City has limited means of cost recovery.

The second fund type is **Special Revenue**. These funds are used to designate monies with particular appropriation requirements. These requirements are mandated by the State or Federal Government, or are imposed by Council action. Gas Tax and Housing are prime examples of Special Revenue funds. These funds must be appropriated and accounted for according to very stringent standards. For example, Gas Tax money (**25-xxx-xxxx**) must be expended only on streets and roads, and there is a State Auditor to ensure compliance. Council discretion on Special Revenue Funds expenditures is very limited. The audit also breaks out **Capital Funds** used to account for the acquisition and construction of major capital facilities.

**Enterprise Fund** is the third classification of revenue. It is also referred to as the Business Fund. This type of fund is created for items or services from which there is significant potential for financing through user fees. The function can be totally self-funded, or subsidized by other resources. Fund **60-xxx-xxxx**, Sewer Maintenance & Operation, is an example of an Enterprise Fund. Revenues earned can fund only the costs associated with the operation of the service to which the fund pertains. Though law does not allow the Public Sector to make a "profit", it is still prudent to maintain a healthy reserve (for future expansion, equipment replacement, and preparation for unforeseen events).

### **Appropriation Limit**

When preparing the Budget, City staff must bear in mind the spending limit as mandated by Proposition 4. In 1979, voters passed the "Gann Initiative" which places limits on the amount of revenue which can be spent by all governmental entities in California. Proposition 13 limited the amount of revenue that can be generated by Property Tax; the "Gann Initiative" limits the amount of tax revenue that can be spent.

The Limit is the calculation utilizing per-capita personal income change and population growth data. Figures for preparing these calculations are provided by the Department of Finance of the State of California. Council adopted the figures in September.

The origin of the limit is based on the actual appropriations during the 1978-79 Fiscal Year (base year established by Proposition 13) and is increased each year using the growth rate of population and inflation. The restricted revenue are those defined as "proceeds of taxes", including Property Tax, Sales Tax, Motor Vehicle In-lieu, and Business License revenue. This means that even though an agency may collect a large amount of tax, it cannot appropriate more than the established limit (Appropriation Subject to the Limit). Problems can arise when there is a strong flow of tax revenue but the population and/or inflation figures remain constant (or even go down). In this situation, an agency will be required to refund the excess tax proceeds to the taxpayer. Proposition 111 does allow an agency to carryover excess funds into the succeeding Fiscal Year in order to determine whether the limit has been exceeded. In essence, if a City exceeds its limit in one year, they can avoid refunding that excess if they are below their Limit the next year by an equal or greater amount.



of California Cities. Eligible expenses include attendance at conferences or educational seminars.

For travel approved by the City Council, Councilmembers are entitled to reimbursement for travel expenses, including meals for Councilmembers and mileage, when attending functions or training classes on behalf of the City which involve significant level.

## **Expenditure Guidelines**

It is very important to note that any reimbursable expense must be related to City affairs, and those expenses must be approved by the City Council. Public property and funds may not be used for any private or personal purposes. Courts have ruled that this prohibition includes personal political purposes. For example, the City cannot reimburse a Councilmember for meals at a meeting designed to discuss political or campaign strategies.

When a Councilmember has attended a conference, meeting, etc., and has requested reimbursement, that Councilmember is required by law to report at the next Council Meeting the purpose of the reimbursable expense. The past practice of the City of Hughson Council has been to attend committee meetings, and regional meetings and events involving local travel, without reimbursement from the City.

## **Additional Information Regarding City Finances**

General information on city finance and fiscal issues facing city governments can be found at the League of California Cities (LCC) website and the companion website the Institute for Local Government (ILG). Councilmembers are encouraged to discuss with staff both general and specific information regarding Hughson's budget and financing. Included with this handbook is the publication "A Primer on California City Finance".

# City Council Meetings

## Open Meeting Laws (The “Brown Act”)

The entire City organization conducts its business in compliance with the Ralph M. Brown Act, Government Code Section 54950. (the “Brown Act”)

Because this law is such an important part of local government operations, some specific requirements of the law are highlighted below for your information and future reference. A publication of the League of California Cities entitled Open and Public V, A Guide to the Ralph M. Brown Act will be provided with this Handbook which goes



into greater detail on this subject. In addition, the City Attorney annually provides the City Council Members with a booklet entitled “A Public Official’s Guide to the Brown Act” which is in Appendix G.

### Applicability and Penalties

The intent of the Act is to ensure that deliberation and actions of local public agencies are conducted in open and at public meetings. The law provides for misdemeanor penalties for members of a body who violate the Act (Cal Gov Code Section 54959). In addition, violations are subject to civil action (Cal Gov code Section 54960). The provisions that most directly affect the Council are summarized in this chapter.

1. **Applicability:** The act applies to Council and all commissions, boards and task forces that advise Council. Staff cannot promote actions which would violate the Act.
2. **Meetings:** All meetings shall be open and public. A City Council meeting takes place whenever a quorum (generally 3 or more members) is present and information about the business of the body is received: discussion qualify as a meeting. Social functions (e.g., receptions, dinners) do not fall under the Act unless City business is conducted.
3. **Agendas:** Agendas for regular meetings must be posted 72 hours in advance of the meeting and must meet various requirements.<sup>4</sup>
4. **Actions:** The general rule is that no action can be taken on any item not appearing on the posted agenda. However, there are exceptions to that rule:

<sup>4</sup> Many individual agenda items have specific and more complex public notice requirements than the regular meeting agenda posting requirement.

- a. An emergency situation exists (determined by a separate motion and majority vote of the Council).
  - b. An urgency situation exists, in that the need to take action arose subsequent to the agenda being posted and there is a need for immediate action (determined by a separate motion and 2/3 vote of the Council; or if less than 2/3 are present, by unanimous vote).
  - c. The item was continued to another meeting that was scheduled and posted within 5 days of the original agenda.
5. Public Input: The public, by law, has an opportunity to address the Council on any item of interest to the public that is within the jurisdiction of the Council, at the time the matter is heard. The Mayor has the right to establish a time limit on speakers and the total time allocated for a particular issue. Five minutes per speaker is what the City currently uses, but in unusual circumstances, shorter or longer time periods may be enacted.
  6. Public Disruptions: A portion or all of the public may be removed if willful disruption makes conducting the meeting “unfeasible”; the press may remain unless they participate in the disruption.
  7. Correspondence: All writings distributed for discussion or considerations at a public meeting are public records.
  8. Special Meetings. Special meetings may be called by the Mayor or a majority of the Council with strict notification requirements for delivery to the media and Council 24 hours before the time of the meeting.
  9. Emergency Meetings: Emergency meetings may be called without notification due to the disruption or threatened disruption of public facilities. Only work stoppages or crippling disasters that impair the public health and/or safety qualify for emergency meetings.
  10. Other Provisions: The Act provides many other restrictions and requirements; this chapter is intended merely as a Council summary and overview of the Act, and nothing in this Chapter supersedes the provisions of the Brown Act. Please check with the City Attorney if you have any questions about the Brown Act requirements.

## **Formation and Preparation of the Agenda**

1. Items Related to City Business: The Mayor, a Council Member, City Manager, City Clerk, or City Attorney may request that an item be placed on the City Council meeting agenda. Requests received by the City Clerk prior to noon on Tuesday before the next City Council meeting will be placed on the agenda.
2. Items Unrelated to City Business: Councilmembers may request that an item unrelated to City business be added to a future agenda.

3. Staff Reports and Council Reports: Staff and Council Reports not on the agenda shall be limited to those matters informative in nature and which do not require action by the Council.
4. Consent Calendar: The City Clerk may place on the consent calendar any item other than ordinance on first reading, or public hearings. Items on the "Consent Calendar" are generally non-controversial items that do not require much, if any, discussion. The consent calendar allows decision-makers to group such items together under one heading and decide them at one time, with one vote. Any item may be removed for discussion upon request by a member of the legislative body for further discussion or for required amendments to the item. This enables the item to be considered and voted upon separately if discussion is needed or if a decision-maker needs to not vote on that item because of a disqualifying conflict of interest.

### **Meeting Order of Business**

The order of business of all regular meetings of the Council shall be as follows:

1. Call to order at 7:00 p.m.
2. Roll Call
3. Flag Salute
4. Invocation
5. Public Business From the Floor
6. Presentations
7. Consent Calendar
  - i. Minutes
  - ii. Warrants
8. Unfinished Business
9. Public Hearings to Consider
10. New Business
11. Correspondence
12. Staff Reports
13. Council Reports
14. Closed Sessions
15. Adjournment

# **Council Meetings and Rules of Procedure**

## **Rules of Procedure**

The City Council adopts rules of procedure by resolution. The current Rules of Procedure adopted by Council Resolution No. 2012-49 are included in this handbook as Appendix C. The following information is only a portion of the information contained in the adopted Rules of Procedure, and all councilmembers are encouraged to read and be familiar with the all of the information in Appendix C.

## **Regular Meetings**

The Council holds its regular meetings on the second and fourth Monday of each month at 7:00 p.m. If the regular meeting date falls on a holiday, the meeting shall be held on the next business day or another day agreed upon by the Council, or the Council may by majority vote cancel the meeting altogether.

## **Special Meetings**

Special meetings may be called by the mayor, the City Manager, or by three or more members of the council with notice being delivered to the legislative body and public at least 24 hours prior to the special meeting. The City Clerk shall prepare a notice of the special meeting time, place, and the business to be transacted, and post any required agenda, in accordance with the Brown Act. Business at a special meeting is limited to only the items specified in the special meeting agenda notice.

## **Emergency Meetings**

In an “emergency situation,” the Council is not required to deliver prior written notice of the meeting. An emergency situation is defined to include a work stoppage or activity and a crippling disaster, which severely impairs public health, safety, or both, as determined by a majority of the members of the legislative body.

All regular and special meetings of the Council shall be public; provided that the Council may hold a closed session as provided by law during any regular, special, adjourned regular or adjourned special meeting, from which the public shall be excluded.

## **Study Sessions**

Study sessions are often referred to as “workshops.” They can be held prior to or after regular meetings and maybe scheduled at any date or time. They are informal but still public meetings under the Brown Act, and public comment may be encouraged but no action may be officially taken.

## **Teleconferencing**

Teleconferencing is available through audio or video means of electronic transmission, or both, and may be used to conduct a meeting of the legislative body.

Teleconferencing may be used to allow members of the body in remote locations to count towards establishing a quorum and to participate in the meeting and vote as though present at the main meeting location.

Teleconference meetings must comply with the following requirements:

1. Meeting must comply in all other respects with the Brown Act and is in all respects the same as a meeting where the members are all physically present.
2. Agendas must be posted at all teleconference locations, and the notice and agenda of the meeting shall identify each teleconference location.
3. Each teleconference location shall be accessible to the public, which shall have the same rights to address the body as if physically present.
4. Teleconferenced meetings shall be conducted in a manner that “protects the statutory and constitutional rights of the parties or public appearing before the legislative body.”
5. A quorum of the body must participate from a location within the territorial boundaries of the jurisdiction.

All above meetings must be open to the public.

### **Closed Sessions**



The Brown Act begins with a strong statement in favor of open meetings; private discussions among a majority of a legislative body are prohibited, unless expressly authorized under the Brown Act. It is not enough that a subject is sensitive, embarrassing, or controversial. Without specific authority in the Brown Act for a closed session, a matter must be discussed in public. Grounds for convening a closed session in this chapter are called “exceptions” because they are exceptions to the general rule that meetings must be conducted openly. This exception is a limited one in that only a narrow range of issues may be discussed in closed session. In accordance with the spirit of the Brown Act,

substantial notice and reporting requirements must be complied with prior to and following a closed session. Please note: It is not that any item may be discussed in closed session unless it is required to be discussed in open session; it is the other way around. All items must be discussed in opens session unless there is a specific exception allowing them to be discussed in closed session.

Prior to the closed session, the purpose for the closed session must be disclosed both on the agenda and in open session. Closed sessions are only allowed for specific purposes and the notice requirements are specific to the issues to be discussed. The oral disclosure may take the form of a reference to the item or items as they are listed by number or letter on the agenda. The agenda notice requirements for closed sessions vary depending upon the content of the session. Below is a list of the type of closed sessions permissible under the Brown Act.

- ❖ *License/Permit Determination*
- ❖ *Conference with Real Property Negotiator*
- ❖ *Conference with Legal Counsel –Existing Litigation*
- ❖ *Conference with Legal Counsel – Anticipated Litigation or Initiated Litigation*
- ❖ *Liability Claims*
- ❖ *Threat to Public Services or Facilities*
- ❖ *Public Employee Appointment*
- ❖ *Public Employment*
- ❖ *Public Employee Performance Evaluation*
- ❖ *Public Employee Discipline/Dismissal/Release*
- ❖ *Conference with Labor Negotiators*
- ❖ *Case Review/Planning*
- ❖ *Report Involving Trade Secret*
- ❖ *Hearings conducted by Hospital Districts*
- ❖ *Insurance Pooling/Tort Liability Losses/Workers' Compensation Liability-Joint Powers Authorities Only*
- ❖ *Charge or complaint involving information protected by Federal Law*
- ❖ *Certain Health Plan Trade Secrets and Payment Rates*
- ❖ *Conference Involving a Joint Powers Agency*
- ❖ *Audit by Bureau of State Audits*

**Important Limitations on Closed Sessions:** Closed sessions cannot be held to discuss the local agency's available funds, funding priorities or budget.

In addition to the agenda requirements, and in some cases oral announcements prior to closed sessions, an oral report, made in open sessions, or a written report is required following the closed session. Generally, the reports shall state the action taken in closed session and the vote or abstention of every member present.

**Confidentiality Notice for Closed Sessions:** By law, no member of the Council, employee of the City, or any other person required to be present during a closed session shall disclose to any person the content or substance of any discussion which took place during the closed session unless disclosure is authorized by a majority vote of the Council.

A publication of Neumiller & Beardslee entitled "A Public Official's Guide to the Brown Act" is available in Appendix G which goes into greater detail on this subject.

**Duties of the Presiding Officer:** The Mayor, or in his absence the Mayor Pro Tempore, shall be the Presiding Officer. The Mayor is elected by the voters of the City of Hughson. The Mayor Pro Tempore shall be elected by the Council the night the Council Members are sworn into office following each municipal election. He shall preserve strict order and decorum at all meetings of the Council, state questions coming before the Council, announce its decision on all subjects and decide all question or order, subject, however, to an appeal to the Council as a whole, in which event a majority vote shall govern and conclusively determine such questions of order. He shall vote on all questions and he has the right to vote last on any role call vote. The

Presiding Officer shall have the right to vary the agenda. The Mayor shall sign all ordinances, resolutions and other documents adopted by the Council at meetings at which he is in attendance. In the event of his absence, the Mayor Pro Tempore shall sign such documents as have been adopted and approved by the Council. Proclamations shall be signed by the Mayor, or in his absence, the Mayor Pro Tempore.

### **Recesses**

Recesses are called by the Mayor/Presiding Officer.

### **Decorum:**

As to Councilmembers, while the Council is in session, the members shall preserve order and decorum, and no member shall, either by conversation or otherwise, delay or interrupt the proceedings or the peace of the Council or disturb any member while speaking, or refuse to obey the orders of the Council or its presiding officer. Councilmembers shall be courteous at all times in their dealings with the public, staff and each other.

As to any other persons, any person making personal, impertinent or slanderous remarks, or who disrupts the meeting of the Council, may be barred by the presiding officer from further audience before the Council during that meeting, unless permission to continue be granted by majority vote of the Council.

### **Manner of Addressing Council:**

The Mayor or presiding officer shall request that each person addressing the Council do so in an audible tone of voice for the record before making comments, although a person is not required to identify himself before addressing the Council. All remarks shall be addressed to the Council as a body and not to any member thereof, or to staff, or to the public. No person, other than a member of the Council, the City Manager or the City Attorney and the person having the floor, shall be permitted to enter into any discussion without the permission of the presiding officer.

For items not on the agenda, the person addressing the Council shall be limited to five minutes, unless the time is extended by the Mayor/Presiding Officer. For all items on the agenda, the Mayor/Presiding Officer may impose reasonable time limits on any citizen addressing the Council, including applicants, proponents and opponents, when the presiding officer determines the limits are necessary for the orderly conduct of the hearing, and the limits are fairly applied.

### **Procedures for Public Hearing:**

There are a number of action items that will come before the Council which the agenda will list under public hearings. These are typically land use issues which are required to have specific public notice requirements and a public hearing is specified by state law. Since the Brown Act, discussed at the beginning of this Chapter now affords the public the right to comment on any item on the agenda, there is no longer a significant difference between the rights afforded by a statutory public hearing, and the rights of any citizen regarding some other action item on the agenda. However, public hearings must follow a formal process as set forth in the Rules of Procedures which specify the conduct of the public hearing shall be as follows:

- a. Presiding officer announces the item and opens the public hearing;
- b. Staff report;
- c. Questions of staff for clarification by Councilmembers;
- d. Statement by proponents;
- e. Questions of proponents or staff by Councilmembers;
- f. Public comments;
- g. As necessary, questions of public or staff by Councilmembers;
- h. Response by proponent;
- i. Response by staff;
- j. Final questions by Councilmembers to staff; proponent or public;
- k. Mayor/Presiding Officer closes public hearing;
- l. Council discussion;
- m. Council action on item.

### **Attendance at Meetings**

If any Councilmember cannot attend a meeting, he or she shall notify the Clerk as soon as possible, but in no event later than noon on the meeting day.

### **Validity of Actions**

No action taken by Council which is otherwise legally valid shall be voided or nullified by reason of a failure to follow these Rules of Procedure.

## **Actions by the City Council**

The City Council takes formal action by one of three ways. The simplest matters are done by what is called a minute order. The presiding officer simply discusses the topic looking to gain consensus among the councilmembers and asks for a motion, a second, and a vote on the matter. An example of this would be consideration of a report from a Department Head looking for direction as to a future course of action.

The most typical council action is taken by the way of formal resolution. A resolution is provided to council along with a description of the action requested and background on the project which is presented in the staff report. The draft resolution may be approved as presented, or during council deliberations changes may be suggested and incorporated into the resolution. The resolution is approved by the presiding officer asking for a motion to approve, a second, and a vote on the matter. A resolution has the legal effect of being a formal written record of the opinion of the legislative body.

The most powerful tool available to a City Council is the adoption of an ordinance. An ordinance has the force and effect of being a local law, which unless preempted by state or federal law, has all the force and effect of any other local, state or federal law. General ordinances of the City of Hughson are codified in the Hughson Municipal Code. In most circumstances, a violation of the Hughson Municipal Code may be prosecuted as a criminal misdemeanor in the name of the People of the State of California.

With the rare exception, ordinances are adopted by way of three step process followed in two separate meetings. When introduced at the first meeting, the ordinance must be read in its entirety, unless a majority of the council votes to waive reading the ordinance. Therefore, the first step is for the presiding officer to ask for a motion to waive reading of the ordinance. Upon hearing the motion and obtaining a second, there is a vote on the matter. Assuming a vote in favor of waiving the reading of the ordinance, the presiding officer or another designated councilmember must read into the record the full ordinance. At the second meeting, the same process is followed with the exception being that the motion would be to adopt the ordinance.

Discussion of the ordinance then takes place in the typical format of presentation of the staff report, presentation of a directly interested party or applicant if there is one, public comment on the ordinance, then deliberations and a vote to approve the introduction of the ordinance. An ordinance must first be introduced, but no ordinance may be passed (with the exception of an urgency ordinance) within five days of its introduction. Therefore, an ordinance must be on two council agendas, first to be introduced, and secondly to be approved, however, it can only be approved at a regular meeting of the City Council.

### **Adjourning of City Council Meetings**

Adjournment can be declared by motion of the City Council. Many cities have adopted a “unanimous consent” format and the Mayor simply declares the meeting adjourned. The City Clerk notes the time of adjournment for the record included in the minutes.



### **Tips on the Dais**

The Council Chambers is equipped with a public address system and video recording system. The system provides microphones at the dais, cameras, two big screen televisions, staff table, and podium. The public address system not only provides a means for the audience to hear all of a speaker’s comments, but is also directly tied into a digital recorder so that a verbatim record of the meeting is produced. All City Council Meetings are video recorded and posted on

the City’s website for public observation. There are several issues related to the sound and video recording system which are important to keep in mind:

Be mindful that you are speaking in a recorded public setting. Even the most harmless humor can easily be misinterpreted after the fact. Never say things near a microphone

you do not want heard. Have all speakers come forward to the podium. Do not allow people to speak from the audience as they cannot be heard.

Below are "The Ground Rules for Meeting Conduct"



## GROUND RULES FOR MEETING CONDUCT

*Come to the meeting prepared (iPads ready) and with a positive attitude!*

*Treat members with respect both, during the meeting and outside of the meeting.*

*Be prompt in arriving to the meeting and in returning from breaks.*

*Turn cell phones off or to vibrate. If you must take urgent calls on the cell phone, take your conversation outside.*

*Present yourself in a positive manner.*

*Talk one at a time, waiting to be recognized by the Mayor/Chairperson.*

*Limit side conversations.*

*Be patient when listening to others speak and do not interrupt them.*

*Speak into the microphone so everyone can hear.*

*Members need to stay on the topic being discussed.*

*When a topic or agenda item has been discussed fully, do not bring the subject back up.*

*Don't discuss personal issues during the meeting, except when it is about the subject being discussed by the Council.*

*Don't make threats or rude comments to members.*

*Address any concerns about the discussion or the meeting with the Mayor/Chairperson. It is the Mayor/Chairperson's job to bring the meeting to order*

*Be respectful of other people's ideas or situations when they talk.*

**SMILE  
YOU'RE ON CAMERA!!**



**HAVE A GOOD TIME AND ENJOY THE MEETING**

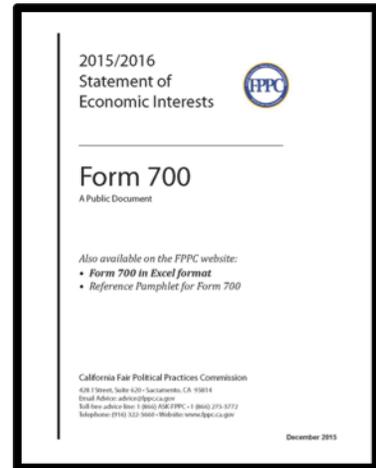
## CHAPTER 5

# Conflicts & Liability

## Conflict of Interest

State laws are in place which attempt to eliminate any action by a Councilmember which may reflect a conflict of interest. The purpose of such laws and regulations is to ensure that all actions are taken in the public interest. Newly elected officials are required to file a Statement of Economic Interests (Form 700) within 30 days of being sworn into office. Thereafter, elected officials are required to file an annual Form 700 (due annually before April 1<sup>st</sup>). The City Clerk's Department will notify you of your filing requirements.

**Note: Councilmembers also serve on various joint power agencies, County committees, and standing committees and should verify with each of those agencies to determine their filing requirements.**



Documents filed by the Council, including the Statement of Economic Interest Form 700, (Forms 460 or 470) are available for public review at the City Clerk's office during normal business hours.

At any time a member believes a potential for conflict of interest exists, he/she is encouraged to consult with the City Attorney or private legal counsel for advice. Staff may also request an opinion from the City Attorney regarding a member's potential conflict. Laws that regulate conflicts are very complicated. Violations may result in significant penalties including criminal prosecution.

There are laws that govern conflicts of interest for public officials in California - the Political Reform Act, Government Code §1090 and Government Code §87105 (<http://www.fppc.ca.gov/the-law/the-political-reform-act.html>). In general terms, the Political Reform Act prohibits a public official from having a financial interest in a decision before the official; § 1090 prohibits a public official from being interested in government contracts.

## Political Reform Act

The Political Reform Act prohibits public officials from making, participating in, or in any way attempting to use their official position to influence a governmental decision in which they know, or have reason to know, that they have a financial interest. Therefore, if a public official has a conflict of interest, the official must disqualify him or herself from acting on or participating in the decision before the City.

An official has a financial interest if “it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from the effect on the public generally...” on a financial interest of the official or a member of the official’s immediate family.

Determining whether a Councilmember has a financial interest is very complicated and fact specific. Financial interests include interests in businesses worth \$2,000 or more, interests in real property, both ownership and leases, worth \$2,000 or more, and gifts of \$420 or more provided to or received within one year of the decision. These dollar amounts are subject to annual increases. Please check with the City Attorney to verify current dollar amounts.

Often the financial interest involved is real property owned or leased by the Councilmember. In these cases, determining whether the Councilmember has a conflict requiring disqualification involves an analysis of the distance the property is from the property involved in the governmental decision, the uniqueness of the property use, what is between the two properties, exactly what decision is before the Council, and other factors that would influence whether the decision before the Council would have a material financial effect on the Councilmember’s property.

Government Code 87105 states that a Council or commission member who has a conflict of interest must now recuse him or herself and leave the room, unless the matter is on the Consent Calendar. You must take the following steps after you have determined that a conflict of interest exists under the Political Reform Act:

1. Publicly identify the financial interest. This must be done in enough detail for the public to understand the financial interest that creates the conflict of interest. Residential street addresses do not have to be disclosed.
2. Recuse yourself from both the discussion and the vote on the matter. You must recuse yourself from all proceedings related to the matter.
3. Leave the room until the matter has been completed. The matter is considered complete when there is no further discussion, vote or any other action.

Exception: If the matter is on the consent calendar, you do not have to leave the room.

Exception: If you wish to speak during public comment, you may do so as a private citizen, but this is the only time when you may be in the room while the matter is considered.

The Fair Political Practices Commission (FPPC) has published lengthy regulations and opinions on conflicts of interest that are useful in determining whether a particular financial interest or decision could give rise to disqualification based on a potential conflict of interest. The FPPC also puts out informational pamphlets to assist public officials in determining what types of situations may give rise to prohibited conflicts of interest. Visit the FPPC website at <http://www.fppc.com>.

## Government Code Section 1090

Government Code §1090 is similar to the Political Reform Act, but applies only to city contracts in which a public official has a financial interest. The financial interests covered by §1090 are different from those in the Political Reform Act. Having an interest in a contract may preclude the City from entering into the contract at all. In addition, the penalties for violating §1090 are severe. If a Councilmember believes that he or she may have any financial interest in a contract that will be before the Council, the member should immediately seek advice from the City Attorney.

There are a number of restrictions placed on Council actions that are highlighted in the League of California Cities Resource Guide (<http://www.cacities.org>). Such restrictions include prohibitions on secrecy, discrimination, and assurance that all City funds are spent for public purposes. Violations of these restrictions may result in personal liability for individual Councilmembers.

## Common Law Conflict of Interest

The public has a right to fair and unbiased decision makers. The decision maker should not be tempted by his or her own personal interest or pecuniary interest. Examples of bias which could create a common law conflict of interest are a personal, but not financial interest in the outcome. A people bias, where you hold strong personal feelings positive or negative about one of the parties involved in a proceeding or decision. Or a factual bias, whereby you have information not available to the other decision makers.

## Conflicts Related to Real Property Holdings



The California Political Reform Act and the regulations administered by the FPPC provide that Councilmembers may not participate in certain governmental decisions if they, their spouse or dependent children may have a financial positive or negative interest in the outcome of the decision. If applicable, the Councilmember is disqualified from making, participating in making or using his or her official position to influence the making of the decision **at any stage of the decision making process.**

Real property interests of the

Councilmember, his or her spouse or dependent children often affect participation by Councilmembers. You will have an interest in real property if you, your spouse or dependent children have a direct or indirect equity, option or leasehold interest of \$2,000 or more in parcel of real property (e.g., ownership, mortgages, deeds of trust, option to buy, joint tenancies, partnerships hold real property) and any part of that property is located in the City or within two miles of the City boundaries.

If that real property is the direct subject of a proceeding in the City, it is generally presumed you have a disqualifying interest and you must not participate in any manner regarding the pending matter. For example, the FPPC regulations expressly provide that if your property (described above) is involved in City related zoning, annexations, sale, lease, actual or permitted use of, or taxes or fees imposed on the property or major redevelopment decisions, among other things, you will be presumed to be disqualified.

You are also disqualified if your real property (described above) is not the subject of a City matter but any part of it is within 500 feet of other real property which is the subject of a City proceeding or action. In such cases you will be presumed to have a disqualifying direct interest in the outcome unless you obtain a letter from the FPPC concluding that the outcome will not have a positive or negative financial outcome on you, your spouse or dependent children's own real property.

If you think you may have a disqualifying real property interest (or any other financial interest) in a matter coming before or pending in the City, there are a series of checklists and rules to review to determine whether you can participate or not. Please contact the City Attorney at the earliest possible time to get assistance.

## **Ex Parte Communications**

All Councilmembers may have "ex parte" communications – meaning communications outside the meeting forum as long as they do not violate the Brown Act; however, such communication should not be encouraged, made or accepted when such communication is designed to influence the official decision or conduct of the official or other officials in order to obtain a more favored treatment or special consideration to advance the personal or private interests of him/herself or others. This guarantees that all interested parties to any matter shall have equal opportunity to express and represent their interests.

Councilmembers who have ex parte communication with a party that appears before them at the meeting, should disclose that he/she had ex parte communication with the party. This can be done by stating that the Councilmember had ex parte communication with a party at a time in the meeting when the item is discussed.

Any written ex parte communication received by an official in matters where all interested parties should have an equal opportunity for a hearing shall be made a part of the record by the recipient.

## **Liability**

The City is a large institution offering a variety of services and may often find itself subject to legal actions through lawsuits. For example, those involved in automobile accidents sometimes choose to take actions against a city since the accident occurred on a city roadway. The City must always approach its responsibilities in a manner which reduces risk to all involved; however, with such a wide variety of high-profile services (e.g., police, fire), risk cannot be eliminated.

It is important to note that violations of certain laws and regulations by individual members of the City Council may result in that member being personally liable for damages which would not be covered by the City's insurance. Examples may include discrimination, harassment or fraud.

## **Anti-Harassment**

State law prohibits, and the City has policies and procedures which prohibit, any form of harassment. Councilmembers should be familiar with the City's harassment policy included in the Personnel Manual provided with this Handbook. Councilmembers may be personally liable for violations of such policies.

## **AB 1234 – Ethics Training for Public Officials**

Assembly Bill 1234 was signed into law and went into effect on January 1, 2006. This State law requires City Councilmembers (those who receive compensation for their service or are eligible to have their expenses reimbursed) to receive two hours of ethics training every two years. Newly seated officials must receive this training within 12 months of taking their positions. The original Certificate of Completion of this training must be filed with the City Clerk by that deadline.



This training covers subjects such as personal financial gain, personal advantages and perks, government transparency, fair process and when to seek advice from agency counsel. The training will cover in detail the laws that are briefly presented above.

# Support Provided to City Council

## Staff/Clerical Support

General staff and administrative support to members of the City Council is provided through the City Manager's Office. Secretarial services including scheduling of appointments and receipt of telephone messages are available as needed. Sensitivity to the workload of support staff members in the City Manager's Office is appreciated. Please note that individuals may have other work assigned with high priority. Should requested tasks require significant time commitments, prior consultation with the City Manager is requested.



## E-mail

Councilmembers will be offered the use of a City e-mail and voicemail account. This technology facilitates efficient communication by Councilmembers. However, their use also raises important legal issues to which Councilmembers must pay special attention. First, the Brown Act prohibits members from using "technological devices" to develop a concurrence by a majority regarding an action to be taken by the Council.

"Technological devices" under the Brown Act include phones, faxes, computer e-mail, public access to cable TV and video. Council members should not use e-mail, faxes or phones for communicating with other Councilmembers in order to develop a majority position on any particular issue that may come before the full Council.

Second, be aware that any e-mails sent by Councilmembers addressing substantive city business, either from their City account or your personal email, may be public records under the Public Records Act. Even if an e-mail is not printed, the information in the e-mail is stored on the computer network until deleted, and may continue to exist on the network's back-up systems even after being deleted. As a result, e-mails can become records of the City maintained in the course of business, and thus available for public disclosure under the Public Records Act.

The City's use of Electronic Communication Policy is available in Appendix A-2.

## **Mail, Deliveries**

Members of the City Council receive mail and other materials from the public, private interests, and staff. The City Clerk maintains a mailbox for each councilmember at City Hall and mail will be distributed the Council at each scheduled Council Meeting.

# Interaction with City Staff/Officials

## Overview

City Council policy is implemented through professional staff. Therefore, it is critical that the relationship between Council and staff be well understood by all parties so policies and programs may be implemented successfully. The City of Hughson promotes positive relationships between members of the City Council and staff. To maintain these effective relationships it is important that roles are clearly recognized.

## Council/Manager Relationship

The employment relationship between the City Council and City Manager honors the fact that the City Manager is the chief executive officer of the City. This means the Council should direct the City Manager to implement policy, then the City Manager should delegate tasks to staff to implement policy. Individual Councilmembers should not directly delegate tasks to staff. Regular communication between the City Council and City Manager is important in maintaining open communications. All dealings with the City Manager, whether in public or private, should respect the authority of the City Manager in administrative matters. Disagreements should be expressed in policy terms, rather than in terms which question satisfaction with or support of the City Manager.

The full City Council retains power to adopt policies, resolutions and ordinances as well as accept, reject, amend, City Manager/staff recommendations regarding City business.

Should a Councilmember become dissatisfied about a department, he/she should always talk it over with the City Manager and/or the Acting City Manager in the absence of the City Manager, not the department head. Concerns about the department head must be taken to the City Manager only. Individuals are encouraged to initiate resolution of problems as soon as possible and not let them worsen.

The City Council should evaluate the City Manager on a regular basis to ensure that both the City Council and City Manager are in agreement about performance and goals based on mutual trust and common objectives.

As in any professional relationship, it is important that the City Manager keep the City Council informed. The City Manager respects and is sensitive to the political responsibility of the City Council and acknowledges that the final responsibility for establishing the policy direction of the City is held by the City Council. Communication must be undertaken in such a way that all Councilmembers are treated similarly and kept equally informed. It is equally important that the Council provide ongoing feedback, information and perceptions to the City Manager including some response to written communication requesting feedback.

## **Staff roles**

The primary functions of staff are to execute Council policy and actions taken by the Council, and to keep the Council informed under the direction of the City Manager. Through the direction of the City Manager, staff is obligated to take guidance and direction only from the Council as a whole. Staff is directed to reject any attempts by individual members of the Council to unduly direct or otherwise pressure them into making, changing or otherwise influencing recommendations.

City staff will make every effort to respond in a timely and professional manner to all requests made by individual Councilmembers for information or assistance, provided that, in the judgment of the City Manager, the request is not of a magnitude, either in terms of workload or policy, which would require that it would be more appropriately assigned to staff through the direction of the full City Council.

## **City Manager Code of Ethics**

The City Manager is subject to a professional code of ethics from his/her professional association. These standards appear in Appendix E of this manual. It should be noted that this code binds the City Manager to certain practices that are designed to ensure actions are in support of the City's best interests. Violations of such standards can result in censure by the professional association.

## **City Council/City Attorney Relationship**

The City Attorney is the legal advisor for the Council, City Manager and Department Heads. The general legal responsibilities of the City Attorney are to: 1) provide legal assistance necessary for formulation and implementation of legislative policies and projects; 2) represent the City's interest, as determined by the City Council, in litigation, administrative hearings, negotiations and similar proceedings; 3) prepare ordinances, resolutions, contracts and other legal documents to best reflect and implement the purposes for which they are prepared; and 4) to keep City Council and staff apprised of court rulings and legislation affecting the legal interest of the City.

It is important to note that the City Attorney does not represent individual members of Council, but the City Council as a whole. So information a Councilmember shares with the City Attorney may be disclosed to the entire Council.

## **City Manager/City Attorney Relationship**

The City Attorney provides legal support and advice to the City Manager to assist him/her in implementing City Council policies and exercising his/her authority as the chief executive officer of the City. The City Attorney also keeps the City Manager apprised of current relevant court rulings and legislation. It is important to note that the City Attorney represents the City Council and the City as a whole, not the City Manager as an individual. Therefore, the City Attorney may share confidential information obtained from the City Manager with the City Council if necessary to protect the best interests of the City.

## Access to Information and Communications Flow



**Objectives:** It is the responsibility of staff to ensure Councilmembers access to information from the City and to insure such information is communicated completely and with candor to those making the request. However, Councilmembers must avoid intrusion into those areas that are the responsibility of staff. Individual Councilmembers may not intervene in staff decision-making, the development of staff recommendations, scheduling of work, and executing department priorities without the prior knowledge and approval of the City Council as a whole. This is necessary to protect staff from undue influence and

pressure from individual Councilmembers, and to allow staff to execute priorities given by management and the Council as a whole without fear of reprisal.

### Access to Information

Individual Councilmembers, as well as the Council as a whole, are generally permitted access to any information requested of staff and shall receive the full cooperation and candor of staff in providing any requested information. Appropriate personnel will pass critical information to all City Councilmembers. Council will always be informed by the City Manager or appropriate staff when a critical or unusual event occurs about which the public would be concerned.

There are limited restrictions when information cannot be provided. There are legal restrictions on the City's ability to release certain personnel information even to members of the City Council. Certain aspects of police department affairs (access to restricted or confidential information related to crimes) may not be available to members of the Council. Confidential personnel information also has restrictions on its ability to be released. Any concerns a Councilmember may have regarding the release of information, or the refusal of staff to release information should be discussed with the City Attorney for clarification.

City Councilmembers have a responsibility in this information flow as well. It is critical that they make extensive use of staff and commission reports and commission minutes. Councilmembers should come to meetings prepared – having read the council agenda packet materials and supporting documents, as well as any additional information or memoranda provided on city projects or evolving issues. Additional information may be requested from staff, if necessary.

### Dissemination of Information

In cases where a staff response to an individual Councilmember request involves written materials which may be of interest to other Councilmembers, the City Manager will provide copies of the material to all other Councilmembers. In making this judgment, the City Manager will consider whether the information is significant, new, otherwise not available to the Council, or of interest to the Council.

## **Staff Relationships with Advisory Bodies**

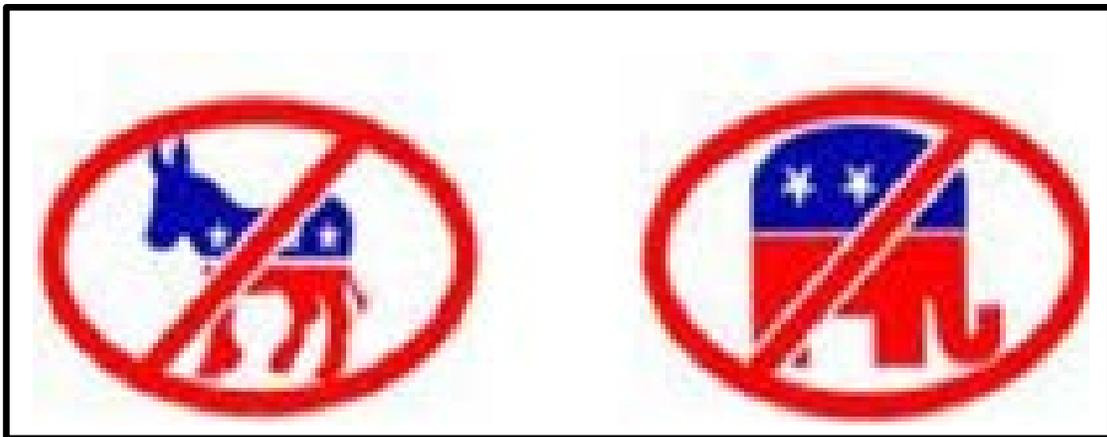
Staff support Hughson committees, boards, and commissions, but advisory bodies do not have supervisory authority over City employees. While staff may work closely with advisory bodies, staff members remain responsible to their immediate supervisors and ultimately the City Manager and City Council. The members of the commission/board/committee are responsible for the functions of the advisory body.

## **Restrictions on Political Involvement by Staff**

Local governments are non-partisan entities. Professional staff, as reflected within the principles of Council-City Manager form of government, formulates recommendations in compliance with Council policy and for the good of the community and is not influenced by political factors. For this reason, it is very important to understand the restrictions of staff in any level of political involvement through campaigns, fund-raisers, or other means.

By working for the City, staff members do not surrender rights to be involved in local elections. Indeed, laws are in place to preserve those rights. However, there are limitations to such involvement.

Generally, employees have no restrictions while off the job. No participation in campaigns or other activities may take place while on the job. No City resources may be used by staff in support of any campaign. Even while off the job, no employee may participate in campaign or other activities while in a City uniform. For example, posing for a promotional photograph for a candidate for local office while in uniform is inappropriate.



# Communications

## Overview

Councilmembers have regular communications with the general public and communicate with the public to assess community opinions and needs and with staff to provide policy direction and to gain an understanding of the implications of various policy alternatives. Since the City Council performs as a body (that is, acting based on the will of the majority as opposed to individuals), it is important that general guidelines be understood when speaking for the Council. Equally important, when members are expressing personal views and not those of the Council, the public should be so advised.



## Speaking for “the City”

When members are requested to speak to groups regarding the City policy or the Council’s position on an issue, the response should reflect the position of the Council as a whole. When representing the City at meetings or other venues, it is important that those in attendance gain an understanding of the City Council’s position rather than that of an individual member. Of course, a member may clarify their vote on a matter by stating “While I voted against X, the City Council voted in support of it.” or “I’m speaking as a citizen and not on behalf of the City.” But when asked to discuss the position of the City, the comments should reflect the decision of the council on the matter being discussed.

## Correspondence from Councilmembers

Members of the City Council may be called upon to write letters to citizens, businesses or other public agencies. These communications fall into two categories, either the communication is from the City Council, or the Councilmember will be writing simply as an individual member of the City Council.

In the first case, typically the Mayor will be charged with transmitting the City’s position on policy matters to outside agencies on behalf of the City Council. City letterhead is available for this purpose, and staff will assist in the preparation of such correspondence. Official City stationary shall only be used by the Mayor or a designated Councilmember at the direction of the full council or to communicate legislative positions taken by the council in their prior actions on the record. After the City Council has taken a position on an issue, official correspondence should reflect this position.

While members who may disagree with a position are free to prepare correspondence on such issues as private citizens, City letterhead, official Council title, and staff support

should not be utilized to criticize or condemn the majority action of the City Council. City letterhead and staff support cannot be utilized for personal or political purposes.

When the correspondence is related to City business and your position as an elected official of the City of Hughson, it is appropriate to use your title in correspondence, and City letterhead is available for such use. Personalized City stationary shall only be used by the Mayor and councilmembers for limited purposes related to City business such as thanking citizens or groups for community activities, letters of recommendation for students and others seeking employment or appointment, extending invitations to City-sponsored meetings, extending congratulations or support to citizens or groups for accomplishments, or answering correspondence sent by constituents. When using personalized stationary, councilmembers should not interpret actions or positions taken by the full council. Members should clearly indicate within their letters that they are not speaking for the City Council as a whole, but for themselves as one member of the City Council.

Importantly, stationary which is purchased by the City may not be used for solicitation of campaign contributions, to advocate positions on local ballot measures or for personal business not related to the City. No councilmember shall use stationary for mass mailings, defined as more than 200 pieces mailed in the same calendar month.

Depending on the substance of the letter, a letter written using your official City title may come under the definition of a public record and copies of such letters must be provided to the City Clerk for inclusion in the official records of the City. A good guideline for this principle is if the content of the letter is such that you are inclined to keep a copy for your records, it is likely also a letter which meets the definition of a public record and should be copied to the City Clerk.

## **Ceremonial Documents, Proclamations and Resolutions**

The City of Hughson will consider a request for a proclamation, letter or certificate of appreciation, or resolution of appreciation or commendation from any group or individual, as long as the request has a significant connection to the City and its adopted goals and policies and/or promotes activities taking place in the City of Hughson. Requests for letters or proclamations are subject to approval by and will be prepared by City staff on behalf of the Mayor or the Mayor's designee. Requests for resolutions will be reviewed and placed on the City Council agenda by the Office of the City Manager. If approved, they will be prepared by City staff to be signed by the Mayor. Examples of various categories of ceremonial documents are as follows:

### **Letters From the Mayor**

Letters of Welcome may be issued for the following:

- ❖ New Businesses
- ❖ Conferences, conventions or seminars
- ❖ Sporting events
- ❖ New residents
- ❖ Dignitaries
- ❖ Prominent individuals

Letters of Congratulations or Celebration may be issued to individuals or organizations within the City for the following:

- ❖ Professional or community celebrations
- ❖ Special events sponsored by community partners
- ❖ Significant birthdays or marriage anniversaries

Letters of Appreciation may be issued to individuals or organizations for the following:

- ❖ Monetary donations
- ❖ In-kind contributions
- ❖ Cultural contributions
- ❖ Volunteer efforts

**Information required:** Requestors should indicate the title or nature of the event, the specific date, a brief history of the organization or a biographical outline of the person, and any other pertinent information including an address for the letter.

### **Mayoral Proclamations**

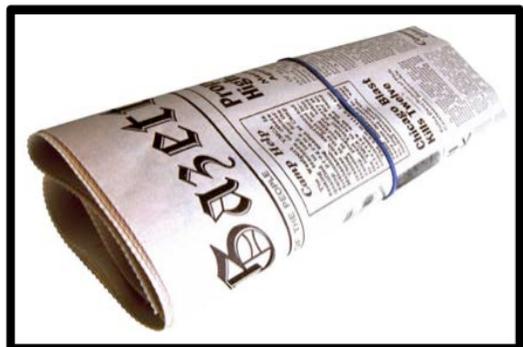
Ceremonial proclamations are often requested of the City in recognition of an event or individual. Proclamations are not statements of policy, but a manner in which the City can make special recognition of an event (e.g., Red Ribbon Week). As part of his/her ceremonial responsibilities, the Mayor is charged with the administration of and issuance of proclamations. Individual Councilmembers do not issue proclamations. Proclamations may be issued for the following:

- ❖ Civic celebrations
- ❖ Organizations contributing to the economic development of the City
- ❖ Issues with widespread community interest with a primary emphasis on requests in support of the stated goals and policies of the City Council.
- ❖ Significant community based events
- ❖ Significant anniversaries of City of Hughson based institutions, corporations, community partners, and non-profit organizations
- ❖ Fundraisers benefiting the citizens of Hughson

**Information required:** A brief history of the organization or a description of the purpose, goals, motto or theme of the event is required to complete the proclamation. If funds are to be raised, who will benefit from the event, and what will take place during the time of celebration/recognition, including dates and times.

### **Press & News Media Relations**

Councilmembers may receive occasional inquiries from the media. Councilmembers who prefer not to respond, should direct media inquiries to the City Manager's office. A Councilmember who does grant an interview cannot discuss confidential information. If there is any question regarding privacy or confidential information, the City Attorney is available to



discuss those concerns. An enthusiastic reporter may offer to discuss a matter “off the record”, but they have absolutely no obligation to keep such a promise, and likely a duty to their employer to do just the opposite and report the story. Public information is to be freely and openly provided to members of the press, while balancing the interests of the city, and the privacy rights of the citizens and city employees. Response to telephone inquiries should be limited to answering questions if you feel confident you have the information you need to give an accurate response. Should you need more information, it is appropriate to direct the questions to the City Manager or other professional staff. Requests for research or a report requiring additional staff time should be referred to the City Managers’ Office.

It is the duty of the City Manager to coordinate press and news media releases on behalf of the City Council. Councilmembers who wish to issue press releases regarding individual issues of concern should be clear in their remarks that they are not speaking for the City Council as a whole. Councilmembers generally find it helpful, and are encouraged, to have the City Manager’s office review individual press releases before they are released to the public. Copies of all press releases shall be forwarded to the City Manager’s office and the City Clerk, as they would be considered public records subject to retention rules and disclosure under the Public Records Act.

## Leaving Office



### **Filing Council Vacancies**

Generally, if a vacancy occurs on the City Council during a member's term (e.g., resignation) the Council may appoint an individual to serve the remaining term or call for a special election.

### **Conflicts of Interest When Leaving Office**

A public official may not use his/her official position to influence prospective employment. Government Code Section 87406.3 prohibits elected officials who held a position with the agency from lobbying the

agency to take any action within one year of official's department from office or employment. However, the individual **MAY** appear before the agency with which the official worked if the official is appearing on behalf of another public agency.

# Additional Training & Resource Materials

## League of California Cities

The League is an association of all cities in California. It provides many levels of service including the production of educational conferences for local officials, publication of various newsletters and a monthly magazine *Western City*. The League also has lobbyists on staff who represent the interest of cities before the state legislature and federal government.

Committees having local officials as members are also organized around the interests of City departments (e.g. City Council, City Manager, City Clerk, Fire, Police) to address issues as they arise. The League's website address is [www.cacities.org](http://www.cacities.org). There are a number of important and useful educational documents on the League's website and members are encouraged to review the materials as often as possible to stay abreast of current issues of importance to California cities.

A valuable resource if you have questions regarding rules of procedure, not included in the adopted council rules, can be found on the League's website. Look for the League publication entitled *Rosenburg's Rules of Order Simple Parliamentary Procedure for the 21st Century*.

## Institute for Local Government

The Institute for Local Government provides information skills and resources to the entire range of city and county officials that result in more effective local governments and stronger communities. The Institute's website address is [www.ca-ilg.org](http://www.ca-ilg.org). The ILG is the research and education affiliate of the California State Association of Counties and the League of California Cities. Similar to the League of California Cities website, you will find numerous educational guides and publications on the ILG website such as a guide to local planning, *Understanding the Basics of Land Use and Planning*, and a discussion of city finance in *Understanding the Basics of City and County Revenue*. There is also practical advice for conduct at meetings, such as an article on *Dealing with Emotional Audiences*. The ILG website is a valuable source of information which shouldn't be overlooked.

## National League of California Cities

The National League of Cities is the oldest and largest national organization representing municipal governments throughout the United States. Its mission is to strengthen and promote cities as centers of opportunity, leadership, and governance. Their website address is [www.nlc.org](http://www.nlc.org).

## **International City Management Association (ICMA)**

ICMA is a professional association of local government chief executives. The association has an extensive list of publications to assist local officials. The Association's Elected Officials Handbook series can be of great value to Councilmembers. Publications have also been developed on every basic city service. ICMA's website address is [www.icma.org](http://www.icma.org).

## **Local Government Commission**

The Commission is a California-based organization which has focused largely on planning and resource conservation issues. It conducts workshops, offers periodic seminars, and publishes several newsletters. The Commission's website address is [www.lgc.org](http://www.lgc.org).

## **Other Reference Materials on File**

Other reference materials which may be of interest are on file with the City Clerk or may be accessed at the below links:

**The Brown Act - Open Meetings for Local Legislative Bodies**

[http://www.cacities.org/resource\\_files/26038.OpenPublic2010.pdf](http://www.cacities.org/resource_files/26038.OpenPublic2010.pdf)

**The Political Reform Act**

[www.fppc.ca.gov](http://www.fppc.ca.gov)

**City of Hughson Municipal Code**

[www.hughson.org](http://www.hughson.org)

**California Government Codes**

[www.leginfo.ca.gov/calaw.html](http://www.leginfo.ca.gov/calaw.html)

*APPENDIX*

***Appendix A – City of Hughson Legislative Program***



# ***City of Hughson Legislative Program***

---

## **General Principles**

### **Home Rule**

We support self-governance by locally elected officials as provided for in the State's Constitution. Specifically, we feel local governments should control their rights of way, have condemnation authority, be immune from tort liability, and be free to voluntarily cooperate with other public and private entities, as well as State government, to ensure the best level of service for our citizens. We do not support actions at the state level that erode representative democracy or local self-determination.

### **Annexation**

The ability of the City of Hughson to promote and plan for growth is inherent to the ultimate success of our community and Stanislaus County. We support the ability of cities to use their annexation powers as they are currently established in state statute. We oppose any change that limits the authority of cities to grow through annexation.

### **Rights-of-Way**

We oppose any legislation that would restrict the ability of cities to control public property and rights-of-way or the ability of cities to franchise those entities that use the rights-of-way including the implementation of statewide franchises.

### **Unfunded Mandates**

We oppose unfunded mandates. If the state or federal governments seek to promote particular policy objectives, an appropriate level of funding should accompany such mandates.

## ***Environmental/Utilities***

### **Strategy: Infrastructure**

- Support federal and state funding targeted towards regional and interregional water resource planning efforts and related land use planning.
- Support measures, which increase water supply through recharging and strengthen the City's rights for use of surface water.
- Support a fiscally and environmentally responsible reauthorization of the Safe Drinking Water Act.
- Support measures that will fund water management improvements.

**Strategy: Livable Community**

- Support legislation that provides direct funding for conservation and demand reduction projects in city facilities; seek grant or loan funding for essential services (i.e. police/fire, water/wastewater) to purchase new or replace existing back-up generators that are more energy efficient and less polluting.

**Strategy: Government Operations**

- Support measures that improve water quality within the city/region without lowering MCLs or requiring more monitoring.
- Oppose mandatory groundwater management unless it is reasonable and the management reflects the representative views of all agencies which will be regulated, particularly local government.
- Support legislation that provides local government and agency flexibility in meeting air quality requirements for existing backup generators for sewer, water and storm-pumping facilities.
- Support legislation and increased funding for juvenile crime prevention and abatement programs.
- Support legislation that will reimburse agencies responsible for identifying, tagging and removing waste from illegal drug labs.
- Support legislation that would make Bureau of Narcotics Enforcement Task Force labs available to our jurisdiction for evidence process and drug lab clean-up.
- Support legislation that facilitates local law enforcement ability to acquire the needed Federal Homeland Security funds.
- Support legislation enhancing sentencing and eliminating sentencing consolidation or reductions for those convicted of auto theft.

***Public Works/Transportation/Telecommunications*****Strategy: Infrastructure**

- Support development of state programs that would provide funding for construction of new transportation infrastructure and upgrades within communities experiencing explosive residential growth.
- Support legislation that provides additional funds for infrastructure or which provides options for financing developer requirements.
- Support legislation that enhances resources for local jurisdiction to maintain and operate their infrastructure.
- Support legislation to fund telecommunication planning and implementation.
- Support legislation to fund GIS to better manage regional resources, respond to emergencies and plan for growth.

**Strategy: Planning for the Future**

- Support State and Federal legislation to reaffirm home rule in oversight and reevaluation of telecommunication entities, using public right-of-ways and affecting conditions addressed by local planning and land use policies.

**Strategy: Government Operations**

- Support legislation that provides increased local control over spending on streets and highways.
- Support legislation that provides additional funding to assist public transit systems in meeting air quality standards.
- Support State legislation that protects current City revenues:
  - SLESF (Supplemental Law Enforcement Services Fund)
  - Vehicle License Fees, Property Taxes, Sales Taxes

**CITY OF HUGHSON**  
**CITY COUNCIL**  
**RESOLUTION NO. 2014-10**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON  
APPROVING THE HUGHSON LEGISLATIVE PROGRAM**

**WHEREAS**, a Legislative Program is a tool that the City Council and staff can utilize to support the goals and objectives of the City; and

**WHEREAS**, development of a Legislative Program provides the opportunity to identify issues and priorities that may be addressed through legislative advocacy; and

**WHEREAS**, adoption of a Legislative Program enables the City Council and staff to react quickly to most legislative issues as they arise and the document can be provided to State and Federal representatives so they are made aware of the issues that are important to Hughson; and

**WHEREAS**, legislative issues received by the City of Hughson will be discussed by the Mayor and City Manager and determined whether appropriate for formal City Council consideration and action; and

**WHEREAS**, the City Council authorizes the Mayor, or designee, to sign letters on behalf of the City Council on proposed legislation based on the adopted Hughson Legislative Program and analysis provided by City staff; and

**WHEREAS**, the Mayor has the authority on behalf of the City Council to respond to legislative items consistent with the adopted Hughson Legislative Program and considered urgent which is defined as requiring response prior to the next available City Council meeting; and

**WHEREAS**, the City Manager will be directed to report on such legislative activity on a quarterly basis; and

**NOW, THEREFORE BE IT RESOLVED** that the following items are approved and adopted by the City Council of the City of Hughson:

1. The City Council approves and adopts the Hughson Legislative Program.
2. The City Council authorizes the Mayor and the City Manager to review legislative matters received by the City and to determine whether such items should be considered by the City Council.
3. The City Council authorizes the Mayor, or designee, to sign letters on behalf of the City Council on proposed legislation consistent with the adopted Hughson Legislative Program.
4. The City Council authorizes the Mayor to respond to urgent legislative items on behalf of the City Council provided the legislative items are consistent with the adopted Hughson Legislative Program.

5. The City Manager is directed to report to the City Council on such legislative activity on a quarterly basis.

**PASSED AND ADOPTED** by the City Council of the City of Hughson at a regular meeting held on the 24th of March, 2014 by the following roll call vote:

**AYES: Mayor BEEKMAN, CARR, HILL, YOUNG, and SILVA**

**NOES: NONE**

**ABSTENTION: NONE**

**ABSENT: NONE**



**MATT BEEKMAN, Mayor**

**ATTEST:**



**DOMINIQUE SPINALE, Deputy City Clerk**

*APPENDIX*

***Appendix A-1 –Current Fiscal Year Budget***

# CHANGES FROM PRELIMINARY TO FINAL BUDGET 2016-2017

FUND	Dept	Description	Expense Acct #	Preliminary Budget 16-17	Final Budget 16-17	Difference	Comments
40		SALES TAX	4101	887,000	929,000	42,000	Estimate based on HDL information
40		BUSINESS LICENSES	4301	20,000	22,000	2,000	
40		BUILDING PERMITS	4401	66,000	80,000	14,000	
40		OTHER PERMITS	4409	2,000	7,000	5,000	
		<b>General Fund Change in Revenue</b>				<b>63,000</b>	
40	120	MEDICAL INS.	5120	20,644	20,172	-472	
40	120	WORKER'S COMP	5140	4,868	5,363	495	
40	120	DENTAL INS	5160	2,149	2,051	-98	
40	130	REG. SALARIES	5001	47,480	47,506	26	
40	130	P.E.R.S.	5110	6,048	5,910	-138	
40	130	MEDICAL INS.	5120	15,866	16,237	371	
40	130	UNEMPLOYMNT INS	5130	326	469	143	
40	130	WORKER'S COMP	5140	542	662	120	
40	130	LIFE INS	5150	595	550	-45	
40	130	DENTAL INS	5160	2,114	2,183	69	
40	130	ELECTIONS	6114	7,000	0	-7,000	Cancelled election
40	140	REG. SALARIES *	5001	136,848	136,189	-659	
40	140	P.E.R.S.	5110	18,658	18,568	-90	
40	140	MEDICAL INS.	5120	29,409	29,649	240	
40	140	WORKER'S COMP	5140	1,641	1,782	141	
40	140	LIFE INS	5150	1,270	1,247	-23	
40	140	DENTAL INS	5160	3,801	3,628	-173	
40	140	MEDICARE TAX	5170	1,984	1,975	-9	
40	145	CONTRACT SRVCS	6202	0	12,400	12,400	Fire Dispatch Contribution
40	170	REG. SALARIES	5001	12,332	12,512	180	
40	170	P.E.R.S.	5110	1,681	1,706	25	
40	170	MEDICAL INS.	5120	4,158	4,118	-40	
40	170	WORKER'S COMP	5140	1,759	1,967	208	
40	170	LIFE INS	5150	150	144	-6	
40	170	DENTAL INS	5160	427	408	-19	
40	170	MEDICARE TAX	5170	179	181	2	
40	180	REG. SALARIES *	5001	25,918	26,188	270	
40	180	P.E.R.S.	5110	3,534	3,571	37	
40	180	MEDICAL INS.	5120	7,801	7,711	-90	
40	180	WORKER'S COMP	5140	3,697	4,116	419	
40	180	LIFE INS	5150	291	283	-8	
40	180	DENTAL INS	5160	750	715	-35	
40	180	MEDICARE TAX	5170	376	380	4	
40	180	CONTRACT SRVCS	6202	15,000	16,750	1,750	
40	190	REG. SALARIES	5001	72,934	79,440	6,506	Increase in code enforcement hours
40	190	P.E.R.S.	5110	7,685	9,141	1,456	Increase in code enforcement hours
40	190	MEDICAL INS.	5120	14,905	14,591	-314	
40	190	UNEMPLOYMNT INS	5130	391	825	434	
40	190	WORKER'S COMP	5140	1,312	1,527	215	
40	190	DENTAL INS	5160	1,558	1,487	-71	
40	190	MEDICARE TAX	5170	1,244	1,338	94	
40	190	CONTRACT SRVCS	6202	85,000	105,000	20,000	Increase in bldg permit review services
40	310	REG. SALARIES *	5001	47,444	48,105	661	
40	310	P.E.R.S.	5110	6,469	6,559	90	
40	310	MEDICAL INS.	5120	11,225	11,001	-224	
40	310	WORKER'S COMP	5140	5,800	6,418	618	
40	310	DENTAL INS	5160	953	910	-43	
40	310	MEDICARE TAX	5170	688	697	9	
40	320	REG. SALARIES	5001	38,640	32,167	-6,473	Promotion of employee to water
40	320	P.E.R.S.	5110	5,268	4,386	-882	
40	320	MEDICAL INS.	5120	12,295	12,194	-101	
40	320	WORKER'S COMP	5140	5,513	5,055	-458	
40	320	LIFE INS	5150	446	428	-18	
40	320	DENTAL INS	5160	1,046	1,436	390	
40	320	MEDICARE TAX	5170	630	536	-94	
		<b>General Fund Change in Expense</b>				<b>29,790</b>	

# CHANGES FROM PRELIMINARY TO FINAL BUDGET 2016-2017

FUND	Dept	Description	Expense Acct #	Preliminary Budget 16-17	Final Budget 16-17	Difference	Comments
49		TRANSFER IN	4999	15,000	7,750	-7,250	
49		TRANSFER IN	4999	15,000	7,250	-7,750	
69		LTF ALLOCATION - Non Mot	4716	5,314	5,514	200	
70		LTF ALLOCATION	4104	58,859	45,523	-13,336	Adjusted to StanCOG Allocation for 16/17
71		GRANT - RSTP	4757	53,411	56,685	3,274	
71		GRANT - ATP	47XX	0	408,000	408,000	Fox Road Grant
88		GRANT	4758	0	8,925	8,925	Hughson Avenue Receivable
		<b>Change in Revenue</b>				<b>392,063</b>	
30	700	CONTRACT SRVCS	6202	26,000	23,000	-3,000	Street Sweeping
30	700	OTHER EQUIPMENT	7006	26,250	0	-26,250	Change in Lift Truck Allocation
31	700	OTHER EQUIPMENT	7006	52,500	42,000	-10,500	Change in Lift Truck Allocation
41	800	COUNCIL CHAMBER IMPROV	7016	0	4,000	4,000	Outstanding work in Council Chambers
41	800	CITY HALL REMODEL/PHONE	7020	40,000	100,000	60,000	Remaining City Hall Remodel
49	147	HARDWARE - REPLACEMENT	7009	20,000	12,500	-7,500	Reduction in hardware replacement
49	147	SOFTWARE - REPLACEMENT	7014	5,000	2,500	-2,500	Reduction in hardware replacement
60	330	REG. SALARIES	5001	169,869	171,192	1,323	
60	330	P.E.R.S.	5110	61,139	61,174	35	
60	330	MEDICAL INS.	5120	56,752	54,689	-2,063	
60	330	UNEMPLOYMENT INS	5130	1,285	1,432	147	
60	330	WORKER'S COMP	5140	14,387	15,808	1,421	
60	330	LIFE INS	5150	1,815	1,824	9	
60	330	DENTAL INS	5160	5,981	5,835	-146	
60	330	MEDICARE TAX	5170	2,537	2,556	19	
60	350	MEDICAL INS.	5120	15,343	15,199	-144	
60	350	WORKER'S COMP	5140	7,526	8,290	764	
60	350	DENTAL INS	5160	1,805	1,723	-82	
60	350	MEDICARE TAX	5170	983	982	-1	
71	800	FOX ROAD	8018	0	408,000	408,000	Fox Road Project
80	340	REG. SALARIES	5001	196,395	198,046	1,651	
80	340	P.E.R.S.	5110	65,924	66,008	84	
80	340	MEDICAL INS.	5120	69,425	64,982	-4,443	
80	340	UNEMPLOYMENT INS	5130	1,558	1,701	143	
80	340	WORKER'S COMP	5140	18,146	20,212	2,066	
80	340	LIFE INS	5150	2,118	2,130	12	
80	340	DENTAL INS	5160	7,283	6,722	-561	
80	340	MEDICARE TAX	5170	2,921	2,945	24	
80	340	CONTRACT SERVICES	6202	85,000	91,000	6,000	IRWM/SIGMA Water plan fees
		<b>Change in Expense</b>				<b>428,508</b>	
100		Brittany Woods	4150	7,865	8,060	195	
100		Central Hughson 2	4152	13,937	14,614	677	
100		Feathers Glen	4155	7,267	7,719	452	
100		Fontana Ranch North	4156	10,931	16,180	5,249	Per Engineers Report
100		Fontana Ranch South	4157	8,739	11,992	3,253	Per Engineers Report
100		Rhapsody 1	4158	6,239	6,794	555	
100		Rhapsody 2	4159	6,499	6,869	370	
100		Santa Fe Estates 1	4160	7,229	7,260	31	
100		Sterling Glen III	4163	8,448	17,947	9,499	Per Engineers Report
100		Sunglow	4164	7,260	9,679	2,419	Per Engineers Report
		<b>LLD Change in Revenue</b>				<b>22,700</b>	
100		MEDICAL INS.	5120	6,571	6,442	-129	
100		WORKER'S COMP	5140	2,949	3,250	301	
100		DENTAL INS	5160	670	640	-30	
100		Brittany Woods- Utilities	6420	1,786	1,350	-436	
100		Brittany Woods - Other	6421	2,076	4,150	2,074	Man Lift Truck Allocation
100		Central Hughson 2 - Utilities	6426	116	1,200	1,084	

# CHANGES FROM PRELIMINARY TO FINAL BUDGET 2016-2017

FUND	Dept	Description	Expense Acct #	Preliminary Budget 16-17	Final Budget 16-17	Difference	Comments
100		Central Hughson 2 - Other	6427	1,730	4,575	2,845	Man Lift Truck Allocation
100		Feathers Glen - Utilities	6435	430	1,250	820	
100		Feathers Glen - Other	6436	3,741	5,785	2,044	Man Lift Truck Allocation
100		Fontana Ranch North - Utilities	6438	5,891	3,650	-2,241	
100		Fontana Ranch North - Other	6439	1,861	8,950	7,089	Man Lift Truck Allocation
100		Fontana Ranch South - Utilities	6441	5,466	3,500	-1,966	
100		Fontana Ranch South - Other	6442	1,661	5,385	3,724	Man Lift Truck Allocation
100		Rhapsody 1 - Utilities	6444	1,119	1,045	-74	
100		Rhapsody 1 - Other	6445	1,661	3,570	1,909	Man Lift Truck Allocation
100		Rhapsody 2 - Utilities	6447	1,447	1,770	323	
100		Rhapsody 2 - Other	6448	1,661	3,175	1,514	Man Lift Truck Allocation
100		Santa Fe Estates 1	6450	1,405	2,050	645	
100		Santa Fe Estates 1	6451	1,530	3,300	1,770	Man Lift Truck Allocation
100		Santa Fe Estates II	6453	834	900	66	
100		Santa Fe Estates II	6454	1,521	1,880	359	
100		Starn Estates	6456	813	1,230	417	
100		Starn Estates	6457	1,983	4,715	2,732	Man Lift Truck Allocation
100		Sterling Glen III	6459	2,527	2,650	123	
100		Sterling Glen III	6460	4,157	8,165	4,008	Man Lift Truck Allocation
100		Sunglow	6462	921	1,350	429	
100		Sunglow	6463	2,285	4,770	2,485	Man Lift Truck Allocation
100		Walnut Haven III	6465	908	815	-93	
100		Walnut Haven III	6466	2,077	3,070	993	
		<b>LLD Change in Expense</b>				<b>32,785</b>	
200		Central Hughson 2	4152	7,845	8,298	453	
200		Feathers Glen	4155	8,564	9,097	533	
200		Fontana North	4156	18,493	20,723	2,230	Per Engineers Report
200		Fontana South	4157	9,973	10,595	622	
200		Sterling Glen III	4163	11,663	12,389	726	
		<b>BAD Change in Revenue</b>				<b>4,564</b>	
200		MEDICAL INS.	5120	2,941	2,884	-57	
200		WORKER'S COMP	5140	1,391	1,533	142	
200		DENTAL INS	5160	290	277	-13	
200		Central Hughson 2	6427	101	950	849	
200		Feathers Glen	6436	2,418	2,500	82	
200		Fontana North	6439	1,524	1,500	-24	
200		Fontana South	6442	2,597	3,550	953	
200		Sterling Glen III	6460	1,676	1,625	-51	
		<b>BAD Change in Expense</b>				<b>1,881</b>	

**City of Hughson**

**Final Budget**

**2016-2017**

## City Of Hughson

Fund Listing - with Sources and Expenditures

FUND #	FUND NAME	FUND DESCRIPTION SOURCE OF FUNDS	USES OF FUNDS
<b>GENERAL FUND TYPE</b>			
40	General Fund	Property/Sales Tax, State Subventions, Permits/Licenses, User Fees, Fines	Discretion of Council: Administration, Public Safety, Parks and Recreation
401	General Fund Reserve	Transferred from General Fund	Discretion of Council
<b>SPECIAL REVENUE FUND TYPE</b>			
8	Vehicle Abatement	Assessment on Motor Vehicle Fees -County	Regulating Abandoned Vehicle
11	Traffic Congestion	State Funding	Expenditures for Streets
18	BSCC AB 109 - Realignment	State of California	Assist Cities with Prison Realignment Program
19	Asset Forfeiture	Property seized by Police	Law Enforcement Related Activity
25-35	Gas Tax	State/Federal Gas Tax (Sec 2105-2107.2)	Street/Road Maintenance
43	Trench Cut	Developers whose projects require trenching	Restore Streets
51	Self Insurance	Adjustments/Payments - Insurance Policies	Claims/Premiums on Insurance
53	SLESF (Supplemental Law Enforcement)	Funds from State	Additional Law Enforcement Service
90	Solid Waste (Garbage)	User Fees - Garbage Bills	Cost of Garbage Service
92/99	Grants (CDBG) - Housing	Funds State HCD/Feds; Distributed by County	Housing Rehab/Constr, P W Projects, Sen Housing
13	Redevelopment	Portion of Tax Increment	Payment of Bond
100/200	Landscape/Benefit Assessment District	Tax Assessment	Maintenance of Parks and Streetscape
<b>SPECIAL REVENUE FUND TYPE      Capital Projects</b>			
<b>Impact / Developer Fees</b>			
10	Storm Drain Impact Fee	Fees collected from Development	Storm Drain Capital Projects
20	Community Enhancement	Fees collected from Development	Funding for Sports Complex, Community Ctr, Parks
41	General Government Impact Fee	Fees collected from Development	Funding for City Hall, Corporation Yard
42	Street Impact	Fees collected from Development	Street Projects
54	Parkland In-Lieu Fee	Fees collected from Development	Park Land Purchase
55	Parks Capital Improvements	Fees collected from Development	Park Land Purchase/Development
62	Sewer Improvement Impact Fee	Fees collected from Development	Sewer Capital Projects
81	Water Impact Fee	Fees collected from Development	Water Capital Projects
<b>Other Capital</b>			
69-70	LTF - Street Fund - Non Motorized	Transportation Development Act - LTF, other Money for Street Projects	Used for Street Projects, Sidewalk Repair, Signal Lights, Street Project local match
71	Transportation	Other funding sources, includes CMAQ, STIP	Street Projects - Construction
<b>ENTERPRISE FUND TYPE</b>			
48	Community Senior Center	Rental Income	Cost of Operations for Senior Center
50	USF Community Center	Rental Income	Cost of Operations for USF Center
60/61/66	Sewer/Sewer Capital	User Fees - Sewer Bills	Cost of Operations of Sewer/Storm Drain System Capital Portion for Capital Improvements
80/81/82	Water/Water Capital	User Fees - Water Bills	Cost of Operations of Water System Capital Portion for Capital Improvements

**City of Hughson  
Budget Summary  
2016-17**

	Projected Beginning Bal 7/1/2016	Projected Revenue	Transfer In	Projected Expenditures	Transfer Out	Projected Ending Bal 6/30/17
40 General Fund	2,300,000	2,548,980	146,632	2,634,782	12,500	2,348,330
401 General Fund Reserve	676,200	1,000		0		677,200
<b>General Fund</b>	<b>2,976,200</b>	<b>2,549,980</b>	<b>146,632</b>	<b>2,634,782</b>	<b>12,500</b>	<b>3,025,530</b>
8 Vehicle Abatement	11,000	9,000		0	9,000	11,000
11 Traffic Congestion - Prop 42/Gas Tax 21	136,560	17,134		32,000	11,600	110,094
18 Realignment Funding	35,700	5,000		15,000		25,700
19 Asset Forfeiture	6,995	0		0		6,995
25 Gas Tax 2106	3,760	26,817		25,000		5,577
30 Gas Tax 2107	16,760	62,637		23,000	29,000	27,397
31 Gas Tax 2105	45,295	45,106		58,000	17,000	15,401
35 Gas Tax 2107.5	-330	2,000		0	2,000	-330
43 Trench Cut Fund	76,440	200		0		76,640
49 IT Reserve	99,190	0	15,000	15,000		99,190
51 Self Insurance	73,300	0		11,183		62,117
53 SLESF	27,600	100,000		100,000		27,600
90 Garbage/Refuse	56,250	480,000		480,000		56,250
92 Small Business Loan Grant	93,595	0		0		93,595
94 96-EDBG-738 Grant	400	0		0		400
95 1994 CDBG Housing Rehab STBG-7	162,390	1,200		0		163,590
96 Home Grant - FTHB	35,000	0		0		35,000
97 1996 CDBG Housing Rehab	198,280	2,150		0		200,430
98 Home Rehab - CalHome	40,000	0		0		40,000
100 LLD	89,495	127,514		118,944	8,520	89,545
200 BAD	129,750	61,102		26,308	2,137	162,407
<b>Special Revenue</b>	<b>1,337,430</b>	<b>939,860</b>	<b>15,000</b>	<b>904,435</b>	<b>79,257</b>	<b>1,308,598</b>
48 Community Senior Center	-1,300	15,120	7,500	24,300		-2,980
50 United Samaritans Community Center	5,425	14,500		8,300	7,375	4,250
60 Sewer O & M **	2,360,500	3,500,200		1,203,668	2,185,707	2,471,325
80 Water **	200,300	1,373,000		971,971	190,482	410,847
<b>Enterprise Funds</b>	<b>2,564,925</b>	<b>4,902,820</b>	<b>7,500</b>	<b>2,208,239</b>	<b>2,383,564</b>	<b>2,883,442</b>
10 Storm Drain	290,985	59,294		0		350,279
20 Community Enhancement	85,915	21,268		110,000		-2,817
41 Public Facility Development	1,453,000	66,550		254,000		1,265,550
42 Public Facility - Streets	-196,660	86,121		0		-110,539
54 Park Project - In Lieu	579,850	42,861		0		622,711
55 Park Development Impact Fees	451,350	56,807		140,000		368,157
61 Sewer Fixed Asset Replacement	3,243,500	6,500	444,836	0		3,694,836
62 Sewer Developer Impact Fee	1,086,770	234,600		0		1,321,370
66 WWTP Expansion **	52,700	6,999	1,735,871	312,463		1,483,107
69 Local Transportation Fund - Non Mo	745	5,514		0		6,259
70 Local Transportation Fund	138,020	45,523		40,000		143,543
71 Transportation	-226,330	464,685		428,000		-189,645
81 Water Development Fee	-269,295	79,863		0		-189,432
82 Water Fixed Asst Replacement	539,400	2,200	185,482	0		727,082
88 Public Works Street Projects - CDBG	-60,450	308,925		300,000		-51,525
<b>Capital Projects</b>	<b>7,169,500</b>	<b>1,487,710</b>	<b>2,366,189</b>	<b>1,584,463</b>	<b>0</b>	<b>9,438,936</b>
13 RDA - Debt Service	198,225	241,200		181,200	60,000	198,225
<b>RDA</b>	<b>198,225</b>	<b>241,200</b>	<b>0</b>	<b>181,200</b>	<b>60,000</b>	<b>198,225</b>
<b>GRAND TOTAL</b>	<b>14,246,280</b>	<b>10,121,570</b>	<b>2,535,321</b>	<b>7,513,119</b>	<b>2,535,321</b>	<b>16,854,731</b>
		Rev 12,656,891		EXP 10,048,440		

\*\* Water Bonds - Principal Payment \$200,878 (\$124,878 to water tank project, \$76,000 to interfund loan agreement)

\*\* Sewer Bonds - Principal Payment \$1,423,408 Paid out of Fund 66, transfer cash from Fund 60.

**City of Hughson  
Revenue versus Expense  
2016-17**

	Projected Revenue	Prpjected Expenses	Revenue vs Expenses
40 General Fund	2,695,612	2,647,282	48,330
401 General Fund Reserve	1,000	0	1,000
<b>General Fund</b>	<b>2,696,612</b>	<b>2,647,282</b>	<b>49,330</b>
8 Vehicle Abatement	9,000	9,000	0
11 Traffic Congestion - Prop 42/Gas Tax 2103	17,134	43,600	-26,466
18 Realignment Funding	5,000	15,000	-10,000
19 Asset Forfeiture	0	0	0
25 Gas Tax 2106	26,817	25,000	1,817
30 Gas Tax 2107	62,637	52,000	10,637
31 Gas Tax 2105	45,106	75,000	-29,894
35 Gas Tax 2107.5	2,000	2,000	0
43 Trench Cut Fund	200	0	200
49 IT Reserve	15,000	15,000	0
51 Self Insurance	0	11,183	-11,183
53 SLESF	100,000	100,000	0
90 Garbage/Refuse	480,000	480,000	0
92 Small Business Loan Grant	0	0	0
94 96-EDBG-738 Grant	0	0	0
95 1994 CDBG Housing Rehab STBG-799	1,200	0	1,200
96 Home Grant - FTHB	0	0	0
97 1996 CDBG Housing Rehab	2,150	0	2,150
100 LLD	127,514	127,464	50
200 BAD	61,102	28,445	32,657
<b>Special Revenue</b>	<b>954,860</b>	<b>983,692</b>	<b>-28,832</b>
48 Community Senior Center	22,620	24,300	-1,680
50 United Samaritans Community Center	14,500	15,675	-1,175
60 Sewer O & M **	3,500,200	3,389,375	110,825
80 Water **	1,373,000	1,162,453	210,547
<b>Enterprise Funds</b>	<b>4,910,320</b>	<b>4,591,803</b>	<b>318,517</b>
10 Storm Drain	59,294	0	59,294
20 Community Enhancement	21,268	110,000	-88,732
41 Public Facility Development	66,550	254,000	-187,450
42 Public Facility - Streets	86,121	0	86,121
54 Park Project - In Lieu	42,861	0	42,861
55 Park Development Impact Fees	56,807	140,000	-83,193
61 Sewer Fixed Asset Replacement	451,336	0	451,336
62 Sewer Developer Impact Fee	234,600	0	234,600
66 WWTP Expansion **	1,742,870	312,463	1,430,407
69 Local Transportation Fund - Non Mot	5,514	0	5,514
70 Local Transportation Fund	45,523	40,000	5,523
71 Transportation	464,685	428,000	36,685
81 Water Development Fee	79,863	0	79,863
82 Water Fixed Asst Replacement	187,682	0	187,682
88 Public Works Street Projects - CDBG	308,925	300,000	8,925
<b>Capital Projects</b>	<b>3,853,899</b>	<b>1,584,463</b>	<b>2,269,436</b>
13 RDA - Debt Service	241,200	241,200	0
<b>RDA</b>	<b>241,200</b>	<b>241,200</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>12,656,891</b>	<b>10,048,440</b>	<b>2,608,451</b>



**City of Hughson - Salary / Benefit Cost  
2016-17**

	<b>Annual Salary</b>	<b>PERS</b>	<b>Medicare</b>	<b>SUI</b>	<b>Health</b>	<b>Life</b>	<b>Dental</b>	<b>Vision</b>	<b>WC</b>	<b>Def Comp</b>	<b>Total Benefits</b>	<b>Total Costs</b>
40-110 Legislative	15,600		1,195								1,195	16,795
40-120 City Manager	143,709	18,612	2,083	434	19,848	1,008	2,051	324	5,363	2,736	52,459	196,168
40-130 City Clerk	47,506	5,910	689	469	15,892	550	2,183	345	662	549	27,249	74,755
40-140 Finance	136,189	18,568	1,975	829	29,074	1,247	3,628	575	1,782	1,047	58,725	194,914
40-145 PERS - Liability		38,515									38,515	38,515
40-150 City Treasurer	1,200		92								92	1,292
40-170 Bldgs & Grounds	12,512	1,706	181	130	4,058	144	408	60	1,967	90	8,744	21,256
40-180 Parks & Rec	26,188	3,571	380	239	7,603	283	715	108	4,116	210	17,224	43,412
40-190 Planning/Bldg	79,440	9,141	1,338	825	14,372	552	1,487	219	1,527	360	29,821	109,261
40-210 Police		33,387									33,387	33,387
40-310 Public Wrks Adm	48,105	6,559	697	304	10,855	447	910	146	6,418	420	26,755	74,860
40-320 Street Maint	36,967	4,386	536	369	11,965	428	1,436	229	5,055	285	24,688	61,655
<b>Total General Fund</b>	<b>547,415</b>	<b>140,354</b>	<b>9,167</b>	<b>3,599</b>	<b>113,666</b>	<b>4,659</b>	<b>12,818</b>	<b>2,005</b>	<b>26,890</b>	<b>5,697</b>	<b>318,855</b>	<b>866,270</b>
60-330 Sewer M & O	176,292	61,174	2,556	1,432	53,768	1,824	5,835	921	15,808	1,287	144,605	320,897
60-350 WWTP	67,760	7,193	982	365	14,927	508	1,723	272	8,290	402	34,662	102,422
80-340 Water M & O	203,146	66,008	2,945	1,701	63,919	2,130	6,722	1,063	20,212	1,425	166,125	369,271
100 LLD District	20,669	2,818	300	195	6,351	230	640	91	3,250	150	14,024	34,693
200 BAD District	9,751	1,330	141	87	2,844	105	277	40	1,533	75	6,431	16,183
<b>Total Other Funds</b>	<b>477,618</b>	<b>138,523</b>	<b>6,924</b>	<b>3,780</b>	<b>141,809</b>	<b>4,798</b>	<b>15,196</b>	<b>2,387</b>	<b>49,092</b>	<b>3,339</b>	<b>365,848</b>	<b>843,466</b>
	<b>1,025,033</b>	<b>278,877</b>	<b>16,091</b>	<b>7,378</b>	<b>255,475</b>	<b>9,457</b>	<b>28,015</b>	<b>4,392</b>	<b>75,982</b>	<b>9,036</b>	<b>684,703</b>	<b>1,709,736</b>
<p>PERS Unfunded Liability Costs - \$115,524 Distributed between Water, Sewer and General Funds 3% Salary Adjustment</p>												
2013-14 Totals - Budget	821,234	226,098	13,719	6,076	217,891	7,880	27,659	1,585	53,909	5,640	786,555	1,607,789
2014-15 Totals - Budget	888,577	244,756	14,116	6,510	218,805	8,331	18,648	3,276	61,997	6,000	582,439	1,471,016
2015-16 Totals - Budget	983,917	270,795	15,498	6,510	259,971	9,029	27,655	4,124	60,936	7,200	661,718	1,645,635

**CITY OF HUGHSON - CAPITAL PROJECTS  
2016-17**

FUND	DEPT	Description	Expense Acct #	
<b>Capital - Equipment/Buildings</b>				
20	800	DOWNTOWN ENHANCEMENT	7018	5,000 Parklets
31	700	OTHER EQUIPMENT	7006	42,000 Man Lift Truck 40%
40	170	BUILDING IMPROVEMENT	7002	1,000 Restroom Repair
40	170	EQUIPMENT REPLACEMENT	7006	3,500 Small Equipment-mower
40	180	EQUIPMENT REPLACEMENT	7006	3,500 Small Equipment-mower
40	320	OTHER EQUIPMENT	7006	26,250 Man Lift Truck 25%
41	800	ACCOUNTING SOFTWARE UPGRADE	70XX	150,000 Accounting/Billing System/Server Upgrade
41	800	Council Chamber Improvements	7016	4,000 Chamber Upgrade
41	800	CITY HALL REMODEL/PHONE	7020	100,000 Phone System Upgrade/Remodel
49	147	HARDWARE - REPLACEMENT	7009	12,500 Hardware Repair/Repl
49	147	SOFTWARE - REPLACEMENT	7014	2,500 Computer Software Repl
60	330	EQUIPMENT REPLACEMENT	7006	2,000 Small Equipment
80	340	OTHER EQUIPMENT	7006	15,000 Water Meters
100	100	OTHER EQUIPMENT	various	36,750 Man Lift Truck 35%
100	100	OTHER EQUIPMENT	various	4,000 Small Equipment-mower
<b>Total Equipment - Improvements</b>				<b>408,000</b>
<b>Capital - Projects</b>				
20	800	HUGHSON AVE SIDEWALK	80XX	105,000
55	800	ROLLAND STARN	8002	140,000
70	700	HUGHSON AVE	80XX	20,000
71	800	FOX ROAD	8018	408,000
71	800	WHITMORE AVE	80XX	20,000
88	800	2ND STREET SIDEWALK	80XX	150,000
88	800	COMMUNITY COMMERCIAL KITCHEN	80XX	150,000
<b>Total Projects</b>				<b>993,000</b>
<b>GRAND TOTAL CAPITAL</b>				<b>1,401,000</b>

**City of Hughson  
Transfer Table 2016-2017**

		<b>Transfer In 4999</b>			<b>Transfer Out 8505</b>	
<b>Fund</b>			<b>Fund</b>			
<b>40</b>	General Fund	146,632	<b>8</b>	Vehicle Abatement	9,000	Police Service
			<b>11</b>	Traffic Congestion	11,600	Admin Ser
			<b>13</b>	RDA	60,000	Admin Ser
			<b>30</b>	Gas Tax - 2107	29,000	Admin Ser
			<b>31</b>	Gas Tax - 2105	17,000	Admin Ser
			<b>35</b>	Gas Tax - 2107.5	2,000	Admin Ser
			<b>50</b>	Samaritans Center	7,375	Staff Service
			<b>100</b>	LLD	<b>8,520</b>	Admin Ser
			<b>200</b>	BAD	<b>2,137</b>	Admin Ser
		<b>146,632</b>			<b>146,632</b>	
<b>48</b>	Community Senior Center	7,500	<b>40</b>	General Fund	7,500	Support from GF
<b>49</b>	IT Replacement	15,000	<b>40</b>	General Fund	5,000	Hardware/Software
			<b>60</b>	Sewer M & 0	5,000	Hardware/Software
			<b>80</b>	Water	5,000	Hardware/Software
<b>66</b>	WWTP Expansion	1,423,408	<b>60</b>	Sewer M & 0	1,423,408	Principle Payment
<b>66</b>	WWTP Expansion	312,463	<b>60</b>	Sewer M & 0	312,463	Interest Payment
<b>61</b>	Sewer Fixed Asset Replacement	444,836	<b>60</b>	Sewer M & 0	444,836	Depreciation
<b>82</b>	Water Fixed Asset Replacement	185,482	<b>80</b>	Water	185,482	Depreciation
		<b>2,388,689</b>			<b>2,388,689</b>	
	<b>Total Transfers</b>	<b>2,535,321</b>			<b>2,535,321</b>	
<b>40</b>	General Fund	402,000	<b>60-6203-330</b>	Administrative Ser	238,000	
			<b>80-6203-340</b>		164,000	
		<b>402,000</b>			<b>402,000</b>	

Often, one Fund will provide service to another Fund. The General Fund provides administrative service to various funds, such as Water, Sewer, Gas Tax, BAD, LLD. These transfers cover the costs of Staff support (such as the Finance Department, Administration, etc.) to administer the programs.

Transfers are made to the IT Fund (49) from the General, Water and Sewer Fund. These transfers are to build up a reserve to fund future IT needs.

In addition, a portion of the funds collected from User fees (Sewer, Water) covers future asset replacement - via depreciation costs.

CITY OF HUGHSON  
OUTSTANDING DEBT SERVICE FY 16-17

Debt Issuance		Interest Rate	Original Prinicipal	Year Issued	Outstanding Principal	Outstanding Interest	Annual Payment Amount	Due Thru
RDA Refunding & Capital projects (Bond payable from Tax increment)	RDA	2.00%	\$ 3,220,000	2006	\$ 2,660,000	\$ 1,169,550	Principal \$ 80,000 Interest \$ 89,200	2036
							Total: \$169,200	
Water Tank Project Loan (Loan payable from revenues of the water system)	80	3.40%	\$ 2,400,000	2006	\$ 1,460,194	\$ 274,532	Principal \$124,878 Interest \$ 48,594	2026
							Total: \$ 173,472	
WWTP Expansion Project Preliminary Planning, design and captial exp (Loan payable from revenues of the WWTP and Sewer Revenues)	60	3.40%	\$ 6,780,000	2008	\$ 4,675,266	\$ 1,057,518	Principal \$321,483 Interest \$156,249	2028
							Total: \$ 477,732	
STATE WATER RESOURCE BOARD SRF LOAN WWTP Expanion Project (Loan payable from revenues of the WWTP and Sewer Revenues)	66	1%	\$ 21,489,680	2010	\$ 16,239,193	\$ 1,562,096	Principal \$1,101,925 Interest \$ 156,213	2031
							Total \$ 1,258,138	
Total Principal					<b>\$ 25,034,653</b>			
Total Interest						<b>\$ 4,063,696</b>		
FY 15-16 Debt Payments							<b>\$ 2,078,542.00</b>	

**City of Hughson**

**Final Budget**

**2016-2017**

**Detail – Line Items**

CITY OF HUGHSON 2016-17

Revenue - General Fund 40 Final

Fund	Description Revenue	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
40	CURRENT PROPERTY	4001	251,613	278,845	296,000	258,822	265,000	265,000	(\$ info not available until Oct)
40	PRIOR YEAR	4003	16	443	1,000	1,023	500	500	
40	PROPERTY TAX - UNSEC OTHER	4004	4,155	408	10,000	461	500	500	
40	PROP TAX - RDA CONTR	4006	5,147	5,195	5,000	0	5,000	5,000	Pass-Thru Back 11.6%
40	SALES TAX	4101	613,347	632,696	652,000	770,157	887,000	929,000	.01 of Sales Tax paid
40	IN LIEU SALES TAX	4102	161,740	229,285	215,000	226,568	0	0	Triple Flip - State
40	PROPERTY TRANSFER TAX	4103	8,438	17,636	9,000	26,169	15,000	15,000	
40	GAS UTILITY	4201	3,553	17,276	15,000	17,205	15,000	15,000	
40	GARBAGE FRANCHISE	4202	13,514	29,741	40,000	47,081	38,400	38,400	8% of Billing Res/Comm.
40	CABLE/PHONE T.V.	4203	40,587	48,304	31,000	43,661	31,000	31,000	
40	BUSINESS LICENSES	4301	21,609	22,842	22,000	22,268	20,000	22,000	530 Business Licenses
40	BUILDING PERMITS	4401	93,573	154,559	60,000	81,468	66,000	80,000	21 Home X \$1,756
40	YARD SALE PERMITS	4405	605	535	740	560	450	450	
40	ENCROACHMENT PERMITS	4407	6,897	3,615	7,000	8,484	7,110	7,110	\$790 per Permit
40	ORDINANCE UPDATE	4408	228	469	400	0	0	0	
40	OTHER PERMITS	4409	810	3,361	1,000	2,506	2,000	7,000	
40	TRAFFIC FINES	4501	38,264	36,353	35,000	47,106	35,000	35,000	Traffic Fines
40	PARKING FINES	4504	7,837	7,732	7,000	6,294	3,500	3,500	Parking Fines - City of Inglewood
40	INTEREST EARNED	4601	1,295	2,458	1,000	5,478	2,000	2,000	Drop in Interest Rates
40	RENTS, LEASE RIGHTS, & ROYALTIES	4602	200	0	0	0	0	0	
40	GRANTS - BEV/OTHER	4706	0	5,000	5,000	5,000	5,000	5,000	
40	GRANT - PLANNING Prop 84	4706	72,699	0	0	0	0	0	Completed
40	MOTOR VEHICLE IN LIEU TAX	4710	431,780	584,007	456,750	554,340	475,020	475,020	Based on Assessed Value
40	HOMEOWNER'S PROP. TAX RELIEF	4720	3,004	3,223	4,000	3,148	2,000	2,000	
40	SB813 SUPPLEMENTAL TAXES	4725	5,857	2,191	1,000	4,712	1,500	1,500	
40	STANISLAUS COUNTY FEES	4728	0	8,057	2,000	916	1,000	1,000	1% - County Impact Fees
40	FHA IN-LIEU TAXES	4731	0	0	0	112	0	0	
40	PLANNING APPLICATION	4735	0	2,244	3,000	155	1,000	1,000	
40	PROP 172-PUBLIC SAFETY AUG	4737	6,889	8,776	6,000	8,111	7,000	7,000	Moved From Fund 7
40	UTILITY PENALTIES	4803	72,112	75,636	67,000	76,928	70,000	70,000	Fees for Delinquent Payments
40	PLAN CHECK FEES	4813	30,012	47,436	35,000	34,418	42,000	42,000	
40	BLDG CODE VIOLATIONS	4821	252	3,500	5,000	300	1,000	1,000	
40	VEHICLE RELEASE FEES	4827	15,767	13,540	15,500	18,690	15,500	15,500	
40	MISC. FEES & CHARGES	4829	20,149	30,018	14,000	27,709	20,000	20,000	
40	RETURNED CHECK CHARGES	4830	2,295	1,540	2,000	1,735	1,500	1,500	
40	BOOKING FEES	4833	86	159	475	463	400	400	
40	SALE OF DOCUMENTS	4902	431	988	200	160	100	100	Police Reports
40	SALE OF SURPLUS PROPERTY	4909	0	0	0	29,849	0	0	
40	REFUND	4915	23,240	14,700	19,500	25,691	20,000	20,000	Refunds/Reimb-TASK-CDBG
40	SUNDRY REVENUES	4919	1,039	2,135	2,000	692	500	500	General Plan Fee
40	QUASI-EXTERNAL TRANSACTION	4920	360,000	360,000	402,000	402,000	402,000	402,000	Costs Reim by Enter Funds
40	RENTAL FEE	4931	12,126	14,848	15,000	24,744	22,000	22,000	Parks/Annex
40	AB 939 / TIRE AMNESTY	4935	2,595	6,006	5,000	2,345	5,000	5,000	Moved from Fund 5
	<b>TOTAL REVENUE</b>		<b>2,333,761</b>	<b>2,675,757</b>	<b>2,468,565</b>	<b>2,787,528</b>	<b>2,485,980</b>	<b>2,548,980</b>	
40	TRANSFERS-IN	4999	166,915	113,936	170,307	170,304	146,632	146,632	
	<b>GRAND TOTAL REVENUE</b>		<b>2,500,676</b>	<b>2,789,693</b>	<b>2,638,872</b>	<b>2,957,832</b>	<b>2,632,612</b>	<b>2,695,612</b>	
	<b>TOTAL General Fund Exp</b>		<b>2,029,693</b>	<b>2,157,167</b>	<b>2,619,940</b>	<b>2,617,447</b>	<b>2,617,492</b>	<b>2,647,282</b>	
	<b>DIFFERENCE Rev-Exp</b>		<b>470,983</b>	<b>632,526</b>	<b>18,932</b>	<b>340,385</b>	<b>15,120</b>	<b>48,330</b>	

FUND 40 - GENERAL FUND 2016-17

FUND	DEPT	Description	40 Expense Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
40	110	REG. SALARIES	5001	15,600	14,559	15,600	15,600	15,600	15,600	Salary - 5 Council Seats PT
40	110	MEDICARE TAX	5170	1,194	1,279	1,195	1,194	1,195	1,195	
40	110	OFFICE SUPPLIES	6001	437	592	500	586	500	500	
40	110	DUES/PUBLICATNS	6004	7,046	9,664	9,700	9,193	4,795	4,795	League Membership, StanCOG, Retail Trai
40	110	TRAVEL/MEETINGS	6005	2,395	1,296	2,000	2,848	3,000	3,000	League of CA Cities, State of the City, CC/E
40	110	DEPT SUPPLIES	6101	820	118	600	0	500	500	
40	110	PHONE/RADIO	6105	640	765	550	1,219	740	740	
40	110	CONTRACT SERVICES	6202	0	0	0	0	7,300	7,300	Alliance, Hughson SBDC
40	<b>110</b>	<b>LEGISLATIVE</b>		<b>28,132</b>	<b>28,273</b>	<b>30,145</b>	<b>30,640</b>	<b>33,630</b>	<b>33,630</b>	
40	120	REG. SALARIES	5001	114,873	108,791	120,177	120,643	136,509	136,509	Salary - City Manager
40	120	TECH ALLOWANCE	5008	1,020	1,020	1,020	1,028	1,200	1,200	
40	120	VEHICLE ALLOWANCE	5009	3,600	3,600	3,600	3,700	6,000	6,000	
40	120	P.E.R.S.	5110	30,312	24,351	17,976	18,046	18,612	18,612	
40	120	MEDICAL INS.	5120	20,742	21,553	18,705	21,695	20,644	20,172	
40	120	UNEMPLOYMNT INS	5130	573	434	434	434	434	434	
40	120	WORKER'S COMP	5140	5,039	3,912	3,924	6,377	4,868	5,363	
40	120	LIFE INS	5150	114	918	964	1,066	1,008	1,008	
40	120	DENTAL INS	5160	2,203	2,085	2,037	2,188	2,149	2,051	
40	120	MEDICARE TAX	5170	1,745	1,880	1,810	1,835	2,083	2,083	
40	120	DEF COMP	5175	0	802	1,200	1,190	2,736	2,736	
40	120	OFFICE SUPPLIES *	6001	437	495	400	596	500	500	
40	120	POSTAGE	6003	63	56	100	62	100	100	
40	120	DUES/PUBLICATNS	6004	973	379	300	169	1,400	1,400	ICMA, Mod Bee, Turlock Journal, Hughson
40	120	TRAVEL/MEETINGS	6005	1,914	3,052	3,000	1,915	3,000	3,000	Professional Development, Business Meetin
40	120	DEPT SUPPLIES	6101	701	1,029	1,600	222	1,600	1,600	
40	120	PHONE/RADIO	6105	2,232	2,679	3,800	4,265	2,600	2,600	
40	120	RENTS/LEASES	6107	1,047	1,013	1,055	982	800	800	
40	120	PETROLEUM PROD *	6110	998	880	1,245	802	900	900	
40	120	CONTRACT SRVCS-Incentive Prog	6121	12,000	22,892	37,100	9,800	30,000	30,000	City Business Assistance Program
40	120	EVENT SPONSORING	6130	0	11,961	7,500	11,905	7,500	7,500	Love Hughson, National Night Out, Concer
40	120	EMPLOYEE APPRECIATION	6131	0	0	500	275	1,500	1,500	Employee Appreciation Program
40	120	CONTRACT SRVCS	6202	1,578	1,366	6,500	14,502	33,500	33,500	Voting Rights Study/Updates/Shredding/Fa
40	<b>120</b>	<b>CITY MANAGER</b>		<b>202,164</b>	<b>215,148</b>	<b>234,947</b>	<b>223,697</b>	<b>279,643</b>	<b>279,568</b>	
40	130	REG. SALARIES	5001	16,842	32,835	41,853	56,563	47,480	47,506	Mgmt Analyst 75%/Office Asst 33%
40	130	P.E.R.S.	5110	868	7,273	7,126	3,764	6,048	5,910	
40	130	MEDICAL INS.	5120	1,768	4,021	15,940	7,196	15,866	16,237	
40	130	UNEMPLOYMNT INS	5130	0	107	217	733	326	469	
40	130	WORKER'S COMP	5140	369	558	375	609	542	662	
40	130	LIFE INS	5150	17	225	468	208	595	550	
40	130	DENTAL INS	5160	77	311	1,034	568	2,114	2,183	
40	130	MEDICARE TAX	5170	1,285	547	607	2,575	689	689	
40	130	DEF COMP	5175	0	0	450	138	549	549	
40	130	OFFICE SUPPLIES *	6001	1,574	1,782	1,200	2,110	2,000	2,000	
40	130	POSTAGE	6003	169	150	200	165	200	200	
40	130	DUES/PUBLICATNS	6004	433	1,101	700	2,021	200	200	Memberships
40	130	TRAVEL/MEETINGS	6005	1,004	49	600	636	1,000	1,000	
40	130	DEPT SUPPLIES	6101	663	73	300	1,069	900	900	Compliance posters
40	130	ADVERTISING	6104	6,426	4,075	3,000	3,718	4,000	4,000	Public Notices
40	130	PHONE/RADIO	6105	1,655	1,913	2,900	3,047	2,000	2,000	
40	130	RENTS/LEASES	6107	882	918	888	827	700	700	Copier/Fax/Mail Machine
40	130	INS/SURETIES	6113	183	122	350	186	200	200	Employee Bond
40	130	ELECTIONS	6114	0	3,603	0	0	7,000	0	Election
40	130	CONTRACT SRVCS	6202	20,085	13,246	20,000	19,354	20,000	20,000	Code/ IT/ Web/Firewall
40	<b>130</b>	<b>ADMIN SER/CITY CLERK</b>		<b>54,300</b>	<b>72,909</b>	<b>98,208</b>	<b>105,486</b>	<b>112,409</b>	<b>105,955</b>	

FUND	DEPT	Description	40 Expense Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
40	140	REG. SALARIES *	5001	30,015	71,974	114,177	115,293	136,848	136,189	Fin Dir/Fin Mng 33%/Acct Tech 33% /Mgm
40	140	OVERTIME	5003	0	0	0	56	0	0	
40	140	P.E.R.S.	5110	8,001	15,943	17,079	16,291	18,658	18,568	
40	140	MEDICAL INS.	5120	10,965	19,692	26,199	27,894	29,409	29,649	
40	140	UNEMPLOYMNT INS	5130	286	701	720	927	829	829	
40	140	WORKER'S COMP	5140	848	1,118	1,245	2,023	1,641	1,782	
40	140	LIFE INS	5150	347	531	936	928	1,270	1,247	
40	140	DENTAL INS	5160	1,068	2,418	3,381	3,133	3,801	3,628	
40	140	MEDICARE TAX	5170	411	1,197	1,656	1,593	1,984	1,975	
40	140	DEF COMP	5175	272	260	597	198	1,047	1,047	
40	140	EMPL ASSIST PRG	5180	0	0	0	0	0	0	
40	140	OFFICE SUPPLIES	6001	874	1,523	1,300	1,172	1,200	1,200	
40	140	POSTAGE	6003	149	131	300	145	175	175	
40	140	DUES/PUBLICATNS	6004	110	110	220	200	220	220	Dues CSMFO
40	140	TRAVEL/MEETINGS	6005	38	0	1,500	2,105	2,500	2,500	
40	140	DEPT SUPPLIES	6101	48	317	200	46	100	100	
40	140	ADVERTISING	6104	0	1,562	1,500	0	500	500	
40	140	PHONE/RADIO	6105	958	1,148	800	1,828	1,200	1,200	
40	140	RENTS/LEASES	6107	1,378	1,333	1,400	1,292	1,100	1,100	Copier/Fax/Mail Machine
40	140	PETROLEUM PROD	6110	998	880	1,045	802	900	900	
40	140	CONTRACT SRVCS	6202	59,959	44,725	25,000	25,209	25,000	25,000	Audit / MOM / St Contr Rep / HDL
40	140	MISC BANK CHARGES	6351	12,606	2,585	2,000	3,258	2,100	2,100	Bank Fees
40	<b>140</b>	<b>FINANCE</b>		<b>129,331</b>	<b>168,148</b>	<b>201,255</b>	<b>204,393</b>	<b>230,482</b>	<b>229,909</b>	
40	145	P.E.R.S.	5110	0	0	33,352	33,352	38,515	38,515	Unfunded Liability 33%
40	145	INS/SURETIES	6113	13,517	14,140	15,305	17,067	19,600	19,600	Liability/Emp Assist/Prop
40	145	TAX ADMINISTRATION	6119	3,365	3,511	4,500	4,524	4,000	4,000	County Costs for Collection
40	145	CONTRACT SRVCS	6202	0	0	0	0	0	12,400	Fire Dispatch Services
40	145	TRANSFERS	8505	7,500	7,500	7,500	7,500	7,500	7,500	\$7,500 to Senior Cntr
40	145	COMPUTER SOFTWARE RES	8506	3,000	3,000	0	0	2,250	2,250	Shared w/Water/Sewer Reserve - 45%
40	145	IT CAPITAL RESERVE	8506	5,000	5,000	0	0	2,750	2,750	Shared w/Water/Sewer Reserve - 55%
40	<b>145</b>	<b>NONDEPARTMENTAL</b>		<b>32,382</b>	<b>33,151</b>	<b>60,657</b>	<b>62,443</b>	<b>74,615</b>	<b>87,015</b>	
40	150	REG. SALARIES	5001	1,200	1,120	1,200	1,200	1,200	1,200	Treasurer - PT
40	150	MEDICARE TAX *	5170	69	98	92	17	92	92	
40	<b>150</b>	<b>CITY TREASURER</b>		<b>1,269</b>	<b>1,218</b>	<b>1,292</b>	<b>1,217</b>	<b>1,292</b>	<b>1,292</b>	
40	160	CONTRACT SRVCS	6202	86,290	108,603	105,000	107,448	105,000	105,000	Legal Services
40	<b>160</b>	<b>LEGAL SERVICES</b>		<b>86,290</b>	<b>108,603</b>	<b>105,000</b>	<b>107,448</b>	<b>105,000</b>	<b>105,000</b>	
40	170	REG. SALARIES	5001	0	8,985	12,144	13,121	12,332	12,512	Maint Wkr - 30%
40	170	OVERTIME	5003	0	0	0	189	0	0	
40	170	P.E.R.S.	5110	0	1,991	1,817	1,518	1,681	1,706	
40	170	MEDICAL INS.	5120	0	3,632	4,550	3,252	4,158	4,118	
40	170	UNEMPLOYMNT INS	5130	0	0	130	174	130	130	
40	170	WORKER'S COMP	5140	0	1,118	1,586	2,577	1,759	1,967	
40	170	LIFE INS	5150	0	0	145	114	150	144	
40	170	DENTAL INS	5160	0	351	493	399	427	408	
40	170	MEDICARE TAX	5170	0	149	176	180	179	181	
40	170	DEF COMP	5175	0	0	90	77	90	90	
40	170	OFFICE SUPPLIES	6001	142	99	100	198	120	120	
40	170	DUES/PUBLICATNS	6004	377	181	800	0	200	200	Permit-Haz Mat Storage/Pesticide Lic
40	170	DEPT SUPPLIES *	6101	4,938	5,577	6,000	6,014	7,000	7,000	Sanitary Supplies/Fertilizer/Sprinklers
40	170	UNIFRM/CLTH EXP	6103	522	458	800	776	800	800	Misson Linen
40	170	PHONE/RADIO	6105	2,388	2,870	4,000	4,570	2,800	2,800	
40	170	UTILITIES	6106	12,662	12,983	11,000	13,949	14,000	14,000	
40	170	MAINT BLDGS/GRD *	6108	3,480	1,036	3,500	3,712	3,500	3,500	

FUND	DEPT	Description	40 Expense Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
40	170	PETROLEUM PROD	6110	840	741	1,200	675	750	750	
40	170	MAINT OF EQUIP *	6111	301	440	500	526	1,000	1,000	Equip in Bldgs
40	170	CONTRACT SRVCS	6202	6,438	7,366	7,500	9,972	7,500	7,500	Contract Wkr,AC/Pest Con/City Hall/Com C
40	170	BLDGS IMPROV	7002	0	950	500	0	1,000	1,000	Misc Improve - Restroom Repair
40	170	EQUIPMENT REPLACEMENT	7006	1,000	3,000	1,000	1,000	3,500	3,500	Sm Equip, mower
40	<b>170</b>	<b>BLDGS &amp; GRNDS</b>		<b>33,088</b>	<b>51,927</b>	<b>58,031</b>	<b>62,993</b>	<b>63,076</b>	<b>63,426</b>	
40	180	REG. SALARIES *	5001	17,085	8,985	25,449	26,522	25,918	26,188	Supt 15%- Maint Wkr 40%
40	180	OVERTIME	5003	0	0	0	284	0	0	
40	180	P.E.R.S.	5110	4,077	1,990	3,806	3,220	3,534	3,571	
40	180	MEDICAL INS.	5120	5,508	3,632	8,260	6,423	7,801	7,711	
40	180	UNEMPLOYMNT INS	5130	166	193	239	304	239	239	
40	180	WORKER'S COMP	5140	1,423	1,118	3,322	5,399	3,697	4,116	
40	180	LIFE INS	5150	188	184	276	237	291	283	
40	180	DENTAL INS	5160	572	351	842	757	750	715	
40	180	MEDICARE TAX	5170	245	150	369	374	376	380	
40	180	DEF COMP	5175	75	36	210	159	210	210	
40	180	OFFICE SUPPLIES	6001	131	148	150	176	175	175	
40	180	POSTAGE	6003	42	37	50	41	50	50	
40	180	DUES/PUBLICATNS	6004	34	251	350	0	0	0	
40	180	TRAVEL/MEETINGS	6005	340	0	300	0	100	100	
40	180	DEPT SUPPLIES *	6101	4,256	3,501	6,000	5,837	6,000	6,000	Sanitation Supplies/Sprinkler-Fertilizer
40	180	SMALL TOOLS	6102	0	0	100	0	100	100	
40	180	ADVERTISING	6104	0	0	0	0	300	300	
40	180	PHONE/RADIO	6105	2,388	2,870	4,000	4,570	2,800	2,800	
40	180	UTILITIES	6106	16,868	13,623	20,000	13,130	15,000	15,000	Costs: Water/Park Lights
40	180	RENTS/LEASES	6107	3,196	2,940	2,800	3,913	2,300	2,300	Copier/Fax/Mail Machine
40	180	MAINT BLDGS/GRD	6108	255	74	500	0	1,000	1,000	Sidewalk repair
40	180	MAINT OF EQUIP	6111	2,138	739	2,500	429	2,500	2,500	Lawn Mower/Blades/Edger
40	180	CONTRACT SRVCS	6202	14,354	5,803	27,800	20,046	15,000	16,750	Contract Wkr / Shred It/Facilities/Light Rep
40	180	IMPROVEMENT	7003	0	4,000	5,500	5,363	0	0	
40	180	EQUIPMENT	7006	1,000	4,000	2,000	2,000	3,500	3,500	Sm Equip, mower
40	<b>180</b>	<b>PARKS &amp; RECREATION</b>		<b>74,341</b>	<b>54,625</b>	<b>114,823</b>	<b>99,184</b>	<b>91,641</b>	<b>93,988</b>	
40	190	REG. SALARIES	5001	39,117	33,149	63,679	55,070	72,934	79,440	Com Dev Dir 30% / Acct Tech 60%- 6 PT
40	190	OVERTIME	5003	0	0	0	99	0	0	
40	190	P.E.R.S.	5110	7,521	6,723	6,684	7,800	7,685	9,141	
40	190	MEDICAL INS.	5120	6,265	10,777	10,970	11,095	14,905	14,591	
40	190	UNEMPLOYMNT INS	5130	409	260	304	671	391	825	
40	190	WORKER'S COMP	5140	1,386	1,118	1,044	1,697	1,312	1,527	
40	190	LIFE INS	5150	298	354	411	482	552	552	
40	190	DENTAL INS	5160	545	1,042	1,188	1,489	1,558	1,487	
40	190	MEDICARE TAX	5170	1,082	750	1,110	1,302	1,244	1,338	
40	190	DEF COMP	5175	236	293	300	261	360	360	
40	190	EMPL ASSIST PRG	5180	0	0	0	0	0	0	
40	190	OFFICE SUPPLIES *	6001	1,408	1,485	1,800	1,759	1,600	1,600	
40	190	POSTAGE	6003	234	233	400	270	300	300	
40	190	DUES/PUBLICATNS	6004	12,967	5,066	5,000	3,969	4,200	4,200	LAFCO Dues 4,016
40	190	TRAVEL/MEETINGS	6005	194	11	500	165	700	700	
40	190	DEPT SUPPLIES *	6101	747	379	1,800	971	100	100	
40	190	ADVERTISING	6104	0	0	0	0	2,000	2,000	
40	190	PHONE/RADIO	6105	955	1,148	850	1,828	1,200	1,200	
40	190	RENTS/LEASES	6107	441	427	444	413	350	350	Copier/Fax/Mail Machine
40	190	MAINT OF EQUIP	6111	0	0	100	0	0	0	
40	190	CONTRACT SRVCS	6202	73,818	80,734	85,000	115,510	85,000	105,000	Blg Inspection/Plan Ck/Eng/Shred It
40	190	CONTRACT SRVCS	6202	32,375	0	0	0	0	0	
40	190	CONTRACT SRVCS	6202	0	23,270	9,000	8,994	0	0	Housing Element
40	<b>190</b>	<b>PLANNING/BLDG</b>		<b>179,998</b>	<b>167,219</b>	<b>190,584</b>	<b>213,845</b>	<b>196,391</b>	<b>224,711</b>	

FUND	DEPT	Description	40 Expense Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
40	210	P.E.R.S.	5110	22,606	29,542	27,702	26,718	33,387	33,387	PERS Cost-Sheriff Dept
40	210	DEPT SUPPLIES	6101	399	115	500	0	0	0	
40	210	MAINT BLDG/GRNDS	6108	0	0	7,000	7,467	0	0	Clean Carpet/Stain Shelves
40	210	VEHICLE COSTS	6125	34,137	11,502	41,700	56,459	75,000	75,000	Vehicle/Mileage for Police
40	210	CONTRACT SRVCS	6202	883,444	976,439	1,131,361	1,105,295	1,042,563	1,042,563	Contract w/Stanislaus Co
40	<b>210</b>	<b>POLICE DEPT</b>		<b>940,586</b>	<b>1,017,598</b>	<b>1,208,263</b>	<b>1,195,939</b>	<b>1,150,950</b>	<b>1,150,950</b>	(33% Chief-5.5 Dep- 1 Clerk)
40	211	CONTRACT SRVCS	6202	24,839	17,045	24,696	19,351	31,360	31,360	Animal Service Contract
40	211	CONSTR ANIMAL SHELTER	6205	4,761	4,761	4,761	2,380	4,761	4,761	Payment Joint Animal Shelter
40	<b>211</b>	<b>ANIMAL CONTROL</b>		<b>29,600</b>	<b>21,806</b>	<b>29,457</b>	<b>21,731</b>	<b>36,121</b>	<b>36,121</b>	
40	310	REG. SALARIES *	5001	35,998	24,256	75,641	76,906	47,444	48,105	Com Ser Dir 10%/Supt 60%
40	310	P.E.R.S.	5110	7,521	5,374	11,315	11,714	6,469	6,559	
40	310	MEDICAL INS.	5120	6,682	6,976	18,480	18,617	11,225	11,001	
40	310	UNEMPLOYMNT INS	5130	409	174	499	499	304	304	
40	310	WORKER'S COMP	5140	1,522	2,794	9,036	14,685	5,800	6,418	
40	310	LIFE INS	5150	290	280	648	717	447	447	
40	310	DENTAL INS	5160	727	561	1,777	2,152	953	910	
40	310	MEDICARE TAX	5170	888	403	1,097	1,125	688	697	
40	310	DEF COMP	5175	236	293	690	615	420	420	
40	310	OFFICE SUPPLIES *	6001	612	1,226	750	847	750	750	
40	310	POSTAGE	6003	127	112	250	124	150	150	
40	310	DUES/PUBLICATNS	6004	84	36	100	57	0	0	
40	310	TRAVEL/MEETINGS	6005	145	44	400	0	200	200	
40	310	DEPT SUPPLIES	6101	14	42	100	175	200	200	
40	310	PHONE/RADIO	6105	3,343	4,018	6,000	6,398	4,000	4,000	
40	310	PETROLEUM PROD	6110	840	741	1,500	675	750	750	
40	310	CONTRACT SRVCS	6202	859	150	19,200	159	500	500	Shred It
40	310	AB 939 GRANT WORK	6210	4,851	4,991	5,000	4,919	5,000	5,000	Recycle Project-Plastic Furniture
40	310	ENCROACHMENT	6407	1,365	432	1,500	932	0	0	Reimburse of Right way Work
40	<b>310</b>	<b>PUBLIC WORKS ADMIN</b>		<b>66,513</b>	<b>52,903</b>	<b>153,983</b>	<b>141,316</b>	<b>85,300</b>	<b>86,411</b>	
40	320	REG. SALARIES	5001	51,292	51,010	47,437	40,386	38,640	32,167	PW Supt 10% Maint Wkr 75%
40	320	OVERTIME	5003	5,160	6,998	7,500	4,285	4,800	4,800	
40	320	P.E.R.S.	5110	13,498	11,298	7,097	5,586	5,268	4,386	
40	320	MEDICAL INS.	5120	20,011	21,735	16,842	13,877	12,295	12,194	
40	320	UNEMPLOYMNT INS	5130	506	533	456	600	369	369	
40	320	WORKER'S COMP	5140	4,734	6,706	6,190	10,059	5,513	5,055	
40	320	LIFE INS	5150	600	583	525	465	446	428	
40	320	DENTAL INS	5160	2,058	1,736	1,616	1,716	1,046	1,436	
40	320	MEDICARE TAX	5170	804	923	796	637	630	536	
40	320	DEF COMP	5175	375	297	345	339	285	285	
40	320	OFFICE SUPPLIES	6001	437	495	600	586	550	550	
40	320	POSTAGE	6003	85	75	175	83	100	100	
40	320	DUES/PUBLICATNS	6004	280	287	400	69	0	0	Notices/Mem
40	320	TRAVEL/MEETINGS	6005	170	0	150	0	0	0	
40	320	DEPT SUPPLIES	6101	5,469	9,392	10,000	12,574	10,000	10,000	Streets older-Street Rep/Asphalt/Cut back
40	320	SMALL TOOLS	6102	0	72	200	0	200	200	
40	320	UNIFRM/CLTH EXP	6103	1,640	1,762	1,800	1,668	1,800	1,800	
40	320	PHONE/RADIO	6105	3,392	4,053	6,000	6,406	4,000	4,000	
40	320	RENTS/LEASES	6107	5,071	4,906	4,900	4,754	4,000	4,000	Copier/Fax/Mail Machine
40	320	MAINT BLDGS/GRD	6108	338	288	300	290	300	300	
40	320	MAINT VEHICLES	6109	1,492	1,064	1,500	1,513	1,500	1,500	
40	320	PETROLEUM PROD	6110	5,251	4,631	4,000	4,545	4,500	4,500	
40	320	MAINT OF EQUIP	6111	2,495	3,706	1,000	1,545	6,000	6,000	Storm SCADA
40	320	CONTRACT SRVCS	6202	9,036	6,133	12,810	9,250	12,000	12,000	Debris Removal/Sidewalk Grinding/Shred I
40	320	CLEAN UP DAY	6211	1,565	1,889	1,250	1,275	1,200	1,200	Supplies/Ser Plus salary/Tire Grant

FUND	DEPT	Description	40 Expense Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
40	320	IMPROVEMENT	7003	0	0	500	7,584	0	0	Hughson Ave parking area
40	320	OTHER EQUIPMENT	7006	0	10,000	0	0	26,250	26,250	25% Man-Lift Truck
40	<b>320</b>	<b>STREET MAINTENANCE</b>		<b>135,759</b>	<b>150,572</b>	<b>134,389</b>	<b>130,093</b>	<b>141,692</b>	<b>134,056</b>	
40	325	REG. SALARIES	5001	13,361	0	0	0	0	0	
40	325	OVERTIME	5003	3,266	0	0	0	0	0	
40	325	P.E.R.S.	5110	3,482	0	0	0	0	0	
40	325	MEDICAL INS.	5120	3,107	0	0	0	0	0	
40	325	UNEMPLOYMNT INS	5130	117	0	0	0	0	0	
40	325	WORKER'S COMP	5140	1,199	0	0	0	0	0	
40	325	LIFE INS	5150	139	0	0	0	0	0	
40	325	DENTAL INS	5160	414	0	0	0	0	0	
40	325	MEDICARE TAX	5170	237	0	0	0	0	0	
40	325	DEF COMP	5175	150	0	0	0	0	0	
40	325	OFFICE SUPPLIES	6001	437	495	200	587	550	550	
40	325	DEPT SUPPLIES	6101	377	232	1,000	0	1,000	1,000	
40	325	SMALL TOOLS	6102	34	0	250	0	250	250	
40	325	UNIFRM/CLTH EXP	6103	1,410	1,446	1,800	1,490	1,800	1,800	
40	325	PHONE/RADIO	6105	3,344	4,018	4,620	6,398	4,000	4,000	
40	325	MAINT VEHICLES	6109	2,316	5,348	5,000	6,854	5,000	5,000	
40	325	PETROLEUM PROD	6110	945	834	1,000	814	850	850	
40	325	MAINT OF EQUIP	6111	105	134	300	0	300	300	
40	325	CONTRACT SRVCS	6202	1,500	560	1,500	881	1,500	1,500	Annual Smog Ck
40	<b>325</b>	<b>FLEET MAINTENANCE</b>		<b>35,940</b>	<b>13,067</b>	<b>15,670</b>	<b>17,024</b>	<b>15,250</b>	<b>15,250</b>	
<b>GRAND TOTAL-GENERAL FUND</b>				<b>2,029,693</b>	<b>2,157,167</b>	<b>2,636,704</b>	<b>2,617,447</b>	<b>2,617,492</b>	<b>2,647,282</b>	

**FUNDS 01-39 BUDGET 2016-17**

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/16 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
<b>FUND 8 - VEHICLE ABATEMENT</b>										
8		ABAND VEHICLE ABATEMENT	4831	12,488	9,068	10,000	7,234	9,000	9,000	Funds distributed by State
<b>8 TOTAL REVENUE</b>				<b>12,488</b>	<b>9,068</b>	<b>10,000</b>	<b>7,234</b>	<b>9,000</b>	<b>9,000</b>	
8	212	TRANSFER	8505	10,000	10,000	10,000	10,000	9,000	9,000	To GF - Offset Police Contr
<b>8 TOTAL EXPENSES</b>				<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>9,000</b>	<b>9,000</b>	
<b>NET (REVENUE vs EXPENSES)</b>				<b>2,488</b>	<b>-932</b>	<b>0</b>	<b>-2,766</b>	<b>0</b>	<b>0</b>	
<b>FUND 10 - STORM DRAIN</b>										
10		INTEREST EARNED	4601	445	541	100	874	200	200	
10		STORM DRAIN FEE	4603	58,025	151,597	67,568	53,628	59,094	59,094	21 x 2,814
10		MISC FEE	4829	12,000	0	0	0	0	0	
<b>10 TOTAL REVENUE</b>				<b>70,470</b>	<b>152,138</b>	<b>67,668</b>	<b>54,502</b>	<b>59,294</b>	<b>59,294</b>	
10	800	MAINT OF EQUIP	6111	1,351	0	0	0	0	0	Repairs to SCADA Radios
10	800	CONTRACT SERVICES	6202	4,864	24,486	0	0	0	0	
10	800	TULLY ROAD PROJECT	8047	0	17,617	114,514	114,514	0	0	pipeline under railroad
<b>10 TOTAL EXPENSES</b>				<b>6,215</b>	<b>42,103</b>	<b>114,514</b>	<b>114,514</b>	<b>0</b>	<b>0</b>	
<b>10 NET (REVENUE vs EXPENSES)</b>				<b>64,255</b>	<b>110,035</b>	<b>-46,846</b>	<b>-60,012</b>	<b>59,294</b>	<b>59,294</b>	
<b>FUND 11 - TRAFFIC - Prop 172 Gas Tax 2103</b>										
11		INTEREST EARNED	4601	26	220	50	434	100	100	
11		TRAFFIC CONGESTION RELIEF	4746	96,535	65,893	32,242	34,947	17,034	17,034	Funds from State
<b>11 TOTAL REVENUE</b>				<b>96,561</b>	<b>66,113</b>	<b>32,292</b>	<b>35,381</b>	<b>17,134</b>	<b>17,134</b>	
11	105	DEPT SUPPLIES	6101	1,883	1,523	1,500	1,553	2,000	2,000	Street Trees
11	105	STREET STRIP PAINTING	6206	29,955	29,995	30,000	29,995	30,000	30,000	On Going
11	105	HATCH ROAD	8010	9,145	0	0	0	0	0	Completed
11	105	FOX - OVERLAY	8018	40,000	0	0	0	0	0	Completed
11	105	S. FIFTH OVERLAY	8045	39,000	0	0	0	0	0	Completed
11	105	TRANSFERS-OUT	8505	11,600	11,600	11,600	11,600	11,600	11,600	To GF
<b>11 TOTAL EXPENSES</b>				<b>131,583</b>	<b>43,118</b>	<b>43,100</b>	<b>43,148</b>	<b>43,600</b>	<b>43,600</b>	
<b>11 NET (REVENUE vs EXPENSES)</b>				<b>-35,022</b>	<b>22,995</b>	<b>-10,808</b>	<b>-7,767</b>	<b>-26,466</b>	<b>-26,466</b>	
<b>FUND 13 - RDA DEBT SERVICE</b>										
13		TAX INCREMENT	4002	317,945	430,883	301,613	360,434	241,200	241,200	Bond + Admin
13		INTEREST EARNED	4601	18	169	0	141	0	0	
13		MISC. FEES & CHARGES	4829	0	0	0	2	0	0	
13		REFUND	4915	0	0	0	1,908	0	0	
<b>13 TOTAL REVENUE</b>				<b>317,963</b>	<b>431,052</b>	<b>301,613</b>	<b>362,485</b>	<b>241,200</b>	<b>241,200</b>	
13	610	CONTRACT SERVICES	6202	17,374	12,060	19,000	13,665	12,000	12,000	Audit/Bank Fee/Disclosure
13	610	INTEREST EXPENSE	6350	135,821	134,739	131,613	124,833	89,200	89,200	
13	610	RETIRE PRINCIPL	6801	0	70,000	70,000	276,387	80,000	80,000	
13	610	TRANSFER OUT	8505	62,899	31,680	81,000	81,000	60,000	60,000	Admin Fee - To GF
<b>13 TOTAL EXPENSES</b>				<b>216,094</b>	<b>248,479</b>	<b>301,613</b>	<b>495,885</b>	<b>241,200</b>	<b>241,200</b>	
<b>NET (REVENUE vs EXPENSES)</b>				<b>101,869</b>	<b>182,573</b>	<b>0</b>	<b>-133,400</b>	<b>0</b>	<b>0</b>	

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/16 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17
------	------	-------------	--------	-------------------	-------------------	-------------------------------	------------------------------	-----------------------------	----------------------------

**FUND 18 - REALIGNMENT FUNDING**

18		AB 109 FUNDING	4756	9,543	14,480	5,000	7,245	5,000	5,000
<b>TOTAL REVENUE</b>				<b>9,543</b>	<b>14,480</b>	<b>5,000</b>	<b>7,245</b>	<b>5,000</b>	<b>5,000</b>

18	210	CONTRACT SERVICES	6202	0	3,875	17,000	0	15,000	15,000
<b>18 TOTAL EXPENSES</b>				<b>0</b>	<b>3,875</b>	<b>17,000</b>	<b>0</b>	<b>15,000</b>	<b>15,000</b>

<b>NET (REVENUE vs EXPENSES)</b>				<b>9,543</b>	<b>10,605</b>	<b>-12,000</b>	<b>7,245</b>	<b>-10,000</b>	<b>-10,000</b>
----------------------------------	--	--	--	--------------	---------------	----------------	--------------	----------------	----------------

**FUND 19 - ASSET FORFEITURE**

19		ASSET FOREITURE	4503	0	0	500	0	0	0
<b>TOTAL REVENUE</b>				<b>0</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>NET (REVENUE vs EXPENSES)</b>				<b>0</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>
----------------------------------	--	--	--	----------	----------	------------	----------	----------	----------

**FUND 20 - COMMUNITY ENHANCEMENT**

20		INTEREST EARNED	4601	0	0	200	107	100	100
20		DEVELOPMENT IMPACT FEES	4604	34,743	56,663	22,473	17,492	21,168	21,168
<b>20 TOTAL REVENUE</b>				<b>34,743</b>	<b>56,663</b>	<b>22,673</b>	<b>17,599</b>	<b>21,268</b>	<b>21,268</b>

21 x 1,008 Res

20	800	STARN PARK PARKING LOT	7003	0	2,975	0	0	0	0
20	800	OTHER EQUIPMENT	7006	29,523	0	6,000	5,380	0	0
20	800	ELE PLUGS TREE-HUGHSON ST	7017	0	4,975	0	0	0	0
20	800	DOWNTOWN ENHANCEMENT	7018	0	8,289	21,000	21,094	5,000	5,000
20	800	HOLIDAY FLAGS	7019	0	5,340	0	0	0	0
20	800	PINE ST	8031	1,155	0	0	0	0	0
20	800	HUGHSON AVE SIDEWALK	80XX	0	0	10,000	0	105,000	105,000
<b>20 TOTAL EXPENSES</b>				<b>30,678</b>	<b>21,579</b>	<b>37,000</b>	<b>26,474</b>	<b>110,000</b>	<b>110,000</b>

0 AED Machines

Parklets

0 Transferred prior yr

Design, Engineering & Construction

<b>NET (REVENUE vs EXPENSES)</b>				<b>4,065</b>	<b>35,084</b>	<b>-14,327</b>	<b>-8,875</b>	<b>-88,732</b>	<b>-88,732</b>
----------------------------------	--	--	--	--------------	---------------	----------------	---------------	----------------	----------------

**FUND 25 - GAS TAX 2106**

25		2106 ALLOCATION	4707	25,982	27,175	25,766	25,828	26,817	26,817
<b>25 TOTAL REVENUE</b>				<b>25,982</b>	<b>27,175</b>	<b>25,766</b>	<b>25,828</b>	<b>26,817</b>	<b>26,817</b>

State Reallocation

25	700	UTILITIES	6106	40,685	30,655	20,000	21,808	25,000	25,000
<b>25 TOTAL EXPENSES</b>				<b>40,685</b>	<b>30,655</b>	<b>20,000</b>	<b>21,808</b>	<b>25,000</b>	<b>25,000</b>

UT St Lights-Plus LTF

<b>NET (REVENUE vs EXPENSES)</b>				<b>-14,703</b>	<b>-3,480</b>	<b>5,766</b>	<b>4,020</b>	<b>1,817</b>	<b>1,817</b>
----------------------------------	--	--	--	----------------	---------------	--------------	--------------	--------------	--------------

**FUND 30 - GAS TAX 2107**

30		INTEREST EARNED	4601	0	0	100	0	0	0
30		2107 ALLOCATION	4708	50,414	49,344	55,599	47,859	62,637	62,637
<b>30 TOTAL REVENUE</b>				<b>50,414</b>	<b>49,344</b>	<b>55,699</b>	<b>47,859</b>	<b>62,637</b>	<b>62,637</b>

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/16 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
30	700	CONTRACT SRVCS	6202	28,584	21,467	26,000	21,717	26,000	23,000	Street Sweeping
30	700	OTHER EQUIPMENT	7006	0	0	0	0	26,250	0	
30	700	TRANSFERS-OUT	8505	20,000	29,000	29,000	29,000	29,000	29,000	To GF - Offset St Maint
<b>30 TOTAL EXPENSES</b>				<b>48,584</b>	<b>50,467</b>	<b>55,000</b>	<b>50,717</b>	<b>81,250</b>	<b>52,000</b>	
<b>NET (REVENUE vs EXPENSES)</b>				<b>1,830</b>	<b>-1,123</b>	<b>699</b>	<b>-2,858</b>	<b>-18,613</b>	<b>10,637</b>	
<b>FUND 31 - GAS TAX - 2105 HWY USER TAX</b>										
31		INTEREST EARNED	4601	0	0	200	0	0	0	
31		2105 HWY USERS TAX	4704	47,107	38,555	40,667	36,956	45,106	45,106	
<b>31 TOTAL REVENUE</b>				<b>47,107</b>	<b>38,555</b>	<b>40,867</b>	<b>36,956</b>	<b>45,106</b>	<b>45,106</b>	
31	700	DEPT SUPPLIES	6101	10,212	9,146	12,000	12,002	15,000	15,000	Paint/Signs/Markers/Potholes
31	700	CONTRACT SRVCS	6202	0	0	1,000	0	1,000	1,000	
31	700	OTHER EQUIPMENT	7006	0	0	0	0	52,500	42,000	40% Man-Lift Truck
31	700	TRANSFERS-OUT	8505	15,000	17,000	17,000	17,000	17,000	17,000	To GF - Offset St Maint
<b>31 TOTAL EXPENSES</b>				<b>25,212</b>	<b>26,146</b>	<b>30,000</b>	<b>29,002</b>	<b>85,500</b>	<b>75,000</b>	
<b>NET (REVENUE vs EXPENSES)</b>				<b>21,895</b>	<b>12,409</b>	<b>10,867</b>	<b>7,954</b>	<b>-40,394</b>	<b>-29,894</b>	
<b>FUND 35 - GAS TAX 2107.5</b>										
35		2107.5 ALLOCATION	4709	2,000	2,000	2,000	2,000	2,000	2,000	
<b>35 TOTAL REVENUE</b>				<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	
35	700	TRANSFERS-OUT	8505	15,000	4,000	4,000	4,000	2,000	2,000	To GF - Offset St Maint
<b>35 TOTAL EXPENSES</b>				<b>15,000</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>2,000</b>	<b>2,000</b>	
<b>NET (REVENUE vs EXPENSES)</b>				<b>-13,000</b>	<b>-2,000</b>	<b>-2,000</b>	<b>-2,000</b>	<b>0</b>	<b>0</b>	

**FUND 41 - 99 2016-17**

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
<b>FUND 41 - PUBLIC FACILITY DEVELOPMENT</b>										
41		INTEREST EARNED	4601	3,104	2,521	3,000	4,834	2,500	2,500	
41		DEVELOPMENT IMPACT FEES	4604	126,531	180,686	67,996	52,925	64,050	64,050	21 X 3,050 Res
<b>41</b>		<b>TOTAL REVENUE</b>		<b>129,635</b>	<b>183,207</b>	<b>70,996</b>	<b>57,759</b>	<b>66,550</b>	<b>66,550</b>	
41	800	CONTRACT SERVICES	6202	0	0	10,000	1,917	0	0	
41	800	OFFICE FURNITURE	7004	0	7,426	0	0	0	0	
41	800	COUNCIL CHAMBER IMPROVE	7016	2,333	0	18,000	18,487	0	4,000	
41	800	CITY HALL REMODEL/PHONE	7020	0	0	120,000	20,431	40,000	100,000	
41	800	ACCOUNTING SOFTWARE UPGR,	70XX	0	0	150,000	0	150,000	150,000	MOM System Replacement/Serv
41	800	NONPOTABLE	8046	75,116	221,857	0	0	0	0	
41	800	WELL #9	8048	18,559	0	100,000	5,280	0	0	
41	800	WELL #4	8050	0	28,877	0	0	0	0	
<b>41</b>		<b>TOTAL EXPENSES</b>		<b>96,008</b>	<b>258,160</b>	<b>398,000</b>	<b>46,115</b>	<b>190,000</b>	<b>254,000</b>	
<b>41</b>		<b>NET (REVENUE vs EXPENSES)</b>		<b>33,627</b>	<b>-74,953</b>	<b>-327,004</b>	<b>11,644</b>	<b>-123,450</b>	<b>-187,450</b>	
<b>FUND 42 - PUBLIC FACILITY - STREETS</b>										
42		DEVELOPMENT IMPACT FEES	4604	119,415	302,197	129,342	18,060	86,121	86,121	21 x 4,101 Res
<b>42</b>		<b>TOTAL REVENUE</b>		<b>119,415</b>	<b>302,197</b>	<b>129,342</b>	<b>18,060</b>	<b>86,121</b>	<b>86,121</b>	
<b>42</b>		<b>NET (REVENUE vs EXPENSES)</b>		<b>119,415</b>	<b>302,197</b>	<b>129,342</b>	<b>18,060</b>	<b>86,121</b>	<b>86,121</b>	
<b>FUND 43 - TRENCH CUT FUND</b>										
43		TRENCH CUT FEES	4609	75,465	263	0	715	200	200	
<b>43</b>		<b>TOTAL REVENUE</b>		<b>75,465</b>	<b>263</b>	<b>0</b>	<b>715</b>	<b>200</b>	<b>200</b>	
<b>43</b>		<b>NET (REVENUE vs EXPENSES)</b>		<b>75,465</b>	<b>263</b>	<b>0</b>	<b>715</b>	<b>200</b>	<b>200</b>	
<b>FUND 48 - COMMUNITY SENIOR CENTER</b>										
48		RENTAL FEE	4931	15,123	11,975	13,000	11,191	12,000	12,000	
48		CLEANING FEES	4936	2,340	3,015	2,500	4,290	3,120	3,120	
48		TRANSFER IN	4999	7,500	7,500	7,500	7,500	7,500	7,500	From GF
<b>48</b>		<b>TOTAL REVENUE</b>		<b>24,963</b>	<b>22,490</b>	<b>23,000</b>	<b>22,981</b>	<b>22,620</b>	<b>22,620</b>	
48	360	DEPT SUPPLIES	6101	364	656	1,500	1,060	2,000	2,000	Sanitation Supplies
48	360	UTILITIES	6106	5,632	5,788	5,300	6,356	6,000	6,000	
48	360	MAINT BLDGS/GRD	6108	962	498	2,500	4,859	2,500	2,500	Maint
48	360	MAINT OF EQUIP	6111	822	267	1,800	1,566	1,800	1,800	
48	360	CONTRACT SERVICES	6202	14,792	14,799	12,000	16,687	12,000	12,000	Pest Control / Maintenance/Clea
48	360	DEPRECIATION	6300	24,176	0	0	0	0	0	
48	360	TRANSFER OUT	8505	0	0	3,525	3,524	0	0	GF - Maint
<b>48</b>		<b>TOTAL EXPENSES</b>		<b>46,748</b>	<b>22,008</b>	<b>26,625</b>	<b>34,052</b>	<b>24,300</b>	<b>24,300</b>	
<b>48</b>		<b>NET (REVENUE vs EXPENSES)</b>		<b>-21,785</b>	<b>482</b>	<b>-3,625</b>	<b>-11,071</b>	<b>-1,680</b>	<b>-1,680</b>	

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
<b>FUND 49 - IT RESERVE</b>										
49		TRANSFER IN	4999	15,000	15,000	12,000	12,000	15,000	7,750	Software
49		TRANSFER IN	4999	15,000	15,000	10,000	10,000	15,000	7,250	Hardware
<b>49 TOTAL REVENUE</b>				<b>30,000</b>	<b>30,000</b>	<b>22,000</b>	<b>22,000</b>	<b>30,000</b>	<b>15,000</b>	
49	147	HARDWARE - REPLACEMENT	7009	16,689	3,664	20,000	0	20,000	12,500	Hardware Repair/Replc
49	147	SOFTWARE - REPLACEMENT	7014	374	0	5,000	0	5,000	2,500	
<b>49 TOTAL EXPENSES</b>				<b>17,063</b>	<b>3,664</b>	<b>25,000</b>	<b>0</b>	<b>25,000</b>	<b>15,000</b>	
<b>49 NET (REVENUE vs EXPENSES)</b>				<b>12,937</b>	<b>26,336</b>	<b>-3,000</b>	<b>22,000</b>	<b>5,000</b>	<b>0</b>	
<b>FUND 50 - UNITED SAMARITANS COMMUNITY CENTER</b>										
50		INTEREST EARNED	4601	0	0	20	0	0	0	
50		RENTAL FEE	4931	16,559	14,986	17,000	16,092	14,500	14,500	USF Rent
<b>50 TOTAL REVENUE</b>				<b>16,559</b>	<b>14,986</b>	<b>17,020</b>	<b>16,092</b>	<b>14,500</b>	<b>14,500</b>	
50	365	REG. SALARIES	5001	4,430	3,783	0	0	0	0	Maint covered by Contract
50	365	P.E.R.S.	5110	1,054	838	0	0	0	0	
50	365	MEDICAL INS.	5120	1,451	975	0	0	0	0	
50	365	UNEMPLOYMENT INS	5130	49	48	0	0	0	0	
50	365	WORKER'S COMP	5140	387	558	0	0	0	0	
50	365	LIFE INS	5150	46	46	0	0	0	0	
50	365	DENTAL INS	5160	144	169	0	0	0	0	
50	365	MEDICARE TAX	5170	63	63	0	0	0	0	
50	365	DEF COMP	5175	47	84	0	0	0	0	
50	365	OFFICE SUPPLIES	6001	175	198	200	234	200	200	
50	365	DEPT SUPPLIES	6101	696	716	1,000	873	1,000	1,000	Sanitary Supplies
50	365	UTILITIES	6106	6,018	6,053	5,500	5,703	6,500	6,500	
50	365	MAINT BLDGS/GRD	6108	0	0	100	0	100	100	
50	365	MAINT OF EQUIP	6111	137	76	200	229	200	200	Light Replacement
50	365	MISC	6375	0	0	300	0	300	300	Cleanup - Remove Furniture
50	365	TRANSFERS-OUT	8505	4,500	0	3,525	3,524	7,375	7,375	To GF - Covers Maint - 4hrs
<b>50 TOTAL EXPENSES</b>				<b>19,197</b>	<b>13,607</b>	<b>10,825</b>	<b>10,563</b>	<b>15,675</b>	<b>15,675</b>	
<b>50 NET (REVENUE vs EXPENSES)</b>				<b>-2,638</b>	<b>1,379</b>	<b>6,195</b>	<b>5,529</b>	<b>-1,175</b>	<b>-1,175</b>	
<b>FUND 51 - SELF INSURANCE</b>										
51		INSURANCE REFUNDS	4903	336	0	5,000	0	0	0	Liability Ins
<b>51 TOTAL REVENUE</b>				<b>336</b>	<b>0</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	
51	146	CLAIMS/MISC	6375	13,329	0	15,000	400	11,183	11,183	W/C Retro Adjustment
<b>51 TOTAL EXPENSES</b>				<b>13,329</b>	<b>0</b>	<b>15,000</b>	<b>400</b>	<b>11,183</b>	<b>11,183</b>	
<b>51 NET (REVENUE vs EXPENSES)</b>				<b>-12,993</b>	<b>0</b>	<b>-10,000</b>	<b>-400</b>	<b>-11,183</b>	<b>-11,183</b>	

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
<b>FUND 53 - SLESF</b>										
53		INTEREST EARNED	4601	15	0	400	0	0	0	
53		SUPLMTL LAW ENFORCEMENT S	4740	100,963	106,367	100,000	114,618	100,000	100,000	
53		REFUND	4915	0	0	0	3,253	0	0	
<b>53 TOTAL REVENUE</b>				<b>100,978</b>	<b>106,367</b>	<b>100,400</b>	<b>117,871</b>	<b>100,000</b>	<b>100,000</b>	
53	215	CONTRACT SERVICES	6202	201,870	107,112	100,000	109,539	100,000	100,000	Applied to Police Contract/s dea
<b>53 TOTAL EXPENSES</b>				<b>201,870</b>	<b>107,112</b>	<b>100,000</b>	<b>109,539</b>	<b>100,000</b>	<b>100,000</b>	
<b>53 NET (REVENUE vs EXPENSES)</b>				<b>-100,892</b>	<b>-745</b>	<b>400</b>	<b>8,332</b>	<b>0</b>	<b>0</b>	
<b>FUND 54 - PARK PROJECT - In Lieu of</b>										
54		INTEREST EARNED	4601	860	919	1,200	1,867	1,050	1,050	
54		PARK IN LIEU FEES	4911	58,296	108,049	33,847	23,892	41,811	41,811	21 X 1,991
<b>54 TOTAL REVENUE</b>				<b>59,156</b>	<b>108,968</b>	<b>35,047</b>	<b>25,759</b>	<b>42,861</b>	<b>42,861</b>	
<b>54 NET (REVENUE vs EXPENSES)</b>				<b>59,156</b>	<b>108,968</b>	<b>35,047</b>	<b>25,759</b>	<b>42,861</b>	<b>42,861</b>	
<b>FUND 55 - PARKS DEVELOPMENT IMPACT FEES</b>										
55		INTEREST EARNED	4601	957	744	450	1,426	800	800	
55		DEVELOPMENT FEE	4605	100,779	147,341	45,339	32,004	56,007	56,007	21 X 2,667
<b>55 TOTAL REVENUE</b>				<b>101,736</b>	<b>148,085</b>	<b>45,789</b>	<b>33,430</b>	<b>56,807</b>	<b>56,807</b>	
55	800	ROLLAND STARN	8002	0	71,990	0	0	140,000	140,000	Basketball Court Construction
<b>55 TOTAL EXPENSES</b>				<b>0</b>	<b>71,990</b>	<b>0</b>	<b>0</b>	<b>140,000</b>	<b>140,000</b>	
<b>55 NET (REVENUE vs EXPENSES)</b>				<b>101,736</b>	<b>76,095</b>	<b>45,789</b>	<b>33,430</b>	<b>-83,193</b>	<b>-83,193</b>	
<b>FUND 60 - SEWER OPERATION &amp; MAINTENANCE</b>										
60		INTEREST EARNED	4601	-11,343	12,347	15,000	8,778	10,000	10,000	
60	2	SEWER SERVICE - SINGLE FAMIL	4808	1,859,667	1,933,557	0	2,020,071	0	0	
60	4	SEWER SERVICE - DUPLEXES	4808	29,870	32,400	0	33,107	0	0	
60	6	SEWER SERVICE - TRIPLEXES	4808	6,059	6,237	0	6,399	0	0	
60	10	SEWER SERVICE-HOUSING AUTH	4808	38,576	39,709	0	40,744	0	0	
60	12	SEWER SERVICE - APARTMENTS	4808	249,659	248,999	0	249,000	0	0	
60	14	SEWER SERVICE-MOB. HOME PA	4808	47,322	48,711	0	49,981	0	0	
60	16	SEWER SERVICE-PERS HEALTH :	4808	4,354	4,482	0	4,599	0	0	
60	18	SEWER SERVICE-PHARMACY & E	4808	2,020	2,079	0	2,133	0	0	
60	20	SEWER SERVICE - INST/CIVIC	4808	10,008	10,302	0	10,537	0	0	
60	22	SEWER SERVICE-PROF. SERVICE	4808	14,101	16,893	0	18,257	0	0	
60	24	SEWER SERVICE - RETAIL VEND	4808	16,126	17,649	0	17,487	0	0	
60	26	SEWER SERVICE - COMM/INDUS1	4808	814,932	828,978	0	844,907	0	0	
60	28	SEWER SERVICE - BARS	4808	8,250	8,706	0	8,773	0	0	

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
60	30	SEWER SERVICE - RESTAURANT	4808	7,169	7,379	0	7,572	0	0	
60	32	SEWER SERVICE-DRIVE-IN/FSTFI	4808	2,126	3,728	0	4,527	0	0	
60	34	SEWER SERVICE - CONV. MARKE	4808	3,030	2,480	0	2,133	0	0	
60	36	SEWER SERVICE-MAJOR FOOD A	4808	10,046	10,341	0	10,610	0	0	
60	38	SEWER SERVICE - COMPL LAUNDF	4808	4,697	4,835	0	4,961	0	0	
60	40	SEWER SERVICE-GAS STATIONS	4808	1,010	1,040	0	1,067	0	0	
60	41	SEWER SERVICE-AUTO SERVICE	4808	2,020	2,079	0	2,133	0	0	
60	42	SEWER SERVICE-CHURCHES	4808	12,793	13,304	0	13,651	0	0	
60	44	SEWER SERVICE-SCHOOLS	4808	60,894	62,577	0	64,156	0	0	
60	45	SEWER SERVICE - DAYCARE	4808	1,010	1,040	0	1,067	0	0	
60		SEWER SERVICE	4808	0	0	3,300,000	0	3,490,000	3,490,000	Rates - CPI Increase
60		SEWER MISC. INCOME	4810	732	370	1,000	504	200	200	
<b>60 TOTAL REVENUE</b>				<b>3,195,128</b>	<b>3,320,222</b>	<b>3,316,000</b>	<b>3,427,154</b>	<b>3,500,200</b>	<b>3,500,200</b>	
60	330	REG. SALARIES	5001	163,726	170,679	160,905	156,006	169,869	171,192	Off Asst 34%
60	330	OVERTIME	5003	4,168	4,623	7,500	3,273	5,100	5,100	Fin Mng 34%/Acct Tech 54%
60	330	COMP ABSENCES	5105	2,663	0	0	0	0	0	Comm Dev 30%/UT Sup 35%
60	330	P.E.R.S.	5110	41,047	38,068	60,107	53,908	61,139	61,174	Maint Wkr 50%/Wtr Distr 60%
60	330	MEDICAL INS.	5120	50,709	61,802	53,364	45,792	56,752	54,689	WWTP Opr 33%
60	330	UNEMPLOYMENT INS	5130	1,614	1,394	1,264	1,544	1,285	1,432	
60	330	WORKER'S COMP	5140	8,702	12,294	9,908	16,102	14,387	15,808	
60	330	LIFE INS	5150	1,745	1,988	1,758	1,444	1,815	1,824	
60	330	DENTAL INS	5160	5,238	5,545	5,540	5,019	5,981	5,835	
60	330	MEDICARE TAX	5170	2,755	2,918	2,443	2,549	2,537	2,556	
60	330	DEF COMP	5175	1,162	1,100	1,260	962	1,287	1,287	
60	330	OFFICE SUPPLIES	6001	743	920	1,200	996	950	950	
60	330	POSTAGE	6003	1,057	935	11,700	13,880	11,000	11,000	
60	330	DUES/PUBLICATIONS	6004	2,189	6,023	7,000	5,702	6,000	6,000	
60	330	TRAVEL/MEETINGS	6005	100	0	150	0	200	200	
60	330	DEPT SUPPLIES	6101	680	444	1,000	518	1,000	1,000	
60	330	SMALL TOOLS	6102	0	0	300	0	200	200	
60	330	UNIFRM/CLTH EXP	6103	1,390	1,550	2,000	1,683	2,000	2,000	
60	330	PHONE/RADIO	6105	3,729	4,450	6,000	7,019	4,300	4,300	
60	330	RENTS/LEASES	6107	3,086	2,986	3,000	2,894	2,500	2,500	Copier/Fax/Mail Machine
60	330	MAINT VEHICLES	6109	1,561	678	2,500	4,862	2,500	2,500	
60	330	PETROLEUM PROD	6110	3,151	2,779	3,550	2,532	2,700	2,700	
60	330	MAINT OF EQUIP	6111	3,792	15,297	7,100	8,728	7,000	7,000	
60	330	INS/SURETIES	6113	16,897	17,652	19,131	21,335	24,500	24,500	Liability/Emp Assist/Prop - 25%
60	330	CONTRACT SERVICES	6202	35,935	45,805	80,000	66,078	90,000	90,000	Audit/MOM/St Cont/Shred It/It St
60	330	ADMIN SERVICES	6203	231,000	231,000	238,000	238,000	238,000	238,000	Reim GF Costs
60	330	BAD DEBT	6500	0	0	10,000	0	10,000	10,000	
60	330	VEHICLES	7005	0	10,000	12,630	12,630	0	0	
60	330	OTHER EQUIPMENT	7006	3,000	1,975	2,000	0	2,000	2,000	
60	330	CHARLES STREET	8016	40,000	0	0	0	0	0	
60	330	TRANSFERS-OUT - Depre	8505	444,836	444,836	444,836	444,836	444,836	444,836	To Fund 61
60	330	TRANSFERS-OUT-Note	8505	0	1,258,872	0	0	0	0	
60	330	SOFTWARE	8506	6,000	6,000	6,000	6,000	2,750	2,750	To IT Reserve - 55%
60	330	IT REPLACEMENT	8506	5,000	5,000	5,000	5,000	2,250	2,250	To IT Reserve - 45%
<b>330 SEWER OPERATIONS</b>				<b>1,087,675</b>	<b>2,357,613</b>	<b>1,167,146</b>	<b>1,129,292</b>	<b>1,174,838</b>	<b>1,175,583</b>	

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
60	350	REG. SALARIES	5001	68,566	73,157	36,029	40,214	52,760	52,760	UT Super 50% WWTP Opr 34%
60	350	OVERTIME	5003	22,552	27,563	7,500	0	15,000	15,000	
60	350	P.E.R.S.	5110	14,893	16,205	5,389	5,385	7,193	7,193	
60	350	MEDICAL INS.	5120	14,654	18,318	10,322	12,340	15,343	15,199	
60	350	UNEMPLOYMENT INS	5130	997	1,136	278	278	365	365	
60	350	WORKER'S COMP	5140	6,209	10,060	4,603	7,480	7,526	8,290	
60	350	LIFE INS	5150	588	606	334	343	508	508	
60	350	DENTAL INS	5160	2,298	1,565	1,304	1,401	1,805	1,723	
60	350	MEDICARE TAX	5170	1,297	1,449	631	561	983	982	
60	350	DEF COMP	5175	300	275	282	268	402	402	
60	350	OFFICE SUPPLIES	6001	612	778	1,800	1,090	800	800	
60	350	POSTAGE	6003	423	374	600	414	600	600	
60	350	DUES/PUBLICATIONS	6004	15,469	15,923	17,000	15,091	17,000	17,000	Permit
60	350	TRAVEL/MEETINGS	6005	823	1,259	2,000	230	1,500	1,500	Certification/Required
60	350	DEPT SUPPLIES	6101	23,729	28,738	22,000	30,865	22,000	22,000	
60	350	SMALL TOOLS	6102	100	892	5,000	4,235	1,500	1,500	
60	350	UNIFRM/CLTH EXP	6103	2,254	2,509	3,000	2,690	3,500	3,500	
60	350	PHONE/RADIO	6105	3,683	4,592	2,500	7,312	4,500	4,500	
60	350	UTILITIES	6106	249,470	144,021	120,000	156,068	145,000	145,000	
60	350	RENTS/LEASES	6107	3,638	3,519	3,300	3,682	3,300	3,300	Copier/Fax/Mail Machine
60	350	MAINT BLS/GRD	6108	3,587	4,044	5,000	2,742	3,800	3,800	
60	350	MAINT VEHICLES	6109	1,737	3,334	1,500	1,400	1,500	1,500	
60	350	PETROLEUM PROD	6110	4,621	4,105	5,500	3,713	4,000	4,000	
60	350	MAINT OF EQUIP	6111	6,917	9,153	10,000	9,891	10,000	10,000	
60	350	INS/SURETIES	6113	16,897	17,652	19,131	21,335	24,500	24,500	Liability/Emp Assist/Prop - 25%
60	350	SLUDGE REMOVAL	6117	43,460	66,896	67,000	81,205	67,000	67,000	
60	350	ENVIOR MONITOR	6118	40,840	24,751	30,000	24,881	30,000	30,000	Condor - Modified Testing
60	350	PROF SERVICES	6201	0	0	0	0	0	0	
60	350	CONTRACT SERVICES	6202	11,545	32,629	27,000	26,036	35,000	35,000	Remote SCADA/Cons Oper/Clicl
60	350	INTEREST EXPENSE	6350	187,175	0	0	0	0	0	Bond - MOVE TO FUND 66
60	350	INTEREST EXPENSE - SRL	6353	188,620	0	0	0	0	0	SRF Loan - Plant Expan MOVE
60	350	VEHICLES	7005	0	8,940	0	0	0	0	
60	350	TRANSFER OUT	8505	0	0	1,396,283	1,396,284	1,423,408	1,423,408	Principle Payment to Fund 66
60	350	TRANSFER OUT	8505	0	378,994	339,226	339,228	312,463	312,463	Interest Bond Payment to Fund 66
<b>60</b>	<b>350</b>	<b>WWTP OPERATIONS</b>		<b>937,954</b>	<b>903,437</b>	<b>2,144,512</b>	<b>2,196,661</b>	<b>2,213,255</b>	<b>2,213,792</b>	
<b>60</b>	<b>TOTAL EXPENSES</b>			<b>2,025,629</b>	<b>3,261,050</b>	<b>3,311,658</b>	<b>3,325,953</b>	<b>3,388,093</b>	<b>3,389,375</b>	
<b>60</b>	<b>NET (REVENUE vs EXPENSES)</b>			<b>1,169,499</b>	<b>59,172</b>	<b>4,342</b>	<b>101,201</b>	<b>112,107</b>	<b>110,825</b>	
<b>FUND 61 - SEWER FIXED ASSET REPLACEMENT</b>										
61		INTEREST EARNED	4601	4,360	5,121	3,000	10,108	5,000	5,000	
61		SEWER CONNECTION CHARGES	4809	29,800	2,000	155	3,040	1,500	1,500	
61		TRANSFERS-IN	4999	444,836	444,836	444,836	444,836	444,836	444,836	
<b>61</b>	<b>TOTAL REVENUE</b>			<b>478,996</b>	<b>451,957</b>	<b>447,991</b>	<b>457,984</b>	<b>451,336</b>	<b>451,336</b>	
<b>61</b>	<b>NET (REVENUE vs EXPENSES)</b>			<b>478,996</b>	<b>451,957</b>	<b>447,991</b>	<b>457,984</b>	<b>451,336</b>	<b>451,336</b>	

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
<b>FUND 62 - SEWER DEVELOPER IMPACT FEE</b>										
62		INTEREST EARNED	4601	1,876	1,407	1,500	3,301	1,900	1,900	
62		DEVELOPMENT IMPACT FEES	4604	2,357	147,788	146,944	133,027	232,700	232,700	21 x \$11,085 Res (for FG)
<b>62 TOTAL REVENUE</b>				<b>4,233</b>	<b>149,195</b>	<b>148,444</b>	<b>136,328</b>	<b>234,600</b>	<b>234,600</b>	
62	800	TULLY ROAD PROJECT	8047	0	17,617	114,514	114,514	0	0	
<b>62 TOTAL EXPENSES</b>				<b>0</b>	<b>17,617</b>	<b>114,514</b>	<b>114,514</b>	<b>0</b>	<b>0</b>	
<b>62 NET (REVENUE vs EXPENSES)</b>				<b>4,233</b>	<b>131,578</b>	<b>33,930</b>	<b>21,814</b>	<b>234,600</b>	<b>234,600</b>	
<b>FUND 66 - WWTP EXPANSION</b>										
66		INTEREST EARNED	4601	1,730	54,704	10,000	44,928	7,000	7,000	
66		MISC. FEES & CHARGES	4829	0	0	10,000	0	0	0	
66		TRANSFER	4998	0	1,380,733	1,396,283	1,396,284	1,423,408	1,423,408	Bond Payment from Sewer
66		TRANSFER	4999	0	257,133	339,226	339,228	312,463	312,463	Interest Payment from Sewer
<b>66 TOTAL REVENUE</b>				<b>1,730</b>	<b>1,692,570</b>	<b>1,755,509</b>	<b>1,780,440</b>	<b>1,742,870</b>	<b>1,742,870</b>	
66	800	INTEREST EXPENSE	6350	176,503	177,212	172,103	166,907	156,249	156,249	WWTP Exp & State Rev Loans
66	800	INTEREST EXPENSE	6353	0	177,925	167,123	167,123	156,213	156,213	SRR - Loan
<b>66 TOTAL EXPENSES</b>				<b>176,503</b>	<b>355,137</b>	<b>339,226</b>	<b>334,031</b>	<b>312,463</b>	<b>312,463</b>	
<b>NET (REVENUE vs EXPENSES)</b>				<b>-174,773</b>	<b>1,337,433</b>	<b>1,416,283</b>	<b>1,446,409</b>	<b>1,430,408</b>	<b>1,430,408</b>	
<b>FUND 69 - LOCAL TRANSPORTATION (Non Motorized)</b>										
69		LTF ALLOCATION - Non Mot	4716	0	5,208	5,151	5,266	5,314	5,514	
<b>69 TOTAL REVENUE</b>				<b>0</b>	<b>5,208</b>	<b>5,151</b>	<b>5,266</b>	<b>5,314</b>	<b>5,514</b>	
69	700	CONTRACT SERVICE	6202	0	0	0	9,725	0	0	
<b>70 TOTAL EXPENSES</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>9,725</b>	<b>0</b>	<b>0</b>	
<b>NET (REVENUE vs EXPENSES)</b>				<b>0</b>	<b>5,208</b>	<b>5,151</b>	<b>-4,459</b>	<b>5,314</b>	<b>5,514</b>	
<b>FUND 70 - LOCAL TRANSPORTATION (LTF)</b>										
70		LTF ALLOCATION	4104	82,900	150,457	58,859	67,198	58,859	45,523	
70		INTEREST	4601	321	276	0	339	0	0	
<b>70 TOTAL REVENUE</b>				<b>83,221</b>	<b>150,733</b>	<b>58,859</b>	<b>67,537</b>	<b>58,859</b>	<b>45,523</b>	
70	700	UTILITIES	6106	0	10,000	20,000	20,000	20,000	20,000	Cover UT cost 2106
70	700	CONTRACT SERVICE	6202	1,200	1,800	3,500	0	0	0	Audit/St Contr Rep
70	700	CRACK SEALER	7005	0	0	55,000	53,170	0	0	
70	700	MULBERRY ST SIDEWALK	8012	0	0	15,000	13,750	0	0	
70	700	FOX	8018	3,328	0	100,000	90,338	0	0	Fox Rd - Engineering

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
70	700	FIFTH STREET	8045	61,188	86,072	0	0	0	0	
70	700	TULLY ROAD	8047	0	0	12,150	13,633	0	0	
70	700	HUGHSON AVE	80XX	0	0	0	0	20,000	20,000	
<b>70</b>		<b>TOTAL EXPENSES</b>		<b>65,716</b>	<b>97,872</b>	<b>205,650</b>	<b>190,891</b>	<b>40,000</b>	<b>40,000</b>	
<b>NET (REVENUE vs EXPENSES)</b>				<b>17,505</b>	<b>52,861</b>	<b>-146,791</b>	<b>-123,354</b>	<b>18,859</b>	<b>5,523</b>	
<b>FUND 71 - TRANSPORTATION</b>										
71		INTEREST EARNED	4601	0	0	150	0	0	0	
71		CMAQ	4752	81,618	99,814	0	0	0	0	Fourth Street
71		CMAQ	4753	26,510	76,339	105,000	105,080	0	0	Fifth St
71		GRANTS - RSTP	4754	47,017	0	15,700	15,706	0	0	Hatch Road
71		GRANT - RSTP	4755	43,730	0	0	0	0	0	Pine Street
71		GRANT - RSTP	4757	12,585	0	404,000	343,647	53,411	56,685	Tully & Santa Fe
71		GRANT - ATP	47XX	0	0	0	0	0	408,000	Fox Road
<b>71</b>		<b>TOTAL REVENUE</b>		<b>211,460</b>	<b>1,369,753</b>	<b>524,850</b>	<b>464,432</b>	<b>53,411</b>	<b>464,685</b>	
71	800	PROF SERVICES	6201	620	0	0	0	0	0	
71	800	CONTRACT SERVICES	6202	14,215	7,697	0	0	0	0	
71	800	FOX ROAD	8018	0	0	0	0	0	408,000	Fox Road
71	800	FOURTH STREET	8033	116,677	0	0	0	0	0	
71	800	FIFTH STREET	8045	1,845	171,313	0	0	0	0	
71	800	TULLY ROAD	8047	0	0	404,000	395,795	0	0	
71	800	WHITMORE AVENUE	80XX	0	0	0	0	20,000	20,000	Whitmore Ave - Engineering
<b>71</b>		<b>TOTAL EXPENSES</b>		<b>133,357</b>	<b>179,010</b>	<b>404,000</b>	<b>395,795</b>	<b>20,000</b>	<b>428,000</b>	
<b>71 NET (REVENUE vs EXPENSES)</b>				<b>78,103</b>	<b>1,190,743</b>	<b>120,850</b>	<b>68,637</b>	<b>33,411</b>	<b>36,685</b>	
<b>FUND 80 - WATER</b>										
80		INTEREST EARNED	4601	354	509	100	536	500	500	
80	2	WATER SVC.- SINGLE FAMILY	4801	1,098,932	980,267	0	1,004,479	0	0	
80	4	WATER SVC.- DUPLEXES	4801	9,903	8,973	0	8,841	0	0	
80	6	WATER SVC.- TRIPLEXES	4801	27,196	21,724	0	24,750	0	0	
80	8	WATER SVC.- FOUR-PLEXES	4801	0	758	0	1,354	0	0	
80	10	WATER SVC.- HOUSING AUTHOR	4801	26,999	22,650	0	22,313	0	0	
80	12	WATER SVC.- APARTMENTS	4801	14,537	13,773	0	16,536	0	0	
80	14	WATER SVC.- MOBILE HOME PAR	4801	9,070	8,402	0	9,436	0	0	
80	16	WATER SVC.- PERS. HEALTH SVC	4801	1,914	1,983	0	2,011	0	0	
80	18	WATER SVC.- PHARMACY & BANI	4801	3,428	4,420	0	3,296	0	0	
80	20	WATER SVC.- INST. & CIVIC	4801	18,171	14,257	0	8,344	0	0	
80	22	WATER SVC.- PROFESSIONAL SV	4801	10,676	13,200	0	13,660	0	0	
80	24	WATER SVC.- RETAIL VENDORS	4801	8,842	6,486	0	7,582	0	0	
80	26	WATER SVC.- COMMERCIAL/INDL	4801	38,624	32,552	0	34,692	0	0	
80	30	WATER SVC.- RESTAURANTS	4801	4,255	4,151	0	2,262	0	0	
80	32	WATER SVC.- DRIVE-IN/QUICKFO	4801	890	1,235	0	1,304	0	0	
80	34	WATER SVC.- CONVENIENCE MA	4801	2,075	1,939	0	1,782	0	0	
80	36	WATER SVC.- MAJOR FOOD MAR	4801	1,414	1,549	0	1,572	0	0	
80	38	WATER SVC.- COMMERCIAL LAUI	4801	3,615	1,818	0	0	0	0	
80	42	WATER SVC.- CHURCHES	4801	14,255	12,722	0	12,925	0	0	
80	44	WATER SVC.- SCHOOLS	4801	105,999	105,485	0	105,463	0	0	
80	46	WATER SVC.- METERED SERVICE	4801	2,046	1,727	0	1,985	0	0	

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
80	50	WATER SVC.- AUTO SERVICE	4801	639	720	0	728	0	0	
80	52	WATER SVC.- CONSTR. WATER	4801	2,783	2,984	0	4,578	0	0	
80		WATER SERVICE	4801	0	0	1,348,065	0	1,360,500	1,360,500	CPI rate increase
80		UTILITY PENALTIES	4803	0	0	0	1,200	0	0	
80		WATER MISC INCOME	4805	0	0	0	11,835	0	0	
80		MISC FEES	4829	769	0	0	0	0	0	
80		RECONNECTION FEE	4802	11,168	11,197	12,000	14,925	12,000	12,000	
<b>80</b>	<b>TOTAL REVENUE</b>			<b>1,418,554</b>	<b>1,275,481</b>	<b>1,360,165</b>	<b>1,318,389</b>	<b>1,373,000</b>	<b>1,373,000</b>	
80	340	REG. SALARIES	5001	184,307	174,788	205,817	201,789	196,395	198,046	Asst to CM 25%/Off Asst 34%
80	340	OVERTIME	5003	5,589	8,014	7,500	7,661	5,100	5,100	Fin Manager 33%/Acct Tech 63%
80	340	COMP ABSENCES	5105	8,901	0	0	0	0	0	Comm Dev 30%/UT Sup 15%
80	340	P.E.R.S.	5110	44,400	38,971	65,773	60,640	65,924	66,008	Maint Wkr 50%/Wtr Dist Opr 1.4
80	340	MEDICAL INS.	5120	54,414	62,997	71,694	65,549	69,425	64,982	WWTP Oper 33%
80	340	UNEMPLOYMENT INS	5130	2,002	1,500	1,687	1,951	1,558	1,701	
80	340	WORKER'S COMP	5140	10,559	12,234	15,894	25,830	18,146	20,212	
80	340	LIFE INS	5150	1,846	1,902	2,243	1,988	2,118	2,130	
80	340	DENTAL INS	5160	5,779	5,699	7,534	7,179	7,283	6,722	
80	340	MEDICARE TAX	5170	2,982	2,983	3,093	3,218	2,921	2,945	
80	340	DEF COMP	5175	1,258	1,273	1,551	1,276	1,425	1,425	
80	340	OFFICE SUPPLIES	6001	874	1,312	4,000	1,442	3,500	3,500	
80	340	POSTAGE	6003	1,902	1,682	14,400	16,541	12,000	12,000	
80	340	DUES/PUBLICATIONS	6004	25,326	16,306	21,000	19,806	27,000	27,000	Permit
80	340	TRAVEL/MEETINGS	6005	466	3,393	5,500	265	5,500	5,500	Cross Training
80	340	DEPT SUPPLIES	6101	32,360	34,563	34,000	29,888	30,000	30,000	Chemicals - Well #8
80	340	SMALL TOOLS	6102	161	0	2,000	1,631	1,300	1,300	
80	340	UNIFRM/CLTH EXP	6103	2,254	2,243	2,900	2,316	3,200	3,200	
80	340	ADVERTISING	6104	279	1,324	1,500	816	1,500	1,500	
80	340	PHONE/RADIO	6105	3,542	3,883	6,000	6,107	3,700	3,700	
80	340	UTILITIES	6106	126,982	122,447	120,000	114,439	130,000	130,000	
80	340	RENTS/LEASES	6107	3,638	3,519	3,300	3,411	3,000	3,000	
80	340	MAINT VEHICLES	6109	616	2,530	1,500	1,319	1,000	1,000	
80	340	PETROLEUM PROD	6110	3,361	2,964	5,000	2,701	3,000	3,000	
80	340	MAINT OF EQUIP	6111	35,975	11,326	26,500	30,298	26,500	26,500	
80	340	INS/SURETIES	6113	20,275	21,181	22,957	25,601	29,500	29,500	Liability/Emp Assist/Prop - 30%
80	340	CONTRACT SERVICES	6202	92,158	138,284	97,000	109,889	85,000	91,000	Audit/Testing/Gen/SCADA/MOV
80	340	CONSULTANT	6202	0	0	20,000	0	0	0	Certified Operator - H2O Group
80	340	REGIONAL WATER PLAN	6202	0	0	13,500	0	0	0	
80	340	ADMIN SERVICES	6203	129,000	129,000	164,000	164,000	164,000	164,000	Reim GF for Service
80	340	DEPRECIATION - Note	6300	-186,116	0	0	0	0	0	
80	340	INTEREST EXPENSE	6350	18,406	18,000	17,550	18,047	0	0	USDA & Water Bond
80	340	INTEREST EXPENSE	6350	84,816	61,937	52,734	52,734	48,594	48,594	Bond-Water Tank - was Fund 8
80	340	INTEREST EXPENSE	6350	0	0	0	0	1,406	1,406	Interfund Loan to fund 88
80	340	BAD DEBT	6500	0	0	2,000	0	2,000	2,000	
80	340	IMP OTHER TN BLD	7003	4,989	1,975	10,000	0	0	0	
80	340	VEHICLES	7005	0	20,000	12,630	12,630	0	0	
80	340	OTHER EQUIPMENT	7006	9,671	7,009	15,000	12,183	15,000	15,000	water meters
80	340	TRANSFERS-OUT - Depr	8505	185,484	185,484	185,482	185,484	185,482	185,482	to Fund 82
80	340	SOFTWARE	8506	6,000	6,000	6,000	6,000	2,750	2,750	Transfer - 55%
80	340	IT REPLACEMENT	8506	5,000	5,000	5,000	5,000	2,250	2,250	Transfer - 45%
<b>80</b>	<b>TOTAL EXPENSES</b>			<b>929,456</b>	<b>1,111,723</b>	<b>1,254,239</b>	<b>1,199,629</b>	<b>1,157,477</b>	<b>1,162,453</b>	
<b>80</b>	<b>NET (REVENUE vs EXPENSES)</b>			<b>489,098</b>	<b>163,758</b>	<b>105,926</b>	<b>118,760</b>	<b>215,523</b>	<b>210,547</b>	

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
<b>FUND 81 - WATER DEVELOPMENT FEE</b>										
81		INTEREST EARNED	4601	0	0	0	0	0	0	
81		DEVELOPMENT IMPACT FEES	4604	65,925	220,662	64,651	45,636	79,863	79,863	21 x 3,803
81		WATER ARRA GRANT/MISC	4805	0	0	0	0	0	0	
<b>81 TOTAL REVENUE</b>				<b>65,925</b>	<b>220,662</b>	<b>64,651</b>	<b>45,636</b>	<b>79,863</b>	<b>79,863</b>	
81	800	CONTRACT SERVICES	6202	16,962	10,608	0	0	0	0	Water master plan update
<b>81 TOTAL EXPENSES</b>				<b>16,962</b>	<b>10,608</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>NET (REVENUE vs EXPENSES)</b>				<b>48,963</b>	<b>210,054</b>	<b>64,651</b>	<b>45,636</b>	<b>79,863</b>	<b>79,863</b>	
<b>FUND 82 - WATER FIXED ASSET REPLACEMENT</b>										
82		INTEREST EARNED	4601	1,838	1,143	0	2,783	2,200	2,200	Interfund loan/bank interest
82		STATE REVOLVING FUND	4751	0	0	0	0	0	0	
82		WATER CONNECTION CHARGES	4804	25,200	23,589	0	1,240	0	0	
82		TRANSFERS-IN	4999	185,484	185,484	185,482	185,484	185,482	185,482	From Water Operations
<b>82 TOTAL REVENUE</b>				<b>212,522</b>	<b>210,216</b>	<b>185,482</b>	<b>189,507</b>	<b>187,682</b>	<b>187,682</b>	
<b>82 NET (REVENUE vs EXPENSES)</b>				<b>212,522</b>	<b>210,216</b>	<b>185,482</b>	<b>189,507</b>	<b>187,682</b>	<b>187,682</b>	
<b>FUND 88 - PUBLIC WORKS STREET PROJECTS - CDBG</b>										
88		GRANT	4752	20,819	0	40,000	0	0	0	
88		GRANT	4753	0	165,251	0	0	0	0	
88		GRANT	4758	0	0	158,370	148,272	0	8,925	
88		GRANT	47XX	0	0	0	0	150,000	150,000	2nd Street Sidewalk Infill Project
88		GRANT	47XX	0	0	0	0	150,000	150,000	Community Commercial Kitchen
88		TRANSFER	4999	1,155	0	0	0	0	0	
<b>88 TOTAL REVENUE</b>				<b>21,974</b>	<b>165,251</b>	<b>198,370</b>	<b>148,272</b>	<b>300,000</b>	<b>308,925</b>	
88	800	FOURTH STREET	8033	76,888	0	0	0	0	0	
88	800	FIFTH STREET - SIDEWALK INF	8045	200	160,502	0	0	0	0	
88	800	HUGHSON AVENUE	8051	0	0	158,370	157,197	0	0	
88	800	2ND STREET SIDEWALK	80XX	0	0	0	0	150,000	150,000	
88	800	COMMUNITY COMMERCIAL KITCH	80XX	0	0	0	0	150,000	150,000	
<b>88 TOTAL EXPENSES</b>				<b>77,088</b>	<b>160,502</b>	<b>158,370</b>	<b>157,197</b>	<b>300,000</b>	<b>300,000</b>	
<b>88 NET (REVENUE vs EXPENSES)</b>				<b>-55,114</b>	<b>4,749</b>	<b>40,000</b>	<b>-8,925</b>	<b>0</b>	<b>8,925</b>	
<b>FUND 90 - GARBAGE/REFUSE</b>										
90		GARBAGE SERVICE	4812	482,784	504,804	500,000	486,981	480,000	480,000	
<b>90 TOTAL REVENUE</b>				<b>482,784</b>	<b>504,804</b>	<b>500,000</b>	<b>486,981</b>	<b>480,000</b>	<b>480,000</b>	
90	380	OFFICE SUPPLIES	6001	8,332	9,594	0	0	0	0	
90	380	POSTAGE	6003	10,800	10,000	0	0	0	0	
90	380	DEPT SUPPLIES	6101	0	1,404	0	0	0	0	

Fund	Dept	Description	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
90	380	FRANCHISE FEE	6116	0	35,930	40,000	37,882	38,400	38,400	8% Fee
90	380	CONTRACT SERVICES	6202	412,671	420,453	460,000	435,644	441,600	441,600	Payments to Service provider
<b>90 TOTAL EXPENSES</b>				<b>431,803</b>	<b>477,381</b>	<b>500,000</b>	<b>473,526</b>	<b>480,000</b>	<b>480,000</b>	
<b>90 NET (REVENUE vs EXPENSES)</b>				<b>50,981</b>	<b>27,423</b>	<b>0</b>	<b>13,455</b>	<b>0</b>	<b>0</b>	
<b>FUND 95 - 1994 CDBG HOUSING REHAB 94-STBG-799</b>										
95		INTEREST EARNED	4601	326	280	375	535	200	200	
95		PROGRAM INCOME	4739	1,177	1,283	3,000	1,865	1,000	1,000	Loan Payments
<b>95 TOTAL REVENUE</b>				<b>1,503</b>	<b>1,563</b>	<b>3,375</b>	<b>2,400</b>	<b>1,200</b>	<b>1,200</b>	
95	901	TRAVEL/MEETINGS	6005	0	0	700	0	0	0	
95	901	CONTRACT SERVICES	6202	0	83	3,000	0	0	0	
<b>95 TOTAL EXPENSES</b>				<b>0</b>	<b>83</b>	<b>3,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>95 NET (REVENUE vs EXPENSES)</b>				<b>1,503</b>	<b>1,480</b>	<b>-325</b>	<b>2,400</b>	<b>1,200</b>	<b>1,200</b>	
<b>FUND 96 - HOME GRANT - FTHB</b>										
96	900	CONTRACT SERVICES	6202	0	0	1,000	0	0	0	
<b>96 TOTAL EXPENSES</b>				<b>0</b>	<b>0</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>96 NET (REVENUE vs EXPENSES)</b>				<b>0</b>	<b>0</b>	<b>-1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>FUND 97 - 1996 CDBG HOUSING REHAB</b>										
97		INTEREST EARNED	4601	264	329	100	654	150	150	
97		LOAN REPAYMENTS	4739	6,507	58,434	9,000	2,102	2,000	2,000	
<b>97 TOTAL REVENUE</b>				<b>6,771</b>	<b>58,763</b>	<b>9,100</b>	<b>2,756</b>	<b>2,150</b>	<b>2,150</b>	
97	900	ADVERTISING	6104	0	0	400	0	0	0	
<b>97 TOTAL EXPENSES</b>				<b>0</b>	<b>0</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>97 NET (REVENUE vs EXPENSES)</b>				<b>6,771</b>	<b>58,763</b>	<b>8,700</b>	<b>2,756</b>	<b>2,150</b>	<b>2,150</b>	
<b>FUND 98 - HOME REHAB - CALHOME</b>										
98		MISC SERVICE & FEES	4829	0	40,000	0	0	0	0	
<b>98 TOTAL REVENUE</b>				<b>0</b>	<b>40,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>98 NET (REVENUE vs EXPENSES)</b>				<b>0</b>	<b>40,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>FUND 401 - GENERAL FUND RESERVE</b>										
401		INTEREST EARNED	4601	1,297	1,220	1,200	2,015	1,000	1,000	
<b>401 TOTAL REVENUE</b>				<b>1,297</b>	<b>1,220</b>	<b>1,200</b>	<b>2,015</b>	<b>1,000</b>	<b>1,000</b>	
<b>401 NET (REVENUE vs EXPENSES)</b>				<b>1,297</b>	<b>1,220</b>	<b>1,200</b>	<b>2,015</b>	<b>1,000</b>	<b>1,000</b>	

## LIGHTING & LANDSCAPING (Fund 100)- BUDGET 16-17

Fund	Dept	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17
100	Brittany Woods	4150	8,035	7,840	7,865	7,779	7,865	8,060	
100	Central Hughson 2	4152	12,383	13,344	13,937	13,912	13,937	14,614	
100	Feathers Glen	4155	12,643	13,751	7,267	7,242	7,267	7,719	
100	Fontana Ranch North	4156	16,983	17,182	10,931	10,906	10,931	16,180	
100	Fontana Ranch South	4157	10,117	10,111	8,739	8,714	8,739	11,992	
100	Rhapsody 1	4158	6,726	6,214	6,239	6,214	6,239	6,794	
100	Rhapsody 2	4159	6,300	6,364	6,499	6,309	6,499	6,869	
100	Santa Fe Estates 1	4160	7,235	7,204	7,229	7,204	7,229	7,260	
100	Santa Fe Estates II	4161	6,605	6,624	6,649	6,624	6,649	6,649	
100	Sarn Estates	4162	7,935	7,614	7,789	7,764	7,789	7,789	
100	Sterling Glen III	4163	15,066	19,342	8,448	8,423	8,448	17,947	
100	Sunglow	4164	8,915	9,494	7,260	7,195	7,260	9,679	
100	Walnut Haven III	4165	5,970	5,937	5,962	5,937	5,962	5,962	
100	Transfer In	4999	0	8,350	0	0	0	0	GF Subsidy
<b>100 TOTAL REVENUE</b>			<b>124,913</b>	<b>139,371</b>	<b>104,814</b>	<b>104,223</b>	<b>104,814</b>	<b>127,514</b>	
100	100 REG. SALARIES *	5001	20,501	18,419	19,817	22,684	20,669	20,669	PW Supr 5%/Mnt Wker 40%
100	100 P.E.R.S.	5110	4,946	4,080	2,965	2,955	2,818	2,818	
100	100 MEDICAL INS.	5120	6,640	7,111	6,060	5,808	6,571	6,442	
100	100 UNEMPLOYMNT INS	5130	223	215	196	195	195	195	
100	100 WORKER'S COMP	5140	1,652	2,236	2,587	4,204	2,949	3,250	
100	100 LIFE INS	5150	231	217	221	244	230	230	
100	100 DENTAL INS	5160	679	669	635	764	670	640	
100	100 MEDICARE TAX	5170	294	307	287	309	300	300	
100	100 Def Comp	5175	124	126	150	118	150	150	
100	100 Brittany Woods Ut	6420	1,628	1,786	1,786	1,940	1,786	1,350	
100	100 Brittany Woods Other	6421	1,712	1,994	2,076	1,019	2,076	4,150	
100	100 Central Hughson 2 Ut	6426	116	116	116	1,085	116	1,200	
100	100 Central Hughson 2 Other	6427	1,966	277	1,730	178	1,730	4,575	
100	100 Feathers Glen Ut	6435	391	430	430	870	430	1,250	
100	100 Feathers Glen Other	6436	5,088	2,422	3,741	2,938	3,741	5,785	
100	100 Fontana Ranch Nortl Ut	6438	6,284	5,891	5,891	3,045	5,891	3,650	
100	100 Fontana Ranch Nortl Other	6439	1,931	2,086	1,861	1,422	1,861	8,950	
100	100 Fontana Ranch Sout Ut	6441	8,398	9,403	5,466	4,236	5,466	3,500	
100	100 Fontana Ranch Sout Other	6442	3,126	2,243	1,661	1,220	1,661	5,385	
100	100 Rhapsody 1 Ut	6444	1,005	1,119	1,119	1,359	1,119	1,045	
100	100 Rhapsody 1 Other	6445	1,309	4,485	1,661	607	1,661	3,570	
100	100 Rhapsody 2 Ut	6447	1,369	1,447	1,447	2,004	1,447	1,770	
100	100 Rhapsody 2 Other	6448	1,309	2,785	1,661	1,037	1,661	3,175	
100	100 Santa Fe Estates 1 Ut	6450	2,975	2,672	1,405	2,058	1,405	2,050	
100	100 Santa Fe Estates 1 Other	6451	3,382	3,137	1,530	1,979	1,530	3,300	
100	100 Santa Fe Estates II Ut	6453	1,349	1,596	834	1,392	834	900	
100	100 Santa Fe Estates II Other	6454	4,145	3,137	1,521	1,403	1,521	1,880	
100	100 Sarn Estates Ut	6456	787	813	813	1,251	813	1,230	
100	100 Sarn Estates Other	6457	1,309	1,671	1,983	1,912	1,983	4,715	
100	100 Sterling Glen III Ut	6459	2,604	2,527	2,527	2,715	2,527	2,650	
100	100 Sterling Glen III Other	6460	5,430	2,064	4,157	3,199	4,157	8,165	
100	100 Sunglow Ut	6462	891	921	921	1,605	921	1,350	
100	100 Sunglow Other	6463	1,826	1,795	2,285	1,630	2,285	4,770	
100	100 Walnut Haven III Ut	6465	859	908	908	1,038	908	815	
100	100 Walnut Haven III Other	6466	1,737	1,729	2,077	1,019	2,077	3,070	
100	100 Transfer Out	8505	21,940	8,520	8,520	8,520	8,520	8,520	
<b>100 TOTAL EXPENSES</b>			<b>120,156</b>	<b>101,354</b>	<b>93,045</b>	<b>89,962</b>	<b>94,679</b>	<b>127,464</b>	
<b>NET (REVENUE vs EXPENSES)</b>			<b>4,757</b>	<b>38,017</b>	<b>11,769</b>	<b>14,261</b>	<b>10,135</b>	<b>50</b>	

LLD: Improvements including street lighting, planting materials, irrigation systems, open space areas, public pedestrian paths, entry monuments, removal of debris.  
 There are a total of 842 parcels covered in this assesment district.

**BENEFIT ASSESSMENT DISTRICTS (Fund 200)- BUDGET 16-17**

Fund Dept	Acct #	Actual 2013-14	Actual 2014-15	Mid Year Budget 2015-16	6/30/2016 Actual 2015-16	Prelim Budget 2016-17	Final Budget 2016-17	Notes 2016-17	
200	Central Hughson 2	4152	26,825	14,304	7,845	7,681	7,845	8,298	
200	Feathers Glen	4155	7,806	4,034	8,564	8,539	8,564	9,097	
200	Fontana North	4156	17,676	8,966	18,493	18,468	18,493	20,723	
200	Fontana South	4157	8,913	4,618	9,973	9,949	9,973	10,595	
200	Sterling Glen III	4163	10,434	5,431	11,663	11,563	11,663	12,389	
<b>TOTAL REVENUE</b>		<b>71,654</b>	<b>37,353</b>	<b>56,538</b>	<b>56,200</b>	<b>56,538</b>	<b>61,102</b>		
200	200 REG. SALARIES *	5001	8,173	473	9,372	10,446	9,751	9,751	PW Supr 5%/Mnt Wker 15%
200	200 P.E.R.S.	5110	2,003	105	1,401	1,393	1,330	1,330	
200	200 MEDICAL INS.	5120	2,637	191	2,709	2,610	2,941	2,884	
200	200 UNEMPLOYMNT INS	5130	91	70	86	87	87	87	
200	200 WORKER'S COMP	5140	645	60	1,222	1,986	1,391	1,533	
200	200 LIFE INS	5150	93	66	100	111	105	105	
200	200 DENTAL INS	5160	263	18	274	337	290	277	
200	200 MEDICARE TAX	5170	118	7	136	145	141	141	
200	200 Def Comp	5175	55	54	75	61	75	75	
200	200 Central Hughson 2	6427	1,851	101	101	458	101	950	
200	200 Feathers Glen	6436	2,506	2,157	2,418	2,194	2,418	2,500	
200	200 Fontana North	6439	1,469	1,263	1,524	1,172	1,524	1,500	
200	200 Fontana South	6442	2,713	2,336	2,597	3,367	2,597	3,550	
200	200 Sterling Glen III	6460	1,600	1,415	1,676	1,439	1,676	1,625	
200	200 Transfers	8505	5,976	10,486	2,137	2,136	2,137	2,137	
<b>TOTAL EXPENSES</b>		<b>30,193</b>	<b>18,802</b>	<b>25,828</b>	<b>27,942</b>	<b>26,564</b>	<b>28,445</b>		
<b>NET (REVENUE vs EXPENSES)</b>		<b>41,461</b>	<b>18,551</b>	<b>30,710</b>	<b>28,258</b>	<b>29,974</b>	<b>32,657</b>		

BAD: Improvements including storm water drainage systems and all its components, street maintenance including sweeping, cleaning, graffiti abatement, pavement repairs, traffic control device maintenance.

There are a total of 474 parcels covered in this assesment district.

**CITY OF HUGHSON**  
**CITY COUNCIL**  
**RESOLUTION NO. 2016-33**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
HUGHSON ADOPTING THE FINAL ANNUAL BUDGET OF  
THE CITY OF HUGHSON FOR FISCAL YEAR 2016-2017**

**WHEREAS**, the City Manager has submitted the Fiscal Year 2016-2017 Final Budget to the City Council for review and consideration in accordance with established policies and objectives; and

**WHEREAS**, the Fiscal Year 2016-2017 Budget is based on public comment, significant analysis of the City's needs and direction of the City Council after many budget review session:

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Hughson that the Fiscal Year 2016-2017 Final Budget is hereby approved and the General Fund, Special Revenue, Capital Project Funds, Low Income Housing, Debit Service Fund, Enterprise Funds and Redevelopment Agency Funds Budget for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017 is hereby adopted as reflected in Attachment "A", in the total amount of \$10,048,440.

**PASSED AND ADOPTED**, by the City Council of the City of Hughson at its regular meeting held on this 26<sup>th</sup> day of September, 2016 by the following roll call votes: (5-0)

**AYES: Mayor BEEKMAN, SILVA, CARR, YOUNG AND HILL**

**NOES: NONE.**

**ABSTENTIONS: NONE.**

**ABSENT: NONE.**



---

**MATT BEEKMAN, Mayor**

**ATTEST:**



---

**SUSANA DIAZ, Deputy City Clerk**

## *APPENDIX*

### ***Appendix A-2 – Use of Electronic Communications Policy***

**CITY OF HUGHSON**  
**AMENDED**  
**ELECTRONIC COMMUNICATIONS AND**  
**INTERNET ACCESS POLICY**

**Purpose:**

The purpose of this policy is to establish guidelines for the use of computer systems, electronic mail (hereinafter "E-mail") and Internet Access on the City of Hughson's (hereinafter "City") computer network. The City's computer systems, E-mail and Internet Access are business tools which will be used in accordance with generally accepted business practices and current law reflected in the California Public Records Act to provide an efficient and effective means of City communications.

**Application:**

This policy, as approved by the City Council on April 28, 2003, shall apply to all City officials, appointees, employees, volunteers, consultants and other non-employees utilizing general application computer systems and electronic communications owned, managed, supervised, controlled or operated by the City.

**Provisions:**

Information technology facilitates electronic communication between staff, residents and other organizations. Computer systems and electronic communications are for business-related purposes only. The data created, stored on, or transmitted using City computer systems is the property of the City, except as otherwise required by law. City Management reserves the right to access all data stored on or transmitted using its computer systems. The City respects the individual privacy of its employees, however, employees do not have the right to privacy concerning work-related conduct, use of City owned equipment or supplies, or electronic communications that are sent or received from the City. Consequently, *E-mail and Internet Access users shall have no reasonable expectation of privacy in communications sent over the City's general application computer network as such communications are not confidential.* The City reserves the right to lawfully inspect and service all aspects of its computer system.

The determination of those department employees who will be provided or denied E-mail and/or Internet access shall be at the sole discretion of the City Manager.

In addition to existing systems and services, this Administrative Policy is intended to apply to new computer based systems and services as implemented in the future.

A. **PROPER USE OF COMPUTER SYSTEMS AND ELECTRONIC COMMUNICATIONS**

1. The use of E-mail and Internet access is for City Business activities. Some incidental

and occasional personal use of the E-mail system is permitted as long as such use is kept to a minimum. Personal messages are not confidential and subject to access and disclosure pursuant to the provisions of this policy.

2. Users of E-mail are responsible for the management of data and messages. Data stored on the network server will be backed up regularly. Sensitive and confidential data shall be protected with passwords.
3. Employees shall protect all computer equipment against viruses, physical abuse and unauthorized use. Specifically, employees shall use and not disable virus protection software and not willfully introduce virus-infected files.

**B. PROHIBITED USES OF E-MAIL AND INTERNET ACCESS**

Unless otherwise permitted by law, the following constitutes abuse of the City's computer systems and electronic communications and are prohibited:

1. Messages that disrupt or threaten to disrupt the efficient operation of City business or administration are prohibited. Messages prohibited in this section include, but are not limited to:
  - a. Messages that publicize a personal dispute, other than according to an approved grievance procedure.
  - b. Messages that constitute or counsel insubordination.
  - c. Messages that may harm close working relationships
  - d. Messages that harm the integrity of the computer system or network.
2. Messages that violate law, violate individual rights, create potential liability for the City, or violate public policy are prohibited. These prohibited messages include, but are not limited to:
  - a. Any message that would be in conflict with the City's Harassment Policy and/or comments or images (including screen savers and wallpaper) that could offend on any basis protected by law such as, but not limited to, race, color, religion, sex, national origin, ancestry, age, physical disability, mental disability, medical condition, veteran status, marital status, sexual orientation or any other status protected by local, state or federal law.
  - b. Any message or comment containing disparaging remarks concerning elected officials, appointed officials, employees, volunteers, consultants or other non-employees of the City.
  - c. Any E-Mail message, any Internet site or screen saver, including wallpaper, that any reasonable person would find to be defamatory, offensive, harassing, derogatory or disruptive.

- d. Messages that may undermine the City's ability to provide public services through its employees.
  - e. Messages that are pornographic, obscene, indecent, or sexually explicit.
  - f. Messages that contain the use of racial, religious, or ethnic slurs.
  - g. Messages intended to harass or annoy, including derogatory, vulgar, defamatory, or hate messages.
  - h. Messages that contain threats to personal safety.
3. Messages that contain confidential, privileged or otherwise private information except when such messages are transmitted for an authorized purpose and are transmitted in an appropriately secure manner. These messages include, but are not limited to:
    1. Personnel, payroll and medical files or confidential information from these files.
    2. Financial or account codes, numbers or authorizations that could be misused if intercepted by or disclosed to unauthorized persons or that may otherwise lead to unauthorized financial obligations to the City.
    3. Privileged or confidential communications or documents from or to legal counsel.
4. Personal messages which include, but are not limited to:
    1. Messages for personal gain or profit or for private or non-City commercial activity including personal research or surveys.
    2. Messages to promote, distribute materials, or solicit individuals on behalf of commercial ventures, political causes (unless specifically authorized), religious causes, charitable organizations or other organizations in which the user is involved.
    3. Chain letters.
    4. Junk mail sent via distribution lists that concern non-City business related topics.
    5. Participation in non-business related "chat-rooms" discussions.
5. Using someone's password or code without authorization.
  6. Disclosing anyone's password or code including the employee's own without authorization.

7. Use of the Internet or E-Mail system for gambling.
8. Messages sent anonymously or with fictitious names.

C. STATUS OF ELECTRONIC DATA AND MESSAGES

1. E-mail communications are ***not confidential*** and are subject to review by authorized personnel, as designated by the City Manager or Department Director, and disclosure to the public.
2. E-mail communications may be subpoenaed or requested under the Public Records Act and/or may be used as evidence in court or as part of an investigation. The content of E-mail may be subject to disclosure within or outside of the City without employee permission or knowledge.
3. The City, through its authorized personnel, has the authority to access communications in the E-mail system at any time for any lawful City business-related reason.
4. The City has unlimited access to protect system security or the City's property rights. However, the City does not routinely monitor E-mail communications or Internet usage and expects that employees will voluntarily abide by this policy. With the approval of the City Manager, the Director of Administrative Services may establish rules for the retention/storage/deletion of electronic mail in order to preserve the integrity of the file server and system.

D. RECORDS MANAGEMENT

1. E-mail messages which are intended to be retained in the ordinary course of the City's business are recognized as official records that need protection/retention in accordance with the California Public Records Act. Because the E-mail system is not designed for long term storage, E-mail communications which are intended to be retained as an official record should be stored in appropriate electronic form or printed out and the hard copy filed in the appropriate subject file.
2. The City will maintain E-mail messages designated as official records for a minimum of two (2) years or as otherwise designated in the City's retention schedule. These are subject to public disclosure, even if they are drafts or informal notes, unless the need to retain their confidentiality outweighs the need for disclosure, or the E-mail message is otherwise exempt under any provision of the Public Records Act or other state or federal law.
3. E-mail communications that are not intended to be retained and which serve no useful purpose to the City should be deleted from the system.

E. E-MAIL PROCEDURES/ETIQUETTE

Employees who are granted E-Mail and Internet access are required to abide by the following procedures and etiquette. Employees are to:

1. Remember they are representing the City through their communications both internally and externally, and it is critical that they maintain a positive image for both themselves and the City.
2. As a good business practice, E-Mail is to be checked at least once each work day and messages responded to promptly.
3. Be certain that their messages are addressed to the proper person. The list of persons being E-mailed when choosing a "REPLY ALL" function must be checked prior to sending the E-Mail message. E-mail should not be used for broadcast purposes unless the message is of interest to all users.
4. Capitalize words only to emphasize an important point or to distinguish a title or heading. Capitalizing whole words that are not titles is generally interpreted as shouting.
5. Be professional and careful of what is said about others. E-mail is easily forwarded and blind copied.
6. Be cautious when using sarcasm and humor. Without face to face communication, humor may be viewed as criticism. By the same token, E-Mail users must carefully read what others write. The perceived tone may easily be misinterpreted.
7. Be aware that deleting or erasing information, documents, or messages maintained on the City's network is, in many cases, ineffective. Information kept on the City's system may be electronically recalled or recreated regardless of whether it may have been erased or deleted by an employee. Further, since the City may periodically back-up files and messages, and because of the way in which computers re-use file storage space, files and messages may exist even after a user assumes they are deleted. Finally, information or messages may still exist in the storage areas of other users. Therefore, employees who delete or erase information or messages should not assume that such information or messages are confidential.

F. PENALTIES FOR MISUSE OF E-MAIL OR INTERNET ACCESS

1. All E-mail and Internet Access users will be provided a copy of this regulation, upon the granting of access to the computer network. Each such person shall be required to complete an "Employee Acknowledgement" in substantially the form attached hereto as Attachment A. One copy of the form shall be given to the employee, and another shall be kept in the employee's personnel file.
2. Failure on the part of any employee to comply with the provisions of this policy may result in suspension or revocation of the privilege of using or accessing E-mail and Internet Access, as well as disciplinary action up to, and including, termination of employment.
3. Failure on the part of any contractor or consultant to comply with the provisions of this policy will constitute grounds for termination of their contract with the City.

CITY OF HUGHSON

EMPLOYEE ACKNOWLEDGMENT

**ELECTRONIC COMMUNICATIONS AND INTERNET ACCESS POLICY**

I hereby acknowledge receiving and reading a copy of Administrative Policy **ELECTRONIC COMMUNICATION AND INTERNET ACCESS POLICY**. I also understand that any questions concerning the policy may be addressed to the City Manager.

I understand that the City's E-mail and Internet access system and computer network are for City business only. I further understand that all information contained on or communicated through the E-mail and Internet access system and computer network is subject to monitoring, review and disclosure.

\_\_\_\_\_  
(Initial)

Consequently, I have no expectation of privacy in communications stored on, or communicated through, any City computer system or network as such communications are **not** private or confidential.

\_\_\_\_\_  
(Initial)

Finally, I understand that violation of this Administrative Policy may result in disciplinary action, up to and including dismissal.

\_\_\_\_\_  
(Initial)

Name (printed or typed): \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## *APPENDIX*

### ***Appendix A-3 – Policy For Reimbursement of Travel and Business Expenses***

## CITY OF HUGHSON

### POLICY FOR REIMBURSEMENT OF TRAVEL AND BUSINESS EXPENSES

#### 1. PURPOSE.

1.1. The purpose of this Policy for Reimbursement of Travel and Business Expenses (“Policy”) is to define and clarify authorized reimbursable travel and business expenses incurred by City employees and city officials in connection with their official City responsibilities, both within and outside of the City of Hughson, and within and outside of the County of Stanislaus, and to establish procedures for the authorization and reimbursement of such expenses.

1.2. In order to protect public resources and foster public trust in the use of those resources, as well as comply with state law requirements regarding reimbursement of expenses, the City hereby sets forth this Policy. This Policy complies with the requirements of the California Government Code, including sections 53232, and following, enacted in 2005 by AB 1234.

1.3. In addition, this Policy complies with the applicable income and tax regulations. Travel and business expense reimbursements or advances paid under an accountable plan are tax-free. By contrast, a reimbursement or advance paid under a non-accountable plan is considered taxable wages; therefore taxes must be withheld and paid, and these payments reported as income on an employee’s W-2. This Policy meets the requirements of an accountable plan (business connection, substantiation, and return of unsubstantiated amounts). All travel and expenses reimbursed must have documentation supporting the place and business purpose consistent with the requirements of this Policy.

#### 2. GENERAL RULES

2.1. Applicability. Unless otherwise specified, this Policy is applicable to all City employees and all City officials. City officials include elected officials and appointed members of boards and commissions of the City.

2.2. Definition of Travel. For the purpose of this Policy, the word "travel" is used to denote activities of individuals required in connection with authorized attendance at conferences and meetings, either formal or informal, including necessary transportation. Travel is further designated as local or non-local as defined below.

2.2.1. Local Travel. Official travel performed within a distance of 100 miles from the City of Hughson and accomplished within one day.

2.2.2. Non-Local Travel. Official travel involving at least one over-night absence from the City of Hughson or to a location more than 100 miles distance from the City of Hughson.

2.3. Related to City Business. City officials and employees shall be expected to exercise good judgment and show proper regard for economy when incurring expenses in connection with the conduct of official City business. Any expense for which an employee or official requests reimbursement should directly and clearly relate to the conduct of City business, and in the event of an audit subsequent to the reimbursement, should leave no question that such expenditure in fact did relate and was necessary to the conduct of City business.

2.4. Expenses Eligible for Reimbursement.

2.4.1. City funds, equipment, supplies (including letterhead), titles, and employee time must only be used for official, authorized City business.

2.4.2. For City officials, expenses incurred in connection with the following types of activities generally constitute authorized expenses which are eligible for reimbursement provided that they are otherwise consistent with this Policy:

2.4.2.1 Communicating with representatives of local, regional, state and national government on City adopted policy positions;

2.4.2.2 Attending educational seminars designed to improve officials' and employees' skill and information levels;

2.4.2.3 Participating in local, regional, state and national organizations whose activities affect the City's interests;

2.4.2.4 Recognizing service to the District (for example, thanking a longtime employee with a retirement give or celebration of nominal value and cost);

2.4.2.5 Attending City events; and

2.4.2.6 Attending meetings regarding City related business, including meeting with City staff.

2.4.3. For City officials all other expenditures not specified in section 2.4.2 above, require prior approval by the legislative body for which the official is a member and must be otherwise consistent with State law.

2.5. Expenses Not Eligible for Reimbursement.

2.5.1. For both City employees and officials, expenses incurred which are not associated with official city business are not eligible for reimbursement. This includes, but is not limited to, the following types of expenses:

2.5.1.1 The personal portion of any trip;

2.5.1.2 Political or charitable contributions or events;

2.5.1.3 Family expenses, including partner's expenses, when accompanying an employee or official on City-related business, as well as children or pet-related expenses;

2.5.1.4 Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), or other cultural events;

2.5.1.5 Alcohol/personal bar expenses;

2.5.1.6 Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline; and

2.5.1.7 Personal losses incurred while on District business.

2.5.2. Any questions regarding the propriety of a particular type of expense should be resolved before the expense is incurred by the City Manager regarding employees or the City Council regarding officials.

2.6. Expenditures Not Specified by Policy. This Policy provides information and guidance in determining expenses which are appropriate to the conduct of City business. However, for City employees, the City Manager may, at his discretion, approve or disapprove any of the types of travel and business expenses identified in this Policy, or any other expenses not listed, as the City Manager deems appropriate to specific circumstances. For City officials, both elected and appointed, any expenditure for reimbursement for expenses occurred which fall outside of this Policy must receive the prior approval during a public meeting of the legislative body for which the official is a member.

### 3. TRANSPORTATION EXPENSES.

#### 3.1. General Rules for Transportation Expenses.

3.1.1. The transportation modes specified in this Policy may be employed for the purpose of traveling on City business.

3.1.2. Travel time shall not exceed one (1) day in each direction while in route to and from business, conferences or meetings.

3.1.3. All travel will be by the mode least costly to the City. In arriving at the lowest cost mode, factors such as time, distance traveled and cost of transportation must be considered.

3.1.4. When two (2) or more persons are traveling by automobile, whether personal or City vehicle, every reasonable effort is to be made to ride together.

### 3.2. Air and Rail.

3.2.1. Allowance for air and rail travel will be actual round-trip fare and will be made by coach or tourist class or by the method least costly to the City.

3.2.2. Special efforts shall be made to take advantage of discounts and special fares when such fares and discounts produce "real savings" to the City.

3.2.3. If other travel arrangements are made, or are made in conjunction with approved personal leave, reimbursement shall be computed at the coach rate, using the shortest and most direct route to and from the location of the City business.

### 3.3. Private Automobile.

3.3.1. With prior written approval from the Department Head, a personal vehicle may be used for transportation in lieu of air travel or a City vehicle.

3.3.2. If a personal automobile is used, the reimbursement of mileage will not exceed the cost of coach air travel from a local airport to the destination and transportation to and from the airport.

3.3.3. The mileage allowance for use of a personal automobile will be based on the mileage allowance rate published and approved by the Internal Revenue Services. Current rates can be found on their website at [www.irs.gov](http://www.irs.gov).

### 3.4. City Vehicle.

3.4.1. Use of departmentally assigned or pool City vehicles may be authorized for travel to and from designated places on City business outside the local area when this method of transportation can be demonstrated as the most economical means available.

3.4.2. There shall be no allowance or reimbursement for transportation when a City owned vehicle is used.

3.4.3. For use of a City vehicle, a gasoline credit card should be obtained from the Department Head at the time of the trip.

3.4.4. Any out-of-pocket expenses incurred to operate a City vehicle shall be reimbursed only if receipts are provided.

### 3.5. Garage and Parking Expenses.

3.5.1. Charges for parking and storage for private or City vehicles may be reimbursed.

3.5.2. Receipts for such expenses should be retained and submitted with requests for reimbursement.

### 3.6. Vehicle Rentals, Taxi and Bus Fare.

3.6.1. Expenses for transportation of rental vehicles, taxis and buses may be reimbursed where such conveyances are reasonable and necessary in the conduct of City business.

3.6.2. Receipts for such expenses should be retained and submitted with requests for reimbursements.

3.6.3. Corporate rates should be requested for vehicle rentals.

### 3.7. Use of Privately Owned/Chartered Aircraft.

3.7.1. Use of privately owned aircraft directly or indirectly related to official City business is strictly prohibited. Reimbursement for private aircraft use will not be provided.

3.7.2. At the City Manager's discretion, a waiver of the private plane restriction may be made if circumstances exist that clearly preclude the use of other carriers. Such a waiver requires written authorization from the City Manager after compliance with City insurance and pilot qualification standards. More specifically, the guidelines outlined below will apply to the City Manager's consideration of an employee's request to use a privately owned aircraft.

3.7.2.1 Any request must be submitted at least two weeks prior to the flight occurrence to include destination, names of employees and any other occupants, type of aircraft, landing points, and any other information that may be deemed as necessary.

3.7.2.2 The aircraft must either be owned by the employee or rented from a commercial aircraft firm.

3.7.2.3 The City must be named as co-insured on an insurance policy that has a minimum of \$1 million coverage with no more than \$1,000 deductible. Proof of insurance with the City named as co-insured must be submitted and approved.

3.7.2.4 The pilot must be rated for Instrument Flight Rules and show proof of such qualification. Instrument Flight Rules will also be the method of flight rather than Visual Flight Rules and all details of how such Instrument Flight Rules procedures will be accomplished must be submitted prior to the flight.

3.7.3. Notwithstanding the requirements listed above, the City Manager, at his sole discretion, can deny any request for the use of a privately owned or chartered aircraft.

## 4. **ACCOMMODATIONS.**

4.1. Whenever possible, single rooms at corporate/government/group rates are to be secured. These rates must be specifically requested.

4.2. If the employee wishes to reserve a double room or some other accommodation, then single room, corporate/government/group rates, if available, are to be charged to the City.

4.3. Special efforts shall be made to obtain accommodations at or near the facility where official City business is to take place.

4.4. The principle of least cost shall be followed provided the accommodations are adequate. Travel time and transportation costs shall be considered in accommodation arrangements.

4.5. For officials, if lodging is in connection with a conference or organized educational activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the official at the time of booking. If the group rate is not available, the official shall use comparable lodging and may be reimbursed for the actual lodging costs.

## 5. MEALS

### 5.1. Non-Local Travel.

5.1.1. Any official or employee who is authorized to travel in the discharge of official duties may receive, in addition to transportation and hotel accommodation expenses, a meal allowance for each day or part thereof. The maximum allowance shall not exceed the amount specifically established by this Policy as set forth in section 5.4 of this Policy entitled "Meal Allowance Policy."

5.1.2. Meal allowance shall be allowed or reimbursed for days actually spent on City business, for programmed days of a conference or meeting, and for time spent in travel. Travel time shall not exceed one (1) day in each direction while in route to and from business, conferences or meetings.

### 5.2. Local Travel.

5.2.1. Occasionally, City employees are required to attend local meetings on City business during which a meal is served or necessary. Allowable expenses for such meetings include the cost of the meal and tip.

5.2.2. Employees who, during the normal course of performing their duties, must provide for meals for representatives of governmental agencies or other persons doing business with or for the City in order to most effectively execute their responsibilities, may be authorized reimbursement for expenses associated with such meals. **[NOTE: The meaning and purpose of the following sentences within the existing policy is unclear.]** Business meals cannot be claimed when attending a conference, seminar or when an employee has paid "registration fees" in which case, per diem will be claimed, if applicable. When requesting such reimbursement, documentation shall be submitted in accordance with City procedures which will include: copy of receipt, description or purpose of meal, listing of all persons, organizations and title.

5.3. Other Meals. Expenses for other meals not defined in this provision, such as City awards luncheons and dinners, retirement luncheons and dinners and meals associated with service

club meetings shall not be authorized for reimbursement unless specifically approved by the City Manager for City employees and by the City Council for City officials.

#### 5.4. Meal Allowance Policy.

5.4.1. For all non-local travel, City officials and employees may request a meal allowance of \$45.00 per day or reimbursement of actual meal expenses incurred.

5.4.2. Reimbursement for actual expenses in excess of the established per diem shall be made only if receipts are provided and the amount to be reimbursed is reasonable under the circumstances.

5.4.3. Per diem or reimbursement for meals will not be allowed when a meal is provided within the registration fee.

5.4.4. In the event that the individual is not on City business for the entire day, the meal allowance will be prorated according to the following formula:

5.4.4.1 Breakfast: \$10.00 - to be paid if travel begins prior to 7:00 a.m. or ends after 9:00 a.m.

5.4.4.2 Lunch: \$15.00 - to be paid if travel begins prior to 11:00 a.m. or ends after 1:00 p.m.

5.4.4.3 Dinner. \$20.00 - to be paid if travel begins prior to 5:00 p.m. or ends after 7:00 p.m.

5.4.5. It will be the Department Head's responsibility to monitor the time of departure and arrival to ensure proper payment of meal allowance.

5.4.6. Officials must provide receipts for all meals and attach them to the reimbursement form provided by the City. In the event any of an official's meal cost is less than the per diem allowance or as set forth in this Policy and the elected official received a meal allowance, as applicable, the official shall refund to the City the unused portion of the meal allowance or the official shall be reimbursed for only the actual costs incurred.

5.5. Tips and Gratuities. Reasonable expenses for tips and gratuities are allowable for meals, hotel and transportation purposes.

#### 6. REGISTRATION FEES.

6.1. Fees charged for registration at any convention or meeting may be reimbursed. A receipt or some other proof of the fee amount, such as a copy of the conference program setting forth the fee rate, shall be provided with any such reimbursement request.

#### 7. TELEPHONE AND TELEGRAPH.

7.1. Telephone and telegraph expenses may be incurred only for the conduct of City business by employees traveling in conjunction with their official capacities. However, one phone call per day of a short duration (5 minutes) may be made by the employee to his/her home when on non-local travel.

## 8. **ADVANCE FUNDS.**

8.1. City employees shall be eligible for a travel advance of over \$25 after its approval by the City Manager. A copy of the complete travel request must be submitted to the Finance Director at the time the travel advance is requested. A travel advance check to the employee will be made in accordance with the Accounts Payable schedule in an amount equal to 100% of the meal allowance for the trip. Additionally, the City shall pay in advance registration, transportation costs, and lodging, including one (1) night for travel time. Travel advances will only be given for non-local travel. Exceptions to this requirement require the approval of the City Manager.

8.2. No later than ten (10) working days after returning to the job, the employee will complete the Travel Expense Report form to show actual or authorized expenses (with receipts) and submit it to the Finance Department for settlement. All advances including travel, registration, lodging, meal allowance, and transportation, will be deducted from the total expense. If the advance exceeds the actual expenses, a remittance must accompany the completed claim for payment. If the trip is canceled, all advances must be returned immediately. If the claim for payment is not submitted within the required ten working days, the trip account shall be closed out and the employee shall not be reimbursed for out-of-pocket expenses incurred.

8.3. The Finance Department shall audit the items submitted for arithmetic accuracy and the allowability of the expenditures, and when appropriate, prepare a check for payment to the employee.

8.4. In those cases where two or more employees travel together in another employee's private vehicle, mileage reimbursement, where appropriate, shall be paid to one employee only. It is the employee's responsibility to submit all receipts.

8.5. Costs which are reimbursed to the employee, without proper documentation (receipt) must be considered taxable income and must be reported on year end W-2's pursuant to IRS regulations of an "accountable plan" and expenses incurred over the authorized "per diem" amounts shall be the responsibility of the employee.

## 9. **ATTENDANCE APPROVAL REQUIRED.**

9.1. Employees For employees, all out-of-state travel and Department Head attendance at conferences or overnight travel, must be approved by the City Manager. Other travel is subject to Department Head approval. At no time shall a department be left without a qualified person on duty, including weekends and holidays, without City Manager approval. Expenses incurred by employees prior to or without proper authorization may be the responsibility of that employee.

9.2. Officials. For officials, all anticipated conferences, conventions and professional meetings shall be budgeted for in the budget, or specifically approved by the City Council. As the trip is paid for with public funds, it shall be the responsibility of the official undertaking the trip to make every effort to attend the entire conference and as many sessions as possible.

## 10. SPOUSES.

10.1. Although fiscal and legal requirements do not allow the use of City funds for spouses to accompany City officials and employees, the attendance of spouses serves and promotes desirable City purposes and goals. It is the policy of the City to encourage their participation at the City official's or employee's own expense. Spouses are often expressly invited to attend conferences, and business meetings. Their presence at gatherings of mixed social and business purposes serves not only the beneficial purpose of presenting the best picture of City "families" to others, but spouses contribute valuable information, viewpoints and opinions in discussions about City and governmental business. The spouse's contribution is both substantive and ceremonial.

## 11. RECEIPT REQUIREMENT FOR OFFICIALS.

11.1. All cash advance expenditures, credit card expenses and expense reimbursement requests made by an official must be submitted on an expense form provided by the City.

11.2. Expense reports must document that the expense in question met the requirements of this Policy.

11.3. Officials must submit their expense reports within thirty (30) calendar days of an expense being incurred, unless otherwise unreasonable and such expense reports must be accompanied by receipts documenting each expense. Inability to provide such documentation in a timely fashion may result in the expense being borne by the official and ineligible for reimbursement from the City.

*APPENDIX*

***Appendix B – City Manager/Executive Director Authority Ord.  
80-11***

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

CITY OF HUGHSON

ORDINANCE NO. 80-11

AN ORDINANCE ESTABLISHING THE OFFICE OF CITY MANAGER, PRESCRIBING THE POWERS AND DUTIES OF SAID OFFICE, AND PROVIDING FOR APPOINTMENT, REMOVAL, AND COMPENSATION; REPEALING ORDINANCES NO. 73-10, NO. 75-2, AND NO. 75-5

THE CITY COUNCIL OF THE CITY OF HUGHSON DOES ORDAIN AS FOLLOWS:

Section 1. POSITION CREATED: The position of the City Manager is created and established. The City Manager shall be appointed by the City Council wholly on the basis of his administrative and executive ability and qualifications and shall hold office for and during the pleasure of the City Council as hereinafter provided.

Section 2. "CITY ADMINISTRATOR" DEEMED TO MEAN "CITY MANAGER": Whenever a reference is made to "City Administrator" in this code, or in any other City Ordinance, Resolution or action, that reference shall be deemed to mean "City Manager".

Section 3. APPOINTMENT; REVOVAL; LIMITATION: The City Council shall appoint the City Manager for an indefinite term and may remove him at any time by a three (3) member vote of the City Council, convened in a regular Council meeting. At least thirty (30) days before such removal shall become effective, the Council shall cause a written notice to be furnished to the Manager stating the Council's intentions to remove him. If the manager so requests, the Council shall provide, in writing, reasons for the intended removal within seven (7) days after the request. The Council may suspend the Manager immediately from duty, but shall in any case

1 cause to be paid him any unpaid balance of his salary up to the date  
2 upon which the removal shall become effective. The Council, in re-  
3 moving the Manager, shall use its uncontrolled discretion and its  
4 action shall be final.

5 Section 4. POWERS AND DUTIES: The City Manager shall be  
6 the administrative head of the government of the City under the  
7 direction and control of the City Council except as otherwise pro-  
8 vided in this Ordinance. He shall be responsible for the efficient  
9 administration of all the affairs of the City which are under his  
10 control. In addition to his general powers as administrative head,  
11 and not as a limitation thereon, it shall be his duty and he shall  
12 have the powers set forth in the following subsections:

13 a) Law Enforcement: It shall be the duty of  
14 the City Manager to enforce all laws and Ordinances of the City and  
15 to see that all franchises, contracts, permits, and privileges  
16 granted by the City Council are faithfully observed.

17 b) Authority over Employees: It shall be the  
18 duty of the City Manager, and he shall have the authority to con-  
19 trol, order and give directions to all heads of departments and to  
20 subordinate officers and employees of the City under his jurisdiction.

21 c) Power of Appointment and Removal: Subject  
22 to the employee merit system rules and regulations of the City, it  
23 shall be the duty of the City Manager to, and he shall, appoint,  
24 remove, promote and demote any and all officers and employees of the  
25 City, except the City Treasurer, the City Attorney, Commissioners,  
26 and all elected officials.

1                   d) Administrative Reorganization of Offices: It  
2 shall be the duty and responsibility of the City Manager to conduct  
3 studies and effect such administrative reorganization of offices,  
4 positions, or units under his direction as may be indicated in the  
5 interest of efficient, effective, and economical conduct of the  
6 City's business.

7                   e) Ordinances: It shall be the duty of the City  
8 Manager and he shall recommend to the City Council for adoption such  
9 measures, Resolutions, and Ordinances as he deems necessary.

10                   f) Attendance at Council Meetings: It shall be  
11 the duty of the City Manager to attend all meeting of the City  
12 Council, unless he is excused therefrom by the Mayor individually,  
13 or by the City Council.

14                   g) Finance and Reporting: The City Manager  
15 shall be the Finance Officer of the City, and it shall be his duty  
16 to, and he shall have the authority to control, regulate and autho-  
17 rize the purchasing and fiscal management activities of the City,  
18 within and in accord with the limitations prescribed by the General  
19 Laws of the State of California and as allocated pursuant to the  
20 adopted City Budget, and he shall keep the City Council at all times  
21 fully advised of the financial condition and needs of the City; and,  
22 at the end of each fiscal year cause to be presented a complete  
23 report to the City Council on the financial status and fiscal  
24 activities of the City.

25                   h) Budget: It shall be the duty of the City  
26 Manager to prepare and submit the proposed annual budget and the

1 proposed annual salary plan to the City Council for its approval.

2 i) Expenditure Control and Purchasing: It shall  
3 be the duty of the City Manager to see that no expenditures shall be  
4 submitted or recommended to the City Council, except on approval of  
5 the City Manager or his authorized representative. The City Manager  
6 or his authorized representative, shall be responsible for the pur-  
7 chase of all supplies for all the departments or divisions of the  
8 City; further, it shall be the duty of the City Manager to establish  
9 a centralized purchasing system for all City offices, departments,  
10 and agencies.

11 j) Investigations and Complaints: It shall be  
12 the duty of the City Manager to make investigations into the affairs  
13 of the City and any department or division thereof, and any contract  
14 or the proper performance of any obligations of the City; further,  
15 it shall be the duty of the City Manager to investigate all com-  
16 plaints in relation to matters concerning the administration of the  
17 City government and in regard to the service maintained by public  
18 utilities in the City.

19 k) Public Buildings: It shall be the duty of  
20 the City Manager and he shall exercise general supervision over all  
21 public buildings, public parks, and all other public property which  
22 is under the control and jurisdiction of the City.

23 l) Additional Duties: It shall be the duty of  
24 the City Manager to perform such other duties and exercise such  
25 other powers as may be delegated to him from time to time by Ordi-  
26 nance, Resolution, or other official action of the City Council.

1           Section 5. CITY MANAGER - COUNCIL TABLE: The City Manager  
2 shall be provided a seat at the City Council Table and shall be  
3 entitled to participate in the deliberations of the City Council,  
4 but shall not have a vote.

5           Section 6. MANAGER PRO TEMPORE: The City Manager shall  
6 appoint one of the officers or department heads of the City to serve  
7 as Manager Pro Tempore during any temporary absence or disability  
8 of the City Manager.

9           Section 7. RESIDENCE REQUIREMENTS: Residence in the City  
10 at the time of appointment shall not be required as a condition of  
11 employment; however, residence in the City within six (6) months  
12 after the acceptance of an appointment to this position shall be  
13 encouraged.

14           Section 8. ELIGIBILITY: No member of the City Council  
15 shall be eligible for appointment as City Manager until two (2)  
16 years have elapsed after such Council member has ceased to be a  
17 member of the City Council.

18           Section 9. BOND: The City Manager and Manager Pro Tempore  
19 shall furnish a corporate surety bond to be approved by the City  
20 Council, and shall be conditioned upon the faithful performance of  
21 the duties imposed upon the City Manager or Manager Pro Tempore as  
22 herein prescribed. Any premium for such bond shall be a proper  
23 charge against the City.

24           Section 10. COMPENSATION: The City Manager shall receive  
25 such compensation as the City Council shall from time to time  
26 determine.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

Section 11. INTERNAL RELATIONS: The City Council and its members shall deal with the administrative services of the City only through the City Manager, except for the purpose of inquiry, and neither the City Council nor any member thereof shall give orders or instructions to any subordinates of the City Manager. The City Manager shall take his orders and instructions from the City Council only when sitting in a duly convened meeting of the City Council and no individual councilman shall give any orders or instructions to the City Manager.

Section 12. AGREEMENTS ON EMPLOYMENT: Nothing in this Ordinance shall be construed as a limitation on the power or authority of the City Council to enter into any supplemental agreement with the City Manager delineating additional terms and conditions of employment not inconsistent with any provisions of this Ordinance.

Section 13. REPEAL: The CITY OF HUGHSON ORDINANCES NO. 73-10, NO. 75-2, and NO. 75-5 are hereby repealed.

Section 14. POSTING: Prior to the expiration of fifteen (15) days after the adoption hereof the Clerk shall cause this Ordinance to be posted in at least three (3) public places in the CITY OF HUGHSON in accordance with Section 36933 of the Government Code of the State of California.

THE FOREGOING ORDINANCE was introduced at the regular

1 meeting of the City Council of the CITY OF HUGHSON held on December  
2 8, 1980, and was adopted by said City Council at the regular  
3 meeting of December 22, 1980, by the following vote:

4 AYES: Councilmembers LEMA, TRIEWELER, THOMS,  
5 and Mayor PARKER

6 NOES: None

7 ABSENT: Councilmember KING

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

*Jack M. Parker*  
\_\_\_\_\_  
JACK M. PARKER, Mayor

ATTEST

*Gayle Robertson*  
\_\_\_\_\_  
GAYLE ROBERTSON, City Clerk

## *APPENDIX*

### ***Appendix C – Policies Re: Meetings & Rules of Order Resolution No. 2012-49***

**CITY OF HUGHSON  
CITY COUNCIL  
RESOLUTION NO. 2012-49**

**REPEALING RESOLUTION 07-190 AND ESTABLISHING NEW COUNCIL POLICIES  
REGARDING MEETINGS & RULES OF ORDER**

**BE IT RESOLVED** that the City Council of the City of Hughson does hereby adopt the following policy for the conduct of meetings of the Hughson City Council, superseding and repealing Resolution 07-190.

**AGENDA:**

- A. *Preparation.* The City Clerk is hereby directed to prepare an agenda for each Council meeting according to the order of business.
- B. *Agenda Items.* The Mayor, a Council Member, City Manager, City Clerk, or City Attorney may request that an item be placed on the City Council meeting agenda. Requests received by the City Clerk prior to noon on the Tuesday before the next City Council meeting will be placed on the agenda.
- C. *Staff Reports and Council Reports.* Staff and Council Reports not on the agenda shall be limited to those matters informative in nature and which do not require action by the Council.
- D. *Consent Calendar.* The City Clerk may place on the consent calendar any item other than ordinances on first reading, or public hearings. Any Council member may remove any item from the consent calendar at the meeting. Any item on the consent calendar may be removed for discussion upon request by a member of the audience.

**ORDER OF BUSINESS:**

All meetings of the Council shall be conducted in accordance with the Ralph M. Brown Act, California Government code sections 54950 et seq., as it is now or may be hereafter be amended. The regular Council Meetings are scheduled for the 2nd and 4th Mondays of every month at 7:00 p.m. Agendas for all meetings shall be posted in accordance with the Ralph M. Brown Act, in the following places:

1. On the bulletin board in the United States Post Office at 6924 Elm Avenue, Hughson, California;
2. On the bulletin board in the City Hall at 7018 Pine Street, Hughson, California; and
3. On the bulletin board in the Stanislaus County Library, Hughson Branch, at 6935 Hughson Avenue, Hughson, California.

Agenda descriptions of closed session items shall follow the format established in California government Code section 54954.5 as it is now or may be amended. The business of the Council shall be taken up for consideration and disposition in substantially the following order except as may be otherwise ordered by the Mayor, or in his/her absence the Mayor Pro Tempore:

- A. Pledge of Allegiance to the Flag.
- B. Public Comment.
- C. Presentations.
- D. Consent Calendar.
  - i. Minutes.
  - ii. Warrants.
- E. Unfinished Business.
- F. Public Hearings.
- G. New Business.
- H. Correspondence.
- I. Comments.
  - i. Staff Reports.
  - ii. Council Comments.
  - iii. Mayor's Comments.
- J. Closed Session.

*Special Meetings.* Special meetings may be called by the Mayor, the City Manager, or by three or more members of the council. The City Clerk shall prepare a notice of the special meeting time, place, and the business to be transacted, and post any required agenda, in accordance with the Brown Act.

*Emergency Meetings.* In an "emergency situation," the Council is not required to deliver prior written notice of the meeting. An emergency situation is defined to include a work stoppage or activity and a crippling disaster, which severely impairs public health, safety, or both, as determined by a majority of the members of the legislative body.

*Duties of the Presiding Officer.* The Mayor, or in his absence the Mayor Pro Tempore, shall be the Presiding Officer. The Mayor is elected by the voters of the City

of Hughson. The Mayor Pro Tempore shall be elected by the Council the night the Council Members are sworn into office following each municipal election. He shall preserve strict order and decorum at all meetings of the Council, state questions coming before the Council, announce its decision on all subjects and decide all question or order, subject, however, to an appeal to the Council as a whole, in which event a majority vote shall govern and conclusively determine such question of order. He shall vote on all questions and he has the right to vote last on any roll call vote. The President Officer shall have the right to vary the agenda. The Mayor shall sign all ordinances, resolutions and other documents adopted by the Council at meetings at which he is in attendance. In the event of his absence, the Mayor Pro Tempore shall sign such documents as have been adopted and approved by the Council. Proclamations shall be signed by the Mayor, or in his absence, the Mayor Pro Tempore. The Presiding office shall have the authority to call for recesses during and adjourn all meetings unless three Council members vote to override his/her decision and thus continue the meeting.

*Quorum.* Three Council Members shall constitute a quorum for the transaction of business. When there is no quorum, the remaining members may adjourn such meeting. When there are no members present, the City Clerk may adjourn such meetings. For the purpose of considering any item subject to vote from the Council, when a Council Member disqualifies himself due to conflict of interest, that Council Member's presence shall not be considered in determining the presence of a quorum. Consideration of such item thereof shall be deferred until a quorum on non-interested Council Members is present to discuss and vote on the item.

*Preparation of Minutes.* The minutes of the Council shall be kept by the City Clerk, and such minutes, when approved by the Council, shall become the official records of the City of Hughson. The City Clerk shall prepare action minutes which do not require comments made by the Council Members. The minutes should include the name and address of everyone who addressed the Council.

## RULES OF DEBATE

A. *Presiding Officer may debate and vote.* The Presiding Officer may move, second and debate from the chair; subject only to such limitations of debate as are by these rules imposed on all Council Members and shall not be deprived of any of the rights and privileges of a Council Member by reason of his acting as the Presiding Officer.

B. *Getting the Floor.* Every Council Member desiring to speak shall address the Presiding Officer and, upon recognition by the Presiding Officer, shall confine himself to the question under debate, avoiding all personalities and indecorous language.

C. *Interruptions.* A Council Member once recognized shall not be interrupted when speaking unless it is to call him in order, or as herein otherwise provided. If a

Council Member while speaking is called to order, he shall cease speaking until the question of order is determined, and if in order, he shall be permitted to proceed.

D. *Privilege of Closing Debate.* The Council Member moving the adoption of an ordinance or resolution shall have the privilege of closing the debate.

E. *Remarks of Council Members.* A Council Member may request, through the Presiding Officer, the privilege of having an abstract of his statement on any subject under consideration by the Council entered in the minutes. If the Council consents thereto, such statement shall be entered in the minutes.

F. *Rules of Order.* "Rosenberg's Rules of Order" in its current form and as revised from time to time in the future shall govern the conduct of the meetings of the Council except as otherwise set forth herein. All motions shall require a second by a Council Member before a vote may be taken on the motion.

G. Notwithstanding the above, a majority of the members present may override a ruling of the Presiding Officer.

*Addressing the Council.* Any person desiring to address the Council is requested to first fill out a speaker sheet and give it to the City Clerk prior to the starting of the meeting. The person may address any item on the agenda or may discuss anything pertaining to the City of Hughson; however, if the item was not posted on the agenda, Council will not be allowed to take action on the item. The person shall also be limited to five minutes unless Council by consensus agrees to a longer time. When addressing the Council each person will be requested to state his name, title, and address for the record. All remarks shall be addressed to the Council as a body and not to any individual member. No other person, other than a Council Member or the person having the floor, shall be permitted to enter into any discussion without the permission of the Presiding Officer.

After a motion is made and seconded by the Council, no person shall address the Council without first securing the permission of the Council to do so.

*Voting.* All members of the Council, when present, must vote. If a member of the Council states that he is not voting, his silence shall be recorded as an affirmative vote unless, however, the Council Member abstains from voting by reason of his interest in the matter before the Council and that reason is stated at the meeting, in which case his vote shall be recorded as an abstention and shall neither be affirmative or negative.

*Enforcement of Order.* The Chief of Police, or his duly authorized representative, shall be ex-officio Sergeant-at-Arms of the Council and may wear his uniform. He shall carry out all orders and instructions given him by the Presiding Officer for the purpose of maintaining order in the Council Chambers. Upon instructions of the Presiding Officer, it shall be his duty to eject from the council Chamber any person in the audience who uses loud, boisterous or profane language at a Council meeting or any person who persistently interrupts the proceedings of the Council or refuses to keep quiet or take a

seat when ordered to do so by the Presiding Officer.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Hughson that the within policies regarding meetings and rules of order is adopted as the policy of the City Council of the City of Hughson.

**PASSED AND ADOPTED** by the Hughson City Council at a regular meeting thereof held on November 26, 2012, by the following vote:

**AYES:** Carr, Silva, Young, Beekman, and Mayor Bawanan.

**NOES:** None.

**ABSTENTIONS:** None.

**ABSENT:** None.

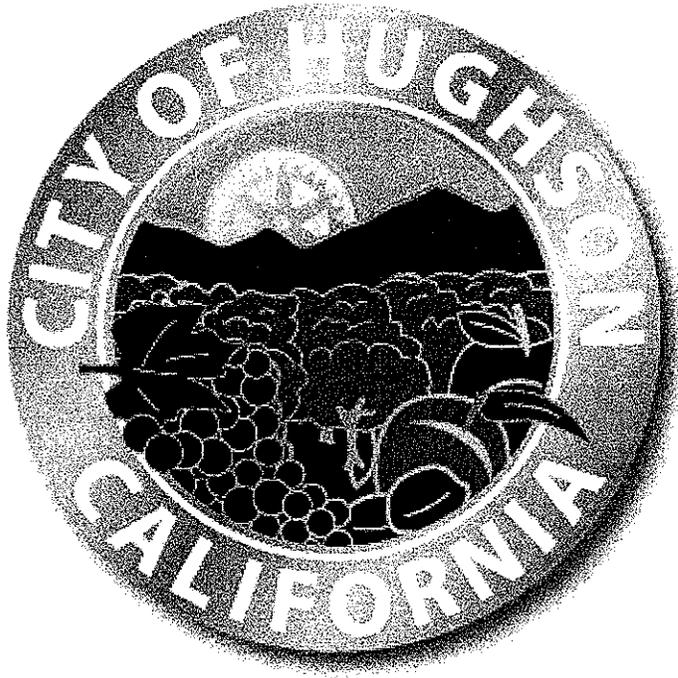
  
\_\_\_\_\_  
**RAMON BAWANAN, Mayor**

**ATTEST:**

  
\_\_\_\_\_  
**DOMINIQUE SPINALE, Deputy City Clerk**

*APPENDIX*

***Appendix D – COH Code of Conduct For Elected Officials***



# **CODE OF CONDUCT FOR ELECTED OFFICIALS**

**Adopted February 9, 2004  
Resolution No. 04-19**



**THIS CODE OF CONDUCT** is designed to describe the manner in which Councilmembers should treat one another, city staff, constituents, and others with whom they come into contact with in representing the City of Hughson. It reflects the work of a Committee chosen by the Council, consisting of two members of the Concerned Citizens Committee, and two Councilmembers, that was charged with defining more closely the behavior, manners, and courtesies that are suitable for various occasions. That Committee also considered a wide variety of policy changes and clarifications designed to make public meetings and the process of governance run more smoothly.

The constant and consistent theme through all of the conduct guidelines is “respect.” Councilmembers experience huge workloads and tremendous stress in making decisions that could impact thousands of lives. Despite these pressures, elected officials are called upon to exhibit appropriate behavior at all times. Demonstrating respect for each individual through words and actions is the touchstone that can help guide Councilmembers to do the right thing in even the most difficult situations.

## **TABLE OF CONTENTS**

	<u>Page</u>
Overview of Roles and Responsibilities.....	2
Policies and Protocol Related to Conduct.....	4
Council Conduct with One Another.....	6
Council Conduct with City Staff.....	8
Council Conduct with the Public.....	10
Council Conduct with Other Public Agencies.....	12
Council Conduct with Commissions.....	13
Council Conduct with the Media.....	14
Sanctions.....	15
Principles of Proper Conduct.....	16
Checklist for Monitoring Conduct.....	17
Glossary of Terms.....	18

## **OVERVIEW OF ROLES AND RESPONSIBILITIES**

Other resources that are helpful in defining roles and responsibilities of elected officials can be found in the Leadership Guide for Mayors and Councilmembers published by the League of California Cities.

### **MAYOR**

- Is separately elected
- Acts as the official head of the City for all ceremonial purposes
- Chairs Council meetings
- Calls for special meetings
- Is recognized as spokesperson for City
- Selects substitute for City representation when Mayor cannot attend
- Makes judgment calls on proclamations, special orders of the day, etc.
- Recommends subcommittees as appropriate for Council approval
- Leads the Council into an effective, cohesive working team
- Signs documents on behalf of the City
- Serves as official delegate of the City to the U.S. Conference of Mayors and other events and conferences

### **VICE MAYOR**

- Serves at the pleasure of the Council, selected on a rotating basis
- Performs the duties of the Mayor if the Mayor is absent or disabled
- Chairs Council meetings at the request of, or in the absence of the Mayor
- Represents the City at ceremonial functions at the request of the Mayor

### **ALL COUNCILMEMBERS**

- Fully participate in City Council meetings and other public forums while demonstrating respect, kindness, consideration, and courtesy to others
- Prepare in advance of Council meetings and shall be familiar with issues on the agenda
- Represent the City at ceremonial functions at the request of the Mayor
- Shall be respectful of other people's time, stay focused, and act effectively during public meetings
- Serve as a model of leadership and civility to the community
- Inspire public confidence in Hughson government  
Demonstrate honesty and integrity in every action and statement
- Participate in scheduled activities to increase team effectiveness and review Council procedures such as this Code of Conduct

All members of the Hughson City Council, including those serving as Mayor and Vice Mayor, have equal votes. No Councilmember has more power than any other Councilmember, and all should be treated with equal respect.

## **MEETING CHAIR**

- Maintains order, decorum, and the fair and equitable treatment of all speakers
- Keeps discussion and questions focused on specific agenda item under consideration
- Makes preliminary rulings with advice, if requested, from the City Attorney who acts as an advisory parliamentarian. Chair rulings may be overturned if a Councilmember so moves and the majority of the Council votes to overrule the Chair.

The Mayor will chair official meetings of the City Council, unless the Vice Mayor or another Councilmember is designated as Chair of a specific meeting.

## **FORMER COUNCILMEMBERS**

Past members should recognize that their privileged access to staff and facilities can no longer be provided.

## **POLICIES AND PROTOCOL RELATED TO CONDUCT**

### Ceremonial Events

Requests (for a City representative at ceremonial events will be handled by City staff. The Mayor will serve as the designated City representative. If the Mayor is unavailable, then City staff will determine if event organizers would like another representative from the Council. If yes, then the Mayor will recommend which Councilmember should be asked to serve as a substitute. Invitations received at City Hall are presumed to be for official City representation. Invitations addressed to Councilmembers at their homes are presumed to be for unofficial, personal consideration.

### Correspondence Signatures

Councilmembers may, but do not need to, acknowledge the receipt of correspondence, or copies of correspondence, during Council meetings. City staff will prepare official letters in response to public inquiries and concerns. These letters will carry the signature of the Mayor unless the Mayor requests that they be signed by another Councilmember or City staff. If correspondence is addressed only to one Councilmember, that Councilmember should check with staff on the best way to respond to the sender.

### Endorsement of Candidates

Councilmembers have the right to endorse candidates for all Council seats or other elected offices. It is inappropriate to mention endorsements during Council meetings or other official City meetings.

### Non-agenda Items

During the public comment period on the agenda, citizens, Councilmembers and staff may bring forth issues or questions that are not on the meeting's agenda. Topics should be legislative items requiring action by the Mayor or the Council, study issues for future consideration, and requests for information. Each speaker, citizen, or elected official will be limited to five minutes.

### Public Announcements in Council Meetings

Councilmembers are encouraged to report on their activities and other items of public interest. Councilmembers speak during the Council Comments portion of the Council meeting. Councilmembers who wish to recognize achievements or promote an event should place the matter on the agenda.

### Public Meeting Hearing Protocol

After presentation of the matter by staff if appropriate, the applicant or appellant shall have the right to speak first. The Chair will determine the length of time allowed for this presentation. Speakers representing either pro or con points of view will be allowed to follow. The Chair will determine how much time will be allowed for each speaker, with

three to five minutes the standard time granted. The applicant or appellant will be allowed to make closing comments. The Chair has the responsibility to run an efficient public meeting and has the discretion to modify the public hearing process in order to make the meeting run smoothly. Councilmembers will not express opinions during the public hearing portion of the meeting except to ask pertinent questions of the speaker or staff. "I think" and "I feel" statements by Councilmembers are not appropriate until after the close of the public hearing. Councilmembers should refrain from arguing or debating with the public during a public hearing and shall always show respect for different points of view.

#### Travel Expenses

The policies and procedures related to the reimbursement of travel expenses for official City business by Councilmembers are outlined in the City's Travel Policy.

## COUNCIL CONDUCT WITH ONE ANOTHER

Councils are composed of individuals with a wide variety of backgrounds, personalities, values, opinions, and goals. Despite this diversity, all have chosen to serve in public office in order to preserve and protect the present and future of the community. In all cases, this common goal should be acknowledged even as Council may “agree to disagree” on contentious issues.

### In Public Meetings

- Use formal titles. The Council should refer to one another formally during public meetings as Mayor, Vice Mayor or Councilmember followed by the individual’s last name.
- Practice civility and decorum in discussions and debate. Difficult questions, tough challenges to a particular point of view, and criticism of ideas and information are legitimate elements of a free democracy in action. This does not allow, however, Councilmembers to make belligerent, personal, impertinent, slanderous, threatening, abusive, or disparaging comments. No shouting or physical actions that could be construed as threatening will be tolerated.
- Honor the role of the Chair in maintaining order. It is the responsibility of the Chair to keep the comments of Councilmembers on track during public meetings. Councilmembers should honor efforts by the Chair to focus discussion on current agenda items. If there is disagreement about the agenda or the Chair’s action, those objections should be voiced politely and with reason, following procedures outlined in parliamentary procedure.
- Avoid personal comments that could offend other Councilmembers. If a Councilmember is personally offended by the remarks of another Councilmember, the offended Councilmember should make notes of the actual words used and call for a “point of personal privilege” that challenges the other Councilmember to justify or apologize for the language used. The Chair will maintain control of this discussion.
- Demonstrate effective problem-solving approaches. Councilmembers have a public stage to show how individuals with disparate points of view can find common ground and seek a compromise that benefits the community as a whole.

### In Private Encounters

- Continue respectful behavior in private. The same level of respect and consideration of differing points of view that is deemed appropriate for public discussions should be maintained in private conversations.
- Be aware of the insecurity of written notes, voicemail messages, and e-mail.

Technology allows words written or said without much forethought to be distributed wide and far. Would you feel comfortable to have this note faxed to others? How would you feel if this voicemail message was played on a speakerphone in a full office? What

would happen if this e-mail message were forwarded to others? Written notes, voicemail messages and e-mail should be treated as potentially "public" communication.

- Even private conversations can have a public presence. Elected officials are always on display - people around them they may not know will monitor their actions, mannerisms, and language. Lunch table conversations will be eavesdropped upon, parking lot debates will be watched, and casual comments between individuals before and after public meetings noted.

## COUNCIL CONDUCT WITH CITY STAFF

Governance of a City relies upon the cooperative efforts of elected officials who set policy and City staff who implement and administer the Council's policies. Therefore, every effort should be made to be cooperative and show mutual respect for the contributions made by each individual for the good of the community.

- Treat all staff as professionals. Clear, honest communication that respects the abilities, experience, and dignity of each individual is expected. Poor behavior towards staff is not acceptable.
- Limit contact to specific City staff. Questions of City staff and/or requests for additional background information should be directed only to the City Manager, City Attorney, or Assistant City Manager. The Office of the City Manager should be copied on any request, except those to the City Attorney. Requests for follow-up or directions to staff should be made only through the City Manager or the City Attorney when appropriate. When in doubt about what staff contact is appropriate, Councilmembers should ask the City Manager for direction. Materials supplied to a Councilmember in response to a request, including from the City Attorney, will be made available to all members of the Council so that all have equal access to information.
- Do not disrupt City staff work. City staff should not be disturbed while in meetings, on the phone, or engrossed in performing their job functions, in order to meet a Councilmember's individual needs.
- Never publicly criticize an individual past or present employee (including appointed officials). Council should never express concerns about the performance of a City employee in public, to the employee directly, or to the employee's manager. Comments about staff performance should only be made to the City Manager through private correspondence or conversation. Comments about staff in the office of the City Attorney should be made directly to the City Attorney.
- Do not get involved in administrative functions. Councilmembers must not attempt to influence City staff on the making of appointments, awarding of contracts, selecting of consultants, processing of development applications, or granting of City licenses and permits.
- Check with City staff on correspondence before taking action. Before sending correspondence, Councilmembers should check with City staff to see if an official City response has already been sent or is in progress.
- Do not attend meetings with City staff unless requested by staff. Even if the Councilmember does not say anything, the Councilmember's presence implies support, shows partiality, intimidates staff, and hampers staffs' ability to do their job objectively.
- Limit requests for staff support. Routine secretarial support will be provided to all Councilmembers for City business. All mail for Councilmembers is opened by the City Clerk's office unless a Councilmember requests other arrangements. Requests for additional staff support — even in high priority or emergency situations — should be

made to the City Manager who is responsible for allocating City resources in order to maintain a professional, well-run City government.

- Do not solicit political support from staff. Councilmembers should not solicit any type of political support (financial contributions, display of posters or lawn signs, name on support list, etc.) from City staff. City staff may, as private citizens with constitutional rights, support political candidates but all such activities must be done away from the workplace.

## COUNCIL CONDUCT WITH THE PUBLIC

### In Public Meetings

Making the public feel welcome is an important part of the democratic process. No signs of partiality, prejudice or disrespect should be evident on the part of individual Councilmembers toward an individual participating in a public forum. Every effort should be made to be fair and impartial in listening to public testimony.

- Be welcoming to speakers and treat them with care and gentleness. "I give many public presentations so standing up in front of a group and using a microphone is not new to me. But I found that speaking in front of Council was an entirely different experience. I was incredibly nervous and my voice was shaking. I think the reason was because the issue was so personal to me. The Council was going to take a vote that would affect my family's daily life and my home. I was feeling a lot of emotion. The way that the Council treats people during public hearings can do a lot to make them relax or to push their emotions to a higher level of intensity.
- Be fair and equitable in allocating public hearing time to individual speakers. "The first thing the Mayor said to me was to be brief because the meeting was running late and the Council was eager to go home. That shouldn't be my problem. I'm sorry my item was at the end of the agenda and that there were a lot of speakers, but it is critically important to me and I should be allowed to say what I have to say and believe that the Council is listening to me."

The Chair will determine and announce limits on speakers at the start of the public hearing process. Generally, each speaker will be allocated five minutes, with applicants and appellants or their designated representatives allowed more time. If many speakers are anticipated, the Chair may shorten the time limit and/or ask speakers to limit themselves to new information and points of view not already covered by previous speakers.

No speaker will be turned away unless he or she exhibits inappropriate behavior. Each speaker may only speak once during the public hearing unless the Council requests additional clarification later in the process. After the close of the public hearing, no more public testimony will be accepted unless the Chair reopens the public hearing for a limited and specific purpose.

- Give the appearance of active listening. It is disconcerting to speakers to have Councilmembers not look at them when they are speaking. It is fine to look down at documents or to make notes, but reading for a long period of time, gazing around the room, gives the appearance of disinterest. Be aware of facial expressions, especially those that could be interpreted as smirking, disbelief, anger, or boredom.
- Ask for clarification, but avoid debate and argument *with* the public. Only the Chair –not individual Councilmembers – can interrupt a speaker during a presentation. However, a Councilmember can ask the Chair for a point of order if the speaker is off the topic or exhibiting behavior or language the Councilmember finds disturbing. If speakers become flustered or defensive by Council questions, it is the responsibility of the Chair

to calm and focus the speaker and to maintain the order and decorum of the meeting. Questions by Councilmembers to members of the public testifying should seek to clarify or expand information. It is never appropriate to belligerently challenge or belittle the speaker. Councilmembers' personal opinions or inclinations about upcoming votes should not be revealed until after the public hearing is closed.

- No personal attacks of any kind, under any circumstances. Councilmembers should be aware that their body language and tone of voice, as well as the words they use, could appear to be intimidating or aggressive
- Follow parliamentary procedure in conducting public meetings. The City Attorney serves as advisory parliamentarian for the City and is available to answer questions or interpret situations according to parliamentary procedures. The Chair, subject to the appeal of the full Council, makes final rulings on parliamentary procedure.

### In Unofficial Settings

- Make no promises on behalf of the Council. Councilmembers will frequently be asked to explain a Council action or to give their opinion about an issue as they meet and talk with constituents in the community. It is appropriate to give a brief overview of City policy and to refer to City staff for further information. It is inappropriate to overtly or implicitly promise Council action, or to promise City staff will do something specific (fix a pothole, remove a library book, plant new flowers in the median, etc.) A Councilmember may state that he or she will bring the matter to the Council.
- Make no personal comments about other Councilmembers. It is acceptable to publicly disagree about an issue, but it is unacceptable to make derogatory comments about other Councilmembers, (including former Councilmembers), their opinions or actions.
- Remember that despite population figures, Hughson is a small town at heart. The community is constantly observing Councilmembers every day that they serve in office. Their behaviors and comments serve as models for proper deportment in the City of Hughson. Honesty and respect for the dignity of each individual should be reflected in every word and action taken by Councilmembers, 24 hours a day, seven days a week. It is a serious and continuous responsibility.

## COUNCIL CONDUCT WITH OTHER PUBLIC AGENCIES

- Be clear about representing the City or personal interests. If a Councilmember appears before another governmental agency or organization to give a statement on an issue, the Councilmember must clearly state: 1) if his or her statement reflects personal opinion or is the official stance of the City; and 2) whether this is the majority or minority opinion of the Council.

If the Councilmember is representing the City, the Councilmember must support and advocate the official City position on an issue, not a personal viewpoint. If the Councilmember is representing another organization whose position is different from the City, the Councilmember should withdraw from voting on the issue if it significantly impacts or is detrimental to the City's interest. Councilmembers should be clear about which organizations they represent and inform the Mayor and Council of their involvement.

- Correspondence also should be equally clear about representation. City letterhead may be used when the Councilmember is representing the City and the City's official position. A copy of official correspondence should be filed in the Council Office as part of the permanent public record.

It is best that City letterhead not be used for correspondence of Councilmembers representing a personal point of view, or a dissenting point of view from an official Council position. However, should Councilmembers use City letterhead to express a personal opinion, the official City position must be stated clearly so the reader understands the difference between the official City position and the viewpoint of the Councilmember.

## COUNCIL CONDUCT WITH COMMISSIONS

The City has established several Commissions as a means of gathering more community input. Citizens who serve on Commissions become more involved in government and serve as advisors to the City Council. They are a valuable resource to the City's leadership and should be treated with appreciation and respect.

- If attending a Commission meeting, be careful to only express personal opinions. Councilmembers may attend any Commission meeting, which are always open to any member of the public; however, they should be sensitive that their participation – especially if it is on behalf of an individual, business or developer – could be viewed as unfairly affecting the process. Any public comments by a Councilmember at a Commission meeting should be clearly made as individual opinion and not a representation of the feelings of the entire City Council.
- Limit contact with Commission members to questions of clarification. It is inappropriate for a Councilmember to contact a Commission member to lobby on behalf of an individual, business, or developer. It is acceptable for Councilmembers to contact Commission members in order to clarify a position taken by the Commission.
- Remember that Commissions serve the community, not individual Councilmembers. The Mayor appoints (unless the law requires Council approval) individuals to serve on Commissions and it is the responsibility of Commissions to follow policy established by the Council. Commission members do not report to individual Councilmembers, nor should Councilmembers feel they have the power or right to threaten Commission members with removal if they disagree about an issue. Appointment and re-appointment to a Commission should be based on such criteria as expertise, ability to work with staff and the public, and commitment to fulfilling official duties. A Commission appointment should not be used as a political “reward.”
- Be respectful of diverse opinions. A primary role of Commissions is to represent many points of view in the community and to provide the Council with advice based on a full spectrum of concerns and perspectives. Councilmembers may have a closer working relationship with some individuals serving on Commissions, but must be fair and respectful of all citizens serving on Commissions.
- Keep political support away from public forums. Commission members may offer political support to a Councilmember, but not in a public forum while conducting official duties. Conversely, Councilmembers may support Commission members who are running for office, but not in an official forum in their capacity as a Councilmember.
- Inappropriate behavior can lead to removal. Inappropriate behavior by a Commission member should be noted to the Mayor, and the Mayor should counsel the offending member. If inappropriate behavior continues, the individual is subject to removal from the Commission.

## COUNCIL CONDUCT WITH THE MEDIA

Councilmembers are frequently contacted by the media for background and quotes.

- The best advice for dealing with the media is to never go “off the record.” Most members of the media represent the highest levels of journalistic integrity and ethics, and can be trusted to keep their word. But one bad experience can be catastrophic. Words that are not said cannot be quoted.
- The Mayor is the official spokesperson for the Council on City policy. The Mayor is the designated representative of the Council to present and speak on the official City position. If the media contacts an individual Councilmember, the Councilmember should be clear about whether their comments represent the official City position or a personal viewpoint.
- Choose words carefully and cautiously. Comments taken out of context can cause problems. Be especially cautious about humor, sardonic asides, sarcasm, or word play. It is never appropriate to use personal slurs or swear words when talking with the media.

## SANCTIONS

- Public Disruption

Members of the public who do not follow proper conduct after a warning in a public hearing may be barred from further testimony at that meeting or removed from the Council Chambers.

- Inappropriate Staff Behavior

Councilmembers should refer to the City Manager any City staff or to the City Attorney any City Attorney's staff who do not follow proper conduct in their dealings with Councilmembers, other City staff or the public. These employees may be disciplined in accordance with standard City procedures for such actions.

- Councilmembers' Behavior and Conduct

City Councilmembers who intentionally and repeatedly do not follow proper conduct may be reprimanded or formally censured by the Council, lose seniority or committee assignments or have official travel restricted. Serious infractions of the Code of Conduct could lead to other sanctions as deemed appropriate by Council.

Councilmembers should point out to the offending Councilmember infractions of the Code of Conduct. If the offenses continue, then the matter should be referred to the Mayor in private. If the Mayor is the individual whose actions are being challenged, then the matter should be referred to the Vice Mayor.

It is the responsibility of the Mayor to initiate action if a Councilmember's behavior may warrant sanction. If the Mayor takes no action, the alleged violation(s) can be brought up with the full Council in a public meeting.

If violation of the Code of Conduct is outside of the observed behaviors by the Mayor or Councilmembers, the alleged violation should be referred to the Mayor. The Mayor should ask the City Manager and/or the City Attorney to investigate the allegation and report the findings to the Mayor. It is the Mayor's responsibility to take the next appropriate action. These actions can include, but are not limited to: discussion and counseling with the individual, recommending sanction to the full Council to consider in a public meeting, and forming a Council ad hoc subcommittee to review the allegation, the investigation and findings, as well as to recommend sanction options for Council consideration. Videotaping of the complaint hearing should be used for a Council ad hoc subcommittee.

## PRINCIPLES OF PROPER CONDUCT

Proper conduct is....

- Keeping promises
- Being dependable
- Building a solid reputation
- Participating and being available
- Demonstrating patience
- Showing empathy
- Holding onto ethical principles under stress
- Listening attentively
- Studying thoroughly
- Keeping integrity intact
- Overcoming discouragement
- Going above and beyond, time and time again
- Modeling a professional manner

Proper conduct is not...

- Showing antagonism or hostility
- Deliberately lying or misleading
- Speaking recklessly
- Spreading rumors
- Stirring up bad feelings, divisiveness
- Acting in a self-righteous manner
- Interrupting

***It all comes down to respect...***

Respect for one another as individuals

Respect for the validity of different opinions

Respect for the democratic process

Respect for the community that we serve

## CHECKLIST FOR MONITORING CONDUCT

1. Will my decision/statement/action violate the trust, rights or good will of others?
2. What are my interior motives and the spirit behind my actions?
3. If I have to justify my conduct in public tomorrow, will I do so with pride or shame?
4. How would my conduct be evaluated by people whose integrity and character I respect?
5. Even if my conduct is not illegal or unethical, is it done at someone else's expense? Will I destroy their trust in me? Will it harm their reputation?
6. Is my conduct fair? Just? Morally right?
7. If I were on the receiving end of my conduct, would I approve and agree, or would I take offense?
8. Does my conduct give others reason to trust or distrust me?
9. Am I willing to take an ethical stand when it is called for? Am I willing to make my ethical beliefs public in a way that makes it clear what I stand for?
10. Do I exhibit the same conduct in my private life as I do in my public life?
11. Can I take legitimate pride in the way I conduct myself and the example I set?
12. Do I listen and understand the views of others?
13. Do I question and confront different points of view in a constructive manner?
14. Do I work to resolve differences and come to mutual agreement?
15. Do I support others and show respect for their ideas?
16. Will my conduct cause public embarrassment to someone else?

## GLOSSARY OF TERMS

<b>Attitude</b>	The manner in which one shows one's dispositions, opinions, and feelings
<b>Behavior</b>	External appearance or action manner of behaving; carriage of oneself
<b>Civility</b>	Politeness, consideration, courtesy
<b>Conduct</b>	The way one acts; personal behavior
<b>Courtesy</b>	Politeness connected with kindness
<b>Decorum</b>	Suitable; proper, good taste in behavior
<b>Manners</b>	A way of acting; a style, method, or form; the way in which things are done
<b>Point of order</b>	An interruption of a meeting to question whether rules or bylaws are being broken, such as the speaker has strayed from the motion currently under consideration
<b>Point of Personal Privilege</b>	A challenge to a speaker to defend or apologize for comments
<b>Propriety</b>	conforming to acceptable standards of behavior
<b>Protocol</b>	The courtesies that are established as proper and correct
<b>Respect</b>	The act of noticing with attention; holding in esteem; courteous regard

*APPENDIX*

***Appendix E – City Manager Code of Ethics Policy***

# ICMA Code of Ethics

---

The mission of ICMA is to create excellence in local governance by developing and fostering professional local government management worldwide. To further this mission, certain principles, as enforced by the Rules of Procedure, shall govern the conduct of every member of ICMA, who shall:

1. Be dedicated to the concepts of effective and democratic local government by responsible elected officials and believe that professional general management is essential to the achievement of this objective.
2. Affirm the dignity and worth of the services rendered by government and maintain a constructive, creative, and practical attitude toward local government affairs and a deep sense of social responsibility as a trusted public servant.
3. Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.
4. Recognize that the chief function of local government at all times is to serve the best interests of all of the people.
5. Submit policy proposals to elected officials; provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals; and uphold and implement local government policies adopted by elected officials.
6. Recognize that elected representatives of the people are entitled to the credit for the establishment of local government policies; responsibility for policy execution rests with the members.
7. Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.
8. Make it a duty continually to improve the member's professional ability and to develop the competence of associates in the use of management techniques.
9. Keep the community informed on local government affairs; encourage communication between the citizens and all local government officers; emphasize friendly and courteous service to the public; and seek to improve the quality and image of public service.
10. Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference, and handle each problem without discrimination on the basis of principle and justice.
11. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern a member's decisions, pertaining to appointments, pay adjustments, promotions, and discipline.
12. Public office is a public trust. A member shall not leverage his or her position for personal gain or benefit.

*Adopted by the ICMA Executive Board in 1924, and most recently revised by the membership in April 2015.*



*Leaders at the Core of Better Communities*

*APPENDIX*

***Appendix F – City of Hughson Goals & Objectives***

# LAND USE

**GOAL: Maintain and enhance Hughson's desirability as a place to live, work and visit through the physical development of the City; and preserve and enhance the community's current quality of life**

## **Objective #1: Make downtown a destination for residents and visitors**

**Strategy A:** Improve pedestrian-orientation of downtown by providing pedestrian amenities; ensuring buildings are oriented to the sidewalk and at a pedestrian scale; and creating places for people to gather.

Action #A1: Budget for, as well as encourage/require development projects to extend sidewalk improvements and pedestrian amenities westerly of 2<sup>nd</sup> Street and easterly of Charles Avenue.

Action #A2: Consider a community plaza, or similar space/concept, in the downtown to facilitate and foster community gathering.

Action #A3: Construct a pilot "parklet" in the downtown, to quickly and cost-effectively provide a gathering space in the downtown.

**Strategy B:** Encourage and allow for a mix of uses, including entertainment, shopping, residential and municipal and civic, thus bring more people to the downtown.

Action #B1: Consider adopting a downtown form based code update—a more tool for achieving uses we want, preserving what we like and preventing undesirable uses.

Action #B2: Encourage/promote residential infill development, especially in the extended downtown area (South of Locust Street)

## **Objective #2: Create vibrant, attractive and desirable neighborhoods, open spaces and streets through thoughtful land use planning.**

**Strategy A:** Proactively participate in the planning stage of all future development projects and communicate the City's land use and development vision with each project proponent.

Action #A1: Update the City's Capital Improvement Program (CIP)

Action #A2: Consider budgeting for and updating the City's 2005 General Plan

---

**Strategy B:** Ensure the City has a balanced land use pattern to provide for resident's and visitor's varied needs, while ensuring that revenues match the City's responsibility for public services.

Action #B1: Plan and develop neighborhoods using specific plan/master plans or similar concept to the greatest extent possible.

**Strategy C:** Ensure the City's parks, residences, commercial areas, schools and civic uses are connected and accessible by walking and bicycle paths.

Action #C1: Implement the City's Non-Motorized Transportation Plan

# ECONOMIC DEVELOPMENT

**GOAL: Maintain and enhance Hughson's economic vitality through promotion of job creation and retention, business enrichment and expansion, and development of retail/commercial/industrial areas.**

## **Objective #1: Support business in commercial/industrial areas.**

**Strategy A:** Improve the economic growth of City's commercial/industrial businesses by understanding their needs and providing programs/services that address them.

Action #A1: Meet with business owners annually, at a minimum, to discuss needs and available local programs/services.

Action #A2: Connect businesses to available resources through organizations such as the Stanislaus Business Alliance, Alliance Worknet, etc.

Action #A3: Develop local programs/enhance services to best meet needs.

**Strategy B:** Promote the economic growth of City's commercial/industrial area through effective business attraction strategies, planning and infrastructure.

Action #B1: Engage Stanislaus Business Alliance to conduct gap analysis to identify and pursue businesses that complement current landscape.

Action #B2: Strengthen planning and zoning to enhance City's marketability.

Action #B3: Explore and pursue construction of adequate infrastructure for business development (roads, water, sewer, storm drain, etc.).

## **Objective #2: Develop and enhance retail business opportunities.**

**Strategy A:** Implement strategies to enhance resident/visitor presence in City's retail areas.

Action #A1: Promote activities in downtown that support and create opportunities.

Action #A2: Develop marketability of City through timely communication and accessibility of current market and demographic information.

**Strategy B:** Foster support of ventures that complement existing business climate.

Action #B1: Conduct and maintain inventory of existing businesses and develop strategies to support new ventures that complement current landscape.

---

Action #B2: Coordinate with existing businesses and identify or maximize opportunities for expansion.

### **Objective #3: Create a business friendly environment.**

**Strategy A:** Ensure efficient business permitting process.

Action #A1: Conduct annual review of business permitting process for continuous improvement and to maximize efficiency.

Action #A2: Provide flexibility during implementation of the business permitting process to best meet needs of applicant.

**Strategy B:** Ensure adequate and competitive City business/development fee structure.

Action #B1: Review and evaluate business/development fee structure on an annual schedule and recommend modifications if necessary.

Action #B2: As part of the review, conduct comparable study and provide opportunity for input from stakeholders.

### **Objective #4: Create and develop effective business assistance programs.**

**Strategy A:** Proactively market the City's business assistance programs.

Action #A1: Utilize variety of avenues to market local business assistance programs to increase accessibility.

**Strategy B:** Evaluate and develop the City's business assistance programs to ensure effectiveness.

Action #B1: Conduct annual evaluation of entire business assistance programs on an annual basis and recommend modification to increase value.

---

# Goals and Objectives

## Goal #3 - Transportation

### Action Items:

#	WHEN	WHO	WHAT	STATUS			COMMENTS
				DONE	ON TARGET	REV	
1	On-going	Community Development Director	Recognize the need to address and incorporate a design for all modes of transportation.		X		Through StanCOG, the City participates in the allocation of resources for Hughson transit services. The City Council adopted the City of Hughson Design Manual for Living Streets on May 13, 2013. Emphasis needs to be placed on non-motorized modes of transportation. Creative uses of City alley ways are to be explored.
2	On-going	Community Development Director	Encourage enhancement of an intra and inter city transit system.		X		Through StanCOG, the City participates in the allocation of resources for transit services. Staff will continue to work with START and StanCOG to improve transit opportunities in Hughson.
3	On-going	City Manager and Community Development Director	Access all available funds for the purpose of maintaining and improving existing streets.		X		Partner with StanCOG and other jurisdictions to acquire funds for street projects. Recently acquired additional CMAQ funds to go toward the construction of the Pine Street curb, gutter and sidewalk improvements. The City also is pursuing Safe Routes to School funding. Staff has been very involved with the disbursement of Local Transportation Funds through StanCOG. The City Council adopted a utility trench cut fee and established a special street fund (effective April 25) for the monies collected. City should remain engaged in discussion regarding a 1/2 cent sales tax measure for transportation.
4	On-going	Community Development Director	Plan for future public parking in the downtown area to encourage business activity.		X		An ordinance was adopted amending the parking requirements in the Downtown Commercial Zone to allow parcels to develop without on-site parking.
5	On-going	City Manager and Community Development Director	Work with the County, StanCOG and other appropriate agencies to address, on a regional basis, the development of solutions to local traffic issues.		X		Hughson has participated in the Regional Transportation Impact Fee meetings with the cities and county to discuss an equitable transportation impact fee. City also worked with StanCOG staff to acquire additional CMAQ funds. Stanislaus County signalization and intersection improvements at Hatch Road and Santa Fe are anticipated to begin construction in summer of 2014.

# Goals and Objectives

## Goal #4 - Public Safety

### Action Items:

#	WHEN	WHO	WHAT	STATUS			COMMENTS
				DONE	ON TARGET	REV	
1	On-going	City Manager and Police Chief	The City of Hughson will continue to provide a high level of police service to the community. The City will review annually the fiscal constraints facing the City in order to establish appropriate service levels.		X		The City is in the process of renewing its contract with Stanislaus County for Law Enforcement Services. Focus of which is to minimize costs while still providing adequate policing services to the community. The Police Chief has also begun submitting activity reports to show how law enforcement activities are benefitting the community. Community policing model being emphasized and mechanism for reporting of incidents to citizens being explored.
2	On-going	City Manager and Police Chief	Further develop partnership with the school district regarding the school resource officer and cost sharing.		X		City will develop terms and conditions from Memorandum of Understanding for cost sharing. To be discussed at the next 2+2 City/School Committee meeting.
3	On-going	City Manager and Police Chief	Continue Community Activities (i.e. Neighborhood Watch, Kids Safety Places)		X		The Police Chief and City Manager have been engaged in the HFRS Community Capacity Building effort that is seeking grant funds for Neighborhood Watch efforts. Staff has also met with community members interested in becoming Neighborhood Watch Captains. The City continues to support National Night Out event that takes place on first Tuesday in August.
4	On-going	City Manager	2+2 Fire District/City Committee.		X		The Fire District/City Committee met and had a very productive session to discuss future coordination and partnership opportunities (Fire District centennial celebration, development activity, capital and operational needs, community outreach, etc.).

# Goals and Objectives

## Goal #5 - Public Services

### Action Items:

#	WHEN	WHO	WHAT	STATUS			COMMENTS
				DONE	ON TARGET	REV	
1	On-going	City Manager	The use of technology will be encouraged to provide more efficient public services.		X		Utility bill pay online is now available. SeeClickFix continues to be a useful tool and some community members have started to use it to notify the city of issues such as street lights being out, nuisance issues, graffiti, etc. Promote effective use of reverse 911 application.
2	On-going	City Manager and Community Development Director	Support recreation activities to provide access for all residents.		X		The City will work with local partners and groups in support of providing local recreational options for youth and adults. The City continues to partner with the school district for the high school sports field project. Phase I (completed) includes addition of three new soccer fields and one new softball field. Well No. 6 will deliver and provide a non-potable water system at the high school sports fields. Phase II (pending upon funding availability) will include lighted parking lot, restrooms and snack bar, PAR fitness course and additional field development.
3	On-going	Community Development Director	Review existing services & consider appropriate fees for providing these services.		X		City fee structures will be evaluated as needed to ensure sufficient to cover cost of services provided under legal authority. The City Council recently amended Title 16 Subdivisions in the Municipal Code to require formation of a Community Facilities District to provide funding for City services that are not being funded through other sources (use for subdivision infrastructure bonds prohibited).
4	On-going	City Manager and Community Development Director	Monitor the use of community enhancement fees.		X		The Council did approve a spending plan for these funds. The improvements would include painting the water tower, a lighting project on the bridges along Hatch, and funding for a wall for sports fields at the High School. The water tower paint project is complete, the anti-graffiti vines at Starn Park have been planted, some funds were used for the high school turf irrigation project, and city hall has been repainted.

# Goals and Objectives

## Goal #5 - Public Services

### Action Items:

#	WHEN	WHO	WHAT	STATUS			COMMENTS
				DONE	ON TARGET	REV	
5	On-going	Community Development Director	Continue to provide for adequate treatment of wastewater by compliance with Federal and State regulations and adopt an allocation policy to ensure that future capacity is applied in a manner that is consistent with the General Plan.		X		The wastewater treatment plant has been operational since September 2012 but construction of site improvements has been ongoing. There adequate sewer capacity for future growth but water system improvements are necessary before that additional capacity can be utilized.
6	On-going	Community Development Director	Continue to support efforts for the planning and development of an Integrated Regional Water Management Plan (IRWMP) for the mutual benefit of Hughson, Modesto, Turlock and Ceres.		X		City by mutual cost-sharing agreement with other parties hired consultant (RMC Water and Environmental) to prepare an Integrated Regional Water Management Plan (IRWMP) for the East Stanislaus IRWM region.
7	On-going	City Manager	Expand existing water conservation program and policies to incorporate education emphasis.		X		Explore model implemented in other areas (Fresno, Merced, Clovis) regarding water conservation measures including education of water needs of various trees, shrubs, gardens, etc. Gather information from CSU and UC farm advisors and make available for reference.
8	On-going	City Manager	Continue to monitor staffing and training levels to ensure that quality public services are provided.		X		Continue to look for opportunities for staff members. The City Manager and Community Development Director continue to encourage public works staff to gain additional certifications. The additional training and certifications help City crews gain greater knowledge and improved abilities to maintain and operate the City water system. Cross training is also continue amongst the administrative staff.

# Goals and Objectives

## Goal #6 - Public Facilities

### Action Items:

#	WHEN	WHO	WHAT	STATUS			COMMENTS
				DONE	ON TARGET	REV	
1	On-going	City Manager	Consider shared facilities, where appropriate, with other public and private entities.		X		The City is part of the JPA with the County and other cities for the provision of Animal Services. The City, through the JPA, is contributing to the debt service for the next Animal Services Facility. The City has converted the Annex Building to the Business Incubator Center. There are also possible partnership opportunities with the School District (open gym basketball program at the Ross Gymnasium, High School Sports Fields). The City has worked with the Hughson Family Resource Center to start a Zumba Exercise program at the Senior Community Center.
2	On-going	Community Development Director	The City will develop a method to prioritize replacing existing infrastructure in accordance with the Master Plans adopted in accordance with the General Plan through the development and implementation of a Capital Improvement Plan.		X		Continue review of the capital improvement needs of the City. Planned projects include the installation of curb, gutter and sidewalks on a variety of segments in the City. The work for Tully Road that includes water, sewer, storm drain, and roadway improvements is anticipated in Fiscal Year 2014/2015 once funding is secured. This years' budget also includes funds for overlays on south 4th, south 5th, and Fox Road from Charles to 2nd. A modified non-potable water system is scheduled for completion this year as well.
3	On-going	Community Development Director	Consider including in future park developments, the inclusion of features that reflect our agricultural heritage.		X		Such standards are in place and subject to negotiation. Interest in assisting in further developing a school farm component as an educational component to local youth. Support of local FFA, 4H and other agricultural activities (County Fair) should continue to be a local emphasis.
4	On-going	Community Development Director	Emphasize Surface Water Monitoring Procedures		X		Institute measures to monitor, protect, and enhance the water quality of city water sources in a manner pursuant and consistent with the Federal Clean Water Act.

## Goals and Objectives

### Goal #7 - Connectivity and Integration

#### Action Items:

#	WHEN	WHO	WHAT	STATUS			COMMENTS
				DONE	ON TARGET	REV	
1	On-going	City Manager	City of Hughson recognizes that it must work with other organizations, public and private, to ensure coordinated and cost-effective delivery of services.		X		The City continues to strengthen its relationships with the Alliance, School District and Fire District. Examples include the establishment of a Business Incubator, open-gym basketball program, assisting in the start up of the Hughson Harvest Festival. The City continues to strive to build relationships with its neighborhood partners. City staff is involved with the Chamber of Commerce, Hughson Harvest Festival, Arboretum, Hughson Family Resource Center.
2	On-going	City Manager	The City Council will review and establish a policy designed to monitor and possibly influence proposed State and Federal legislation.		X		In 2011, the City Council began review of draft City of Hughson Legislative Program. City Manager revisiting development of advocacy program and most effective method of implementation.
3	On-going	City Council/City Manager	Maintain and monitor the Complaint Log.		X		SeeClickFix is an application that is currently being used to manage this process. City Manager evaluating effectiveness of tool and process. Development of a customer services/satisfaction survey under consideration along with reporting mechanism and evaluation for Council and public.
4	On-going	City Manager	2 + 2 School District/ City Committee.		X		The City continues to meet on a quarterly basis with the School District. These meetings continue to be very productive for effective planning, coordination and communication. Will continue to partner for grant applications and to develop joint-use facilities.
5	On-going	City Manager	Maintain open communication with staff and encourage sharing of innovative ideas and process improvement suggestions.		X		Promote open door policy and culture for the organization (internal and external). Keep staff properly informed on organizational policies and procedures. Foster sharing and development of ideas amongst staff that may lead to efficiencies.

## Goals and Objectives

### Goal #7 - Connectivity and Integration

#### Action Items:

#	WHEN	WHO	WHAT	STATUS			COMMENTS
				DONE	ON TARGET	REV	
6	On-going	City Manager	Look for additional opportunities to partner with other cities.		X		The City currently partners with the City of Modesto for on-call planning services. The City has also reached out on occasion to discuss water and wastewater issues with other jurisdictions in the county. Continue partnership with City of Modesto Planning and utilizing their services with the development of a Climate Action Plan. Identify additional efforts to partner with other cities.
7	On-going	City Manager	Expand plan to best utilize the volunteerism that exists in the community. Work with partner agencies, non-profits and local organizations to continue to promote a spirit of cooperation and civic participation.		X		The City works diligently to facilitate the efforts of those willing to volunteer. For example, the City has helped with the planning and coordination of LOVE Hughson events as well as volunteer efforts tied to the City Wide Clean up Day. Other local and grassroots efforts will be supported to strengthen the sense of community pride.
8	On-going	City Manager	Assessment of current IT needs and development of inventories and incremental policies that take advantage of technology.		X		The City Manager continues to work with its IT consultant EZ Networks to identify needed improvements to the City's overall network. The City is in the process of replacing an aging network server that will improve its ability to store information and the growing email traffic. A second phase of server upgrades will be needed in the not to distant future but that will coincide with the City's purchase of a new Finance Software system. It is anticipated that this will take place in FY 2013/14 or 2014/15.
9	On-going	City Manager	The use of technology will be encouraged to engage citizens more actively in public issues and to improve inter-agency communication.		X		City will maximize use of email, website, facebook, local media and other technology to expand public outreach efforts and more effectively engage residents on City Hall happenings and community events. Improvements to the Council Chambers are in the planning stages (audio/video equipment) and web stream capabilities and enhanced agenda management tools will encourage open and transparent government and record.

## Goals and Objectives

### Goal #8 - Revenue Generation and Use Allocation

#### Action Items:

#	WHEN	WHO	WHAT	STATUS			COMMENTS
				DONE	ON TARGET	REV	
1	On-Going	City Council	The City Council pledges to monitor all public funds to ensure appropriate expenditures.		X		The City institutes a thorough budget review process. Preliminary Budget adopted in May/June and Final Budget presented once the Auditors have completed their preliminary work. City staff monitors revenues so that mid-year changes can be made if necessary. Financial reporting process being evaluated for improvements to increase transparency.
2	On-going	City Manager	Explore grant opportunities, develop a tracking methodology and provide regular reporting to the City Council.		X		City Manager in the process of developing an internal grant writing program utilizing existing staff and assistance from local colleges/intern. Rather than rely on a consulting firm for grant writing looking to develop expertise in-house.
3	On-Going	City Manager	The City will maximize all potential revenue sources (including funding for City, Schools and Public Safety).		X		This will be reviewed ongoing and annually during the budget process. As opportunities arise for additional generation (grants, partnerships, etc.) evaluation will be conducted and brought to the Council for consideration as appropriate.
4	On-Going	City Manager	Continue working with other agencies to try to acquire funding for City projects		X		City has partnered with other cities to better leverage CMAQ and RSTP funds for local projects. Efforts with other cities should continue in addition to working with County, State, Federal and other agencies and organizations.
5	On-Going	City Manager	Benchmark other agencies to identify additional revenue streams for local projects and needs.		X		City will continue to exchange and solicit information from other agencies (government, private, non-profit, etc. to identify creative funding strategies).
6	On-Going	City Manager	Strengthen fiscal condition of City's Benefit Assessment Districts and Landscaping and Lighting Districts.		X		City will evaluate and make modifications to current assessment districts (BADs/LLDs). Pursue creation of citywide CFD to provide these services and others that would meet local need.

## *APPENDIX*

### ***Appendix G – A Public Official’s Guide to the Brown Act***

A PUBLIC OFFICIAL'S GUIDE  
TO  
THE BROWN ACT

JANUARY 2016



Neumiller & Beardslee

ATTORNEYS AND COUNSELORS | EST. 1903

## **THE RALPH M. BROWN ACT**

### **INTRODUCTION**

*The Ralph M. Brown Act, also known as the California open meetings law, grants the public the right to attend and observe the process of government and participate in meetings of local legislative bodies. The Act establishes procedures for local government agencies to conduct business. It also provides penalties for violations of the Act.*

*The Act has been amended and revised multiple times since it was first passed in 1953. The Act was significantly amended in 1993 to include language stating that the rules and authorities of the Act are to be broadly construed if the rule or authority furthers the peoples' right to access, and narrowly construed if it limits that right. This pamphlet is current through January 1, 2016.*

*Please note that the following discussion is a guide and is not meant to be a comprehensive analysis of the Brown Act to be used in lieu of legal advice. Should you have any questions relating to the Act, you should contact your agency's attorney.*

# BROWN ACT SUMMARY



## **SUMMARY AND ANALYSIS OF THE RALPH M. BROWN ACT**

*The following discussion is an overview of the Act and its application. Generally, analysis of the Act can be divided into five basic questions: (1) To whom does the Act apply? (2) When does the Act apply? (3) What is the procedure for holding a meeting? (4) What are the rights of the public under the Act? and (5) What are the penalties for violating the Act?*

### **1. To whom does the Brown Act Apply?**

*The Act applies to "legislative bodies" of "local agencies." The definition of a local agency broadly includes cities, counties, school districts, special districts, and all other political subdivisions.*

*The definition of "legislative bodies," however, is more complex. Legislative bodies include:*

- \* The governing body of a local agency.*
- \* Committees and boards of a local agency created by the governing body, containing a quorum of the members of a legislative body.*
- \* Standing committees, commissions or boards of the local agency, created by the governing body, including all committees that have a fixed meeting or continuing subject matter, even if the committee has less than a quorum of the members of the legislative body.*
- \* The boards of private corporations (or similar bodies) created to exercise authority of the local agency or that receive funds from the local agency and include a member of the local agency legislative body who is appointed by the legislative body.*
- \* The lessee of any hospital in which the lessee exercises authority of a local agency.*

*The Brown Act also applies to members elected to a legislative body of a local agency prior to assuming office.*

### **2. When does the Act Apply?**

*The Brown Act applies to "meetings of any legislative body." Any gathering, whether formal or informal, of a quorum of the members of a legislative body to transact, hear, deliberate, or discuss local agency business is a meeting subject to the Brown Act. Such a gathering is a meeting even if there is no action or vote on an issue. Discussion of any local agency business is enough to constitute a meeting. Face to face contact is not necessary for the gathering to constitute a meeting. Any use of communication devices, personal intermediaries,*

*or technological devices through which a quorum of the members develop concurrence on local agency business is considered a meeting. For example, a series of telephone conversations wherein one person calls a member of a legislative body who in turn calls another member, and through this chain of telephone calls a consensus is reached, is a meeting subject to the provisions of the Brown Act. Frequently, members of a legislative body desire to hold a “workshop” meeting; there is a common misperception that this is somehow different from a normal meeting. This is not true; a “workshop” meeting is still a meeting subject to the Brown Act.*

*There are detailed provisions for conducting a meeting by teleconference.*

*Specifically exempted from the definition of a "meeting" are the following gatherings:*

- \* Individual contacts with constituents and third parties, including employees of the local agency, as long as there is no discussion of the positions of other members of the legislative body.*
- \* Attendance at seminars, and conferences, providing that agency business is not discussed, among a majority of the members of the legislative body, other than as part of the scheduled program.*
- \* Attendance at the meetings of another body of the local agency, or other local agencies, provided local agency business is not discussed, except as part of the scheduled meeting.*
- \* Attendance at an open and noticed standing committee of the local agency, provided that members of the legislative body who are not members of the standing committee attend only as observers.*
- \* Attendance at purely social or ceremonial occasions, provided that agency business is not discussed among a majority of the members of the legislative body.*

**Watch Out:** *The definition of a meeting is construed broadly; therefore when discussing issues with the local agency's manager, other staff, or third parties, be careful not to solicit or to allow transmission of the thoughts and opinions of the other members of the legislative body.*

#### *a. Types of Meetings*

*Every "meeting" of a legislative body must fall into one of several categories in order to determine the applicable procedures required under the Brown Act.*

*The types of meetings are:*

- \* **Regular Meetings** which are held at a preset time and place. Each local agency must establish a regular meeting schedule by resolution or ordinance.*

\* **Special Meetings** which are held for a specific purpose. Special meetings may be called by the presiding officer or a majority of the members of the legislative body.

\* **Emergency Meetings** which are only held when (a) there is a work stoppage or other activity that severely impairs public health and safety; or (b) a crippling disaster that impairs the public health and/or safety.

\* **Adjourned Meetings** which are held when a regular or special meeting is continued to a specific date, time and place.

3. What is the Procedure for holding a Public Meeting?

a. Prior to a Meeting

Prior to a meeting of a legislative body, notice must be given to the public by posting an agenda. Every agenda must include a brief general description of each item of business to be transacted or discussed at the meeting. A brief general description of an item must afford the public reasonable notice of the topic and action under consideration and can generally be covered in 20 words or less. All agendas must state the time and location of the meeting.

For regular meetings, the agenda must be posted 72 hours in advance. It must also provide an opportunity for members of the public to directly address the legislative body on any item of interest to the public.

For special meetings, there is no requirement for an “agenda.” Instead, there is a requirement for a “call and notice” which, however, must show the business to be transacted or discussed just as an agenda would. The “call and notice” must be posted at least 24 hours prior to the meeting. The call and notice for a special meeting must also be provided to each member of the legislative body and to each local newspaper, radio, and television station requesting such notice, at least 24 hours prior to the meeting. Every special meeting call and notice must include an opportunity for the public to address the legislative body on any item listed in the call and notice before or during consideration of that item. However, there is no requirement for general public comment at a special meeting. It is our recommendation that a document, equivalent to an agenda, and labeled “Agenda, Call and Notice” be prepared for a special meeting.

Emergency meetings are noticed by calling any local newspapers, radio and television stations that have requested notices of special meetings.

An adjourned meeting need not be renoticed if it is held within five days from the date of the original meeting. If not, a 72 hour posting period is required.

**Where to Post.** The agenda must be posted in an area freely and easily accessible to the public; so make sure the agenda is posted in an area accessible to the disabled. Also, rather than

*posting inside city hall or another building that is only open during limited hours, the public agency should consider posting in an outdoor location where it can be reviewed at all hours. All agendas must be posted on the website as well.*

*b. Closed Sessions*

*A closed session is a portion of the meeting of the legislative body exempt from the open meetings requirements which permits items to be discussed in private without the attendance of the public or the press. This exception is a limited one in that only a narrow range of issues may be discussed in closed session. In accordance with the spirit of the Brown Act, substantial notice and reporting requirements must be complied with prior to and following a closed session. Please note: It is not that any item may be discussed in closed session unless it is required to be discussed in open session; it is the other way around. All items must be discussed in open session unless there is a specific exception allowing them to be discussed in closed session.*

*Prior to the closed session, the purpose for the closed session must be disclosed both on the agenda and in open session. Closed sessions are only allowed for specific purposes and the notice requirements are specific to the issues to be discussed. The oral disclosure may take the form of a reference to the item or items as they are listed by number or letter on the agenda. The agenda notice requirements for closed sessions vary depending upon the content of the session. Below is a list of the type of closed sessions permissible under the Brown Act.*

- \* **License/Permit Determination***
- \* **Conference with Real Property Negotiator***
- \* **Conference with Legal Counsel - Existing Litigation***
- \* **Conference with Legal Counsel - Anticipated Litigation or Initiated Litigation***
- \* **Liability Claims***
- \* **Threat to Public Services or Facilities***
- \* **Public Employee Appointment***
- \* **Public Employment***
- \* **Public Employee Performance Evaluation***
- \* **Public Employee Discipline/Dismissal/Release***
- \* **Conference with Labor Negotiators***
- \* **Case Review/Planning***
- \* **Report Involving Trade Secret***

- \* *Hearings conducted by Hospital Districts*
- \* *Insurance Pooling/Tort Liability Losses/Workers' Compensation Liability--  
Joint Powers Authorities Only*
- \* *Charge or complaint involving information protected by Federal Law*
- \* *Certain Health Plan Trade Secrets and Payment Rates*
- \* *Conference Involving a Joint Powers Agency*
- \* *Audit By Bureau of State Audits*

***Important Limitations on Closed Sessions:*** *Closed sessions cannot be held to discuss the local agency's available funds, funding priorities or budget.*

*In addition to the agenda requirements, and in some cases oral announcements prior to closed sessions, an oral report, made in open session, or a written report is required following the closed session. Generally, the reports shall state the action taken in closed session and the vote or abstention of every member present.*

- \* *When an agreement conducting real estate negotiations, or labor negotiations agreement or a settlement agreement or an offer for settlement is made, the report need not be made until after the agreement or settlement is final or has been rejected.*
- \* *For claims discussed in closed session, the name of the claimant, the substance of the claim and the monetary amount approved for payment must be reported in open session.*
- \* *Action taken to appoint, employ, dismiss, accept the resignation of, or otherwise affect the employment status of a public employee in closed session shall be reported at the public meeting during which the closed session was held. The report shall identify the title of the position and specify any change in compensation.*
- \* *Approval given to legal counsel to defend, or to appeal or refrain from appealing, or to act as Amicus Curiae, must be disclosed. In most cases, specific information as to the case and parties is additionally required.*

***Helpful Forms:*** *For a checklist on Action and Vote Disclosure in open session after closed session, please see the checklist in this booklet. Should you choose to keep a minute book of action taken in closed session, a form is included in the checklist tab in this booklet. Consult with your agency attorney as to the advisability of keeping closed session minutes.*

c. Brown Act Requirements at the Meeting

*No one may be excluded from a public meeting, other than from a closed session item. To facilitate attendance, all meetings must be held within the jurisdiction of the local agency, with certain enumerated exceptions. These include:*

- 1. Compliance with law or court order, or attendance at a court or administrative proceeding to which the agency is a party.*
- 2. Inspection of real or personal property outside the boundaries of the local agency, but the topic of the meeting must be limited to items directly related to the property.*
- 3. Participation in a multi-agency meeting.*
- 4. Use of the closest facility if the local agency has no facility within the jurisdiction.*
- 5. Meeting with state or federal elected officials, but only on issues concerning the local agency, and over which the state or federal officials have jurisdiction.*
- 6. Meeting in a facility outside the jurisdiction, but owned by the local agency, explicitly to discuss the facility.*
- 7. Visit with the local agency's legal counsel, but only for a closed session on pending litigation.*
- 8. In an emergency situation, meeting outside the jurisdiction if no facility is available in the jurisdiction.*

*There are also enumerated reasons for not holding school district meetings within the district as set forth in the California Government Code section 54954.*

*All persons in attendance must have the opportunity to address the legislative body on any item within the subject matter jurisdiction of the local agency for a regular meeting, and on all items on the agenda, before or during the consideration of the item, for both regular and special meetings. However, if the item is not on the agenda, the local agency cannot act on the item (except for specified emergencies). The public does not have a right to address the legislative body on any item which was already considered at a public meeting of the legislative body wherein the public had a right to address the issue, providing the issue has not been substantially changed.*

**Public Comments:** *The Public Comment period is not a free-for-all. While the public does have a right to address the legislative body, the chairperson has authority to control the discussion by setting time limits on each speaker and limiting repetitive comments.*

*Any materials distributed to a majority of the legislative body for use at or in preparation for a public meeting are public records. If they are prepared by the local agency or a member of the legislative body, such materials must be made available to the public immediately. If they are prepared by a member of the public, on the other hand, they must be made available as soon as possible after the meeting. The local agency may charge the direct costs of duplication for each copy.*

4. *What are the Rights of the Public under the Brown Act?*

- \* *The public has the right to attend all meetings of a legislative body of a local agency, except closed sessions.*
- \* *All open meetings shall meet the protections and prohibitions of the Americans with Disabilities Act.*
- \* *No one can be required to sign an attendance list or register in order to attend an open meeting; nor does an attendee need to identify himself or herself in any way.*
- \* *The public has the right to address the legislative body on any subject over which the local agency has jurisdiction during the public comment agenda item at regular meetings. If necessary, all such writings shall be made available in alternative formats, upon request of a person with a disability.*
- \* *The public has a right to review and obtain a copy of all documents distributed to the members of a legislative body for use at a public meeting.*
- \* *The public has the right to comment on any item on the agenda before or during the consideration of the agenda item, with limited exceptions.*
- \* *The public has a right to have all meetings held within the agency's boundaries, with limited exceptions.*
- \* *The public has the right to record a meeting using an audio or video tape recorder or a still or motion picture camera.*
- \* *The public has a right to view any tape or film made by the legislative body of a public meeting on equipment provided and owned by the local agency.*
- \* *The public has a right to see a posted copy of an agenda, or upon prior request to have mailed to them a copy of the agenda for a regular meeting, at least 72 hours in advance of the meeting, and at least 24 hours in advance of a special meeting.*
- \* *The public has a right to know the nature of matters that will be discussed in closed session and the vote of the members of the legislative body if any action is taken.*

- \* *It is specifically provided that the agency may not prohibit criticism of the policies, procedures, programs, or services of the agency, or the acts or omissions of the legislative body.*
- \* *The public has a right to both a public meeting wherein public testimony is allowed and to a public hearing held no earlier than seven days thereafter, whenever the legislative body is considering adopting any new or increased general tax or assessment. Please note, however, that any new or increased assessment that is subject to the notice and hearing provisions of Article XIII C or XIII D of the California Constitution (Proposition 218) is not subject to the notice and hearing requirements of the Brown Act.*
- \* *The public has the right to attend meetings in a facility fully accessible to the disabled. The local agency must make reasonable accommodations for those members of the public who need auxiliary aids.*

#### 5. What are the Penalties for Violating the Brown Act?

*If you are a public official, you need to take the Brown Act seriously. There are both criminal and civil penalties for violating the Brown Act. Participation in unauthorized meetings is a misdemeanor. There are specific remedies available for disclosure of confidential information obtained in closed session.*

*An action for an injunction or declaratory relief for violations of the Brown Act may be brought by any interested person or by the District Attorney. The court may order the action taken by the legislative body null and void. Prior to bringing an action, however, the complainant must make a demand on the legislative body to cure the defect. If the legislative body fails to cure, then the complainant may file suit.*

*Action by the legislative body will not be null and void if:*

1. *The legislative body substantially complied with the provisions of the Brown Act.*
2. *The action involved the sale or issuance of notes, bonds or a contract with a third party.*
3. *The action was taken to collect a tax.*
4. *If the person had actual notice of the item of business within 72 hours prior to the meeting (or 24 hours for a special meeting) despite the lack of agenda.*

*A court may award court costs and reasonable attorneys' fees to any successful plaintiff. Local agencies may be entitled to attorneys' fees where the case is found to be frivolous and without any merit.*

## CONCLUSION

*In the interest of transparency and because the penalties for violation of the Act can be severe, it is imperative that all public officials acquaint themselves with the provisions of the Brown Act. The Act applies to legislative bodies of local agencies. Remember that a meeting includes every gathering of the majority of the members of the legislative body, with certain limited exceptions.*

*All meetings must be noticed with a posted agenda containing the necessary elements--a description of each item to be discussed, time and place of the meeting, and an opportunity for the public to address the legislative body. The reason for any closed session must be disclosed both on the agenda and orally prior to convening the closed session. Following the closed session, an oral or written report of the action taken in closed session must be given which includes the vote of the legislative body members.*

*Meetings must be held in an accessible location within the jurisdiction. Any and all interested persons must have the opportunity to attend. All materials used by the members of the legislative body both in preparation for and at the meeting are public records.*

*Remember, it is always better to err on the side of openness to protect yourself. If you have any questions regarding the application of the Act to any part of your agendas, meetings or gatherings, whether informal or formal, seek legal advice.*

**BROWN ACT TEXT**



**THE**  
**RALPH M. BROWN ACT**

California Government Code  
Sections 54950 - 54963

**January 2016**

*Neumiller & Beardsee*  
*January 2016*

**TABLE OF CONTENTS**

<b>SECTION</b>		
54950.	Declaration, intent; sovereignty .....	1
54950.5.	Short title .....	1
54951.	Local agency .....	1
54952.	Legislative body, definition .....	1
54952.1.	Member of a legislative body of a local agency; conduct.....	2
54952.2.	Meeting; prohibited communications; exclusions from chapter.....	2
54952.3	Simultaneous or serial order meetings of a subsequent legislative body; compensation and stipends .....	3
54952.6.	Action taken.....	4
54952.7.	Copies of chapter to members of legislative body of local agencies .....	4
54953.	Meetings to be open and public; attendance .....	4
54953.1.	Testimony of members before grand jury.....	5
54953.2	Legislative body meetings to meet protections and prohibitions of the Americans with Disabilities Act.....	5
54953.3.	Conditions to attendance.....	6
54953.5.	Rights to record proceedings; conditions; audio or video recordings made by or under direction of local agencies .....	6
54953.6.	Prohibitions or restrictions on broadcasts of proceedings of legislative body; reasonable findings.....	6
54953.7.	Allowance of greater access to meetings than minimal standards In this chapter.....	6
54954.	Time and place of regular meetings; special meetings; emergencies .....	7
54954.1.	Mailed notice to persons who filed written request; time; duration and renewal of requests; fee.....	8
54954.2.	Agenda; posting; action on other matters; posting on Internet Web site .....	8
54954.3.	Opportunity for public to address legislative body; adoption of regulations; public criticism of policies .....	9
54954.4.	Reimbursement to local agencies and school districts for costs .....	10
54954.5.	Closed session items descriptions.....	11
54954.6	New or increased taxes or assessments; public meetings and public hearings ; joint notice requirements .....	14

54955.	Adjournment; adjourned meetings.....	17
54955.1.	Continuance .....	17
54956.	Special meetings; call; notice; meetings regarding local agency executive salaries, salary schedule, or compensation in form of fringe benefits; posting on Internet Web site .....	17
54956.5.	Emergency meetings in emergency situations .....	18
54956.6.	Fees .....	19
54956.7.	Closed sessions, license applications; rehabilitated criminals .....	19
54956.75.	Closed session; response to confidential final draft audit report; public release of report.....	20
54956.8.	Real property transactions; closed meeting with negotiator .....	20
54956.81.	Investment of pension funds; closed session .....	20
54956.86.	Charges or complaints from members of local agency health plans; closed hearings; members’ rights .....	20
54956.87	Records of certain health plans; meetings on health plan trade secrets .....	21
54956.9.	Pending litigation; closed session; lawyer-client privilege; notice; memorandum .....	22
54956.95.	Closed sessions; insurance pooling; tort liability losses; public liability losses; workers’ compensation liability .....	23
54956.96.	Joint powers agency; legislative body; closed session; confidential information.....	24
54957.	Closed sessions; personnel matters; exclusion of witnesses .....	24
54957.1.	Closed sessions; public report of action taken .....	25
54957.2.	Minute book record of closed sessions; inspection.....	27
54957.5	Agendas and other writings distributed for discussion or consideration at public meetings; writings distributed less than 72 hours prior to meeting; public records; inspection .....	27
54957.6.	Closed sessions; salaries, salary schedules or fringe benefits.....	28
54957.7.	Disclosure of items to be discussed in closed sessions .....	29
54957.8.	Multijurisdictional law enforcement agency; closed sessions by legislative or advisory body of agency .....	29
54957.9.	Disorderly conduct of general public during meeting; clearing of room.....	30
54958.	Application of chapter.....	30
54959.	Penalty for unlawful meeting.....	30

54960.	Actions to stop or prevent violations of meeting provisions; applicability of meeting provisions; validity of rules or actions on recording closed sessions .....	30
54960.1	Unlawful action by legislative body; action for mandamus or injunction; prerequisites .....	31
54960.2	Actions to determine past violations by legislative body; conditions; cease and desist letters; responses by legislative body; unconditional commitments to cease; resolutions to rescind commitments .....	33
54960.5.	Costs and attorney fees .....	35
54961.	Meetings prohibited in facilities; grounds; identity of victims of tortious sexual conduct or child abuse .....	35
54962.	Closed session by legislative body prohibited .....	36
54963.	Confidential information acquired during an authorized close legislative session; authorization by legislative body; remedies for violation; exceptions .....	36

# THE RALPH M. BROWN ACT<sup>1</sup>

## **54950. Declaration, intent; sovereignty**

In enacting this chapter, the Legislature finds and declares that the public commissions, boards and councils and the other public agencies in this State exist to aid in the conduct of the people's business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly.

The people of this State do not yield their sovereignty to the agencies which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.

## **54950.5. Short title**

This chapter shall be known as the Ralph M. Brown Act.

## **54951. Local agency**

As used in this chapter, "local agency" means a county, city, whether general law or chartered, city and county, town, school district, municipal corporation, district, political subdivision, or any board, commission or agency thereof, or other local public agency.

## **54952. Legislative body, definition**

As used in this chapter, "legislative body" means:

(a) The governing body of a local agency or any other local body created by state or federal statute.

(b) A commission, committee, board, or other body of a local agency, whether permanent or temporary, decision-making or advisory, created by charter, ordinance, resolution, or formal action of a legislative body. However, advisory committees, composed solely of the members of the legislative body that are less than a quorum of the legislative body are not legislative bodies, except that standing committees of a legislative body, irrespective of their composition, which have a continuing subject matter jurisdiction, or a meeting schedule fixed by charter, ordinance, resolution, or formal action of a legislative body are legislative bodies for purposes of this chapter.

(c) (1) A board, commission, committee, or other multimember body that governs a private corporation, limited liability company, or other entity that either:

---

<sup>1</sup>All section references are to the Government Code, unless otherwise indicated.

(A) Is created by the elected legislative body in order to exercise authority that may lawfully be delegated by the elected governing body to a private corporation, limited liability company, or other entity.

(B) Receives funds from a local agency and the membership of whose governing body includes a member of the legislative body of the local agency appointed to that governing body as a full voting member by the legislative body of the local agency.

(2) Notwithstanding subparagraph (B) of paragraph (1), no board, commission, committee, or other multimember body that governs a private corporation, limited liability company, or other entity that receives funds from a local agency and, as of February 9, 1996, has a member of the legislative body of the local agency as a full voting member of the governing body of that private corporation or entity shall be relieved from the public meeting requirements of this chapter by virtue of a change in status of the full voting member to a nonvoting member.

(d) The lessee of any hospital the whole or part of which is first leased pursuant to subdivision (p) of Section 32121 of the Health and Safety Code after January 1, 1994, where the lessee exercises any material authority of a legislative body of a local agency delegated to it by that legislative body whether the lessee is organized and operated by the local agency or by a delegated authority.

#### **54952.1. Member of a legislative body of a local agency; conduct**

Any person elected to serve as a member of a legislative body who has not yet assumed the duties of office shall conform his or her conduct to the requirements of this chapter and shall be treated for purposes of enforcement of this chapter as if he or she has already assumed office.

#### **54952.2. Meeting; prohibited communications; exclusions from chapter**

(a) As used in this chapter, "meeting" means any congregation of a majority of the members of a legislative body at the same time and location, including teleconference location as permitted by Section 54953, to hear, discuss, deliberate, or take action on any item that is within the subject matter jurisdiction of the legislative body.

(b) (1) A majority of the members of a legislative body shall not, outside a meeting authorized by this chapter, use a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body.

(2) Paragraph (1) shall not be construed as preventing an employee or official of a local agency, from engaging in separate conversations or communications outside of a meeting authorized by this chapter with members of a legislative body in order to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of the local agency, if that person does not communicate to members of the legislative body the comments or position of any other member or members of the legislative body.

(c) Nothing in this section shall impose the requirements of this chapter upon any of the following:

(1) Individual contacts or conversations between a member of a legislative body and any other person that do not violate subdivision (b).

(2) The attendance of a majority of the members of a legislative body at a conference or similar gathering open to the public that involves a discussion of issues of general interest to the public or public agencies of the type represented by the legislative body, provided that a majority of the members do not discuss among themselves, other than as part of the scheduled program, business of a specified nature that is within the subject matter jurisdiction of the local agency. Nothing in this paragraph is intended to allow members of the public free admission to a conference or similar gathering at which the organizers have required other participants or registrants to pay fees or charges as a condition of attendance.

(3) The attendance of a majority of the members of a legislative body at an open and publicized meeting organized to address a topic of local community concern by a person or organization other than the local agency, provided that a majority of the members do not discuss among themselves, other than as part of the scheduled program, business of a specific nature that is within the subject matter jurisdiction of the legislative body of the local agency.

(4) The attendance of a majority of the members of a legislative body at an open and noticed meeting of another body of the local agency, or at an open and noticed meeting of a legislative body of another local agency, provided that a majority of the members do not discuss among themselves, other than as part of the scheduled meeting, business of a specific nature that is within the subject matter jurisdiction of the legislative body of a local agency.

(5) The attendance of a majority of the members of a legislative body at a purely social or ceremonial occasion, provided that a majority of the members do not discuss among themselves business of a specific nature that is within the subject matter jurisdiction of the legislative body of the local agency.

(6) The attendance of a majority of the members of a legislative body at an open and noticed meeting of a standing committee of that body, provided that the members of the legislative body who are not members of the standing committee attend only as observers.

**54952.3. Simultaneous or serial order meetings of a subsequent legislative body; compensation and stipends**

(a) A legislative body that has convened a meeting and whose membership constitutes a quorum of any other legislative body may convene a meeting of that other legislative body, simultaneously or in serial order, only if a clerk or member of the convened legislative body verbally announces, prior to convening any simultaneous or serial order meeting of that subsequent legislative body, the amount of compensation or stipend, if any, that each member will be entitled to receive as a result of convening the simultaneous or serial meeting of the subsequent legislative body and identifies that the compensation or stipend shall be provided as a result of convening a meeting for which each member of the legislative body shall not be required to announce the amount of compensation if the amount of compensation is prescribed in statute and no additional compensation has been authorized by a local agency.

(b) For purposes of this section, compensation and stipend shall not include amounts reimbursed for actual and necessary expenses incurred by a member in the performance of the member's official duties, including, but not limited to, reimbursement of expenses relating to travel, meals, and lodging.

**54952.6. Action taken**

As used in this chapter, "action taken" means a collective decision made by a majority of the members of a legislative body, a collective commitment or promise by a majority of the members of a legislative body to make a positive or a negative decision, or an actual vote by a majority of the members of a legislative body when sitting as a body or entity, upon a motion, proposal, resolution, order or ordinance.

**54952.7. Copies of chapter to members of legislative body of local agencies**

A legislative body of a local agency may require that a copy of this chapter be given to each member of the legislative body and any person elected to serve as a member of the legislative body who has not assumed the duties of office. An elected legislative body of a local agency may require that a copy of this chapter be given to each member of each legislative body all or a majority of whose members are appointed by or under the authority of the elected legislative body.

**54953. Meetings to be open and public; attendance**

(a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, "teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action each member present for the action.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), when a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and that number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38 and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Sections 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(4) This subdivision shall remain in effect only until January 1, 2018.

#### **54953.1. Testimony of members before grand jury**

The provisions of this chapter shall not be construed to prohibit the members of the legislative body of a local agency from giving testimony in private before a grand jury, either as individuals or as a body.

#### **54953.2 Legislative body meetings to meet protections and prohibitions of the Americans with Disabilities Act**

All meetings of a legislative body of a local agency that are open and public shall meet the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

**54953.3. Conditions to attendance**

A member of the public shall not be required, as a condition to attendance at a meeting of a legislative body of a local agency, to register his or her name, to provide other information, to complete a questionnaire, or otherwise to fulfill any condition precedent to his or her attendance.

If an attendance list, register, questionnaire, or other similar document is posted at or near the entrance to the room where the meeting is to be held, or is circulated to the persons present during the meeting, it shall state clearly that the signing, registering, or completion of the document is voluntary, and that all persons may attend the meeting regardless of whether a person signs, registers, or completes the document.

**54953.5. Right to record proceedings; conditions; audio or video recordings made by or under direction of local agencies**

(a) Any person attending an open and public meeting of a legislative body of a local agency shall have the right to record the proceedings with an audio or video recorder or a still or motion picture camera in the absence of a reasonable finding by the legislative body of the local agency that the recording cannot continue without noise, illumination, or obstruction of view that constitutes, or would constitute, a persistent disruption of the proceedings.

(b) Any audio or video recording of an open and public meeting made for whatever purpose by or at the direction of the local agency shall be subject to inspection pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1), but, notwithstanding Section 34090, may be erased or destroyed 30 days after the recording. Any inspection of an audio or video recording shall be provided without charge on equipment made available by the local agency.

**54953.6. Prohibitions or restrictions on broadcasts of proceedings of legislative body; reasonable findings**

No legislative body of a local agency shall prohibit or otherwise restrict the broadcast of its open and public meetings in the absence of a reasonable finding that the broadcast cannot be accomplished without noise, illumination, or obstruction of view that would constitute a persistent disruption of the proceedings.

**54953.7. Allowance of greater access to meetings than minimal standards in this chapter**

Notwithstanding any other provision of law, legislative bodies of local agencies may impose requirements upon themselves which allow greater access to their meetings than prescribed by the minimal standards set forth in this chapter. In addition thereto, an elected legislative body of a local agency may impose such requirements on those appointed legislative bodies of the local agency of which all or a majority of the members are appointed by or under the authority of the elected legislative body.

**54954. Time and place of regular meetings; special meetings; emergencies**

(a) Each legislative body of a local agency, except for advisory committees or standing committees, shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place for holding regular meetings. Meetings of advisory committees or standing committees, for which an agenda is posted at least 72 hours in advance of the meeting pursuant to subdivision (a) of Section 54954.2, shall be considered for purposes of this chapter as regular meetings of the legislative body.

(b) Regular and special meetings of the legislative body shall be held within the boundaries of the territory over which the local agency exercises jurisdiction, except to do any of the following:

(1) Comply with state or federal law or court order, or attend a judicial or administrative proceeding to which the local agency is a party.

(2) Inspect real or personal property which cannot be conveniently brought within the boundaries of the territory over which the local agency exercises jurisdiction provided that the topic of the meeting is limited to items directly related to the real or personal property.

(3) Participate in meetings or discussions of multi-agency significance that are outside the boundaries of a local agency's jurisdiction. However, any meeting or discussion held pursuant to this subdivision shall take place within the jurisdiction of one of the participating local agencies and be noticed by all participating agencies as provided for in this chapter.

(4) Meet in the closest meeting facility if the local agency has no meeting facility within the boundaries of the territory over which the local agency exercises jurisdiction, or at the principal office of the local agency if that office is located outside the territory over which the agency exercises jurisdiction.

(5) Meet outside their immediate jurisdiction with elected or appointed officials of the United States or the State of California when a local meeting would be impractical, solely to discuss a legislative or regulatory issue affecting the local agency and over which the federal or state officials have jurisdiction.

(6) Meet outside their immediate jurisdiction if the meeting takes place in or nearby a facility owned by the agency, provided that the topic of the meeting is limited to items directly related to the facility.

(7) Visit the office of the local agency's legal counsel for a closed session on pending litigation held pursuant to Section 54956.9, when to do so would reduce legal fees or costs.

(c) Meetings of the governing board of a school district shall be held within the district except under the circumstances enumerated in subdivision (b), or to do any of the following:

(1) Attend a conference on nonadversarial collective bargaining techniques.

(2) Interview members of the public residing in another district with reference to the trustees' potential employment of an applicant for the position of the superintendent of the district.

(3) Interview a potential employee from another district.

(d) Meetings of a joint powers authority shall occur within the territory of at least one of its member agencies, or as provided in subdivision (b). However, a joint powers authority which has members throughout the state may meet at any facility in the state which complies with the requirements of Section 54961.

(e) If, by reason of fire, flood, earthquake, or other emergency, it shall be unsafe to meet in the place designated, the meetings shall be held for the duration of the emergency at the place designated by the presiding officer of the legislative body or his or her designee in a notice to the local media that have requested notice pursuant to Section 54956, by the most rapid means of communication available at the time.

**54954.1. Mailed notice to persons who filed written request; time; duration and renewal of requests; fee**

Any person may request that a copy of the agenda, or a copy of all the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. If requested, the agenda and documents in the agenda packet shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec 12132), and the federal rules and regulations adopted in implementation thereof. Upon receipt of the written request, the legislative body or its designee shall cause the requested materials to be mailed at the time the agenda is posted pursuant to Section 54954.2 and 54956 or upon distribution to all, or a majority of all, of the members of a legislative body, whichever occurs first. Any request for mailed copies of agendas or agenda packets shall be valid for the calendar year in which it is filed, and must be renewed following January 1 of each year. The legislative body may establish a fee for mailing the agenda or agenda packet, which fee shall not exceed the cost of providing the service. Failure of the requesting person to receive the agenda or agenda packet pursuant to this section shall not constitute grounds for invalidation of the actions of the legislative body taken at the meeting for which the agenda or agenda packet was not received.

**54954.2. Agenda; posting; action on other matters; posting on Internet Web site**

(a)(1) At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public, and on the local agency's Internet Web site, if the local agency has one. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec 12132), and the federal rules and regulations adopted in implementation thereof. The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting.

(2) No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of a legislative body, or the body itself, subject to rules or procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

(b) Notwithstanding subdivision (a), the legislative body may take action on items of business not appearing on the posted agenda under any of the conditions stated below. Prior to discussing any item pursuant to this subdivision, the legislative body shall publicly identify the item.

(1) Upon a determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5.

(2) Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

(3) The item was posted pursuant to subdivision (a) for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(c) This section is necessary to implement and reasonably within the scope of paragraph (1) of subdivision (b) of Section 3 of Article 1 of the California Constitution.

(d) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

**54954.3. Opportunity for public to address legislative body; adoption of regulations; public criticism of policies**

(a) Every agenda for regular meetings shall provide an opportunity for members of the public to directly address the legislative body on any item of interest to the public, before or during the legislative body's consideration of the item, that is within the subject matter jurisdiction of the legislative body, provided that no action shall be taken on any item not appearing on the agenda unless

the action is otherwise authorized by subdivision (b) of Section 54954.2. However, the agenda need not provide an opportunity for members of the public to address the legislative body on any item that has already been considered by a committee, composed exclusively of members of the legislative body, at a public meeting wherein all interested members of the public were afforded the opportunity to address the committee on the item, before or during the committee's consideration of the item, unless the item has been substantially changed since the committee heard the item, as determined by the legislative body. Every notice for a special meeting shall provide an opportunity for members of the public to directly address the legislative body concerning any item that has been described in the notice for the meeting before or during consideration of that item.

(b) The legislative body of a local agency may adopt reasonable regulations to ensure that the intent of subdivision (a) is carried out, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker.

(c) The legislative body of a local agency shall not prohibit public criticism of the policies, procedures, programs, or services of the agency, or of the acts or omissions of the legislative body. Nothing in this subdivision shall confer any privilege or protection for expression beyond that otherwise provided by law.

#### **54954.4. Reimbursements to local agencies and school districts for costs**

(a) The Legislature hereby finds and declares that Section 12 of Chapter 641 of the Statutes of 1986, authorizing reimbursement to local agencies and school districts for costs mandated by the state pursuant to that act, shall be interpreted strictly. The intent of the Legislature is to provide reimbursement for only those costs which are clearly and unequivocally incurred as the direct and necessary result of compliance with Chapter 641 of the Statutes of 1986.

(b) In this regard, the Legislature directs all state employees and officials involved in reviewing or authorizing claims for reimbursement, or otherwise participating in the reimbursement process, to rigorously review each claim and authorize only those claims, or parts thereof, which represent costs which are clearly and unequivocally incurred as the direct and necessary result of compliance with Chapter 641 of the Statutes of 1986 and for which complete documentation exists. For purposes of Section 54954.2, costs eligible for reimbursement shall only include the actual cost to post a single agenda for any one meeting.

(c) The Legislature hereby finds and declares that complete, faithful, and uninterrupted compliance with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code) is a matter of overriding public importance. Unless specifically stated, no future Budget Act, or related budget enactments, shall, in any manner, be interpreted to suspend, eliminate, or otherwise modify the legal obligation and duty of local agencies to fully comply with Chapter 641 of the Statutes of 1986 in a complete, faithful, and uninterrupted manner.

#### **54954.5. Closed session items descriptions**

For purposes of describing closed session items pursuant to Section 54954.2, the agenda may describe closed sessions as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items were described in substantial compliance with this section. Substantial compliance is satisfied by including the information provided below, irrespective of its format.

(a) With respect to a closed session held pursuant to Section 54956.7:

##### **LICENSE/PERMIT DETERMINATION**

Applicant(s): (Specify number of applicants)

(b) With respect to every item of business to be discussed in closed session pursuant to Section 54956.8:

##### **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Property: (Specify street address, or if no street address, the parcel number or other unique reference, of the real property under negotiation)

Agency negotiator: (Specify names of negotiators attending the closed session) (If circumstances necessitate the absence of a specified negotiator, an agent or designee may participate in place of the absent negotiator so long as the name of the agent or designee is announced at an open session held prior to the closed session.)

Negotiating parties: (Specify name of party (not agent))

Under negotiation: (Specify whether instruction to negotiator will concern price, terms of payment, or both)

(c) With respect to every item of business to be discussed in closed session pursuant to Section 54956.9:

##### **CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION**

(Paragraph (1) of subdivision (d) of Section 54956.9)

Name of case: (Specify by reference to claimant's name, names of parties, case or claim numbers)

or

Case name unspecified: (Specify whether disclosure would jeopardize service of process or existing settlement negotiations)

##### **CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: (Specify number of potential cases)

(In addition to the information noticed above, the agency may be required to provide additional information on the agenda or in an oral statement prior to the closed session pursuant to paragraphs (2) to (5), inclusive, of subdivision (e) of Section 54956.9)

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (Specify number of potential cases)

(d) With respect to every item of business to be discussed in closed session pursuant to Section 54956.95:

#### LIABILITY CLAIMS

Claimant: (Specify name unless unspecified pursuant to Section 54961)

Agency claimed against: (Specify name)

(e) With respect to every item of business to be discussed in closed session pursuant to Section 54957:

#### THREAT TO PUBLIC SERVICES OR FACILITIES

Consultation with: (Specify name of law enforcement agency and title of officer, or name of applicable agency representative and title.)

#### PUBLIC EMPLOYEE APPOINTMENT

Title: (Specify description of position to be filled)

#### PUBLIC EMPLOYMENT

Title: (Specify description of position to be filled)

#### PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: (Specify position title of employee being reviewed)

#### PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE

(No additional information is required in connection with a closed session to consider discipline, dismissal, or release of a public employee. Discipline includes potential reduction of compensation.)

(f) With respect to every item of business to be discussed in closed session pursuant to Section 54957.6:

#### CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: (Specify names of designated representatives attending the closed session) (If circumstances necessitate the absence of a specified designated representative, an agent or designee may participate in place of the absent representative so long as the name of the agent or designee is announced at an open session held prior to the closed session.)

Employee organization: (Specify name of organization representing employee or employees in question)

or

Unrepresented employee: (Specify position title of unrepresented employee who is the subject of the negotiations)

(g) With respect to closed sessions called pursuant to Section 54957.8:

#### CASE REVIEW/PLANNING

(No additional information is required in connection with a closed session to consider case review or planning.)

(h) With respect to every item of business to be discussed in closed session pursuant to Sections 1461, 32106, and 32155 of the Health and Safety Code or Sections 37606 and 37624.3 of the Government Code:

#### REPORT INVOLVING TRADE SECRET

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility)

Estimated date of public disclosure: (Specify month and year)

#### HEARINGS

Subject matter: (Specify whether testimony/deliberation will concern staff privileges, report of medical audit committee, or report of quality assurance committee)

(i) With respect to every item of business to be discussed in closed session pursuant to Section 54956.86:

#### CHARGE OR COMPLAINT INVOLVING INFORMATION PROTECTED BY FEDERAL LAW

(No additional information is required in connection with a closed session to discuss a charge or complaint pursuant to Section 54956.86.)

(j) With respect to every item of business to be discussed in closed session pursuant to Section 54956.96:

CONFERENCE INVOLVING A JOINT POWERS AGENCY (Specify by name)  
Discussion will concern: (Specify closed session description used by the joint powers agency)  
Name of local agency representative on joint powers agency board: (Specify name)

(Additional information listing the names of agencies or titles of representatives attending the closed session as consultants or other representatives.)

(k) With respect to every item of business to be discussed in closed session pursuant to Section 54956.75:

#### AUDIT BY CALIFORNIA STATE AUDITOR'S OFFICE

#### **54954.6 New or increased taxes or assessments; public meetings and public hearings; joint notice requirements**

(a) (1) Before adopting any new or increased general tax or any new or increased assessment, the legislative body of a local agency shall conduct at least one public meeting at which local officials shall allow public testimony regarding the proposed new or increased general tax or new or increased assessment in addition to the noticed public hearing at which the legislative body proposes to enact or increase the general tax or assessment.

For purposes of this section, the term "new or increased assessment" does not include any of the following:

(A) A fee that does not exceed the reasonable cost of providing the services, facilities, or regulatory activity for which the fee is charged.

(B) A service charge, rate, or charge, unless a special district's principal act requires the service charge, rate, or charge to conform to the requirements of this section.

(C) An ongoing annual assessment if it is imposed at the same or lower amount as any previous year.

(D) An assessment that does not exceed an assessment formula or range of assessments previously specified in the notice given to the public pursuant to subparagraph (G) of paragraph (2) of subdivision (c) and that was previously adopted by the agency or approved by the voters in the area where the assessment is imposed.

(E) Standby or immediate availability charges.

(2) The legislative body shall provide at least 45 days' public notice of the public hearing at which the legislative body proposes to enact or increase the general tax or assessment. The legislative

body shall provide notice for the public meeting at the same time and in the same document as the notice for the public hearing, but the meeting shall occur prior to the hearing.

(b) (1) The joint notice of both the public meeting and the public hearing required by subdivision (a) with respect to a proposal for a new or increased general tax shall be accomplished by placing a display advertisement of at least one-eighth page in a newspaper of general circulation for three weeks pursuant to Section 6063 and by a first-class mailing to those interested parties who have filed a written request with the local agency for mailed notice of public meetings or hearings on new or increased general taxes. The public meeting pursuant to subdivision (a) shall take place no earlier than 10 days after the first publication of the joint notice pursuant to this subdivision. The public hearing shall take place no earlier than seven days after the public meeting pursuant to this subdivision. Notwithstanding paragraph (2) of subdivision (a), the joint notice need not include notice of the public meeting after the meeting has taken place. The public hearing pursuant to subdivision (a) shall take place no earlier than 45 days after the first publication of the joint notice pursuant to this subdivision. Any written request for mailed notices shall be effective for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for mailed notices shall be filed on or before April 1 of each year. The legislative body may establish a reasonable annual charge for sending notices based on the estimated cost of providing the service.

(2) The notice required by paragraph (1) of this subdivision shall include, but not be limited to, the following:

(A) The amount or rate of the tax. If the tax is proposed to be increased from any previous year, the joint notice shall separately state both the existing tax rate and the proposed tax rate increase.

(B) The activity to be taxed.

(C) The estimated amount of revenue to be raised by the tax annually.

(D) The method and frequency for collecting the tax.

(E) The dates, times, and locations of the public meeting and hearing described in subdivision (a).

(F) The phone number and address of an individual, office, or organization that interested persons may contact to receive additional information about the tax.

(c) (1) The joint notice of both the public meeting and the public hearing required by subdivision (a) with respect to a proposal for a new or increased assessment on real property shall be accomplished through a mailing, postage prepaid, in the United States mail and shall be deemed given when so deposited. The public meeting pursuant to subdivision (a) shall take place no earlier than 10 days after the joint mailing pursuant to this subdivision. The public hearing shall take place no earlier than seven days after the public meeting pursuant to this subdivision. The envelope or the cover of the mailing shall include the name of the local agency and the return address of the sender. This mailed notice shall be in at least 10-point type and shall be given to all property owners proposed to be subject to the new or increased assessment by a mailing by name to those persons whose names and addresses appear on the last equalized county assessment roll or the State Board of Equalization assessment roll, as the case may be.

(2) The joint notice required by paragraph (1) of this subdivision shall include, but not be limited to, the following:

(A) The estimated amount of the assessment per parcel. If the assessment is proposed to be increased from any previous year, the joint notice shall separately state both the amount of the existing assessment and the proposed assessment increase.

(B) A general description of the purpose or improvements that the assessment will fund.

(C) The address to which property owners may mail a protest against the assessment.

(D) The phone number and address of an individual, office, or organization that interested persons may contact to receive additional information about the assessment.

(E) A statement that a majority protest will cause the assessment to be abandoned if the assessment act used to levy the assessment so provides. Notice shall also state the percentage of protests required to trigger an election, if applicable.

(F) The dates, times, and locations of the public meeting and hearing described in subdivision (a).

(G) A proposed assessment formula or range as described in subparagraph (D) of paragraph (1) of subdivision (a) if applicable and that is noticed pursuant to this section.

(3) Notwithstanding paragraph (1), in the case of an assessment that is proposed exclusively for operation and maintenance expenses imposed throughout the entire local agency, or exclusively for operation and maintenance assessments proposed to be levied on 50,000 parcels or more, notice may be provided pursuant to this subdivision or pursuant to paragraph (1) of subdivision (b) and shall include the estimated amount of the assessment of various types, amounts, or uses of property and the information required by subparagraphs (B) to (G), inclusive, of paragraph (2) of subdivision (c).

(4) Notwithstanding paragraph (1), in the case of an assessment proposed to be levied pursuant to Part 2 (commencing with Section 22500) of Division 2 of the Streets and Highways Code by a regional park district, regional park and open-space district, or regional open-space district formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of, or pursuant to Division 26 (commencing with Section 35100) of, the Public Resources Code, notice may be provided pursuant to paragraph (1) of subdivision (b).

(d) The notice requirements imposed by this section shall be construed as additional to, and not to supersede, existing provisions of law, and shall be applied concurrently with the existing provisions so as to not delay or prolong the governmental decision-making process.

(e) This section shall not apply to any new or increased general tax or any new or increased assessment that requires an election of either of the following:

(1) The property owners subject to the assessment.

(2) The voters within the local agency imposing the tax or assessment.

(f) Nothing in this section shall prohibit a local agency from holding a consolidated meeting or hearing at which the legislative body discusses multiple tax or assessment proposals.

(g) The local agency may recover the reasonable costs of public meetings, public hearings, and notice required by this section from the proceeds of the tax or assessment. The costs recovered for these purposes, whether recovered pursuant to this subdivision or any other provision of law, shall not exceed the reasonable costs of the public meetings, public hearings, and notice.

(h) Any new or increased assessment that is subject to the notice and hearing provisions of Article XIII C or XIII D of the California Constitution is not subject to the notice and hearing requirements of this section.

#### **54955. Adjournment; adjourned meetings**

The legislative body of a local agency may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting the clerk or secretary of the legislative body may declare the meeting adjourned to a stated time and place and he shall cause a written notice of the adjournment to be given in the same manner as provided in Section 54956 for special meetings, unless such notice is waived as provided for special meetings. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held within 24 hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings by ordinance, resolution, bylaw, or other rule.

##### **54955.1. Continuance**

Any hearing being held, or noticed or ordered to be held, by a legislative body of a local agency at any meeting may by order or notice of continuance be continued or recontinued to any subsequent meeting of the legislative body in the same manner and to the same extent set forth in Section 54955 for the adjournment of meetings; provided, that if the hearing is continued to a time less than 24 hours after the time specified in the order or notice of hearing, a copy of the order or notice of continuance of hearing shall be posted immediately following the meeting at which the order or declaration of continuance was adopted or made.

#### **54956. Special meetings; call; notice; meetings regarding local agency executive salaries, salary schedule, or compensation in form of fringe benefits; posting on Internet Web site**

(a) A special meeting may be called at any time by the presiding officer of the legislative body of a local agency, or by a majority of the members of the legislative body, by delivering written notice to each member of the legislative body and to each local newspaper of general circulation and radio or

television station requesting notice in writing and posting a notice on the local agency's Internet Web site, if the local agency has one. The notice shall be delivered personally or by any other means and shall be received at least 24 hours before the time of the meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings by the legislative body. The written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the clerk or secretary of the legislative body a written waiver of notice. The waiver may be given by telegram. The written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

The call and notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.

(b) Notwithstanding any other law, a legislative body shall not call a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of a local agency executive, as defined in subdivision (d) of Section 3511.1. However, this subdivision does not apply to a local agency calling a special meeting to discuss the local agency's budget.

(c) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

#### **54956.5. Emergency meetings in emergency situations**

(a) For purposes of this section, "emergency situation" means both of the following:

(1) An emergency, which shall be defined as a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both, as determined by a majority of the members of the legislative body.

(2) A dire emergency, which shall be defined as a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that requiring a legislative body to provide one-hour notice before holding an emergency meeting under this section may endanger the public health, safety, or both, as determined by a majority of the members of the legislative body.

(b) (1) Subject to paragraph (2), in the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, a legislative body may hold an emergency meeting without complying with either the 24-hour notice requirement or the 24-hour posting requirement of Section 54956 or both of the notice and posting requirements.

(2) Each local newspaper of general circulation and radio or television station that has requested notice of special meetings pursuant to Section 54956 shall be notified by the presiding officer of the legislative body, or designee thereof, one hour prior to the emergency meeting, or, in the case of a dire emergency, at or near the time that the presiding officer or designee notifies the members of the legislative body of the emergency meeting. This notice shall be given by telephone and all telephone numbers provided in the most recent request of a newspaper or station for notification of special meetings shall be exhausted. In the event that telephone services are not functioning, the notice requirements of this section shall be deemed waived, and the legislative body, or designee of the legislative body, shall notify those newspapers, radio stations, or television stations of the fact of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible.

(c) During a meeting held pursuant to this section, the legislative body may meet in closed session pursuant to Section 54957 if agreed to by a two-thirds vote of the members of the legislative body present, or, if less than two-thirds of the members are present, by a unanimous vote of the members present.

(d) All special meeting requirements, as prescribed in Section 54956 shall be applicable to a meeting called pursuant to this section, with the exception of the 24-hour notice requirement.

(e) The minutes of a meeting called pursuant to this section, a list of persons who the presiding officer of the legislative body, or designee of the legislative body, notified or attempted to notify, a copy of the roll call vote, and any actions taken at the meeting shall be posted for a minimum of 10 days in a public place as soon after the meeting as possible.

#### **54956.6. Fees**

No fees may be charged by the legislative body of a local agency for carrying out any provision of this chapter, except as specifically authorized by this chapter.

#### **54956.7. Closed sessions, license applications; rehabilitated criminals**

Whenever a legislative body of a local agency determines that it is necessary to discuss and determine whether an applicant for a license or license renewal, who has a criminal record, is sufficiently rehabilitated to obtain the license, the legislative body may hold a closed session with the applicant and the applicant's attorney, if any, for the purpose of holding the discussion and making the determination. If the legislative body determines, as a result of the closed session, that the issuance or renewal of the license should be denied, the applicant shall be offered the opportunity to withdraw the application. If the applicant withdraws the application, no record shall be kept of the discussions or decisions made at the closed session and all matters relating to the closed session shall be confidential. If the applicant does not withdraw the application, the legislative body shall take action at the public meeting during which the closed session is held or at its next public meeting denying the application for the license but all matters relating to the closed session are confidential and shall not be disclosed without the consent of the applicant, except in an action by an applicant who has been denied a license challenging the denial of the license.

**54956.75. Closed session; response to confidential final draft audit report; public release of report**

(a) Nothing contained in this chapter shall be construed to prevent the legislative body of a local agency that has received a confidential final draft audit report from the Bureau of State audits from holding closed sessions to discuss its response to that report.

(b) After the public release of an audit report by the Bureau of State Audits, if a legislative body of a local agency meets to discuss the audit report, it shall do so in an open session unless exempted from that requirement by some other provision of law.

**54956.8. Real property transactions; closed meeting with negotiator**

Notwithstanding any other provision of this chapter, a legislative body of a local agency may hold a closed session with its negotiator prior to the purchase, sale, exchange, or lease of real property by or for the local agency to grant authority to its negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease.

However, prior to the closed session, the legislative body of the local agency shall hold an open and public session in which it identifies its negotiators, the real property or real properties which the negotiations may concern, and the person or persons with whom its negotiators may negotiate.

For purposes of this section, negotiators may be members of the legislative body of the local agency.

For purposes of this section, "lease" includes renewal or renegotiation of a lease.

Nothing in this section shall preclude a local agency from holding a closed session for discussions regarding eminent domain proceedings pursuant to Section 54956.9.

**54956.81 Investment of pension funds; closed session**

Notwithstanding any other provision of this chapter, a legislative body of a local agency that invests pension funds may hold a closed session to consider the purchase or sales of particular, specific pension fund investments. All investment transaction decisions made during the closed session shall be made by rollcall vote entered into the minutes of the closed session as provided in subdivision (a) of Section 54957.2.

**54956.86. Charges or complaints from members of local agency health plans; closed hearings; members' rights**

Notwithstanding any other provision of this chapter, a legislative body of a local agency which provides services pursuant to Section 14087.3 of the Welfare and Institutions Code may hold a closed session to hear a charge or complaint from a member enrolled in its health plan if the member does not wish to have his or her name, medical status, or other information that is protected by federal law publicly disclosed. Prior to holding a closed session pursuant to this section, the legislative body shall

inform the member, in writing, of his or her right to have the charge or complaint heard in an open session rather than a closed session.

**54956.87. Records of certain health plans; meetings on health plan trade secrets**

(a) Notwithstanding any other provision of this chapter, the records of a health plan that is licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code) and that is governed by a county board of supervisors, whether paper records, records maintained in the management information system, or records in any other form, that relate to provider rate or payment determinations, allocation or distribution methodologies for provider payments, formulas or calculations for these payments, and contract negotiations with providers of health care for alternative rates are exempt from disclosure for a period of three years after the contract is fully executed. The transmission of the records, or the information contained therein in an alternative form, to the board of supervisors shall not constitute a waiver of exemption from disclosure, and the records and information once transmitted to the board of supervisors shall be subject to this same exemption.

(b) Notwithstanding any other provision of law, the governing board of a health plan that is licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code) and that is governed by a county board of supervisors may order that a meeting held solely for the purpose of discussion or taking action on health plan trade secrets, as defined in subdivision (f), shall be held in closed session. The requirements of making a public report of action taken in closed session, and the vote or abstention of every member present, may be limited to a brief general description without the information constituting the trade secret.

(c) Notwithstanding any other provision of law, the governing board of a health plan may meet in closed session to consider and take action on matters pertaining to contracts and contract negotiations by the health plan with providers of health care services concerning all matters related to rates of payment. The governing board may delete the portion or portions containing trade secrets from any documents that were finally approved in the closed session held pursuant to a subdivision (b) that are provided to persons who have made the timely or standing request.

(d) Nothing in this section shall be construed as preventing the governing board from meeting in closed session as otherwise provided by law.

(e) The provisions of this section shall not prevent access to any records by the Joint Legislative Audit Committee in the exercise of its powers pursuant to Article 1 (commencing with Section 10500) of Chapter 4 of Part 2 of Division 2 of Title 2. The provisions of this section also shall not prevent access to any records by the Department of Corporations in the exercise of its powers pursuant to Article 1 (commencing with Section 1340) of Chapter 2.2 of Division 2 of the Health and Safety Code.

(f) For purposes of this section, “health plan trade secret” means a trade secret, as defined in subdivision (d) of Section 3426.1 of the Civil Code, that also meets both of the following criteria:

(1) The secrecy of the information is necessary for the health plan to initiate a new service, program, marketing strategy, business plan, or technology, or to add a benefit or product.

(2) Premature disclosure of the trade secret would create a substantial probability of depriving the health plan of a substantial economic benefit or opportunity.

**54956.9. Pending litigation; closed session; lawyer-client privilege; notice; memorandum**

Nothing in this chapter shall be construed to prevent a legislative body of a local agency, based on advice of its legal counsel, from holding a closed session to confer with, or receive advice from, its legal counsel regarding pending litigation when discussion in open session concerning those matters would prejudice the position of the local agency in the litigation.

For purposes of this chapter, all expressions of the lawyer-client privilege other than those provided in this section are hereby abrogated. This section is the exclusive expression of the lawyer-client privilege for purposes of conducting closed-session meetings pursuant to this chapter.

For purposes of this section, "litigation" includes any adjudicatory proceeding, including eminent domain, before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator.

For purposes of this section, litigation shall be considered pending when any of the following circumstances exist:

(a) Litigation, to which the local agency is a party, has been initiated formally.

(b)(1) A point has been reached where, in the opinion of the legislative body of the local agency on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the local agency.

(2) Based on existing facts and circumstances, the legislative body of the local agency is meeting only to decide whether a closed session is authorized pursuant to paragraph (1) of this subdivision.

(3) For purposes of paragraphs (1) and (2), "existing facts and circumstances" shall consist only of one of the following:

(A) Facts and circumstances that might result in litigation against the local agency but which the local agency believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed.

(B) Facts and circumstances, including, but not limited to, an accident, disaster, incident, or transactional occurrence that might result in litigation against the agency and that are known to a potential plaintiff or plaintiffs, which facts or circumstances shall be publicly stated on the agenda or announced.

(C) The receipt of a claim pursuant to the Tort Claims Act or some other written communication from a potential plaintiff threatening litigation, which claim or communication shall be available for public inspection pursuant to Section 54957.5.

(D) A statement made by a person in an open and public meeting threatening litigation on a specific matter within the responsibility of the legislative body.

(E) A statement threatening litigation made by a person outside an open and public meeting on a specific matter within the responsibility of the legislative body so long as the official or employee of the local agency receiving knowledge of the threat makes a contemporaneous or other record of the statement prior to the meeting, which record shall be available for public inspection pursuant to Section 54957.5. The records so created need not identify the alleged victim of unlawful or tortious sexual conduct or anyone making the threat on their behalf, or identify a public employee who is the alleged perpetrator of any unlawful or tortious conduct upon which a threat of litigation is based, unless the identity of the person has been publicly disclosed.

(F) Nothing in this section shall require disclosure of written communications that are privileged and not subject to disclosure pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1).

(c) Based on existing facts and circumstances, the legislative body of the local agency has decided to initiate or is deciding whether to initiate litigation.

Prior to holding a closed session pursuant to this section, the legislative body of the local agency shall state on the agenda or publicly announce the subdivision of this section that authorizes the closed session. If the session is closed pursuant to subdivision (a), the body shall state the title of or otherwise specifically identify the litigation to be discussed, unless the body states that to do so would jeopardize the agency's ability to effectuate service of process upon one or more unserved parties, or that to do so would jeopardize its ability to conclude existing settlement negotiations to its advantage.

A local agency shall be considered to be a "party" or to have a "significant exposure to litigation" if an officer or employee of the local agency is a party or has significant exposure to litigation concerning prior or prospective activities or alleged activities during the course and scope of that office or employment, including litigation in which it is an issue whether an activity is outside the course and scope of the office or employment.

**54956.95. Closed sessions; insurance pooling; tort liability losses; public liability losses; workers' compensation liability**

(a) Nothing in this chapter shall be construed to prevent a joint powers agency formed pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1, for purposes of insurance pooling, or a local agency member of the joint powers agency, from holding a closed session to discuss a claim for the payment of tort liability losses, public liability losses, or workers' compensation liability incurred by the joint powers agency or a local agency member of the joint powers agency.

(b) Nothing in this chapter shall be construed to prevent the Local Agency Self-Insurance Authority formed pursuant to Chapter 5.5 (commencing with Section 6599.01) of Division 7 of Title 1, or a local agency member of the authority, from holding a closed session to discuss a claim for the payment of tort liability losses, public liability losses, or workers' compensation liability incurred by the authority or a local agency member of the authority.

(c) Nothing in this section shall be construed to affect Section 54956.9 with respect to any other local agency.

**54956.96. Joint powers agency; legislative body; closed session; confidential information**

(a) Nothing in this chapter shall be construed to prevent the legislative body of a joint powers agency formed pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1, from adopting a policy or a bylaw or including in its joint powers agreement provisions that authorize either or both of the following:

(1) All information received by the legislative body of the local agency member in a closed session related to the information presented to the joint powers agency in closed session shall be confidential. However, a member of the legislative body of a member local agency may disclose information obtained in a closed session that has direct financial or liability implications for that local agency to the following individuals:

(A) Legal counsel of that member local agency for purposes of obtaining advice on whether the matter has direct financial or liability implications for that member local agency.

(B) Other members of the legislative body of the local agency present in a closed session of that member local agency.

(2) Any designated alternate member of the legislative body of the joint powers agency who is also a member of the legislative body of a local agency member and who is attending a properly noticed meeting of the joint powers agency in lieu of a local agency member's regularly appointed member to attend closed sessions of the joint powers agency.

b) If the legislative body of a joint powers agency adopts a policy or a bylaw or includes provisions in its joint powers agreement pursuant to subdivision (a), then the legislative body of the local agency member, upon the advice of its legal counsel, may conduct a closed session in order to receive, discuss, and take action concerning information obtained in a closed session of the joint powers agency pursuant to paragraph (1) of subdivision (a).

**54957. Closed sessions; personnel matters; exclusion of witnesses**

(a) This chapter shall not be construed to prevent the legislative body of a local agency from holding closed sessions with the Governor, Attorney General, district attorney, agency counsel, sheriff, or chief of police, or their respective deputies, or a security consultant or a security operations manager, on matters posing a threat to the security of public buildings, a threat to the security of essential public

services, including water, drinking water, wastewater treatment, natural gas service, and electric service, or a threat to the public's right of access to public services or public facilities.

(b)(1) Subject to paragraph (2), this chapter shall not be construed to prevent the legislative body of a local agency from holding closed sessions during a regular or special meeting to consider the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee or to hear complaints or charges brought against the employee by another person or employee unless the employee requests a public session.

(2) As a condition to holding a closed session on specific complaints or charges brought against an employee by another person or employee, the employee shall be given written notice of his or her right to have the complaints or charges heard in an open session rather than a closed session, which notice shall be delivered to the employee personally or by mail at least 24 hours before the time for holding the session. If notice is not given, any disciplinary or other action taken by the legislative body against the employee based on the specific complaints or charges in the closed session shall be null and void.

(3) The legislative body also may exclude from the public or closed meeting, during the examination of a witness, any or all other witnesses in the matter being investigated by the legislative body.

(4) For the purposes of this subdivision, the term "employee" shall include an officer or an independent contractor who functions as an officer or an employee but shall not include any elected official, member of a legislative body or other independent contractors. This subdivision shall not limit local officials' ability to hold closed session meetings pursuant to Sections 1461, 32106, and 32155 of the Health and Safety Code or Sections 37606 and 37624.3 of the Government Code. Closed sessions held pursuant to this subdivision shall not include discussion or action on proposed compensation except for a reduction of compensation that results from the imposition of discipline.

#### **54957.1. Closed sessions; public report of action taken**

(a) The legislative body of any local agency shall publicly report any action taken in closed session and the vote or abstention on that action of every member present, as follows:

(1) Approval of an agreement concluding real estate negotiations pursuant to Section 54956.8 shall be reported after the agreement is final, as follows:

(A) If its own approval renders the agreement final, the body shall report that approval and the substance of the agreement in open session at the public meeting during which the closed session is held.

(B) If final approval rests with the other party to the negotiations, the local agency shall disclose the fact of that approval and the substance of the agreement upon inquiry by any person, as soon as the other party or its agent has informed the local agency of its approval.

(2) Approval given to its legal counsel to defend, or seek or refrain from seeking appellate review or relief, or to enter as an amicus curiae in any form of litigation as the result of a consultation

under Section 54956.9 shall be reported in open session at the public meeting during which the closed session is held. The report shall identify, if known, the adverse party or parties and the substance of the litigation. In the case of approval given to initiate or intervene in an action, the announcement need not identify the action, the defendants, or other particulars, but shall specify that the direction to initiate or intervene in an action has been given and that the action, the defendants, and the other particulars shall, once formally commenced, be disclosed to any person upon inquiry, unless to do so would jeopardize the agency's ability to effectuate service of process on one or more unserved parties, or that to do so would jeopardize its ability to conclude existing settlement negotiations to its advantage.

(3) Approval given to its legal counsel of a settlement of pending litigation, as defined in Section 54956.9, at any stage prior to or during a judicial or quasi-judicial proceeding shall be reported after the settlement is final, as follows:

(A) If the legislative body accepts a settlement offer signed by the opposing party, the body shall report its acceptance and identify the substance of the agreement in open session at the public meeting during which the closed session is held.

(B) If final approval rests with some other party to the litigation or with the court, then as soon as the settlement becomes final, and upon inquiry by any person, the local agency shall disclose the fact of that approval, and identify the substance of the agreement.

(4) Disposition reached as to claims discussed in closed session pursuant to Section 54956.95 shall be reported as soon as reached in a manner that identifies the name of the claimant, the name of the local agency claimed against, the substance of the claim, and any monetary amount approved for payment and agreed upon by the claimant.

(5) Action taken to appoint, employ, dismiss, accept the resignation of, or otherwise affect the employment status of a public employee in closed session pursuant to Section 54957 shall be reported at the public meeting during which the closed session is held. Any report required by this paragraph shall identify the title of the position. The general requirement of this paragraph notwithstanding, the report of a dismissal or of the nonrenewal of an employment contract shall be deferred until the first public meeting following the exhaustion of administrative remedies, if any.

(6) Approval of an agreement concluding labor negotiations with represented employees pursuant to Section 54957.6 shall be reported after the agreement is final and has been accepted or ratified by the other party. The report shall identify the item approved and the other party or parties to the negotiation.

(7) Pension fund investment transaction decisions made pursuant to Section 54956.81 shall be disclosed at the first open meeting of the legislative body held after the earlier of the close of the investment transaction or the transfer of pension fund assets for the investment transaction.

(b) Reports that are required to be made pursuant to this section may be made orally or in writing. The legislative body shall provide to any person who has submitted a written request to the legislative body within 24 hours of the posting of the agenda, or to any person who has made a standing request for all documentation as part of a request for notice of meetings pursuant to Section

54954.1 or 54956, if the requester is present at the time the closed session ends, copies of any contracts, settlement agreements, or other documents that were finally approved or adopted in the closed session. If the action taken results in one or more substantive amendments to the related documents requiring retyping, the documents need not be released until the retyping is completed during normal business hours, provided that the presiding officer of the legislative body or his or her designee orally summarizes the substance of the amendments for the benefit of the document requester or any other person present and requesting the information.

(c) The documentation referred to in subdivision (b) shall be available to any person on the next business day following the meeting in which the action referred to is taken or, in the case of substantial amendments, when any necessary retyping is complete.

(d) Nothing in this section shall be construed to require that the legislative body approve actions not otherwise subject to legislative body approval.

(e) No action for injury to a reputational, liberty, or other personal interest may be commenced by or on behalf of any employee or former employee with respect to whom a disclosure is made by a legislative body in an effort to comply with this section.

(f) This section is necessary to implement, and reasonably within the scope of, paragraph (1) of subdivision (b) of Section 3 of Article 1 of the California Constitution.

#### **54957.2. Minute book record of closed sessions; inspection**

(a) The legislative body of a local agency may, by ordinance or resolution, designate a clerk or other officer or employee of the local agency who shall then attend each closed session of the legislative body and keep and enter in a minute book a record of topics discussed and decisions made at the meeting. The minute book made pursuant to this section is not a public record subject to inspection pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1), and shall be kept confidential. The minute book shall be available only to members of the legislative body or, if a violation of this chapter is alleged to have occurred at a closed session, to a court of general jurisdiction wherein the local agency lies. Such minute book may, but need not, consist of a recording of the closed session.

(b) An elected legislative body of a local agency may require that each legislative body all or a majority of whose members are appointed by or under the authority of the elected legislative body keep a minute book as prescribed under subdivision (a).

#### **54957.5 Agendas and other writings distributed for discussion or consideration at public meetings; writings distributed less than 72 hours prior to meeting; public records; inspection**

(a) Notwithstanding Section 6255 or any other provisions of law, agendas of public meetings and any other writings, when distributed to all, or a majority of all, of the members of a legislative body of a local agency by any person in connection with a matter subject to discussion or consideration at an open meeting of the body, are disclosable public records under the California Public Records Act

(Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1), and shall be made available upon request without delay. However, this section shall not include any writing exempt from public disclosure under Section 6253.5, 6254, 6254.3, 6254.7, 6254.15, 6254.16, 6254.22 or 6254.26.

(b)(1) If a writing that is a public record under subdivision (a), and that relates to an agenda item for an open session of a regular meeting of the legislative body of a local agency, is distributed less than 72 hours prior to that meeting, the writing shall be made available for public inspection pursuant to paragraph (2) at the time the writing is distributed to all, or a majority of all, of the members of the body.

(2) A local agency shall make any writing described in paragraph (1) available for public inspection at a public office or location that the agency shall designate for this purpose. Each local agency shall list the address of this office or location on the agendas for all meetings of the legislative body of that agency. The local agency also may post the writing on the local agency's Internet Web site in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting.

(3) This subdivision shall become operative on July 1, 2008.

(c) Writings that are public records under subdivision (a) and that are distributed during a public meeting shall be made available for public inspection at the meeting if prepared by the local agency or a member of its legislative body, or after the meeting if prepared by some other person. These writings shall be made available in appropriate alternative formats upon request by a person with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

(d) This chapter shall not be construed to prevent the legislative body of a local agency from charging a fee or deposit for a copy of a public record pursuant to Section 6253, except that a surcharge shall not be imposed on persons with disabilities in violation of by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

(e) This section shall not be construed to limit or delay the public's right to inspect or obtain a copy of any record required to be disclosed under the requirements of the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1). This chapter shall not be construed to require a legislative body of a local agency to place any paid advertisement or any other paid notice in any publication.

#### **54957.6. Closed sessions; salaries, salary schedules or fringe benefits**

(a) Notwithstanding any other provision of law, a legislative body of a local agency may hold closed sessions with the local agency's designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of its represented and unrepresented employees, and, for represented employees, any other matter within the statutorily provided scope of representation.

However, prior to the closed session, the legislative body of the local agency shall hold an open and public session in which it identifies its designated representatives.

Closed sessions of a legislative body of a local agency, as permitted in this section, shall be for the purpose of reviewing its position and instructing the local agency's designated representatives.

Closed sessions, as permitted in this section, may take place prior to and during consultations and discussions with representatives of employee organizations and unrepresented employees.

Closed sessions with the local agency's designated representative regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits may include discussion of an agency's available funds and funding priorities, but only insofar as these discussions relate to providing instructions to the local agency's designated representative.

Closed sessions held pursuant to this section shall not include final action on the proposed compensation of one or more unrepresented employees.

For the purposes enumerated in this section, a legislative body of a local agency may also meet with a state conciliator who has intervened in the proceedings.

(b) For the purposes of this section, the term "employee" shall include an officer or an independent contractor who functions as an officer or an employee, but shall not include any elected official, member of a legislative body, or other independent contractors.

#### **54957.7. Disclosure of items to be discussed in closed sessions**

(a) Prior to holding any closed session, the legislative body of the local agency shall disclose, in an open meeting, the item or items to be discussed in the closed session. The disclosure may take the form of a reference to the item or items as they are listed by number or letter on the agenda. In the closed session, the legislative body may consider only those matters covered in its statement. Nothing in this section shall require or authorize a disclosure of information prohibited by state or federal law.

(b) After any closed session, the legislative body shall reconvene into open session prior to adjournment and shall make any disclosures required by Section 54957.1 of action taken in the closed session.

(c) The announcements required to be made in open session pursuant to this section may be made at the location announced in the agenda for the closed session, as long as the public is allowed to be present at that location for the purpose of hearing the announcements.

#### **54957.8. Multijurisdictional law enforcement agency; closed sessions by legislative or advisory body of agency**

(a) For purposes of this section, "multijurisdictional law enforcement agency" means a joint powers entity formed pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 that provides law enforcement services for the parties to the joint powers agreement for the purpose of investigating criminal activity involving drugs; gangs; sex crimes; firearms trafficking or

felony possession of a firearm; high technology, computer, or identity theft; human trafficking; or vehicle theft.

(b) Nothing contained in this chapter shall be construed to prevent the legislative body of a multi-jurisdictional law enforcement agency, or an advisory body of a multi-jurisdictional drug law enforcement agency, from holding closed sessions to discuss the case records of any ongoing criminal investigation of the multi-jurisdictional law enforcement agency or of any party to the joint powers agreement, to hear testimony from persons involved in the investigation, and to discuss courses of action in particular cases.

**54957.9. Disorderly conduct of general public during meeting; clearing of room**

In the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the members of the legislative body conducting the meeting may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in this section shall prohibit the legislative body from establishing a procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.

**54958. Application of chapter**

The provisions of this chapter shall apply to the legislative body of every local agency notwithstanding the conflicting provisions of any other state law.

**54959. Penalty for unlawful meeting**

Each member of a legislative body who attends a meeting of that legislative body where action is taken in violation of any provision of this chapter, and where the member intends to deprive the public of information to which the member knows or has reason to know the public is entitled under this chapter, is guilty of a misdemeanor.

**54960. Actions to stop or prevent violations of meeting provisions; applicability of meeting provisions; validity of rules or actions on recording closed sessions**

(a) The district attorney or any interested person may commence an action by mandamus, injunction or declaratory relief for the purpose of stopping or preventing violations or threatened violations of this chapter by members of the legislative body of a local agency or to determine the applicability of this chapter to ongoing actions or threatened future actions of the legislative body, or to determine the applicability of this chapter to past actions of the legislative body, subject to Section 54960.2, or to determine whether any rule or action by the legislative body to penalize or otherwise discourage the expression of one or more of its members is valid or invalid under the laws of this state or of the United States, or to compel the legislative body to audio record its closed sessions as hereinafter provided.

(b) The court in its discretion may, upon a judgment of a violation of Section 54956.7, 54956.8, 54956.9, 54956.95, 54957, or 54957.6, order the legislative body to audio record its closed sessions and preserve the audio recordings for the period and under the terms of security and confidentiality the court deems appropriate.

(c)(1) Each recording so kept shall be immediately labeled with the date of the closed session recorded and the title of the clerk or other officer who shall be custodian of the recording.

(2) The audio recordings shall be subject to the following discovery procedures:

(A) In any case in which discovery or disclosure of the audio recording is sought by either the district attorney or the plaintiff in a civil action pursuant to Section 54959, 54960, or 54960.1 alleging that a violation of this chapter has occurred in a closed session that has been recorded pursuant to this section, the party seeking discovery or disclosure shall file a written notice of motion with the appropriate court with notice to the governmental agency that has custody and control of the audio recording. The notice shall be given pursuant to subdivision (b) of Section 1005 of the Code of Civil Procedure.

(B) The notice shall include, in addition to the items required by Section 1010 of the Code of Civil Procedure, all of the following:

(i) Identification of the proceeding in which discovery or disclosure is sought, the party seeking discovery or disclosure, the date and time of the meeting recorded, and the governmental agency that has custody and control of the recording.

(ii) An affidavit that contains specific facts indicating that a violation of the act occurred in the closed session.

(3) If the court, following a review of the motion, finds that there is good cause to believe that a violation has occurred, the court may review, in camera, the recording of that portion of the closed session alleged to have violated the act.

(4) If, following the in camera review, the court concludes that disclosure of a portion of the recording would be likely to materially assist in the resolution of the litigation alleging violation of this chapter, the court shall, in its discretion, make a certified transcript of the portion of the recording a public exhibit in the proceeding.

(5) This section shall not permit discovery of communications that are protected by the attorney-client privilege.

#### **54960.1 Unlawful action by legislative body; action for mandamus or injunction; prerequisites**

(a) The district attorney or any interested person may commence an action by mandamus or injunction for the purpose of obtaining a judicial determination that an action taken by a legislative body of a local agency in violation of Section 54953, 54954.2, 54954.5, 54954.6, 54956, or 54956.5 is null and void under this section. Nothing in this chapter shall be construed to prevent a legislative body from curing or correcting an action challenged pursuant to this section.

(b) Prior to any action being commenced pursuant to subdivision (a), the district attorney or interested person shall make a demand of the legislative body to cure or correct the action alleged to have been taken in violation of Section 54953, 54954.2, 54954.5, 54954.6, 54956 or 54956.5. The demand shall be in writing and clearly describe the challenged action of the legislative body and nature of the alleged violation.

(c)(1) The written demand shall be made within 90 days from the date the action was taken unless the action was taken in an open session but in violation of Section 54954.2, in which case the written demand shall be made within 30 days from the date the action was taken.

(2) Within 30 days of receipt of the demand, the legislative body shall cure or correct the challenged action and inform the demanding party in writing of its actions to cure or correct or inform the demanding party in writing of its decision not to cure or correct the challenged action.

(3) If the legislative body takes no action within the 30-day period, the inaction shall be deemed a decision not to cure or correct the challenged action, and the 15-day period to commence the action described in subdivision (a) shall commence to run the day after the 30-day period to cure or correct expires.

(4) Within 15 days of receipt of the written notice of the legislative body's decision to cure or correct, or not to cure or correct, or within 15 days of the expiration of the 30-day period to cure or correct, whichever is earlier, the demanding party shall be required to commence the action pursuant to subdivision (a) or thereafter be barred from commencing the action.

(d) An action taken that is alleged to have been taken in violation of Section 54953, 54954.2, 54954.5, 54954.6, 54956 or 54956.5 shall not be determined to be null and void if any of the following conditions exist:

(1) The action taken was in substantial compliance with Sections 54953, 54954.2, 54954.5, 54954.6, 54956 and 54956.5.

(2) The action taken was in connection with the sale or issuance of notes, bonds, or other evidences of indebtedness or any contract, instrument, or agreement thereto.

(3) The action taken gave rise to a contractual obligation, including a contract let by competitive bid other than compensation for services in the form of salary or fees for professional services, upon which a party has, in good faith and without notice of a challenge to the validity of the action, detrimentally relied.

(4) The action taken was in connection with the collection of any tax.

(5) Any person, city, city and county, county, district, or any agency or subdivision of the state alleging noncompliance with subdivision (a) of Section 54954.2, Section 54956, or Section 54956.5, because of any defect, error, irregularity, or omission in the notice given pursuant to those provisions, had actual notice of the item of business at least 72 hours prior to the meeting at which the action was taken, if the meeting was noticed pursuant to Section 54954.2, or 24 hours prior to the meeting at

which the action was taken if the meeting was noticed pursuant to Section 54956, or prior to the meeting at which the action was taken if the meeting is held pursuant to Section 54956.5.

(e) During any action seeking a judicial determination pursuant to subdivision (a) if the court determines, pursuant to a showing by the legislative body that an action alleged to have been taken in violation of Section 54953, 54954.2, 54954.5, 54954.6, 54956 or 54956.5 has been cured or corrected by a subsequent action of the legislative body, the action filed pursuant to subdivision (a) shall be dismissed with prejudice.

(f) The fact that a legislative body takes a subsequent action to cure or correct an action taken pursuant to this section shall not be construed or admissible as evidence of a violation of this chapter.

**54960.2      Actions to determine past violations by legislative body; conditions; cease and desist letters; responses by legislative body; unconditional commitments to cease; resolutions to rescind commitments**

(a) The district attorney or any interested person may file an action to determine the applicability of this chapter to past actions of the legislative body pursuant to subdivision (a) of Section 54960 only if all of the following conditions are met:

(1) The district attorney or interested person alleging a violation of this chapter first submits a cease and desist letter by postal mail or facsimile transmission to the clerk or secretary of the legislative body being accused of the violation, as designated in the statement pertaining to that public agency on file pursuant to Section 53051, or if the agency does not have a statement on file designating a clerk or a secretary, to the chief executive officer of that agency, clearly describing the past action of the legislative body and nature of the alleged violation.

(2) The cease and desist letter required under paragraph (1) is submitted to the legislative body within nine months of the alleged violation.

(3) The time during which the legislative body may respond to the cease and desist letter pursuant to subdivision (b) has expired and the legislative body has not provided an unconditional commitment pursuant to subdivision (c).

(4) Within 60 days of receipt of the legislative body's response to the cease and desist letter, other than an unconditional commitment pursuant to subdivision (c), or within 60 days of the expiration of the time during which the legislative body may respond to the cease and desist letter pursuant to subdivision (b), whichever is earlier, the party submitting the cease and desist letter shall commence the action pursuant to subdivision (a) of Section 54960 or thereafter be barred from commencing the action.

(b) The legislative body may respond to a cease and desist letter submitted pursuant to subdivision (a) within 30 days of receiving the letter. This subdivision shall not be construed to prevent the legislative body from providing an unconditional commitment pursuant to subdivision (c) at any time after the 30-day period has expired, except that in that event the court shall award court costs and reasonable attorney fees to the plaintiff in an action brought pursuant to this section, in accordance with Section 54960.5.

(c)(1) If the legislative body elects to respond to the cease and desist letter with an unconditional commitment to cease, desist from, and not repeat the past action that is alleged to violate this chapter, that response shall be in substantially the following form:

To \_\_\_\_\_:

*The [name of legislative body] has received your cease and desist letter dated [date] alleging that the following described past action of the legislative body violates the Ralph M. Brown Act:*

*[Describe alleged past action, as set forth in the cease and desist letter submitted pursuant to subdivision (a)]*

*In order to avoid unnecessary litigation and without admitting any violation of the Ralph M. Brown Act, the [name of legislative body] hereby unconditionally commits that it will cease, desist from, and not repeat the challenged past action as described above.*

*The [name of legislative body] may rescind this commitment only by a majority vote of its membership taken in open session at a regular meeting and noticed on its posted agenda as “Rescission of Brown Act Commitment.” You will be provided with written notice, sent by any means or media you provide in response to this message, to whatever address or addresses you specify, of any intention to consider rescinding this commitment at least 30 days before any such regular meeting. In the event that this commitment is rescinded, you will have the right to commence legal action pursuant to subdivision (a) of Section 54960 of the Government Code. That notice will be delivered to you by the same means as this commitment, or may be mailed to an address that you have designated in writing.*

*Very truly yours,*

\_\_\_\_\_  
*[Chairperson or acting chairperson of the legislative body]*

(2) An unconditional commitment pursuant to this subdivision shall be approved by the legislative body in open session at a regular or special meeting as a separate item of business, and not on its consent agenda.

(3) An action shall not be commenced to determine the applicability of this chapter to any past action of the legislative body for which the legislative body has provided an unconditional commitment pursuant to this subdivision. During any action seeking a judicial determination regarding the applicability of this chapter to any past action of the legislative body pursuant to subdivision (a), if the court determines that the legislative body has provided an unconditional commitment pursuant to this subdivision, the action shall be dismissed with prejudice. Nothing in this subdivision shall be construed to modify or limit the existing ability of the district attorney or any interested person to commence an action to determine the applicability of this chapter to ongoing actions or threatened future actions of the legislative body.

(4) Except as provided in subdivision (d), the fact that a legislative body provides an unconditional commitment shall not be construed or admissible as evidence of a violation of this chapter.

(d) If the legislative body provides an unconditional commitment as set forth in subdivision (c), the legislative body shall not thereafter take or engage in the challenged action described in the cease and desist letter, except as provided in subdivision (e). Violation of this subdivision shall constitute an independent violation of this chapter, without regard to whether the challenged action would otherwise violate this chapter. An action alleging past violation or threatened future violation of this subdivision may be brought pursuant to subdivision (a) of Section 54960, without regard to the procedural requirements of this section.

(e) The legislative body may resolve to rescind an unconditional commitment made pursuant to subdivision (c) by a majority vote of its membership taken in open session at a regular meeting as a separate item of business not on its consent agenda, and noticed on its posted agenda as “Rescission of Brown Act Commitment,” provided that not less than 30 days prior to such regular meeting, the legislative body provides written notice of its intent to consider the rescission to each person to whom the unconditional commitment was made, and to the district attorney. Upon rescission, the district attorney or any interested person may commence an action pursuant to subdivision (a) of Section 54960. An action under this subdivision may be brought pursuant to subdivision (a) of Section 54960, without regard to the procedural requirements of this section.

#### **54960.5. Costs and attorney fees**

A court may award court costs and reasonable attorney fees to the plaintiff in an action brought pursuant to Section 54960, 54960.1, or 54960.2 where it is found that a legislative body of the local agency has violated this chapter. Additionally, when an action brought pursuant to Section 54960.2 is dismissed with prejudice because a legislative body has provided an unconditional commitment pursuant to paragraph (1) of subdivision (c) of that section at any time after the 30-day period for making such a commitment has expired, the court shall award court costs and reasonable attorney fees to the plaintiff if the filing of that action caused the legislative body to issue the unconditional commitment. The costs and fees shall be paid by the local agency and shall not become a personal liability of any public officer or employee of the local agency.

A court may award court costs and reasonable attorney fees to a defendant in any action brought pursuant to Section 54960 or 54960.1 where the defendant has prevailed in a final determination of such action and the court finds that the action was clearly frivolous and totally lacking in merit.

#### **54961. Meetings prohibited in facilities; grounds; identity of victims of tortious sexual conduct or child abuse**

(a) No legislative body of a local agency shall conduct any meeting in any facility that prohibits the admittance of any person, or persons, on the basis of ancestry or any characteristic listed or defined in Section 11135, or which is inaccessible to disabled persons, or where members of the public may not be present without making a payment or purchase. This section shall apply to every local agency as defined in Section 54951.

(b) No notice, agenda, announcement, or report required under this chapter need identify any victim or alleged victim of tortious sexual conduct or child abuse unless the identity of the person has been publicly disclosed.

**54962. Closed session by legislative body prohibited**

Except as expressly authorized by this chapter, or by Sections 1461, 1462, 32106, and 32155 of the Health and Safety Code, or by Sections 37606, 37606.1, and 37624.3 of the Government Code as they apply to hospitals, or by any provision of the Education Code pertaining to school districts and community college districts, no closed session may be held by any legislative body of any local agency.

**54963. Confidential information acquired during an authorized close legislative session; authorization by legislative body; remedies for violation; exceptions**

(a) A person may not disclose confidential information that has been acquired by being present in a closed session authorized by Section 54956.7, 54956.8, 54956.86, 54956.87, 54956.9, 54957, 54957.6, 54957.8, or 54957.10 to a person not entitled to receive it, unless the legislative body authorizes disclosure of that confidential information.

(b) For purposes of this section, "confidential information" means a communication made in a closed session that is specifically related to the basis for the legislative body of a local agency to meet lawfully in closed session under this chapter.

(c) Violation of this section may be addressed by the use of such remedies as are currently available by law, including, but not limited to:

(1) Injunctive relief to prevent the disclosure of confidential information prohibited by this section.

(2) Disciplinary action against an employee who has willfully disclosed confidential information in violation of this section.

(3) Referral of a member of a legislative body who has willfully disclosed confidential information in violation of this section to the grandjury.

(d) Disciplinary action pursuant to paragraph (2) of subdivision (c) shall require that the employee in question has either received training as to the requirements of this section or otherwise has been given notice of the requirements of this section.

(e) A local agency may not take any action authorized by subdivision (c) against a person, nor shall it be deemed a violation of this section, for doing any of the following:

(1) Making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the illegality of an action taken by a legislative body of a local agency or the

potential illegality of an action that has been the subject of deliberation at a closed session if that action were to be taken by a legislative body of a local agency.

(2) Expressing an opinion concerning the propriety or legality of actions taken by a legislative body of a local agency in closed session, including disclosure of the nature and extent of the illegal or potentially illegal action.

(3) Disclosing information acquired by being present in a closed session under this chapter that is not confidential information.

(f) Nothing in this section shall be construed to prohibit disclosures under the whistleblower statutes contained in Section 1102.5 of the Labor Code or Article 4.5 (commencing with Section 53296) of Chapter 2 of this code.

# CLOSED SESSION CHECKLIST

CLOSED SESSION CHECKLIST





**Checklist on Action and Vote Disclosure  
In Open Session after Closed Session**

**AGREEMENTS CONCLUDING REAL ESTATE  
NEGOTIATIONS**

WHEN GENERALLY: After agreement is  
final

**If City Action Finalizes Agreement**

What to Report

- The approval action
- Voting tally
- Substance of the agreement

When to Report

- After the closed session
- In open session
- During the same meeting

**If Other Party Must Finalize Agreement**

What to Report/Disclose

No report is required; however, *upon inquiry* by any person, disclose:

- The approval action
- Voting tally
- Substance of the agreement

When to Disclose

Upon inquiry, after the other party has  
informed city of its approval

**DISPOSITION OF JOINT POWERS AGENCY  
CLAIMS**

What to Report

- Voting tally
- Name of claimant
- Name of local agency claimed  
against
- Substance of claim
- Monetary amount approved for  
payment and agreed upon by the  
claimant, if any

When to Report

“As soon as (disposition of the claim is)  
reached”  
(Statute does not specify whether an  
open session report must be made or  
whether disclosure upon inquiry is  
sufficient)

**APPROVAL OF LITIGATION DEFENSE,  
APPELLATE REVIEW, OR AMICUS CURIAE  
PARTICIPATION**

What to Report

- The approval action
- Adverse parties (if known)
- Substance of the litigation
- Voting tally

When to Report

- After closed session
- In open session
- During same meeting

## **APPROVAL OF PENDING LITIGATION SETTLEMENTS**

WHEN GENERALLY: After settlement is final

### If City Action Finalizes Settlement

#### What to Report

- The acceptance action
- Voting tally
- Substance of agreement

#### When to Report

- After closed session
- In open session
- During same meeting if the agreement is final and has been accepted or ratified by other party

### If Other Party or Court Finalizes Settlement

#### What to Report/Disclose

No report is required; however, *upon inquiry* by any person, disclose:

- The fact of approval action
- Voting tally
- Substance of the agreement

#### When to Disclose

Upon inquiry after the other party informs city of its approval

## **ACTIONS AFFECTING EMPLOYMENT STATUS OF PUBLIC EMPLOYEES**

#### What to Report

Any action taken to:

- Appoint
- Employ
- Dismiss
- Accept the resignation of, or otherwise affect employment status of public employee

Voting tally

Title of position

#### When to Report

If dismissal or non-renewal of employment contract is subject to further administrative remedies, report deferred until first public meeting following exhaustion of administrative remedies

All Other Employment Actions

- After the closed session
- In open session
- During the same meeting

## **APPROVAL OF AGREEMENTS CONCLUDING LABOR NEGOTIATIONS**

#### What to Report

- The item approved
- Voting tally
- Other party

#### When to Report

When agreement is final and accepted or ratified by other party (statute does not specify whether an open session report must be made or whether the disclosure upon inquiry is sufficient)

***APPROVAL GIVEN TO  
INITIATE OR INTERVENE  
IN LITIGATION***

Before Action has been Commenced

What to Report

Direction to initiate/intervene given  
The action, defendants and other  
particulars will be disclosed  
Upon inquiry  
Once action formally commenced,  
*unless* disclosure jeopardizes  
process service or conclusion of  
settlement negotiations

When to Report

After closed session  
In open session  
During same meeting

After Action Formally Commenced

What to Disclose

The approval action  
Voting tally  
Defendant(s)  
Other particulars, presumably including  
substance of litigation

When to Disclose

Upon inquiry

If disclosure does not jeopardize service  
of process or existing settlement  
negotiations conclusion

Pension Fund

Pension Fund Transactions

What to disclose

Investment transaction decisions

When to report

At the first open meeting held after the  
earlier of the close of the investment  
transaction or the transfer of pension  
funds for the investment transaction

**CLOSED SESSION REPORT**

DATE OF CLOSED SESSION:

NAME OF CASE:  
COURT NUMBER (IF APPLICABLE):

ACTION(S) TAKEN:

<p><b>NOT A PUBLIC RECORD</b></p> <p>UNTIL THIS INFORMATION BOX IS COMPLETED, AND SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE CITY ATTORNEY'S OFFICE IN THE SPACE BELOW</p> <p>DATE LITIGATION CONCLUDED: _____, 20__</p> <p>By: _____</p> <p>Title: _____</p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

COUNCIL MEMBERS PRESENT (LINE OUT ABSENTEES) AND THEIR VOTES:					
	NAME	AYE	NO	ABSTAIN	NOT PARTICIPATING
A					
B					
C					
D					
E					
F					
G					
H					
I					
VOTING TALLY:					

**NON-DISCLOSURE RECOMMENDED (CHECK HERE IF YES)**

LEGAL JUSTIFICATION (IF YES):

DISCLOSURE WOULD INTERFERE WITH SERVICE OF PROCESS: Yes \_\_\_\_ No \_\_\_\_  
DISCLOSURE WOULD IMPAIR ABILITY TO SETTLE: Yes \_\_\_\_ No \_\_\_\_

EXPLANATION:

APPROVED:  
CITY ATTORNEY

BY \_\_\_\_\_

DATED: \_\_\_\_\_



**Neumiller  
& Beardslee**

ATTORNEYS AND COUNSELORS

OFFICE

Waterfront Office Tower II  
509 W. Weber Avenue, Fifth Floor  
Stockton, California 95203

MAIL

Post Office Box 20  
Stockton, CA 95201-3020

(209) 948-8200 phone  
(209) 948-4910 fax

NEUMILLER.COM

## *APPENDIX*

### ***Appendix H – Open and Public V – A Guide to the Ralph M. Brown Act***

# Open & Public V

A GUIDE TO THE RALPH M. BROWN ACT

REVISED APRIL 2016



AGENDA ITEM

1. PUBLIC COMMENT: The City Council values your comments; however, pursuant to the Brown Act, Council cannot take action on items not listed on the posted agenda. The public comment period is limited to 20 minutes, with 2 minutes allotted for each speaker. This public comment period is to address the City Council on Consent Calendar items, other agenda items (if the member of the public cannot be present at the time the item is considered) or items of genera...

CURRENT SPEAKER: Larry Block

### ACKNOWLEDGEMENTS

The League thanks the following individuals for their work on this publication:

#### **Brown Act Committee**

Michael Jenkins, Committee Chair  
City Attorney, Hermosa Beach, Rolling Hills and West Hollywood

Michael W. Barrett  
*City Attorney, Napa*

Damien Brower  
*City Attorney, Brentwood*

Ariel Pierre Calonne  
*City Attorney, Santa Barbara*

Veronica Ramirez  
*Assistant City Attorney, Redwood City*

Malathy Subramanian  
*City Attorney, Clayton and Lafayette*

Paul Zarefsky  
*Deputy City Attorney, San Francisco*

Gregory W. Stepanicich  
*1st Vice President, City Attorneys' Department*  
*City Attorney Fairfield, Mill Valley, Town of Ross*

#### **League Staff**

Patrick Whitnell, *General Counsel*

Koreen Kelleher, *Assistant General Counsel*

Corrie Manning, *Senior Deputy General Counsel*

Alison Leary, *Deputy General Counsel*

Janet Leonard, *Legal Assistant*



# Open & Public V

A GUIDE TO THE RALPH M. BROWN ACT

REVISED APRIL 2016

<b>CHAPTER 1: IT IS THE PEOPLE'S BUSINESS</b> .....	5
<b>CHAPTER 2: LEGISLATIVE BODIES</b> .....	11
<b>CHAPTER 3: MEETINGS</b> .....	17
<b>CHAPTER 4: AGENDAS, NOTICES, AND PUBLIC PARTICIPATION</b> .....	29
<b>CHAPTER 5: CLOSED SESSIONS</b> .....	41
<b>CHAPTER 6: REMEDIES</b> .....	55

## TABLE OF CONTENTS

<b>CHAPTER 1: IT IS THE PEOPLE’S BUSINESS .....</b>	<b>5</b>
The right of access .....	6
Broad coverage .....	6
Narrow exemptions .....	7
Public participation in meetings .....	7
Controversy .....	8
Beyond the law — good business practices.....	8
Achieving balance .....	9
Historical note .....	9
<b>CHAPTER 2: LEGISLATIVE BODIES.....</b>	<b>11</b>
What is a “legislative body” of a local agency? .....	12
What is <u>not</u> a “legislative body” for purposes of the Brown Act? .....	14
<b>CHAPTER 3: MEETINGS.....</b>	<b>17</b>
Brown Act meetings.....	18
Six exceptions to the meeting definition .....	18
Collective briefings.....	21
Retreats or workshops of legislative bodies.....	21
Serial meetings.....	21
Informal gatherings .....	24
Technological conferencing .....	24
Location of meetings.....	25
<b>CHAPTER 4: AGENDAS, NOTICES, AND PUBLIC PARTICIPATION .....</b>	<b>29</b>
Agendas for regular meetings.....	30
Mailed agenda upon written request.....	31
Notice requirements for special meetings .....	32
Notices and agendas for adjourned and continued meetings and hearings .....	32
Notice requirements for emergency meetings .....	32
Notice of compensation for simultaneous or serial meetings .....	33
Educational agency meetings .....	33
Notice requirements for tax or assessment meetings and hearings.....	33

Non-agenda items.....	34
Responding to the public .....	34
The right to attend and observe meetings .....	35
Records and recordings .....	36
The public’s place on the agenda .....	37
<b>CHAPTER 5: CLOSED SESSIONS .....</b>	<b>41</b>
Agendas and reports.....	42
Litigation.....	43
Real estate negotiations .....	45
Public employment .....	46
Labor negotiations .....	47
Labor negotiations — school and community college districts .....	48
Other Education Code exceptions .....	48
Joint Powers Authorities .....	48
License applicants with criminal records .....	49
Public security.....	49
Multijurisdictional law enforcement agency .....	49
Hospital peer review and trade secrets.....	49
Other legislative bases for closed session.....	50
Who may attend closed sessions .....	50
The confidentiality of closed session discussions .....	50
<b>CHAPTER 6: REMEDIES .....</b>	<b>55</b>
Invalidation .....	56
Applicability to Past Actions .....	57
Civil action to prevent future violations.....	57
Costs and attorney’s fees .....	58
Criminal complaints .....	58
Voluntary resolution.....	59





# Chapter 1

## IT IS THE PEOPLE’S BUSINESS

The right of access.....	6
Broad coverage .....	6
Narrow exemptions .....	7
Public participation in meetings .....	7
Controversy.....	8
Beyond the law — good business practices .....	8
Achieving balance .....	9
Historical note.....	9

# Chapter 1

## IT IS THE PEOPLE'S BUSINESS



### The right of access

Two key parts of the Brown Act have not changed since its adoption in 1953. One is the Brown Act's initial section, declaring the Legislature's intent:

*"In enacting this chapter, the Legislature finds and declares that the public commissions, boards and councils and the other public agencies in this State exist to aid in the conduct of the people's business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly."*

*"The people of this State do not yield their sovereignty to the agencies which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created."<sup>1</sup>*

The people reconfirmed that intent 50 years later in the November 2004 election by adopting Proposition 59, amending the California Constitution to include a public right of access to government information:

*"The people have the right of access to information concerning the conduct of the people's business, and, therefore, the meetings of public bodies and the writings of public officials and agencies shall be open to public scrutiny."<sup>2</sup>*

The Brown Act's other unchanged provision is a single sentence:

*"All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter."<sup>3</sup>*

That one sentence is by far the most important of the entire Brown Act. If the opening is the soul, that sentence is the heart of the Brown Act.

### Broad coverage

The Brown Act covers members of virtually every type of local government body, elected or appointed, decision-making or advisory. Some types of private organizations are covered, as are newly-elected members of a legislative body, even before they take office.

Similarly, meetings subject to the Brown Act are not limited to face-to-face gatherings. They also include any communication medium or device through which a majority of a legislative body

**PRACTICE TIP:** The key to the Brown Act is a single sentence. In summary, all meetings shall be **open and public** except when the Brown Act authorizes otherwise.

discusses, deliberates or takes action on an item of business outside of a noticed meeting. They include meetings held from remote locations by teleconference.

New communication technologies present new Brown Act challenges. For example, common email practices of forwarding or replying to messages can easily lead to a serial meeting prohibited by the Brown Act, as can participation by members of a legislative body in an internet chatroom or blog dialogue. Communicating during meetings using electronic technology (such as laptop computers, tablets, or smart phones) may create the perception that private communications are influencing the outcome of decisions; some state legislatures have banned the practice. On the other hand, widespread cablecasting and web streaming of meetings has greatly expanded public access to the decision-making process.

### **Narrow exemptions**

The express purpose of the Brown Act is to assure that local government agencies conduct the public's business openly and publicly. Courts and the California Attorney General usually broadly construe the Brown Act in favor of greater public access and narrowly construe exemptions to its general rules.<sup>4</sup>

Generally, public officials should think of themselves as living in glass houses, and that they may only draw the curtains when it is in the public interest to preserve confidentiality. Closed sessions may be held only as specifically authorized by the provisions of the Brown Act itself.

The Brown Act, however, is limited to meetings among a majority of the members of multi-member government bodies when the subject relates to local agency business. It does not apply to independent conduct of individual decision-makers. It does not apply to social, ceremonial, educational, and other gatherings as long as a majority of the members of a body do not discuss issues related to their local agency's business. Meetings of temporary advisory committees — as distinguished from standing committees — made up solely of less than a quorum of a legislative body are not subject to the Brown Act.

The law does not apply to local agency staff or employees, but they may facilitate a violation by acting as a conduit for discussion, deliberation, or action by the legislative body.<sup>5</sup>

The law, on the one hand, recognizes the need of individual local officials to meet and discuss matters with their constituents. On the other hand, it requires — with certain specific exceptions to protect the community and preserve individual rights — that the decision-making process be public. Sometimes the boundary between the two is not easy to draw.

### **Public participation in meetings**

In addition to requiring the public's business to be conducted in open, noticed meetings, the Brown Act also extends to the public the right to participate in meetings. Individuals, lobbyists, and members of the news media possess the right to attend, record, broadcast, and participate in public meetings. The public's participation is further enhanced by the Brown Act's requirement that a meaningful agenda be posted in advance of meetings, by limiting discussion and action to matters listed on the agenda, and by requiring that meeting materials be made available.

Legislative bodies may, however, adopt reasonable regulations on public testimony and the conduct of public meetings, including measures to address disruptive conduct and irrelevant speech.

---

**PRACTICE TIP:** Think of the government's house as being made of glass. The curtains may be drawn only to further the public's interest. A local policy on the use of laptop computers, tablets, and smart phones during Brown Act meetings may help avoid problems.

---

### Controversy

Not surprisingly, the Brown Act has been a source of confusion and controversy since its inception. News media and government watchdogs often argue the law is toothless, pointing out that there has never been a single criminal conviction for a violation. They often suspect that closed sessions are being misused.

Public officials complain that the Brown Act makes it difficult to respond to constituents and requires public discussions of items better discussed privately — such as why a particular person should not be appointed to a board or commission. Many elected officials find the Brown Act inconsistent with their private business experiences. Closed meetings can be more efficient; they eliminate grandstanding and promote candor. The techniques that serve well in business — the working lunch, the sharing of information through a series of phone calls or emails, the backroom conversations and compromises — are often not possible under the Brown Act.

As a matter of public policy, California (along with many other states) has concluded that there is more to be gained than lost by conducting public business in the open. Government behind closed doors may well be efficient and business-like, but it may be perceived as unresponsive and untrustworthy.

**PRACTICE TIP:** Transparency is a foundational value for ethical government practices. The Brown Act is a floor, not a ceiling, for conduct.

### Beyond the law — good business practices

Violations of the Brown Act can lead to invalidation of an agency's action, payment of a challenger's attorney fees, public embarrassment, even criminal prosecution. But the Brown Act is a floor, not a ceiling for conduct of public officials. This guide is focused not only on the Brown Act as a minimum standard, but also on meeting practices or activities that, legal or not, are likely to create controversy. Problems may crop up, for example, when agenda descriptions are too brief or vague, when an informal get-together takes on the appearance of a meeting, when an agency conducts too much of its business in closed session or discusses matters in closed session that are beyond the authorized scope, or when controversial issues arise that are not on the agenda.

The Brown Act allows a legislative body to adopt practices and requirements for greater access to meetings for itself and its subordinate committees and bodies that are more stringent than the law itself requires.<sup>6</sup> Rather than simply restate the basic requirements of the Brown Act, local open meeting policies should strive to anticipate and prevent problems in areas where the Brown Act does not provide full guidance. As with the adoption of any other significant policy, public comment should be solicited.



A local policy could build on these basic Brown Act goals:

- A legislative body's need to get its business done smoothly;
- The public's right to participate meaningfully in meetings, and to review documents used in decision-making at a relevant point in time;
- A local agency's right to confidentially address certain negotiations, personnel matters, claims and litigation; and
- The right of the press to fully understand and communicate public agency decision-making.

An explicit and comprehensive public meeting and information policy, especially if reviewed periodically, can be an important element in maintaining or improving public relations. Such a policy exceeds the absolute requirements of the law — but if the law were enough, this guide would be unnecessary. A narrow legalistic approach will not avoid or resolve potential controversies. An agency should consider going beyond the law, and look at its unique circumstances and determine if there is a better way to prevent potential problems and promote public trust. At the very least, local agencies need to think about how their agendas are structured in order to make Brown Act compliance easier. They need to plan carefully to make sure public participation fits smoothly into the process.

## Achieving balance

The Brown Act should be neither an excuse for hiding the ball nor a mechanism for hindering efficient and orderly meetings. The Brown Act represents a balance among the interests of constituencies whose interests do not always coincide. It calls for openness in local government, yet should allow government to function responsively and productively.

There must be both adequate notice of what discussion and action is to occur during a meeting as well as a normal degree of spontaneity in the dialogue between elected officials and their constituents.

The ability of an elected official to confer with constituents or colleagues must be balanced against the important public policy prohibiting decision-making outside of public meetings.

In the end, implementation of the Brown Act must ensure full participation of the public and preserve the integrity of the decision-making process, yet not stifle government officials and impede the effective and natural operation of government.

## Historical note

In late 1951, *San Francisco Chronicle* reporter Mike Harris spent six weeks looking into the way local agencies conducted meetings. State law had long required that business be done in public, but Harris discovered secret meetings or caucuses were common. He wrote a 10-part series on “Your Secret Government” that ran in May and June 1952.

Out of the series came a decision to push for a new state open meeting law. Harris and Richard (Bud) Carpenter, legal counsel for the League of California Cities, drafted such a bill and Assembly Member Ralph M. Brown agreed to carry it. The Legislature passed the bill and Governor Earl Warren signed it into law in 1953.

The Ralph M. Brown Act, known as the Brown Act, has evolved under a series of amendments and court decisions, and has been the model for other open meeting laws — such as the Bagley-Keene Act, enacted in 1967 to cover state agencies.

Assembly Member Brown is best known for the open meeting law that carries his name. He was elected to the Assembly in 1942 and served 19 years, including the last three years as Speaker. He then became an appellate court justice.

---

**PRACTICE TIP:** The Brown Act should be viewed as a tool to facilitate the business of local government agencies. Local policies that go beyond the minimum requirements of law may help instill public confidence and avoid problems.

---

**ENDNOTES:**

- 1 California Government Code section 54950
- 2 California Constitution, Art. 1, section 3(b)(1)
- 3 California Government Code section 54953(a)
- 4 This principle of broad construction when it furthers public access and narrow construction if a provision limits public access is also stated in the amendment to the State's Constitution adopted by Proposition 59 in 2004. California Constitution, Art. 1, section 3(b)(2).
- 5 California Government Code section 54952.2(b)(2) and (c)(1); *Wolfe v. City of Fremont* (2006) 144 Cal.App.4th 533
- 6 California Government Code section 54953.7

Updates to this publication responding to changes in the Brown Act or new court interpretations are available at [www.cacities.org/opengovernment](http://www.cacities.org/opengovernment). A current version of the Brown Act may be found at [www.leginfo.ca.gov](http://www.leginfo.ca.gov).



# Chapter 2

## LEGISLATIVE BODIES

What is a “legislative body” of a local agency? ..... 12

What is not a “legislative body” for purposes of the Brown Act? ..... 14

# Chapter 2

## LEGISLATIVE BODIES

*The Brown Act applies to the legislative bodies of local agencies. It defines “legislative body” broadly to include just about every type of decision-making body of a local agency.<sup>1</sup>*



### What is a “legislative body” of a local agency?

A “legislative body” includes:

- **The “governing body”** of a local agency<sup>2</sup> and certain of its subsidiary bodies; “or any other local body created by state or federal statute.”<sup>2</sup> This includes city councils, boards of supervisors, school boards and boards of trustees of special districts. A “local agency” is any city, county, city and county, school district, municipal corporation, successor agency to a redevelopment agency, district, political subdivision or other local public agency.<sup>3</sup> A housing authority is a local agency under the Brown Act even though it is created by and is an agent of the state.<sup>4</sup> The California Attorney General has opined that air pollution control districts and regional open space districts are also covered.<sup>5</sup> Entities created pursuant to joint powers agreements are also local agencies within the meaning of the Brown Act.<sup>6</sup>

- **Newly-elected members** of a legislative body who have not yet assumed office must conform to the requirements of the Brown Act as if already in office.<sup>7</sup> Thus, meetings between incumbents and newly-elected members of a legislative body, such as a meeting between two outgoing members and a member-elect of a five-member body, could violate the Brown Act.

**Q.** On the morning following the election to a five-member legislative body of a local agency, two successful candidates, neither an incumbent, meet with an incumbent member of the legislative body for a celebratory breakfast. Does this violate the Brown Act?

**A.** *It might, and absolutely would if the conversation turns to agency business. Even though the candidates-elect have not officially been sworn in, the Brown Act applies. If purely a social event, there is no violation but it would be preferable if others were invited to attend to avoid the appearance of impropriety.*

- **Appointed bodies** — whether permanent or temporary, decision-making or advisory — including planning commissions, civil service commissions and other subsidiary committees, boards, and bodies. Volunteer groups, executive search committees, task forces, and blue ribbon committees created by formal action of the governing body are legislative bodies. When the members of two or more legislative bodies are appointed to serve on an entirely separate advisory group, the resulting body may be subject to the

**PRACTICE TIP:** The prudent presumption is that an advisory committee or task force is subject to the Brown Act. Even if one clearly is not, it may want to comply with the Brown Act. Public meetings may reduce the possibility of misunderstandings and controversy.

Brown Act. In one reported case, a city council created a committee of two members of the city council and two members of the city planning commission to review qualifications of prospective planning commissioners and make recommendations to the council. The court held that their joint mission made them a legislative body subject to the Brown Act. Had the two committees remained separate; and met only to exchange information and report back to their respective boards, they would have been exempt from the Brown Act.<sup>8</sup>

- **Standing committees** of a legislative body, irrespective of their composition, which have either: (1) a continuing subject matter jurisdiction; or (2) a meeting schedule fixed by charter, ordinance, resolution, or formal action of a legislative body.<sup>9</sup> Even if it comprises less than a quorum of the governing body, a standing committee is subject to the Brown Act. For example, if a governing body creates long-term committees on budget and finance or on public safety, those are standing committees subject to the Brown Act. Further, according to the California Attorney General, function over form controls. For example, a statement by the legislative body that the advisory committee “shall not exercise continuing subject matter jurisdiction” or the fact that the committee does not have a fixed meeting schedule is not determinative.<sup>10</sup> “Formal action” by a legislative body includes authorization given to the agency’s executive officer to appoint an advisory committee pursuant to agency-adopted policy.<sup>11</sup>
- The governing body of any **private organization** either: (1) created by the legislative body in order to exercise authority that may lawfully be delegated by such body to a private corporation, limited liability company or other entity; or (2) that receives agency funding and whose governing board includes a member of the legislative body of the local agency appointed by the legislative body as a full voting member of the private entity’s governing board.<sup>12</sup> These include some nonprofit corporations created by local agencies.<sup>13</sup> If a local agency contracts with a private firm for a service (for example, payroll, janitorial, or food services), the private firm is not covered by the Brown Act.<sup>14</sup> When a member of a legislative body sits on a board of a private organization as a private person and is not appointed by the legislative body, the board will not be subject to the Brown Act. Similarly, when the legislative body appoints someone other than one of its own members to such boards, the Brown Act does not apply. Nor does it apply when a private organization merely receives agency funding.<sup>15</sup>

**Q:** The local chamber of commerce is funded in part by the city. The mayor sits on the chamber’s board of directors. Is the chamber board a legislative body subject to the Brown Act?

**A:** *Maybe. If the chamber’s governing documents require the mayor to be on the board and the city council appoints the mayor to that position, the board is a legislative body. If, however, the chamber board independently appoints the mayor to its board, or the mayor attends chamber board meetings in a purely advisory capacity, it is not.*

**Q:** If a community college district board creates an auxiliary organization to operate a campus bookstore or cafeteria, is the board of the organization a legislative body?

**A:** *Yes. But, if the district instead contracts with a private firm to operate the bookstore or cafeteria, the Brown Act would not apply to the private firm.*

- **Certain types of hospital operators.** A lessee of a hospital (or portion of a hospital)

**PRACTICE TIP:** It can be difficult to determine whether a subcommittee of a body falls into the category of a standing committee or an exempt temporary committee. Suppose a committee is created to explore the renewal of a franchise or a topic of similarly limited scope and duration. Is it an exempt temporary committee or a non-exempt standing committee? The answer may depend on factors such as how meeting schedules are determined, the scope of the committee’s charge, or whether the committee exists long enough to have “continuing jurisdiction.”

first leased under Health and Safety Code subsection 32121(p) after January 1, 1994, which exercises “material authority” delegated to it by a local agency, whether or not such lessee is organized and operated by the agency or by a delegated authority.<sup>16</sup>

### What is not a “legislative body” for purposes of the Brown Act?

- A temporary advisory committee composed **solely of less than a quorum** of the legislative body that serves a limited or single purpose, that is not perpetual, and that will be dissolved once its specific task is completed is not subject to the Brown Act.<sup>17</sup> Temporary committees are sometimes called *ad hoc* committees, a term not used in the Brown Act. Examples include an advisory committee composed of less than a quorum created to interview candidates for a vacant position or to meet with representatives of other entities to exchange information on a matter of concern to the agency, such as traffic congestion.<sup>18</sup>
- Groups advisory to a single decision-maker or appointed by staff are not covered. The Brown Act applies only to committees created by formal action of the legislative body and not to committees created by others. A committee advising a superintendent of schools would not be covered by the Brown Act. However, the same committee, if created by formal action of the school board, would be covered.<sup>19</sup>

**Q.** A member of the legislative body of a local agency informally establishes an advisory committee of five residents to advise her on issues as they arise. Does the Brown Act apply to this committee?

**A.** *No, because the committee has not been established by formal action of the legislative body.*

**Q.** During a meeting of the city council, the council directs the city manager to form an advisory committee of residents to develop recommendations for a new ordinance. The city manager forms the committee and appoints its members; the committee is instructed to direct its recommendations to the city manager. Does the Brown Act apply to this committee?

**A.** *Possibly, because the direction from the city council might be regarded as a formal action of the body notwithstanding that the city manager controls the committee.*

- Individual decision makers who are not elected or appointed members of a legislative body are not covered by the Brown Act. For example, a disciplinary hearing presided over by a department head or a meeting of agency department heads are not subject to the Brown Act since such assemblies are not those of a legislative body.<sup>20</sup>
- Public employees, each acting individually and not engaging in collective deliberation on a specific issue, such as the drafting and review of an agreement, do not constitute a legislative body under the Brown Act, even if the drafting and review process was established by a legislative body.<sup>21</sup>
- County central committees of political parties are also not Brown Act bodies.<sup>22</sup>

#### ENDNOTES:

1 *Taxpayers for Livable Communities v. City of Malibu* (2005) 126 Cal.App.4th 1123, 1127

- 2 California Government Code section 54952(a) and (b)
- 3 California Government Code section 54951; Health and Safety Code section 34173(g) (successor agencies to former redevelopment agencies subject to the Brown Act). But see Education Code section 35147, which exempts certain school councils and school site advisory committees from the Brown Act and imposes upon them a separate set of rules.
- 4 *Torres v. Board of Commissioners of Housing Authority of Tulare County* (1979) 89 Cal.App.3d 545, 549-550
- 5 71 Ops.Cal.Atty.Gen. 96 (1988); 73 Ops.Cal.Atty.Gen. 1 (1990)
- 6 *McKee v. Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force* (2005) 134 Cal. App.4th 354, 362
- 7 California Government Code section 54952.1
- 8 *Joiner v. City of Sebastopol* (1981) 125 Cal.App.3d 799, 804-805
- 9 California Government Code section 54952(b)
- 10 79 Ops.Cal.Atty.Gen. 69 (1996)
- 11 *Frazer v. Dixon Unified School District* (1993) 18 Cal.App.4th 781, 793
- 12 California Government Code section 54952(c)(1). Regarding private organizations that receive local agency funding, the same rule applies to a full voting member appointed prior to February 9, 1996 who, after that date, is made a non-voting board member by the legislative body. California Government Code section 54952(c)(2)
- 13 California Government Code section 54952(c)(1)(A); *International Longshoremen's and Warehousemen's Union v. Los Angeles Export Terminal, Inc.* (1999) 69 Cal.App.4th 287, 300; *Epstein v. Hollywood Entertainment Dist. II Business Improvement District* (2001) 87 Cal.App.4th 862, 876; see also 85 Ops.Cal.Atty.Gen. 55 (2002)
- 14 *International Longshoremen's and Warehousemen's Union v. Los Angeles Export Terminal* (1999) 69 Cal. App.4th 287, 300 fn. 5
- 15 "The Brown Act, Open Meetings for Local Legislative Bodies," California Attorney General's Office (2003), p. 7
- 16 California Government Code section 54952(d)
- 17 California Government Code section 54952(b); see also *Freedom Newspapers, Inc. v. Orange County Employees Retirement System Board of Directors* (1993) 6 Cal.4th 821, 832.
- 18 *Taxpayers for Livable Communities v. City of Malibu* (2005) 126 Cal.App.4th 1123, 1129
- 19 56 Ops.Cal.Atty.Gen. 14, 16-17 (1973)
- 20 *Wilson v. San Francisco Municipal Railway* (1973) 29 Cal.App.3d 870, 878-879
- 21 *Golightly v. Molina* (2014) 229 Cal.App.4th 1501, 1513
- 22 59 Ops.Cal.Atty.Gen. 162, 164 (1976)

Updates to this publication responding to changes in the Brown Act or new court interpretations are available at [www.cacities.org/opengovernment](http://www.cacities.org/opengovernment). A current version of the Brown Act may be found at [www.leginfo.ca.gov](http://www.leginfo.ca.gov).





# Chapter 3

## MEETINGS

Brown Act meetings .....	18
Six exceptions to the meeting definition.....	18
Collective briefings.....	21
Retreats or workshops of legislative bodies.....	21
Serial meetings .....	21
Informal gatherings .....	24
Technological conferencing .....	24
Location of meetings .....	25

# Chapter 3

## MEETINGS



The Brown Act only applies to meetings of local legislative bodies. The Brown Act defines a meeting as: "... and any congregation of a majority of the members of a legislative body at the same time and location, including teleconference location as permitted by Section 54953, to hear, discuss, deliberate, or take any action on any item that is within the subject matter jurisdiction of the legislative body."<sup>1</sup> The term "meeting" is not limited to gatherings at which action is taken but includes deliberative gatherings as well. A hearing before an individual hearing officer is not a meeting under the Brown Act because it is not a hearing before a legislative body.<sup>2</sup>

### Brown Act meetings

Brown Act meetings include a legislative body's regular meetings, special meetings, emergency meetings, and adjourned meetings.

- **"Regular meetings"** are meetings occurring at the dates, times, and location set by resolution, ordinance, or other formal action by the legislative body and are subject to 72-hour posting requirements.<sup>3</sup>
- **"Special meetings"** are meetings called by the presiding officer or majority of the legislative body to discuss only discrete items on the agenda under the Brown Act's notice requirements for special meetings and are subject to 24-hour posting requirements.<sup>4</sup>
- **"Emergency meetings"** are a limited class of meetings held when prompt action is needed due to actual or threatened disruption of public facilities and are held on little notice.<sup>5</sup>
- **"Adjourned meetings"** are regular or special meetings that have been adjourned or re-adjourned to a time and place specified in the order of adjournment, with no agenda required for regular meetings adjourned for less than five calendar days as long as no additional business is transacted.<sup>6</sup>

### Six exceptions to the meeting definition

The Brown Act creates six exceptions to the meeting definition:<sup>7</sup>

#### *Individual Contacts*

The first exception involves individual contacts between a member of the legislative body and any other person. The Brown Act does not limit a legislative body member acting on his or her own. This exception recognizes the right to confer with constituents, advocates, consultants, news reporters, local agency staff, or a colleague.

Individual contacts, however, cannot be used to do in stages what would be prohibited in one step. For example, a series of individual contacts that leads to discussion, deliberation, or action among a majority of the members of a legislative body is prohibited. Such serial meetings are discussed below.

### Conferences

The second exception allows a legislative body majority to attend a conference or similar gathering open to the public that addresses issues of general interest to the public or to public agencies of the type represented by the legislative body.

Among other things, this exception permits legislative body members to attend annual association conferences of city, county, school, community college, and other local agency officials, so long as those meetings are open to the public. However, a majority of members cannot discuss among themselves, other than as part of the scheduled program, business of a specific nature that is within their local agency's subject matter jurisdiction.

### Community Meetings

The third exception allows a legislative body majority to attend an open and publicized meeting held by another organization to address a topic of local community concern. A majority cannot discuss among themselves, other than as part of the scheduled program, business of a specific nature that is within the legislative body's subject matter jurisdiction. Under this exception, a legislative body majority may attend a local service club meeting or a local candidates' night if the meetings are open to the public.



**“I see we have four distinguished members of the city council at our meeting tonight,” said the chair of the Environmental Action Coalition. “I wonder if they have anything to say about the controversy over enacting a slow growth ordinance?”**

*The Brown Act permits a majority of a legislative body to attend and speak at an open and publicized meeting conducted by another organization. The Brown Act may nevertheless be violated if a majority discusses, deliberates, or takes action on an item during the meeting of the other organization. There is a fine line between what is permitted and what is not; hence, members should exercise caution when participating in these types of events.*

- Q.** The local chamber of commerce sponsors an open and public candidate debate during an election campaign. Three of the five agency members are up for re-election and all three participate. All of the candidates are asked their views of a controversial project scheduled for a meeting to occur just after the election. May the three incumbents answer the question?
- A.** Yes, because the Brown Act does not constrain the incumbents from expressing their views regarding important matters facing the local agency as part of the political process the same as any other candidates.



### Other Legislative Bodies

The fourth exception allows a majority of a legislative body to attend an open and publicized meeting of: (1) another body of the local agency; and (2) a legislative body of another local agency.<sup>8</sup> Again, the majority cannot discuss among themselves, other than as part of the scheduled meeting, business of a specific nature that is within their subject matter jurisdiction. This exception allows, for example, a city council or a majority of a board of supervisors to attend a controversial meeting of the planning commission.

Nothing in the Brown Act prevents the majority of a legislative body from sitting together at such a meeting. They may choose not to, however, to preclude any possibility of improperly discussing local agency business and to avoid the appearance of a Brown Act violation. Further, aside

from the Brown Act, there may be other reasons, such as due process considerations, why the members should avoid giving public testimony or trying to influence the outcome of proceedings before a subordinate body.

- Q.** The entire legislative body intends to testify against a bill before the Senate Local Government Committee in Sacramento. Must this activity be noticed as a meeting of the body?
- A.** *No, because the members are attending and participating in an open meeting of another governmental body which the public may attend.*
- Q.** The members then proceed upstairs to the office of their local Assembly member to discuss issues of local interest. Must this session be noticed as a meeting and be open to the public?
- A.** *Yes, because the entire body may not meet behind closed doors except for proper closed sessions. The same answer applies to a private lunch or dinner with the Assembly member.*

### Standing Committees

The fifth exception authorizes the attendance of a majority at an open and noticed meeting of a standing committee of the legislative body, provided that the legislative body members who are not members of the standing committee attend only as observers (meaning that they cannot speak or otherwise participate in the meeting).<sup>9</sup>

- Q.** The legislative body establishes a standing committee of two of its five members, which meets monthly. A third member of the legislative body wants to attend these meetings and participate. May she?
- A.** *She may attend, but only as an observer; she may not participate.*

### Social or Ceremonial Events

The final exception permits a majority of a legislative body to attend a purely social or ceremonial occasion. Once again, a majority cannot discuss business among themselves of a specific nature that is within the subject matter jurisdiction of the legislative body.

Nothing in the Brown Act prevents a majority of members from attending the same football game, party, wedding, funeral, reception, or farewell. The test is not whether a majority of a legislative body attends the function, but whether business of a specific nature within the subject matter jurisdiction of the body is discussed. So long as no such business is discussed, there is no violation of the Brown Act.

### Grand Jury Testimony

In addition, members of a legislative body, either individually or collectively, may give testimony in private before a grand jury.<sup>10</sup> This is the equivalent of a seventh exception to the Brown Act's definition of a "meeting."

### Collective briefings

None of these exceptions permits a majority of a legislative body to meet together with staff in advance of a meeting for a collective briefing. Any such briefings that involve a majority of the body in the same place and time must be open to the public and satisfy Brown Act meeting notice and agenda requirements.

### Retreats or workshops of legislative bodies

Gatherings by a majority of legislative body members at the legislative body's retreats, study sessions, or workshops are covered under the Brown Act. This is the case whether the retreat, study session, or workshop focuses on long-range agency planning, discussion of critical local issues, or team building and group dynamics.<sup>11</sup>



**Q.** The legislative body wants to hold a team-building session to improve relations among its members. May such a session be conducted behind closed doors?

**A.** *No, this is not a proper subject for a closed session, and there is no other basis to exclude the public. Council relations are a matter of public business.*

### Serial meetings

One of the most frequently asked questions about the Brown Act involves serial meetings. At any one time, such meetings involve only a portion of a legislative body, but eventually involve a majority. The Brown Act provides that "[a] majority of the members of a legislative body shall not, outside a meeting ... use a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body."<sup>12</sup> The problem with serial meetings is the process, which deprives the public of an opportunity for meaningful observation of and participation in legislative body decision-making.

The serial meeting may occur by either a “daisy chain” or a “hub and spoke” sequence. In the daisy chain scenario, Member A contacts Member B, Member B contacts Member C, Member C contacts Member D and so on, until a quorum has discussed, deliberated, or taken action on an item within the legislative body’s subject matter jurisdiction. The hub and spoke process involves at least two scenarios. In the first scenario, Member A (the hub) sequentially contacts Members B, C, and D and so on (the spokes), until a quorum has been contacted. In the second scenario, a staff member (the hub), functioning as an intermediary for the legislative body or one of its members,



communicates with a majority of members (the spokes) one-by-one for discussion, deliberation, or a decision on a proposed action.<sup>13</sup> Another example of a serial meeting is when a chief executive officer (the hub) briefs a majority of members (the spokes) prior to a formal meeting and, in the process, information about the members’ respective views is revealed. Each of these scenarios violates the Brown Act.

A legislative body member has the right, if not the duty, to meet with constituents to address their concerns. That member also has the right to confer with a colleague (but not with a majority of the body, counting the member) or appropriate staff about local agency business. An employee or official of a local agency may engage in separate conversations or communications outside of an open and noticed meeting “with members of a legislative body in order to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of

the local agency if that person does not communicate to members of the legislative body the comments or position of any other member or members of the legislative body.”<sup>14</sup>

The Brown Act has been violated, however, if several one-on-one meetings or conferences leads to a discussion, deliberation, or action by a majority. In one case, a violation occurred when a quorum of a city council, by a letter that had been circulated among members outside of a formal meeting, directed staff to take action in an eminent domain proceeding.<sup>15</sup>

A unilateral written communication to the legislative body, such as an informational or advisory memorandum, does not violate the Brown Act.<sup>16</sup> Such a memo, however, may be a public record.<sup>17</sup>

**The phone call was from a lobbyist. “Say, I need your vote for that project in the south area. How about it?”**

**“Well, I don’t know,” replied Board Member Aletto. “That’s kind of a sticky proposition. You sure you need my vote?”**

**“Well, I’ve got Bradley and Cohen lined up and another vote leaning. With you I’d be over the top.”**

**Moments later, the phone rings again. “Hey, I’ve been hearing some rumbles on that south area project,” said the newspaper reporter. “I’m counting noses. How are you voting on it?”**

*Neither the lobbyist nor the reporter has violated the Brown Act, but they are facilitating*

a violation. The board member may have violated the Brown Act by hearing about the positions of other board members and indeed coaxing the lobbyist to reveal the other board members' positions by asking "You sure you need my vote?" The prudent course is to avoid such leading conversations and to caution lobbyists, staff, and news media against revealing such positions of others.

**The mayor sat down across from the city manager. "From now on," he declared, "I want you to provide individual briefings on upcoming agenda items. Some of this material is very technical, and the council members don't want to sound like idiots asking about it in public. Besides that, briefings will speed up the meeting."**

*Agency employees or officials may have separate conversations or communications outside of an open and noticed meeting "with members of a legislative body in order to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of the local agency if that person does not communicate to members of the legislative body the comments or position of any other member or members of the legislative body."<sup>18</sup> Members should always be vigilant when discussing local agency business with anyone to avoid conversations that could lead to a discussion, deliberation or action taken among the majority of the legislative body.*

**"Thanks for the information," said Council Member Kim. "These zoning changes can be tricky, and now I think I'm better equipped to make the right decision."**

**"Glad to be of assistance," replied the planning director. "I'm sure Council Member Jones is OK with these changes. How are you leaning?"**

**"Well," said Council Member Kim, "I'm leaning toward approval. I know that two of my colleagues definitely favor approval."**

*The planning director should not disclose Jones' prospective vote, and Kim should not disclose the prospective votes of two of her colleagues. Under these facts, there likely has been a serial meeting in violation of the Brown Act.*

- Q.** The agency's website includes a chat room where agency employees and officials participate anonymously and often discuss issues of local agency business. Members of the legislative body participate regularly. Does this scenario present a potential for violation of the Brown Act?
- A.** Yes, because it is a technological device that may serve to allow for a majority of members to discuss, deliberate, or take action on matters of agency business.
- Q.** A member of a legislative body contacts two other members on a five-member body relative to scheduling a special meeting. Is this an illegal serial meeting?
- A.** No, the Brown Act expressly allows a majority of a body to call a special meeting, though the members should avoid discussing the merits of what is to be taken up at the meeting.

---

**PRACTICE TIP:** When briefing legislative body members, staff must exercise care not to disclose other members' views and positions.

---

Particular care should be exercised when staff briefings of legislative body members occur by email because of the ease of using the “reply to all” button that may inadvertently result in a Brown Act violation.

### Informal gatherings

Often members are tempted to mix business with pleasure — for example, by holding a post-meeting gathering. Informal gatherings at which local agency business is discussed or transacted violate the law if they are not conducted in conformance with the Brown Act.<sup>19</sup> A luncheon gathering in a crowded dining room violates the Brown Act if the public does not have an opportunity to attend, hear, or participate in the deliberations of members.

**Thursday at 11:30 a.m., as they did every week, the board of directors of the Dry Gulch Irrigation District trooped into Pop’s Donut Shoppe for an hour of talk and fellowship. They sat at the corner window, fronting on Main and Broadway, to show they had nothing to hide. Whenever he could, the managing editor of the weekly newspaper down the street hurried over to join the board.**

*A gathering like this would not violate the Brown Act if board members scrupulously avoided talking about irrigation district issues — which might be difficult. This kind of situation should be avoided. The public is unlikely to believe the board members could meet regularly without discussing public business. A newspaper executive’s presence in no way lessens the potential for a violation of the Brown Act.*

- Q.** The agency has won a major victory in the Supreme Court on an issue of importance. The presiding officer decides to hold an impromptu press conference in order to make a statement to the print and broadcast media. All the other members show up in order to make statements of their own and be seen by the media. Is this gathering illegal?
- A.** *Technically there is no exception for this sort of gathering, but as long as members do not state their intentions as to future action to be taken and the press conference is open to the public, it seems harmless.*



### Technological conferencing

Except for certain nonsubstantive purposes, such as scheduling a special meeting, a conference call including a majority of the members of a legislative body is an unlawful meeting. But, in an effort to keep up with information age technologies, the Brown Act specifically allows a legislative body to use any type of teleconferencing to meet, receive public comment and testimony, deliberate, or conduct a closed session.<sup>20</sup> While the Brown Act contains specific requirements for conducting a teleconference, the decision to use teleconferencing is entirely discretionary with the body. No person has a right under the Brown Act to have a meeting by teleconference.

“Teleconference” is defined as “a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either

audio or video, or both.”<sup>21</sup> In addition to the specific requirements relating to teleconferencing, the meeting must comply with all provisions of the Brown Act otherwise applicable. The Brown Act contains the following teleconferencing requirements:<sup>22</sup>

- Teleconferencing may be used for all purposes during any meeting;
- At least a quorum of the legislative body must participate from locations within the local agency’s jurisdiction;
- Additional teleconference locations may be made available for the public;
- Each teleconference location must be specifically identified in the notice and agenda of the meeting, including a full address and room number, as may be applicable;
- Agendas must be posted at each teleconference location, even if a hotel room or a residence;
- Each teleconference location, including a hotel room or residence, must be accessible to the public and have technology, such as a speakerphone, to enable the public to participate;
- The agenda must provide the opportunity for the public to address the legislative body directly at each teleconference location; and
- All votes must be by roll call.

**Q.** A member on vacation wants to participate in a meeting of the legislative body and vote by cellular phone from her car while driving from Washington, D.C. to New York. May she?

**A.** *She may not participate or vote because she is not in a noticed and posted teleconference location.*

The use of teleconferencing to conduct a legislative body meeting presents a variety of issues beyond the scope of this guide to discuss in detail. Therefore, before teleconferencing a meeting, legal counsel for the local agency should be consulted.

### Location of meetings

The Brown Act generally requires all regular and special meetings of a legislative body, including retreats and workshops, to be held within the boundaries of the territory over which the local agency exercises jurisdiction.<sup>23</sup>

An open and publicized meeting of a legislative body may be held outside of agency boundaries if the purpose of the meeting is one of the following:<sup>24</sup>

- Comply with state or federal law or a court order, or attend a judicial conference or administrative proceeding in which the local agency is a party;
- Inspect real or personal property that cannot be conveniently brought into the local agency’s territory, provided the meeting is limited to items relating to that real or personal property;

**Q.** The agency is considering approving a major retail mall. The developer has built other similar malls, and invites the entire legislative body to visit a mall outside the jurisdiction. May the entire body go?

**A.** *Yes, the Brown Act permits meetings outside the boundaries of the agency for specified reasons and inspection of property is one such reason. The field trip must be treated as a meeting and the public must be allowed to attend.*

- Participate in multiagency meetings or discussions; however, such meetings must be held within the boundaries of one of the participating agencies, and all of those agencies must give proper notice;
- Meet in the closest meeting facility if the local agency has no meeting facility within its boundaries, or meet at its principal office if that office is located outside the territory over which the agency has jurisdiction;
- Meet with elected or appointed federal or California officials when a local meeting would be impractical, solely to discuss a legislative or regulatory issue affecting the local agency and over which the federal or state officials have jurisdiction;
- Meet in or nearby a facility owned by the agency, provided that the topic of the meeting is limited to items directly related to the facility; or
- Visit the office of its legal counsel for a closed session on pending litigation, when to do so would reduce legal fees or costs.<sup>25</sup>

In addition, the governing board of a school or community college district may hold meetings outside of its boundaries to attend a conference on nonadversarial collective bargaining techniques, interview candidates for school district superintendent, or interview a potential

employee from another district.<sup>26</sup> A school board may also interview members of the public residing in another district if the board is considering employing that district's superintendent.

Similarly, meetings of a joint powers authority can occur within the territory of at least one of its member agencies, and a joint powers authority with members throughout the state may meet anywhere in the state.<sup>27</sup>

Finally, if a fire, flood, earthquake, or other emergency makes the usual meeting place unsafe, the presiding officer can designate another meeting place for the duration of the emergency. News media that have requested notice of meetings must be notified of the designation by the most rapid means of communication available.<sup>28</sup>

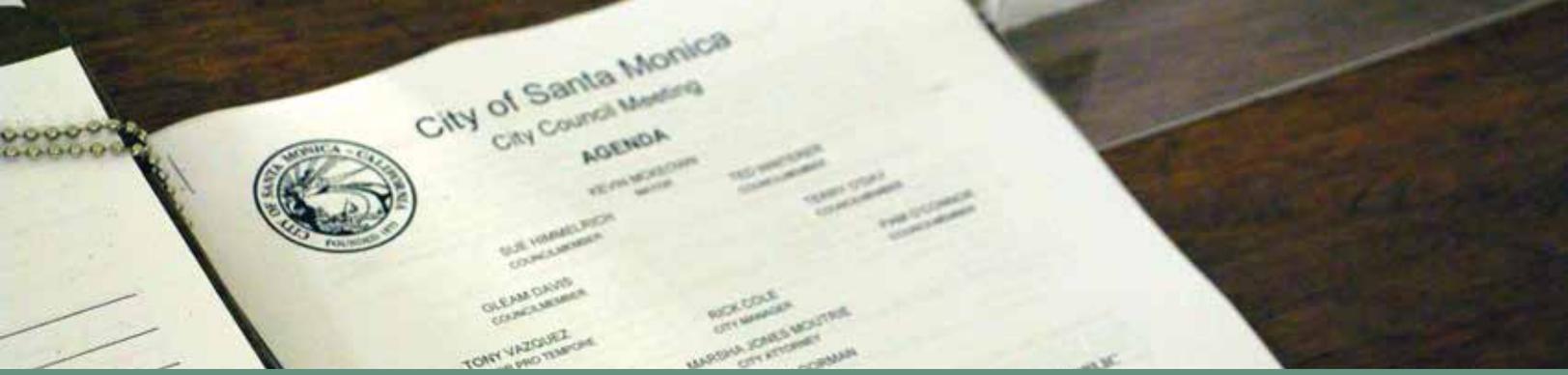


## Endnotes:

- 1 California Government Code section 54952.2(a)
- 2 *Wilson v. San Francisco Municipal Railway* (1973) 29 Cal.App.3d 870
- 3 California Government Code section 54954(a)
- 4 California Government Code section 54956
- 5 California Government Code section 54956.5
- 6 California Government Code section 54955
- 7 California Government Code section 54952.2(c)
- 8 California Government Code section 54952.2(c)(4)
- 9 California Government Code section 54952.2(c)(6)
- 10 California Government Code section 54953.1
- 11 “*The Brown Act*,” California Attorney General (2003), p. 10
- 12 California Government Code section 54952.2(b)(1)
- 13 *Stockton Newspaper Inc. v. Redevelopment Agency* (1985) 171 Cal.App.3d 95
- 14 California Government Code section 54952.2(b)(2)
- 15 *Common Cause v. Stirling* (1983) 147 Cal.App.3d 518
- 16 *Roberts v. City of Palmdale* (1993) 5 Cal.4th 363
- 17 California Government Code section 54957.5(a)
- 18 California Government Code section 54952.2(b)(2)
- 19 California Government Code section 54952.2; 43 Ops.Cal.Atty.Gen. 36 (1964)
- 20 California Government Code section 54953(b)(1)
- 21 California Government Code section 54953(b)(4)
- 22 California Government Code section 54953
- 23 California Government Code section 54954(b)
- 24 California Government Code section 54954(b)(1)-(7)
- 25 94 Ops.Cal.Atty.Gen. 15 (2011)
- 26 California Government Code section 54954(c)
- 27 California Government Code section 54954(d)
- 28 California Government Code section 54954(e)

Updates to this publication responding to changes in the Brown Act or new court interpretations are available at [www.cacities.org/opengovernment](http://www.cacities.org/opengovernment). A current version of the Brown Act may be found at [www.leginfo.ca.gov](http://www.leginfo.ca.gov).





# Chapter 4

## AGENDAS, NOTICES, AND PUBLIC PARTICIPATION

Agendas for regular meetings .....	30
Mailed agenda upon written request .....	31
Notice requirements for special meetings .....	32
Notices and agendas for adjourned and continued meetings and hearings .....	32
Notice requirements for emergency meetings .....	32
Notice of compensation for simultaneous or serial meetings .....	33
Educational agency meetings .....	33
Notice requirements for tax or assessment meetings and hearings .....	33
Non-agenda items .....	34
Responding to the public .....	34
The right to attend and observe meetings .....	35
Records and recordings .....	36
The public's place on the agenda .....	37

# Chapter 4

## AGENDAS, NOTICES, AND PUBLIC PARTICIPATION



Effective notice is essential for an open and public meeting. Whether a meeting is open or how the public may participate in that meeting is academic if nobody knows about the meeting.

### Agendas for regular meetings

Every regular meeting of a legislative body of a local agency — including advisory committees, commissions, or boards, as well as standing committees of legislative bodies — must be preceded by a posted agenda that advises the public of the meeting and the matters to be transacted or discussed.

The agenda must be posted at least 72 hours before the regular meeting in a location “freely accessible to members of the public.”<sup>1</sup> The courts have not definitively interpreted the “freely accessible” requirement. The California Attorney General has interpreted this

provision to require posting in a location accessible to the public 24 hours a day during the 72-hour period, but any of the 72 hours may fall on a weekend.<sup>2</sup> This provision may be satisfied by posting on a touch screen electronic kiosk accessible without charge to the public 24 hours a day during the 72-hour period.<sup>3</sup> While posting an agenda on an agency’s Internet website will not, by itself, satisfy the “freely accessible” requirement since there is no universal access to the internet, an agency has a supplemental obligation to post the agenda on its website if: (1) the local agency has a website; and (2) the legislative body whose meeting is the subject of the agenda is either (a) a governing body, or (b) has members that are compensated, with one or more members that are also members of a governing body.<sup>4</sup>

**Q.** May the meeting of a governing body go forward if its agenda was either inadvertently not posted on the city’s website or if the website was not operational during part or all of the 72-hour period preceding the meeting?

**A.** *At a minimum, the Brown Act calls for “substantial compliance” with all agenda posting requirements, including posting to the agency website.<sup>5</sup> Should website technical difficulties arise, seek a legal opinion from your agency attorney. The California Attorney General has opined that technical difficulties which cause the website agenda to become inaccessible for a portion of the 72 hours preceding a meeting do not automatically or inevitably lead to a Brown Act violation, provided the agency can demonstrate substantial compliance.<sup>6</sup> This inquiry requires a fact-specific examination of whether the agency or its legislative body made “reasonably effective efforts to notify interested persons of a public meeting” through online posting and other available means.<sup>7</sup> The Attorney General’s opinion suggests that this examination would include an evaluation of how long a technical problem persisted, the efforts made to correct the problem or otherwise ensure that the public was informed, and the actual effect the problem had on public*

*awareness, among other factors.<sup>8</sup> The City Attorneys' Department has taken the position that obvious website technical difficulties do not require cancellation of a meeting, provided that the agency meets all other Brown Act posting requirements and the agenda is available on the website once the technical difficulties are resolved.*

The agenda must state the meeting time and place and must contain “a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session.”<sup>9</sup> Special care should be taken to describe on the agenda each distinct action to be taken by the legislative body, and avoid overbroad descriptions of a “project” if the “project” is actually a set of distinct actions that must each be separately listed on the agenda.<sup>10</sup>

**PRACTICE TIP:** Putting together a meeting agenda requires careful thought.

**Q.** The agenda for a regular meeting contains the following items of business:

- Consideration of a report regarding traffic on Eighth Street; and
- Consideration of contract with ABC Consulting.

Are these descriptions adequate?

**A.** *If the first is, it is barely adequate. A better description would provide the reader with some idea of what the report is about and what is being recommended. The second is not adequate. A better description might read “consideration of a contract with ABC Consulting in the amount of \$50,000 for traffic engineering services regarding traffic on Eighth Street.”*

**Q.** The agenda includes an item entitled City Manager’s Report, during which time the city manager provides a brief report on notable topics of interest, none of which are listed on the agenda.

Is this permissible?

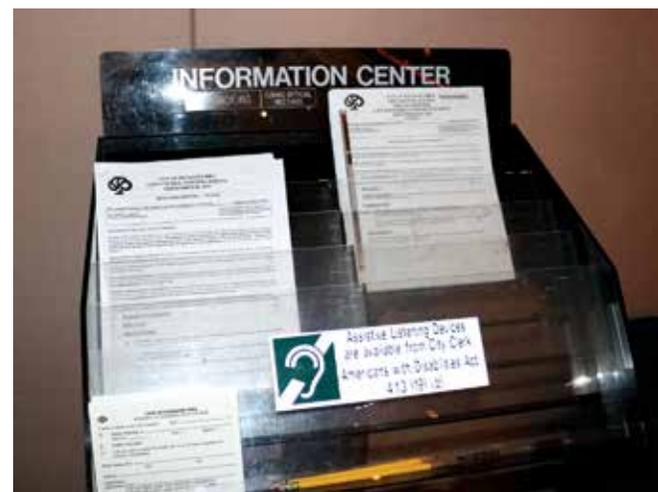
**A.** *Yes, so long as it does not result in extended discussion or action by the body.*

A brief general description may not be sufficient for closed session agenda items. The Brown Act provides safe harbor language for the various types of permissible closed sessions. Substantial compliance with the safe harbor language is recommended to protect legislative bodies and elected officials from legal challenges.

### **Mailed agenda upon written request**

The legislative body, or its designee, must mail a copy of the agenda or, if requested, the entire agenda packet, to any person who has filed a written request for such materials. These copies shall be mailed at the time the agenda is posted. If requested, these materials must be made available in appropriate alternative formats to persons with disabilities.

A request for notice is valid for one calendar year and renewal requests must be filed following January 1 of each year. The legislative body may establish a fee to recover the cost of providing the service. Failure of the requesting person to receive the agenda does not constitute grounds for invalidation of actions taken at the meeting.<sup>11</sup>



### Notice requirements for special meetings

There is no express agenda requirement for special meetings, but the notice of the special meeting effectively serves as the agenda and limits the business that may be transacted or discussed.

Written notice must be sent to each member of the legislative body (unless waived in writing by that member) and to each local newspaper of general circulation, and radio or television station that has requested such notice in writing. This notice must be delivered by personal delivery or any other means that ensures receipt, at least 24 hours before the time of the meeting.

The notice must state the time and place of the meeting, as well as all business to be transacted or discussed. It is recommended that the business to be transacted or discussed be described in the same manner that an item for a regular meeting would be described on the agenda — with a brief general description. As noted above, closed session items should be described in accordance with the Brown Act's safe harbor provisions to protect legislative bodies and elected officials from challenges of noncompliance with notice requirements.

The special meeting notice must also be posted at least 24 hours prior to the special meeting using the same methods as posting an agenda for a regular meeting: (1) at a site that is freely accessible to the public, and (2) on the agency's website if: (1) the local agency has a website; and (2) the legislative body whose meeting is the subject of the agenda is either (a) a governing body, or (b) has members that are compensated, with one or more members that are also members of a governing body.<sup>12</sup>

### Notices and agendas for adjourned and continued meetings and hearings

A regular or special meeting can be adjourned and re-adjourned to a time and place specified in the order of adjournment.<sup>13</sup> If no time is stated, the meeting is continued to the hour for regular meetings. Whoever is present (even if they are less than a quorum) may so adjourn a meeting; if no member of the legislative body is present, the clerk or secretary may adjourn the meeting. If a meeting is adjourned for less than five calendar days, no new agenda need be posted so long as a new item of business is not introduced.<sup>14</sup> A copy of the order of adjournment must be posted within 24 hours after the adjournment, at or near the door of the place where the meeting was held.

A hearing can be continued to a subsequent meeting. The process is the same as for continuing adjourned meetings, except that if the hearing is continued to a time less than 24 hours away, a copy of the order or notice of continuance must be posted immediately following the meeting.<sup>15</sup>

### Notice requirements for emergency meetings

The special meeting notice provisions apply to emergency meetings, except for the 24-hour notice.<sup>16</sup> News media that have requested written notice of special meetings must be notified by telephone at least one hour in advance of an emergency meeting, and all telephone numbers provided in that written request must be tried. If telephones are not working, the notice requirements are deemed waived. However, the news media must be notified as soon as possible of the meeting and any action taken.



News media may make a practice of having written requests on file for notification of special or emergency meetings. Absent such a request, a local agency has no legal obligation to notify news media of special or emergency meetings — although notification may be advisable in any event to avoid controversy.

### **Notice of compensation for simultaneous or serial meetings**

A legislative body that has convened a meeting and whose membership constitutes a quorum of another legislative body, may convene a simultaneous or serial meeting of the other legislative body only after a clerk or member of the convened legislative body orally announces: (1) the amount of compensation or stipend, if any, that each member will be entitled to receive as a result of convening the meeting of the other legislative body; and (2) that the compensation or stipend is provided as a result of convening the meeting of that body.<sup>17</sup>

No oral disclosure of the amount of the compensation is required if the entire amount of such compensation is prescribed by statute and no additional compensation has been authorized by the local agency. Further, no disclosure is required with respect to reimbursements for actual and necessary expenses incurred in the performance of the member's official duties, such as for travel, meals, and lodging.

### **Educational agency meetings**

The Education Code contains some special agenda and special meeting provisions.<sup>18</sup> However, they are generally consistent with the Brown Act. An item is probably void if not posted.<sup>19</sup> A school district board must also adopt regulations to make sure the public can place matters affecting the district's business on meeting agendas and to address the board on those items.<sup>20</sup>

### **Notice requirements for tax or assessment meetings and hearings**

The Brown Act prescribes specific procedures for adoption by a city, county, special district, or joint powers authority of any new or increased tax or assessment imposed on businesses.<sup>21</sup> Though written broadly, these Brown Act provisions do not apply to new or increased real property taxes or assessments as those are governed by the California Constitution, Article XIII C or XIII D, enacted by Proposition 218. At least one public meeting must be held to allow public testimony on the tax or assessment. In addition, there must also be at least 45 days notice of a public hearing at which the legislative body proposes to enact or increase the tax or assessment. Notice of the public meeting and public hearing must be provided at the same time and in the same document. The public notice relating to general taxes must be provided by newspaper publication. The public notice relating to new or increased business assessments must be provided through a mailing to all business owners proposed to be subject to the new or increased assessment. The agency may recover the reasonable costs of the public meetings, hearings, and notice.

The Brown Act exempts certain fees, standby or availability charges, recurring assessments, and new or increased assessments that are subject to the notice and hearing requirements of the Constitution.<sup>22</sup> As a practical matter, the Constitution's notice requirements have preempted this section of the Brown Act.



### Non-agenda items

The Brown Act generally prohibits any action or discussion of items not on the posted agenda. However, there are three specific situations in which a legislative body can act on an item not on the agenda:<sup>23</sup>

- When a majority decides there is an “emergency situation” (as defined for emergency meetings);
- When two-thirds of the members present (or all members if less than two-thirds are present) determine there is a need for immediate action and the need to take action “came to the attention of the local agency subsequent to the agenda being posted.” This exception requires a degree of urgency. Further, an item cannot be considered under this provision if the legislative body or the staff knew about the need to take immediate action before the agenda was posted. A new need does not arise because staff forgot to put an item on the agenda or because an applicant missed a deadline; or
- When an item appeared on the agenda of, and was continued from, a meeting held not more than five days earlier.

The exceptions are narrow, as indicated by this list. The first two require a specific determination by the legislative body. That determination can be challenged in court and, if unsubstantiated, can lead to invalidation of an action.

**“I’d like a two-thirds vote of the board, so we can go ahead and authorize commencement of phase two of the East Area Project,” said Chair Lopez.**

**“It’s not on the agenda. But we learned two days ago that we finished phase one ahead of schedule — believe it or not — and I’d like to keep it that way. Do I hear a motion?”**

*The desire to stay ahead of schedule generally would not satisfy “a need for immediate action.” Too casual an action could invite a court challenge by a disgruntled resident. The prudent course is to place an item on the agenda for the next meeting and not risk invalidation.*

**“We learned this morning of an opportunity for a state grant,” said the chief engineer at the regular board meeting, “but our application has to be submitted in two days. We’d like the board to give us the go ahead tonight, even though it’s not on the agenda.”**

*A legitimate immediate need can be acted upon even though not on the posted agenda by following a two-step process:*

- First, make two determinations: 1) that there is an immediate need to take action, and 2) that the need arose after the posting of the agenda. The matter is then placed on the agenda.
- Second, discuss and act on the added agenda item.

### Responding to the public

The public can talk about anything within the jurisdiction of the legislative body, but the legislative body generally cannot act on or discuss an item not on the agenda. What happens when a member of the public raises a subject not on the agenda?

**PRACTICE TIP:** Subject to very limited exceptions, the Brown Act prohibits any action or discussion of an item not on the posted agenda.

While the Brown Act does not allow discussion or action on items not on the agenda, it does allow members of the legislative body, or its staff, to “briefly respond” to comments or questions from members of the public, provide a reference to staff or other resources for factual information, or direct staff to place the issue on a future agenda. In addition, even without a comment from the public, a legislative body member or a staff member may ask for information, request a report back, request to place a matter on the agenda for a subsequent meeting (subject to the body’s rules or procedures), ask a question for clarification, make a brief announcement, or briefly report on his or her own activities.<sup>24</sup> However, caution should be used to avoid any discussion or action on such items.



**Council Member Jefferson: I would like staff to respond to Resident Joe’s complaints during public comment about the repaving project on Elm Street — are there problems with this project?**

**City Manager Frank: The public works director has prepared a 45-minute power point presentation for you on the status of this project and will give it right now.**

**Council Member Brown: Take all the time you need; we need to get to the bottom of this. Our residents are unhappy.**

*It is clear from this dialogue that the Elm Street project was not on the council’s agenda, but was raised during the public comment period for items not on the agenda. Council Member A properly asked staff to respond; the city manager should have given at most a brief response. If a lengthy report from the public works director was warranted, the city manager should have stated that it would be placed on the agenda for the next meeting. Otherwise, both the long report and the likely discussion afterward will improperly embroil the council in a matter that is not listed on the agenda.*

## **The right to attend and observe meetings**

A number of Brown Act provisions protect the public’s right to attend, observe, and participate in meetings.

Members of the public cannot be required to register their names, provide other information, complete a questionnaire, or otherwise “fulfill any condition precedent” to attending a meeting. Any attendance list, questionnaire, or similar document posted at or near the entrance to the meeting room or circulated at a meeting must clearly state that its completion is voluntary and that all persons may attend whether or not they fill it out.<sup>25</sup>

No meeting can be held in a facility that prohibits attendance based on race, religion, color, national origin, ethnic group identification, age, sex, sexual orientation, or disability, or that is inaccessible to the disabled. Nor can a meeting be held where the public must make a payment or purchase in order to be present.<sup>26</sup> This does not mean, however, that the public is entitled to free entry to a conference attended by a majority of the legislative body.<sup>27</sup>

While a legislative body may use teleconferencing in connection with a meeting, the public must be given notice of and access to the teleconference location. Members of the public must be able to address the legislative body from the teleconference location.<sup>28</sup>

Action by secret ballot, whether preliminary or final, is flatly prohibited.<sup>29</sup>

All actions taken by the legislative body in open session, and the vote of each member thereon, must be disclosed to the public at the time the action is taken.<sup>30</sup>

**Q:** The agenda calls for election of the legislative body's officers. Members of the legislative body want to cast unsigned written ballots that would be tallied by the clerk, who would announce the results. Is this voting process permissible?

**A:** *No. The possibility that a public vote might cause hurt feelings among members of the legislative body or might be awkward — or even counterproductive — does not justify a secret ballot.*

The legislative body may remove persons from a meeting who willfully interrupt proceedings.<sup>31</sup> Ejection is justified only when audience members actually disrupt the proceedings.<sup>32</sup> If order cannot be restored after ejecting disruptive persons, the meeting room may be cleared. Members of the news media who have not participated in the disturbance must be allowed to continue to attend the meeting. The legislative body may establish a procedure to re-admit an individual or individuals not responsible for the disturbance.<sup>33</sup>

### Records and recordings

The public has the right to review agendas and other writings distributed by any person to a majority of the legislative body in connection with a matter subject to discussion or consideration at a meeting. Except for privileged documents, those materials are public records and must be made available upon request without delay.<sup>34</sup> A fee or deposit as permitted by the California Public Records Act may be charged for a copy of a public record.<sup>35</sup>

**Q:** In connection with an upcoming hearing on a discretionary use permit, counsel for the legislative body transmits a memorandum to all members of the body outlining the litigation risks in granting or denying the permit. Must this memorandum be included in the packet of agenda materials available to the public?

**A:** *No. The memorandum is a privileged attorney-client communication.*

**Q:** In connection with an agenda item calling for the legislative body to approve a contract, staff submits to all members of the body a financial analysis explaining why the terms of the contract favor the local agency. Must this memorandum be included in the packet of agenda materials available to the public?

**A:** *Yes. The memorandum has been distributed to the majority of the legislative body, relates to the subject matter of a meeting, and is not a privileged communication.*



A legislative body may discuss or act on some matters without considering written materials. But if writings are distributed to a majority of a legislative body in connection with an agenda item, they must also be available to the public. A non-exempt or otherwise privileged writing distributed to a majority of the legislative body less than 72 hours before the meeting must be made available for inspection at the time of distribution at a public office or location designated for that purpose; and the agendas for all meetings of the legislative body must include the address of this office or location.<sup>36</sup> A writing distributed during a meeting must be made public:

- At the meeting if prepared by the local agency or a member of its legislative body; or
- After the meeting if prepared by some other person.<sup>37</sup>

Any tape or film record of an open and public meeting made for whatever purpose by or at the direction of the local agency is subject to the California Public Records Act; however, it may be erased or destroyed 30 days after the taping or recording. Any inspection of a video or tape recording is to be provided without charge on a video or tape player made available by the local agency.<sup>38</sup> The agency may impose its ordinary charge for copies that is consistent with the California Public Records Act.<sup>39</sup>

In addition, the public is specifically allowed to use audio or video tape recorders or still or motion picture cameras at a meeting to record the proceedings, absent a reasonable finding by the legislative body that noise, illumination, or obstruction of view caused by recorders or cameras would persistently disrupt the proceedings.<sup>40</sup>

Similarly, a legislative body cannot prohibit or restrict the public broadcast of its open and public meetings without making a reasonable finding that the noise, illumination, or obstruction of view would persistently disrupt the proceedings.<sup>41</sup>

### The public's place on the agenda

Every agenda for a regular meeting must allow members of the public to speak on any item of interest, so long as the item is within the subject matter jurisdiction of the legislative body. Further, the public must be allowed to speak on a specific item of business before or during the legislative body's consideration of it.<sup>42</sup>

**Q.** Must the legislative body allow members of the public to show videos or make a power point presentation during the public comment part of the agenda, as long as the subject matter is relevant to the agency and is within the established time limit?

**A.** *Probably, although the agency is under no obligation to provide equipment.*

Moreover, the legislative body cannot prohibit public criticism of policies, procedures, programs, or services of the agency or the acts or omissions of the legislative body itself. But the Brown Act provides no immunity for defamatory statements.<sup>43</sup>



**PRACTICE TIP:** Public speakers cannot be compelled to give their name or address as a condition of speaking. The clerk or presiding officer may request speakers to complete a speaker card or identify themselves for the record, but must respect a speaker's desire for anonymity.

**Q.** May the presiding officer prohibit a member of the audience from publicly criticizing an agency employee by name during public comments?

**A.** *No, as long as the criticism pertains to job performance.*

**Q.** During the public comment period of a regular meeting of the legislative body, a resident urges the public to support and vote for a candidate vying for election to the body. May the presiding officer gavel the speaker out of order for engaging in political campaign speech?

**A.** *There is no case law on this subject. Some would argue that campaign issues are outside the subject matter jurisdiction of the body within the meaning of Section 54954.3(a). Others take the view that the speech must be allowed under paragraph (c) of that section because it is relevant to the governing of the agency and an implicit criticism of the incumbents.*



The legislative body may adopt reasonable regulations, including time limits, on public comments. Such regulations should be enforced fairly and without regard to speakers' viewpoints. The legislative body has discretion to modify its regulations regarding time limits on public comment if necessary. For example, the time limit could be shortened to accommodate a lengthy agenda or lengthened to allow additional time for discussion on a complicated matter.<sup>44</sup>

The public does not need to be given an opportunity to speak on an item that has already been considered by a committee made up exclusively of members of the legislative body at a public meeting, if all interested members of the public had the opportunity to speak on the item before or during its consideration, and if the item has not been substantially changed.<sup>45</sup>

Notices and agendas for special meetings must also give members of the public the opportunity to speak before or during consideration of an item on the agenda but need not allow members of the public an opportunity to speak on other matters within the jurisdiction of the legislative body.<sup>46</sup>

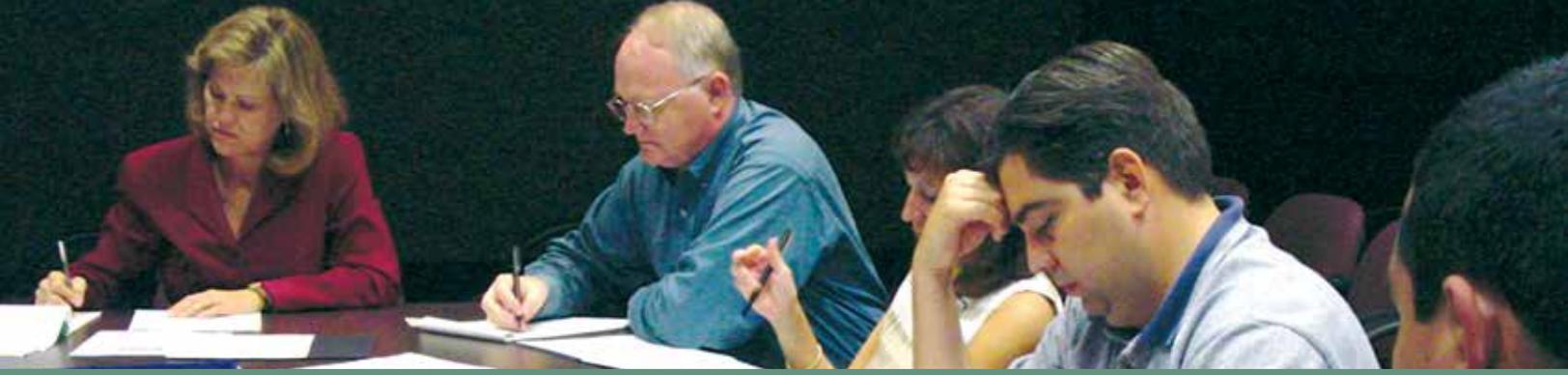
**Endnotes:**

- 1 California Government Code section 54954.2(a)(1)
- 2 78 Ops.Cal.Atty.Gen. 327 (1995)
- 3 88 Ops.Cal.Atty.Gen. 218 (2005)
- 4 California Government Code sections 54954.2(a)(1) and 54954.2(d)
- 5 California Government Code section 54960.1(d)(1)
- 6 \_\_\_ Ops.Cal.Atty.Gen.\_\_\_, No. 14-1204 (January 19, 2016) 16 Cal. Daily Op. Serv. 937 (Cal.A.G.), 2016 WL 375262
- 7 *North Pacific LLC v. California Coastal Commission* (2008) 166 Cal.App.4th 1416, 1432
- 8 \_\_\_ Ops.Cal.Atty.Gen.\_\_\_, No. 14-1204 (January 19, 2016) 16 Cal. Daily Op. Serv. 937 (Cal.A.G.), 2016 WL 375262, Slip Op. at p. 8
- 9 California Government Code section 54954.2(a)(1)
- 10 *San Joaquin Raptor Rescue v. County of Merced* (2013) 216 Cal.App.4th 1167 (legislative body's approval of CEQA action (mitigated negative declaration) without specifically listing it on the agenda violates Brown Act, even if the agenda generally describes the development project that is the subject of the CEQA analysis.)

- 11 California Government Code section 54954.1
- 12 California Government Code sections 54956(a) and (c)
- 13 California Government Code section 54955
- 14 California Government Code section 54954.2(b)(3)
- 15 California Government Code section 54955.1
- 16 California Government Code section 54956.5
- 17 California Government Code section 54952.3
- 18 Education Code sections 35144, 35145 and 72129
- 19 *Carlson v. Paradise Unified School District* (1971) 18 Cal.App.3d 196
- 20 California Education Code section 35145.5
- 21 California Government Code section 54954.6
- 22 See Cal.Const.Art.XIIIC, XIIID and California Government Code section 54954.6(h)
- 23 California Government Code section 54954.2(b)
- 24 California Government Code section 54954.2(a)(2)
- 25 California Government Code section 54953.3
- 26 California Government Code section 54961(a); California Government Code section 11135(a)
- 27 California Government Code section 54952.2(c)(2)
- 28 California Government Code section 54953(b)
- 29 California Government Code section 54953(c)
- 30 California Government Code section 54953(c)(2)
- 31 California Government Code section 54957.9.
- 32 *Norse v. City of Santa Cruz* (9th Cir. 2010) 629 F.3d 966 (silent and momentary Nazi salute directed towards mayor is not a disruption); *Acosta v. City of Costa Mesa* (9th Cir. 2013) 718 F.3d 800 (city council may not prohibit “insolent” remarks by members of the public absent actual disruption).
- 33 California Government Code section 54957.9
- 34 California Government Code section 54957.5
- 35 California Government Code section 54957.5(d)
- 36 California Government Code section 54957.5(b)
- 37 California Government Code section 54957.5(c)
- 38 California Government Code section 54953.5(b)
- 39 California Government Code section 54957.5(d)
- 40 California Government Code section 54953.5(a)
- 41 California Government Code section 54953.6
- 42 California Government Code section 54954.3(a)
- 43 California Government Code section 54954.3(c)
- 44 California Government Code section 54954.3(b); *Chaffee v. San Francisco Public Library Com.* (2005) 134 Cal.App.4th 109; 75 Ops.Cal.Atty.Gen. 89 (1992)
- 45 California Government Code section 54954.3(a)
- 46 California Government Code section 54954.3(a)

Updates to this publication responding to changes in the Brown Act or new court interpretations are available at [www.cacities.org/opengovernment](http://www.cacities.org/opengovernment). A current version of the Brown Act may be found at [www.leginfo.ca.gov](http://www.leginfo.ca.gov).





# Chapter 5

## CLOSED SESSIONS

Agendas and reports.....	42
Litigation.....	43
Real estate negotiations .....	45
Public employment .....	46
Labor negotiations .....	47
Labor negotiations — school and community college districts.....	48
Other Education Code exceptions.....	48
Joint Powers Authorities.....	48
License applicants with criminal records .....	49
Public security.....	49
Multijurisdictional law enforcement agency .....	49
Hospital peer review and trade secrets .....	49
Other legislative bases for closed session .....	50
Who may attend closed sessions .....	50
The confidentiality of closed session discussions.....	50

# Chapter 5

## CLOSED SESSIONS

A closed session is a meeting of a legislative body conducted in private without the attendance of the public or press. A legislative body is authorized to meet in closed session only to the extent expressly authorized by the Brown Act.<sup>1</sup>



As summarized in Chapter 1 of this Guide, it is clear that the Brown Act must be interpreted liberally in favor of open meetings, and exceptions that limit public access (including the exceptions for closed session meetings) must be narrowly construed.<sup>2</sup> The most common purposes of the closed session provisions in the Brown Act are to avoid revealing confidential information (e.g., prejudicing the city's position in litigation or compromising the privacy interests of employees). Closed sessions should be conducted keeping those narrow purposes in mind. It is not enough that a subject is sensitive, embarrassing, or controversial. Without specific authority in the Brown Act for a closed session, a matter to be considered by a legislative body must be discussed in public. As an example, a board of police commissioners cannot meet in closed session to provide general policy guidance to a police chief, even though some matters are sensitive and the commission considers their disclosure contrary to the public interest.<sup>3</sup>

**PRACTICE TIP:** Some problems over closed sessions arise because secrecy itself breeds distrust. The Brown Act does not require closed sessions and legislative bodies may do well to resist the tendency to call a closed session simply because it may be permitted. A better practice is to go into closed session only when necessary.

In this chapter, the grounds for convening a closed session are called “exceptions” because they are exceptions to the general rule that meetings must be conducted openly. In some circumstances, none of the closed session exceptions apply to an issue or information the legislative body wishes to discuss privately. In these cases, it is not proper to convene a closed session, even to protect confidential information. For example, although the Brown Act does authorize closed sessions related to specified types of contracts (e.g., specified provisions of real property agreements, employee labor agreements, and litigation settlement agreements),<sup>4</sup> the Brown Act does not authorize closed sessions for other contract negotiations.

### Agendas and reports

Closed session items must be briefly described on the posted agenda and the description must state the specific statutory exemption.<sup>5</sup> An item that appears on the open meeting portion of the agenda may not be taken into closed session until it has been properly agendized as a closed session item or unless it is properly added as a closed session item by a two-thirds vote of the body after making the appropriate urgency findings.<sup>6</sup>

The Brown Act supplies a series of fill in the blank sample agenda descriptions for various types of authorized closed sessions, which provide a “safe harbor” from legal attacks. These sample

agenda descriptions cover license and permit determinations, real property negotiations, existing or anticipated litigation, liability claims, threats to security, public employee appointments, evaluations and discipline, labor negotiations, multi-jurisdictional law enforcement cases, hospital boards of directors, medical quality assurance committees, joint powers agencies, and audits by the California State Auditor's Office.<sup>7</sup>

If the legislative body intends to convene in closed session, it must include the section of the Brown Act authorizing the closed session in advance on the agenda and it must make a public announcement prior to the closed session discussion. In most cases, the announcement may simply be a reference to the agenda item.<sup>8</sup>

Following a closed session, the legislative body must provide an oral or written report on certain actions taken and the vote of every elected member present. The timing and content of the report varies according to the reason for the closed session and the action taken.<sup>9</sup> The announcements may be made at the site of the closed session, so long as the public is allowed to be present to hear them.

If there is a standing or written request for documentation, any copies of contracts, settlement agreements, or other documents finally approved or adopted in closed session must be provided to the requestor(s) after the closed session, if final approval of such documents does not rest with any other party to the contract or settlement. If substantive amendments to a contract or settlement agreement approved by all parties requires retyping, such documents may be held until retyping is completed during normal business hours, but the substance of the changes must be summarized for any person inquiring about them.<sup>10</sup>

The Brown Act does not require minutes, including minutes of closed sessions. However, a legislative body may adopt an ordinance or resolution to authorize a confidential "minute book" be kept to record actions taken at closed sessions.<sup>11</sup> If one is kept, it must be made available to members of the legislative body, provided that the member asking to review minutes of a particular meeting was not disqualified from attending the meeting due to a conflict of interest.<sup>12</sup> A court may order the disclosure of minute books for the court's review if a lawsuit makes sufficient claims of an open meeting violation.

## Litigation

There is an attorney/client relationship, and legal counsel may use it to protect the confidentiality of privileged written and oral communications to members of the legislative body — outside of meetings. But protection of the attorney/client privilege cannot by itself be the reason for a closed session.<sup>13</sup>

The Brown Act expressly authorizes closed sessions to discuss what is considered pending litigation. The rules that apply to holding a litigation closed session involve complex, technical definitions and procedures. The essential thing to know is that a closed session can be held by the body to confer with, or receive advice from, its legal counsel when open discussion would prejudice the position of the local agency in litigation in which the agency is, or could become, a party.<sup>14</sup> The litigation exception under the Brown Act is narrowly construed and does not permit activities beyond a legislative body's conferring with its own legal counsel and required support staff.<sup>15</sup> For example, it is not permissible to hold a closed session in which settlement negotiations take place between a legislative body, a representative of an adverse party, and a mediator.<sup>16</sup>

---

**PRACTICE TIP:** Pay close attention to closed session agenda descriptions. Using the wrong label can lead to invalidation of an action taken in closed session if not substantially compliant.

---

The California Attorney General has opined that if the agency’s attorney is not a participant, a litigation closed session cannot be held.<sup>17</sup> In any event, local agency officials should always consult the agency’s attorney before placing this type of closed session on the agenda in order to be certain that it is being done properly.

Before holding a closed session under the pending litigation exception, the legislative body must publicly state the basis for the closed session by identifying one of the following three types of matters: existing litigation, anticipated exposure to litigation, or anticipated initiation of litigation.<sup>18</sup>

**Existing litigation**

**Q.** May the legislative body agree to settle a lawsuit in a properly-noticed closed session, without placing the settlement agreement on an open session agenda for public approval?

**A.** *Yes, but the settlement agreement is a public document and must be disclosed on request. Furthermore, a settlement agreement cannot commit the agency to matters that are required to have public hearings.*

Existing litigation includes any adjudicatory proceedings before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator. The clearest situation in which a closed session is authorized is when the local agency meets with its legal counsel to discuss a pending matter that has been filed in a court or with an administrative agency and names the local

agency as a party. The legislative body may meet under these circumstances to receive updates on the case from attorneys, participate in developing strategy as the case develops, or consider alternatives for resolution of the case. Generally, an agreement to settle litigation may be approved in closed session. However, an agreement to settle litigation cannot be approved in closed session if it commits the city to take an action that is required to have a public hearing.<sup>19</sup>

**Anticipated exposure to litigation against the local agency**

Closed sessions are authorized for legal counsel to inform the legislative body of a significant exposure to litigation against the local agency, but only if based on “existing facts and circumstances” as defined by the Brown Act.<sup>20</sup> The legislative body may also meet under this exception to determine whether a closed session is authorized based on information provided by legal counsel or staff. In general, the “existing facts and

circumstances” must be publicly disclosed unless they are privileged written communications or not yet known to a potential plaintiff.

**Anticipated initiation of litigation by the local agency**

A closed session may be held under the exception for the anticipated initiation of litigation when the legislative body seeks legal advice on whether to protect the agency’s rights and interests by initiating litigation.

Certain actions must be reported in open session at the same meeting following the closed



session. Other actions, as where final approval rests with another party or the court, may be announced when they become final and upon inquiry of any person.<sup>21</sup> Each agency attorney should be aware of and make the disclosures that are required by the particular circumstances.

### Real estate negotiations

A legislative body may meet in closed session with its negotiator to discuss the purchase, sale, exchange, or lease of real property by or for the local agency. A “lease” includes a lease renewal or renegotiation. The purpose is to grant authority to the legislative body’s negotiator on price and terms of payment.<sup>22</sup> Caution should be exercised to limit discussion to price and terms of payment without straying to other related issues such as site design, architecture, or other aspects of the project for which the transaction is contemplated.<sup>23</sup>



**Q.** May other terms of a real estate transaction, aside from price and terms of payment, be addressed in closed session?

**A.** *No. However, there are differing opinions over the scope of the phrase “price and terms of payment” in connection with real estate closed sessions. Many agency attorneys argue that any term that directly affects the economic value of the transaction falls within the ambit of “price and terms of payment.” Others take a narrower, more literal view of the phrase.*

The agency’s negotiator may be a member of the legislative body itself. Prior to the closed session, or on the agenda, the legislative body must identify its negotiators, the real property that the negotiations may concern<sup>24</sup> and the names of the parties with whom its negotiator may negotiate.<sup>25</sup>

After real estate negotiations are concluded, the approval and substance of the agreement must be publicly reported. If its own approval makes the agreement final, the body must report in open session at the public meeting during which the closed session is held. If final approval rests with another party, the local agency must report the approval and the substance of the agreement upon inquiry by any person, as soon as the agency is informed of it.<sup>26</sup>

**“Our population is exploding, and we have to think about new school sites,” said Board Member Jefferson.**

**“Not only that,” interjected Board Member Tanaka, “we need to get rid of a couple of our older facilities.”**

**“Well, obviously the place to do that is in a closed session,” said Board Member O’Reilly. “Otherwise we’re going to set off land speculation. And if we even mention closing a school, parents are going to be in an uproar.”**

*A closed session to discuss potential sites is not authorized by the Brown Act. The exception is limited to meeting with its negotiator over specific sites — which must be identified at an open and public meeting.*

**PRACTICE TIP:** Discussions of who to appoint to an advisory body and whether or not to censure a fellow member of the legislative body must be held in the open.

## Public employment

The Brown Act authorizes a closed session “to consider the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee or to hear complaints or charges brought against the employee.”<sup>27</sup> The purpose of this exception — commonly referred to as the “personnel exception” — is to avoid undue publicity or embarrassment for an employee or applicant for employment and to allow full and candid discussion by the legislative body; thus, it is restricted to discussing individuals, not general personnel policies.<sup>28</sup> The body must possess the power to appoint, evaluate, or dismiss the employee to hold a closed session under this exception.<sup>29</sup> That authority may be delegated to a subsidiary appointed body.<sup>30</sup>

An employee must be given at least 24 hours notice of any closed session convened to hear specific complaints or charges against him or her. This occurs when the legislative body is reviewing evidence, which could include live testimony, and adjudicating conflicting testimony offered as evidence. A legislative body may examine (or exclude) witnesses,<sup>31</sup> and the California Attorney General has opined that, when an affected employee and advocate have an official or essential role to play, they may be permitted to participate in the closed session.<sup>32</sup> The employee has the right to have the specific complaints and charges discussed in a public session rather than closed session.<sup>33</sup> If the employee is not given the 24-hour prior notice, any disciplinary action is null and void.<sup>34</sup>

However, an employee is not entitled to notice and a hearing where the purpose of the closed session is to consider a performance evaluation. The Attorney General and the courts have determined that personnel performance evaluations do not constitute complaints and charges, which are more akin to accusations made against a person.<sup>35</sup>

**Q.** Must 24 hours notice be given to an employee whose negative performance evaluation is to be considered by the legislative body in closed session?

**A.** *No, the notice is reserved for situations where the body is to hear complaints and charges from witnesses.*

Correct labeling of the closed session on the agenda is critical. A closed session agenda that identified discussion of an employment contract was not sufficient to allow dismissal of an employee.<sup>36</sup> An incorrect agenda description can result in invalidation of an action and much embarrassment.

For purposes of the personnel exception, “employee” specifically includes an officer or an independent contractor who functions as an officer or an employee. Examples of the former include a city manager, district general manager or superintendent. Examples of the latter include a legal counsel or engineer hired on contract to act as local agency attorney or chief engineer.

Elected officials, appointees to the governing body or subsidiary bodies, and independent contractors other than those discussed above are not employees for purposes of the personnel exception.<sup>37</sup> Action on individuals who are not “employees” must also be public — including discussing and voting on appointees to committees, or debating the merits of independent contractors, or considering a complaint against a member of the legislative body itself.

The personnel exception specifically prohibits discussion or action on proposed compensation in closed session, except for a disciplinary reduction in pay. Among other things, that means there can be no personnel closed sessions on a salary change (other than a disciplinary reduction) between any unrepresented individual and the legislative body. However, a legislative body may address the compensation of an unrepresented individual, such as a city manager, in a closed session as part of a labor negotiation (discussed later in this chapter), yet another example of the importance of using correct agenda descriptions.

Reclassification of a job must be public, but an employee's ability to fill that job may be considered in closed session.

Any closed session action to appoint, employ, dismiss, accept the resignation of, or otherwise affect the employment status of a public employee must be reported at the public meeting during which the closed session is held. That report must identify the title of the position, but not the names of all persons considered for an employment position.<sup>38</sup> However, a report on a dismissal or non-renewal of an employment contract must be deferred until administrative remedies, if any, are exhausted.<sup>39</sup>

**"I have some important news to announce," said Mayor Garcia. "We've decided to terminate the contract of the city manager, effective immediately. The council has met in closed session and we've negotiated six months severance pay."**

**"Unfortunately, that has some serious budget consequences, so we've had to delay phase two of the East Area Project."**

*This may be an improper use of the personnel closed session if the council agenda described the item as the city manager's evaluation. In addition, other than labor negotiations, any action on individual compensation must be taken in open session. Caution should be exercised to not discuss in closed session issues, such as budget impacts in this hypothetical, beyond the scope of the posted closed session notice.*

## Labor negotiations

The Brown Act allows closed sessions for some aspects of labor negotiations. Different provisions (discussed below) apply to school and community college districts.

A legislative body may meet in closed session to instruct its bargaining representatives, which may be one or more of its members,<sup>40</sup> on employee salaries and fringe benefits for both represented ("union") and non-represented employees. For represented employees, it may also consider working conditions that by law require negotiation. For the purpose of labor negotiation closed sessions, an "employee" includes an officer or an independent contractor who functions as an officer or an employee, but independent contractors who do not serve in the capacity of an officer or employee are not covered by this closed session exception.<sup>41</sup>

These closed sessions may take place before or during negotiations with employee representatives. Prior to the closed session, the legislative body must hold an open and public session in which it identifies its designated representatives.

---

**PRACTICE TIP:** The personnel exception specifically prohibits discussion or action on proposed compensation in closed session except for a disciplinary reduction in pay.

---

**PRACTICE TIP:** Prior to the closed session, the legislative body must hold an open and public session in which it identifies its designated representatives.

During its discussions with representatives on salaries and fringe benefits, the legislative body may also discuss available funds and funding priorities, but only to instruct its representative. The body may also meet in closed session with a conciliator who has intervened in negotiations.<sup>42</sup>

The approval of an agreement concluding labor negotiations with represented employees must be reported after the agreement is final and has been accepted or ratified by the other party. The report must identify the item approved and the other party or parties to the negotiation.<sup>43</sup> The labor closed sessions specifically cannot include final action on proposed compensation of one or more unrepresented employees.

### Labor negotiations — school and community college districts

Employee relations for school districts and community college districts are governed by the Rodda Act, where different meeting and special notice provisions apply. The entire board, for example, may negotiate in closed sessions.

Four types of meetings are exempted from compliance with the Rodda Act:

1. A negotiating session with a recognized or certified employee organization;
2. A meeting of a mediator with either side;
3. A hearing or meeting held by a fact finder or arbitrator; and
4. A session between the board and its bargaining agent, or the board alone, to discuss its position regarding employee working conditions and instruct its agent.<sup>44</sup>

Public participation under the Rodda Act also takes another form.<sup>45</sup> All initial proposals of both sides must be presented at public meetings and are public records. The public must be given reasonable time to inform itself and to express its views before the district may adopt its initial proposal. In addition, new topics of negotiations must be made public within 24 hours. Any votes on such a topic must be followed within 24 hours by public disclosure of the vote of each member.<sup>46</sup> The final vote must be in public.

### Other Education Code exceptions

The Education Code governs student disciplinary meetings by boards of school districts and community college districts. District boards may hold a closed session to consider the suspension or discipline of a student, if a public hearing would reveal personal, disciplinary, or academic information about the student contrary to state and federal pupil privacy law. The student's parent or guardian may request an open meeting.<sup>47</sup>

Community college districts may also hold closed sessions to discuss some student disciplinary matters, awarding of honorary degrees, or gifts from donors who prefer to remain anonymous.<sup>48</sup> Kindergarten through 12th grade districts may also meet in closed session to review the contents of the statewide assessment instrument.<sup>49</sup>

### Joint Powers Authorities

The legislative body of a joint powers authority may adopt a policy regarding limitations on disclosure of confidential information obtained in closed session, and may meet in closed session to discuss information that is subject to the policy.<sup>50</sup>

**PRACTICE TIP:** Attendance by the entire legislative body before a grand jury would not constitute a closed session meeting under the Brown Act.

## License applicants with criminal records

A closed session is permitted when an applicant, who has a criminal record, applies for a license or license renewal and the legislative body wishes to discuss whether the applicant is sufficiently rehabilitated to receive the license. The applicant and the applicant's attorney are authorized to attend the closed session meeting. If the body decides to deny the license, the applicant may withdraw the application. If the applicant does not withdraw, the body must deny the license in public, immediately or at its next meeting. No information from the closed session can be revealed without consent of the applicant, unless the applicant takes action to challenge the denial.<sup>51</sup>

## Public security

Legislative bodies may meet in closed session to discuss matters posing a threat to the security of public buildings, essential public services, including water, sewer, gas, or electric service, or to the public's right of access to public services or facilities over which the legislative body has jurisdiction. Closed session meetings for these purposes must be held with designated security or law enforcement officials including the Governor, Attorney General, district attorney, agency attorney, sheriff or chief of police, or their deputies or agency security consultant or security operations manager.<sup>52</sup> Action taken in closed session with respect to such public security issues is not reportable action.



## Multijurisdictional law enforcement agency

A joint powers agency formed to provide law enforcement services (involving drugs; gangs; sex crimes; firearms trafficking; felony possession of a firearm; high technology, computer, or identity theft; human trafficking; or vehicle theft) to multiple jurisdictions may hold closed sessions to discuss case records of an on-going criminal investigation, to hear testimony from persons involved in the investigation, and to discuss courses of action in particular cases.<sup>53</sup>

The exception applies to the legislative body of the joint powers agency and to any body advisory to it. The purpose is to prevent impairment of investigations, to protect witnesses and informants, and to permit discussion of effective courses of action.<sup>54</sup>

## Hospital peer review and trade secrets

Two specific kinds of closed sessions are allowed for district hospitals and municipal hospitals, under other provisions of law.<sup>55</sup>

1. A meeting to hear reports of hospital medical audit or quality assurance committees, or for related deliberations. However, an applicant or medical staff member whose staff privileges are the direct subject of a hearing may request a public hearing.
2. A meeting to discuss "reports involving trade secrets" — provided no action is taken.

A "trade secret" is defined as information which is not generally known to the public or competitors and which: 1) "derives independent economic value, actual or potential" by virtue of its restricted knowledge; 2) is necessary to initiate a new hospital service or program or facility; and 3) would, if prematurely disclosed, create a substantial probability of depriving the hospital of a substantial economic benefit.

The provision prohibits use of closed sessions to discuss transitions in ownership or management, or the district's dissolution.<sup>56</sup>



**PRACTICE TIP:** Meetings are either open or closed. There is nothing “in between.”<sup>62</sup>

### Other legislative bases for closed session

Since any closed session meeting of a legislative body must be authorized by the Legislature, it is important to carefully review the Brown Act to determine if there is a provision that authorizes a closed session for a particular subject matter. There are some less frequently encountered topics that are authorized to be discussed by a legislative body in closed session under the Brown Act, including: a response to a confidential final draft audit report from the Bureau of State Audits,<sup>57</sup> consideration of the purchase or sale of particular pension fund investments by a legislative body of a local agency that invests pension funds,<sup>58</sup> hearing a charge or complaint from a member enrolled in a health plan by a legislative body of a local agency that provides Medi-Cal services,<sup>59</sup> discussions by a county board of supervisors that governs a health plan licensed pursuant to the Knox-Keene Health Care Services Plan Act related to trade secrets or contract negotiations

concerning rates of payment,<sup>60</sup> and discussions by an insurance pooling joint powers agency related to a claim filed against, or liability of, the agency or a member of the agency.<sup>61</sup>

### Who may attend closed sessions

Meetings of a legislative body are either fully open or fully closed; there is nothing in between. Therefore, local agency officials and employees must pay particular attention to the authorized attendees for the particular type of closed session. As summarized above, the authorized attendees may differ based on the topic of the closed session. Closed sessions may involve only the members of the legislative body and only agency counsel, management and support staff, and consultants necessary for consideration of the matter that is the subject of closed session, with very limited exceptions for adversaries or witnesses with official roles in particular types of hearings (e.g., personnel disciplinary hearings and license hearings). In any case, individuals who do not have an official role in the closed session subject matters must be excluded from closed sessions.<sup>63</sup>

**Q.** May the lawyer for someone suing the agency attend a closed session in order to explain to the legislative body why it should accept a settlement offer?

**A.** *No, attendance in closed sessions is reserved exclusively for the agency’s advisors.*

### The confidentiality of closed session discussions

The Brown Act explicitly prohibits the unauthorized disclosure of confidential information acquired in a closed session by any person present, and offers various remedies to address breaches of confidentiality.<sup>64</sup> It is incumbent upon all those attending lawful closed sessions to protect the confidentiality of those discussions. One court has held that members of a legislative body cannot be compelled to divulge the content of closed session discussions through the discovery process.<sup>65</sup> Only the legislative body acting as a body may agree to divulge confidential closed session information; regarding attorney/client privileged communications, the entire body is the holder of the privilege and only the entire body can decide to waive the privilege.<sup>66</sup>

Before adoption of the Brown Act provision specifically prohibiting disclosure of closed session communications, agency attorneys and the Attorney General long opined that officials have a fiduciary duty to protect the confidentiality of closed session discussions. The Attorney General issued an opinion that it is “improper” for officials to disclose information received during a closed session regarding pending litigation,<sup>67</sup> though the Attorney General has also concluded that a local agency is preempted from adopting an ordinance criminalizing public disclosure of closed session discussions.<sup>68</sup> In any event, in 2002, the Brown Act was amended to prescribe particular remedies for breaches of confidentiality. These remedies include injunctive relief; and, if the breach is a willful disclosure of confidential information, the remedies include disciplinary action against an employee, and referral of a member of the legislative body to the grand jury.<sup>69</sup>

The duty of maintaining confidentiality, of course, must give way to the responsibility to disclose improper matters or discussions that may come up in closed sessions. In recognition of this public policy, under the Brown Act, a local agency may not penalize a disclosure of information learned during a closed session if the disclosure: 1) is made in confidence to the district attorney or the grand jury due to a perceived violation of law; 2) is an expression of opinion concerning the propriety or legality of actions taken in closed session, including disclosure of the nature and extent of the illegal action; or 3) is information that is not confidential.<sup>70</sup>

The interplay between these possible sanctions and an official’s first amendment rights is complex and beyond the scope of this guide. Suffice it to say that this is a matter of great sensitivity and controversy.

**“I want the press to know that I voted in closed session against filing the eminent domain action,” said Council Member Chang.**

**“Don’t settle too soon,” reveals Council Member Watson to the property owner, over coffee. “The city’s offer coming your way is not our bottom line.”**

*The first comment to the press may be appropriate if it is a part of an action taken by the City Council in closed session that must be reported publicly.<sup>71</sup> The second comment to the property owner is not — disclosure of confidential information acquired in closed session is expressly prohibited and harmful to the agency.*

---

**PRACTICE TIP:** There is a strong interest in protecting the confidentiality of proper and lawful closed sessions.

---

## ENDNOTES:

- 1 California Government Code section 54962
- 2 California Constitution, Art. 1, section 3
- 3 61 Ops.Cal.Atty.Gen. 220 (1978); but see California Government Code section 54957.8 (multijurisdictional law enforcement agencies are authorized to meet in closed session to discuss the case records of ongoing criminal investigations, and other related matters).
- 4 California Government Code section 54957.1
- 5 California Government Code section 54954.5
- 6 California Government Code section 54954.2
- 7 California Government Code section 54954.5
- 8 California Government Code sections 54956.9 and 54957.7
- 9 California Government Code section 54957.1(a)
- 10 California Government Code section 54957.1(b)
- 11 California Government Code section 54957.2
- 12 *Hamilton v. Town of Los Gatos* (1989) 213 Cal.App.3d 1050; 2 Cal.Code Regs. section 18707
- 13 *Roberts v. City of Palmdale* (1993) 5 Cal.4th 363
- 14 California Government Code section 54956.9; *Shapiro v. Board of Directors of Center City Development Corp.* (2005) 134 Cal.App.4th 170 (agency must be a party to the litigation).
- 15 82 Ops.Cal.Atty.Gen. 29 (1999)
- 16 *Page v. Miracosta Community College District* (2009) 180 Cal.App.4th 471
- 17 “*The Brown Act*,” California Attorney General (2003), p. 40
- 18 California Government Code section 54956.9(g)
- 19 *Trancas Property Owners Association v. City of Malibu* (2006) 138 Cal.App.4th 172
- 20 Government Code section 54956.9(e)
- 21 California Government Code section 54957.1
- 22 California Government Code section 54956.8
- 23 *Shapiro v. San Diego City Council* (2002) 96 Cal.App.4th 904; see also 93 Ops.Cal.Atty.Gen. 51 (2010) (redevelopment agency may not convene a closed session to discuss rehabilitation loan for a property already subleased to a loan recipient, even if the loan incorporates some of the sublease terms and includes an operating covenant governing the property); 94 Ops.Cal.Atty.Gen. 82 (2011) (real estate closed session may address form, manner and timing of consideration and other items that cannot be disclosed without revealing price and terms).
- 24 73 Ops.Cal.Atty.Gen. 1 (1990)
- 25 California Government Code sections 54956.8 and 54954.5(b)
- 26 California Government Code section 54957.1(a)(1)
- 27 California Government Code section 54957(b)
- 28 63 Ops.Cal.Atty.Gen. 153 (1980); but see *Duvall v. Board of Trustees* (2000) 93 Cal.App.4th 902 (board may discuss personnel evaluation criteria, process and other preliminary matters in closed session but only if related to the evaluation of a particular employee).
- 29 *Gillespie v. San Francisco Public Library Commission* (1998) 67 Cal.App.4th 1165; 85 Ops.Cal.Atty.Gen. 77 (2002)
- 30 *Gillespie v. San Francisco Public Library Commission* (1998) 67 Cal.App.4th 1165; 80 Ops.Cal.Atty. Gen. 308 (1997). Interviews of candidates to fill a vacant staff position conducted by a temporary committee appointed by the governing body may be done in closed session.

- 31 California Government Code section 54957(b)(3)
- 32 88 Ops.Cal.Atty.Gen. 16 (2005)
- 33 *Morrison v. Housing Authority of the City of Los Angeles* (2003) 107 Cal.App.4th 860
- 34 California Government Code section 54957(b); but see *Bollinger v. San Diego Civil Service Commission* (1999) 71 Cal.App.4th 568 (notice not required for closed session deliberations regarding complaints or charges, when there was a public evidentiary hearing prior to closed session).
- 35 78 Ops.Cal.Atty.Gen. 218 (1995); *Bell v. Vista Unified School District* (2000) 82 Cal.App.4th 672; *Furtado v. Sierra Community College* (1998) 68 Cal.App.4th 876; *Fischer v. Los Angeles Unified School District* (1999) 70 Cal.App.4th 87
- 36 *Moreno v. City of King* (2005) 127 Cal.App.4th 17
- 37 California Government Code section 54957
- 38 *Gillespie v. San Francisco Public Library Commission* (1998) 67 Cal.App.4th 1165
- 39 California Government Code section 54957.1(a)(5)
- 40 California Government Code section 54957.6
- 41 California Government Code section 54957.6(b); see also 98 Ops.Cal.Atty.Gen. 41 (2015) (a project labor agreement between a community college district and workers hired by contractors or subcontractors is not a proper subject of closed session for labor negotiations because the workers are not “employees” of the district).
- 42 California Government Code section 54957.6; and 51 Ops.Cal.Atty.Gen. 201 (1968)
- 43 California Government Code section 54957.1(a)(6)
- 44 California Government Code section 3549.1
- 45 California Government Code section 3540
- 46 California Government Code section 3547
- 47 California Education Code section 48918; but see *Rim of the World Unified School District v. Superior Court* (2003) 104 Cal.App.4th 1393 (Section 48918 preempted by the Federal Family Educational Right and Privacy Act in regard to expulsion proceedings).
- 48 California Education Code section 72122
- 49 California Education Code section 60617
- 50 California Government Code section 54956.96
- 51 California Government Code section 54956.7
- 52 California Government Code section 54957
- 53 *McKee v. Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force* (2005) 134 Cal. App.4th 354
- 54 California Government Code section 54957.8
- 55 California Government Code section 54962
- 56 California Health and Safety Code section 32106
- 57 California Government Code section 54956.75
- 58 California Government Code section 54956.81
- 59 California Government Code section 54956.86
- 60 California Government Code section 54956.87
- 61 California Government Code section 54956.95
- 62 46 Ops.Cal.Atty.Gen. 34 (1965)
- 63 82 Ops.Cal.Atty.Gen. 29 (1999)

- 64 Government Code section 54963
- 65 *Kleitman v. Superior Court* (1999) 74 Cal.App.4th 324, 327; see also California Government Code section 54963.
- 66 *Roberts v. City of Palmdale* (1993) 5 Cal.4th 363
- 67 80 Ops.Cal.Atty.Gen. 231 (1997)
- 68 76 Ops.Cal.Atty.Gen. 289 (1993)
- 69 California Government Code section 54963
- 70 California Government Code section 54963
- 71 California Government Code section 54957.1

Updates to this publication responding to changes in the Brown Act or new court interpretations are available at [www.cacities.org/opengovernment](http://www.cacities.org/opengovernment). A current version of the Brown Act may be found at [www.leginfo.ca.gov](http://www.leginfo.ca.gov).



# Chapter 6

## REMEDIES

Invalidation.....	56
Applicability to Past Actions .....	57
Civil action to prevent future violations .....	57
Costs and attorney’s fees .....	58
Criminal complaints.....	58
Voluntary resolution.....	59

# Chapter 6

## REMEDIES



Certain violations of the Brown Act are designated as misdemeanors, although by far the most commonly used enforcement provisions are those that authorize civil actions to invalidate specified actions taken in violation of the Brown Act and to stop or prevent future violations. Still, despite all the safeguards and remedies to enforce them, it is ultimately impossible for the public to monitor every aspect of public officials' interactions. Compliance ultimately results from regular training and a good measure of self-regulation on the part of public officials. This chapter discusses the remedies available to the public when that self-regulation is ineffective.

### Invalidation

Any interested person, including the district attorney, may seek to invalidate certain actions of a legislative body on the ground that they violate the Brown Act.<sup>1</sup> Violations of the Brown Act, however, cannot be invalidated if they involve the following types of actions:

- Those taken in substantial compliance with the law. No Brown Act violation is found when the given notice substantially complies with the Brown Act, even when the notice erroneously cites to the wrong Brown Act section, but adequately advises the public that the Board will meet with legal counsel to discuss potential litigation in closed session;<sup>2</sup>
- Those involving the sale or issuance of notes, bonds or other indebtedness, or any related contracts or agreements;
- Those creating a contractual obligation, including a contract awarded by competitive bid for other than compensation for professional services, upon which a party has in good faith relied to its detriment;
- Those connected with the collection of any tax; or
- Those in which the complaining party had actual notice at least 72 hours prior to the regular meeting or 24 hours prior to the special meeting, as the case may be, at which the action is taken.

Before filing a court action seeking invalidation, a person who believes that a violation has occurred must send a written "cure or correct" demand to the legislative body. This demand must clearly describe the challenged action and the nature of the claimed violation. This demand must be sent within 90 days of the alleged violation or 30 days if the action was taken in open session but in violation of Section 54954.2, which requires (subject to specific exceptions) that only properly agendaized items are acted on by the governing body during a meeting.<sup>3</sup> The legislative body then has up to 30 days to cure and correct its action. If it does not act, any lawsuit must be filed within the next 15 days. The purpose of this requirement is to offer the body an opportunity to consider whether a violation has occurred and to weigh its options before litigation is filed.

Although just about anyone has standing to bring an action for invalidation,<sup>4</sup> the challenger must show prejudice as a result of the alleged violation.<sup>5</sup> An action to invalidate fails to state a cause of action against the agency if the body deliberated but did not take an action.<sup>6</sup>

### Applicability to Past Actions

Any interested person, including the district attorney, may file a civil action to determine whether past actions of a legislative body occurring on or after January 1, 2013 constitute violations of the Brown Act and are subject to a mandamus, injunction, or declaratory relief action.<sup>7</sup> Before filing an action, the interested person must, within nine months of the alleged violation of the Brown Act, submit a “cease and desist” letter to the legislative body, clearly describing the past action and the nature of the alleged violation.<sup>8</sup> The legislative body has 30 days after receipt of the letter to provide an unconditional commitment to cease and desist from the past action.<sup>9</sup> If the body fails to take any action within the 30-day period or takes an action other than an unconditional commitment, a lawsuit may be filed within 60 days.<sup>10</sup>

The legislative body’s unconditional commitment must be approved at a regular or special meeting as a separate item of business and not on the consent calendar.<sup>11</sup> The unconditional commitment must be substantially in the form set forth in the Brown Act.<sup>12</sup> No legal action may thereafter be commenced regarding the past action.<sup>13</sup> However, an action of the legislative body in violation of its unconditional commitment constitutes an independent violation of the Brown Act and a legal action consequently may be commenced without following the procedural requirements for challenging past actions.<sup>14</sup>

The legislative body may rescind its prior unconditional commitment by a majority vote of its membership at a regular meeting as a separate item of business not on the consent calendar. At least 30 days written notice of the intended rescission must be given to each person to whom the unconditional commitment was made and to the district attorney. Upon rescission, any interested person may commence a legal action regarding the past actions without following the procedural requirements for challenging past actions.<sup>15</sup>

### Civil action to prevent future violations

The district attorney or any interested person can file a civil action asking the court to:

- Stop or prevent violations or threatened violations of the Brown Act by members of the legislative body of a local agency;
- Determine the applicability of the Brown Act to actions or threatened future action of the legislative body;
- Determine whether any rule or action by the legislative body to penalize or otherwise discourage the expression of one or more of its members is valid under state or federal law; or
- Compel the legislative body to tape record its closed sessions.

---

**PRACTICE TIP:** A lawsuit to invalidate must be preceded by a demand to cure and correct the challenged action in order to give the legislative body an opportunity to consider its options. The Brown Act does not specify how to cure or correct a violation; the best method is to rescind the action being complained of and start over, or reaffirm the action if the local agency relied on the action and rescinding the action would prejudice the local agency.

---



It is not necessary for a challenger to prove a past pattern or practice of violations by the local agency in order to obtain injunctive relief. A court may presume when issuing an injunction that a single violation will continue in the future where the public agency refuses to admit to the alleged violation or to renounce or curtail the practice.<sup>16</sup> Note, however, that a court may not compel elected officials to disclose their recollections of what transpired in a closed session.<sup>17</sup>

Upon finding a violation of the Brown Act pertaining to closed sessions, a court may compel the legislative body to tape record its future closed sessions. In a subsequent lawsuit to enforce the Brown Act alleging a violation occurring in closed session, a court may upon motion of the plaintiff review the tapes if there is good cause to think the Brown Act has been violated, and make public the relevant portion of the closed session recording.

### Costs and attorney's fees

Someone who successfully invalidates an action taken in violation of the Brown Act or who successfully enforces one of the Brown Act's civil remedies may seek court costs and reasonable attorney's fees. Courts have held that attorney's fees must be awarded to a successful plaintiff unless special circumstances exist that would make a fee award against the public agency unjust.<sup>18</sup> When evaluating how to respond to assertions that the Brown Act has been violated, elected officials and their lawyers should assume that attorney's fees will be awarded against the agency if a violation of the Act is proven.

An attorney's fee award may only be directed against the local agency and not the individual members of the legislative body. If the local agency prevails, it may be awarded court costs and attorney's fees if the court finds the lawsuit was clearly frivolous and lacking in merit.<sup>19</sup>

### Criminal complaints

A violation of the Brown Act by a member of the legislative body who acts with the improper intent described below is punishable as a misdemeanor.<sup>20</sup>

A criminal violation has two components. The first is that there must be an overt act — a member of a legislative body must attend a meeting at which action is taken in violation of the Brown Act.<sup>21</sup>

"Action taken" is not only an actual vote, but also a collective decision, commitment or promise by a majority of the legislative body to make a positive or negative decision.<sup>22</sup> If the meeting involves mere deliberation without the taking of action, there can be no misdemeanor penalty.

A violation occurs for a tentative as well as final decision.<sup>23</sup> In fact, criminal liability is triggered by a member's participation in a meeting in violation of the Brown Act — not whether that member has voted with the majority or minority, or has voted at all.

The second component of a criminal violation is that action is taken with the intent of a member "to deprive the public of information to which the member knows or has reason to know the public is entitled" by the Brown Act.<sup>24</sup>

**PRACTICE TIP:** Attorney's fees will likely be awarded if a violation of the Brown Act is proven.

As with other misdemeanors, the filing of a complaint is up to the district attorney. Although criminal prosecutions of the Brown Act are uncommon, district attorneys in some counties aggressively monitor public agencies' adherence to the requirements of the law.

Some attorneys and district attorneys take the position that a Brown Act violation may be pursued criminally under Government Code section 1222.<sup>25</sup> There is no case law to support this view; if anything, the existence of an express criminal remedy within the Brown Act would suggest otherwise.<sup>26</sup>

## Voluntary resolution

Arguments over Brown Act issues often become emotional on all sides. Newspapers trumpet relatively minor violations, unhappy residents fume over an action, and legislative bodies clam up about information better discussed in public. Hard lines are drawn and rational discussion breaks down. The district attorney or even the grand jury occasionally becomes involved. Publicity surrounding alleged violations of the Brown Act can result in a loss of confidence by constituents in the legislative body. There are times when it may be preferable to consider re-noticing and rehearing, rather than litigating, an item of significant public interest, particularly when there is any doubt about whether the open meeting requirements were satisfied.

At bottom, agencies that regularly train their officials and pay close attention to the requirements of the Brown Act will have little reason to worry about enforcement.

## ENDNOTES:

- 1 California Government Code section 54960.1. Invalidation is limited to actions that violate the following sections of the Brown Act: section 54953 (the basic open meeting provision); sections 54954.2 and 54954.5 (notice and agenda requirements for regular meetings and closed sessions); 54954.6 (tax hearings); 54956 (special meetings); and 54956.5 (emergency situations). Violations of sections not listed above cannot give rise to invalidation actions, but are subject to the other remedies listed in section 54960.1.
- 2 *Castaic Lake Water Agency v. Newhall County Water District* (2015) 238 Cal.App.4th 1196, 1198
- 3 California Government Code section 54960.1 (b) and (c)(1)
- 4 *McKee v. Orange Unified School District* (2003) 110 Cal. App.4th 1310, 1318-1319
- 5 *Cohan v. City of Thousand Oaks* (1994) 30 Cal.App.4th 547, 556, 561
- 6 *Boyle v. City of Redondo Beach* (1999) 70 Cal.App.4th 1109, 1116-17, 1118
- 7 Government Code Section 54960.2(a); Senate Bill No. 1003, Section 4 (2011-2012 Session)
- 8 Government Code Sections 54960.2(a)(1), (2)
- 9 Government Code Section 54960.2(b)



- 10 Government Code Section 54960.2(a)(4)
- 11 Government Code Section 54960.2(c)(2)
- 12 Government Code Section 54960.2(c)(1)
- 13 Government Code Section 54960.2(c)(3)
- 14 Government Code Section 54960.2(d)
- 15 Government Code Section 54960.2(e)
- 16 *California Alliance for Utility Safety and Education (CAUSE) v. City of San Diego* (1997) 56 Cal.App.4th 1024; *Common Cause v. Stirling* (1983) 147 Cal.App.3d 518, 524; *Accord Shapiro v. San Diego City Council* (2002) 96 Cal. App. 4th 904, 916 & fn.6
- 17 *Kleitman v. Superior Court* (1999) 74 Cal.App.4th 324, 334-36
- 18 *Los Angeles Times Communications, LLC v. Los Angeles County Board of Supervisors* (2003) 112 Cal. App.4th 1313, 1327-29 and cases cited therein
- 19 California Government Code section 54960.5
- 20 California Government Code section 54959. A misdemeanor is punishable by a fine of up to \$1,000 or up to six months in county jail, or both. California Penal Code section 19. Employees of the agency who participate in violations of the Brown Act cannot be punished criminally under section 54959. However, at least one district attorney instituted criminal action against employees based on the theory that they criminally conspired with the members of the legislative body to commit a crime under section 54949.
- 21 California Government Code section 54959
- 22 California Government Code section 54952.6
- 23 61 Ops.Cal.Atty.Gen.283 (1978)
- 24 California Government Code section 54959
- 25 California Government Code section 1222 provides that “[e]very wilful omission to perform any duty enjoined by law upon any public officer, or person holding any public trust or employment, where no special provision is made for the punishment of such delinquency, is punishable as a misdemeanor.”
- 26 The principle of statutory construction known as *expressio unius est exclusio alterius* supports the view that section 54959 is the exclusive basis for criminal liability under the Brown Act.

Updates to this publication responding to changes in the Brown Act or new court interpretations are available at [www.cacities.org/opengovernment](http://www.cacities.org/opengovernment). A current version of the Brown Act may be found at [www.leginfo.ca.gov](http://www.leginfo.ca.gov).





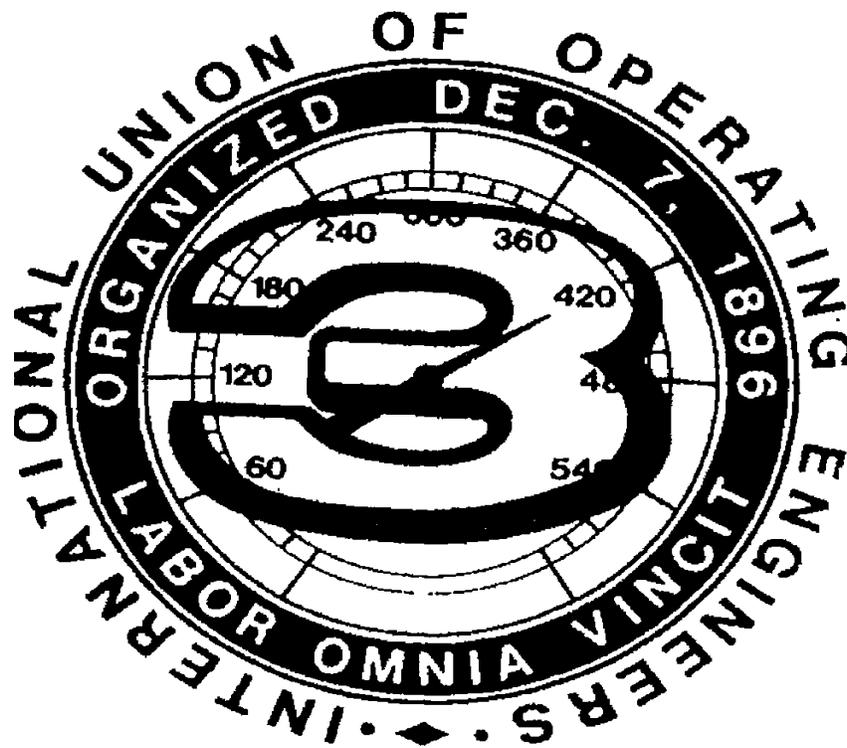
1400 K Street, Suite 400, Sacramento, CA 95814  
Phone: (916) 658-8200 | Fax: (916) 658-8240  
[www.cacities.org](http://www.cacities.org) | [www.cacities.org/events](http://www.cacities.org/events) | [www.westerncity.com](http://www.westerncity.com)



## *APPENDIX*

### ***Appendix I – City of Hughson Memorandum of Understanding***

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF  
HUGHSON AND OPERATING ENGINEERS LOCAL UNION No. 3  
ON BEHALF OF THE CITY OF HUGHSON EMPLOYEES  
ASSOCIATION**



**July 1, 2014 to June 30, 2018**

*City of Hughson Employees Association*

TABLE OF CONTENTS

SECTION 1. TERMS OF AGREEMENT..... 4

SECTION 2. PURPOSE..... 4

SECTION 3. RECOGNITION ..... 4

SECTION 4. UNION SECURITY ..... 5

SECTION 5. USE OF CITY FACILITIES ..... 5

SECTION 6. ADVANCE NOTICE ..... 6

SECTION 7. ATTENDANCE AT MEETINGS BY EMPLOYEES ..... 6

SECTION 8. EMPLOYER-EMPLOYEE RELATIONS ..... 7

    8.A. Access to Personnel File ..... 7

    8.B. Contracting Out Work..... 7

SECTION 9. NO STRIKE..... 7

SECTION 10.MANAGEMENT RIGHTS ..... 7

SECTION 11.NONDISCRIMINATION..... 9

    A. Discrimination Prohibited..... 9

    B. Union Membership/Agency Shop..... 9

    C. Union Fair Representation ..... 9

SECTION 12. SALARY/COMPENSATION ..... 9

    A. Retirement..... 9

    B. Survivor's Benefit..... 10

    C. Overtime..... 10

    D. Longevity ..... 10

    E. Pay for employees in an "Acting Capacity" ..... 11

    F. Employee Benefits..... 11

SECTION 13. PAY RATES..... 12

SECTION 14. HOURS OF WORK..... 12

SECTION 15. JURY DUTY AND COURT APPEARANCES..... 12

SECTION 16. SICK LEAVE ..... 13

SECTION 17. VACATION LEAVE ..... 14

    A. Vacation Leave ..... 14

    B. Vacation Leave Accumulation..... 15

*City of Hughson Employees Association*

C. Cash Payment Option for Vacation ..... 15

SECTION 18. HOLIDAYS ..... 16

SECTION 19. BEREAVEMENT LEAVE ..... 16

SECTION 20. GRIEVANCES ..... 17

    A Purpose of Grievance Procedure ..... 17

    B. Time Limits ..... 17

    C. Presentation of Grievance..... 17

    D. Grievance Procedure First Step..... 17

    E. Grievance Procedure Second Step..... 17

    F. Grievance Procedure Third Step..... 18

    G. Consideration of Appeal..... 18

    H. Decision of Appeal..... 18

SECTION 21. "Y" RATE ..... 18

SECTION 22. UNIFORM ALLOWANCE..... 18

SECTION 23. SAFETY EQUIPMENT ..... 18

SECTION 24. STAND-BY LEAVE ..... 19

SECTION 25. CALL BACK..... 19

SECTION 26. ENTIRE UNDERSTANDING..... 19

SECTION 27. SAVINGS ..... 20

SECTION 28. FULL UNDERSTANDING, MODIFICATION AND WAIVER..... 20

SECTION 29. INCENTIVE PAY.....21

EXHIBIT A ..... 23

SIGNATURE PAGE ..... 24

*City of Hughson Employees Association*

**SECTION 1. TERMS OF AGREEMENT**

This Memorandum of Understanding shall be in full force and effect for a period commencing on July 1, 2014 to June 30, 2018 unless modified, changed, or otherwise altered by force of law or by mutual agreement between the parties of this agreement.

On or about March 1, 2016, the City and Bargaining Unit will discuss the financial position of the City's General Fund.

**SECTION 2. PURPOSE**

The purpose of this Memorandum of Understanding is to promote, and provide harmonious relations, peaceful resolution of disputes, and cooperation and understanding between the City and its employees covered herein, and to set forth the full and entire understanding reached as a result of meeting and conferring on hours, wages, and working conditions in accordance with state and federal law and city ordinances, rules and regulations.

**SECTION 3. RECOGNITION**

Operating Engineers Local 3, AFL-CIO, hereinafter referred to, as the "Union" is the recognized employee organization for the Professional and Technical Bargaining Unit, certified pursuant to Resolution 04-36, adopted by the City Council on April 26, 2004 and the Skilled Trades and Maintenance Unit, certified pursuant to Resolution 04-36 adopted by the City Council on April 26, 2004. As of July 1, 2012 both bargaining units were merged into one group known as "The City of Hughson Employees Association" and Operating Engineers Local 3, AFL-CIO is recognized as the exclusive sole bargaining representative for all classifications in "The City of I

This Memorandum of Understanding shall cover the following Job Classifications:

- Accounting Technician I/II
- Building Inspector
- Code Enforcement Officer
- Maintenance Worker I/II
- Mechanic/Maintenance Worker II
- Parks and Recreation Coordinator
- Parks Maintenance Worker
- Planning and Building Assistant
- Public Works Supervisor
- Redevelopment and Housing Program Analyst Senior
- Accounting Technician
- Senior Maintenance Worker
- Senior Parks Maintenance Worker
- Senior Water Distribution System Operator
- Senior Water Distribution/Treatment System
- Operator Wastewater Chief Plant Operator
- Wastewater Treatment Plant Operator I/II
- Wastewater Treatment Plant Operator-In-Training
- Water Distribution System Operator

*City of Hughson Employees Association*

SECTION 4. UNION SECURITY

A. Dues Deduction

General. The Union may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the City for such deductions. The Union has the exclusive privilege of dues deduction for its members.

Authorization, cancellation or modification of payroll deductions shall be made upon forms provided or approved by the City. The payroll deduction authorization shall remain in effect until canceled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

If an employee is promoted to a position, which is represented by another employee organization, or to an unrepresented unit, membership dues for the former unit will not be deducted from the employee's paycheck by the City.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Union as the person authorized to receive such funds, at the address specified.

The employee's earnings must be sufficient after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee deposit the amount with the City which would have been withheld if the employee had been in pay status during that pay period. In the case of an employee who is in a non-pay status during a part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made.

In this connection, all other required deductions have priority over the employee organization deduction.

Indemnity and Refund. The Union shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on account of check off of Union dues or premiums for benefits. In addition, the Union shall refund to the City any amounts paid to it in error upon presentation of supporting evidence.

SECTION 5. USE OF CITY FACILITIES

The Union shall be allowed by the City department in which it represents employees use of space on available bulletin boards for communications having to do with official Union business, such as times and places of meetings, provided such use does not interfere with the needs of the department. The Union may submit to the City Employee

## *City of Hughson Employees Association*

Relations officer written communications having to do with official Union business for distribution by the City to identified shop stewards. Distribution may be by e-mail.

Any representative of the Union shall give notice to the department head or designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Union business shall be conducted during the non-duty hours of all employees concerned. Pre-arrangement for routine contact may be made with individual department heads and when made shall continue until revoked by the department head.

City buildings and other facilities may be made available for use by City Employees of the Union or their representatives in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.

### SECTION 6. ADVANCE NOTICE

Except in cases of emergency, reasonable advance written notice shall be given to the Union if affected by any ordinance, resolution, rule or regulation directly relating to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to negotiate if requested with the designated management representatives prior to adoption.

In cases of emergency when the foregoing procedure is not practical or in the best public interest, the City may adopt or put into practice immediately such measures as are required. At the earliest practicable date thereafter the Union shall be provided with the notice described above and be given an opportunity if requested to negotiate changes to said notice with the management representatives designated by the City Manager.

### SECTION 7. ATTENDANCE AT MEETINGS BY EMPLOYEES

City employees who are official representatives or unit representatives of the Union shall be given reasonable time off with pay to attend meetings with City management representatives, or be present at City hearings where matters within the scope of representation or grievances are being considered. Such employee representatives shall submit a request for excused absence to their respective department heads, in a manner satisfactory prior to the scheduled meetings whenever possible.

Time spent for this purpose during the representatives scheduled hours of work shall count as hours worked.

Attendance at meetings during non-work hours will not be counted as hours worked except in extraordinary circumstances as determined by the City.

*City of Hughson Employees Association*

SECTION 8. EMPLOYER-EMPLOYEE RELATIONS

A. Access to Personnel File

Employees may inspect all their individual personnel files upon request, in writing, to the Personnel Officer, at reasonable intervals during regular-business hours of the City. Once a year, copies of personnel file contents can be requested. A copy of the file will be provided without cost to the employee.

B. Contracting Out Work

The City agrees to meet and confer with representatives of the bargaining unit prior to contracting out any work normally performed by bargaining unit employees, if such contracting out would displace a regular employee of the bargaining unit. The City further agrees that work performed by employees of the bargaining unit will not be performed by non-bargaining unit employees, if such work would displace a regular employee of the bargaining unit.

SECTION 9. NO STRIKE

A. The employees covered by this Understanding recognize and agree that the rendering of services to the community cannot under any circumstances or conditions be withheld, interrupted, or discontinued, and that to do so could endanger the health, safety, and welfare of the inhabitants thereof. Therefore, during the term of this Understanding, neither the bargaining unit nor its agents or any employee, for any reason, will authorize, institute, aid, condone, or engage in a slowdown, work stoppage, strike, or any other interference with the work stoppage, strike, or any other obligations of the City, nor will it honor picket lines or sympathy strikes of other employers.

B. The bargaining unit agrees to notify all employees of their obligation and responsibility for maintaining compliance with this section, including their responsibility to remain at work during any interruption which may be caused or initiated by others, and to encourage employees violating this section to return to work.

C. The City may impose discipline, including discharge or suspension without pay, on any, some, or all of the employees participating therein, as the City may choose.

D. Nothing contained herein shall preclude the City from obtaining judicial restraint and damages in the event of a violation of this section.

SECTION 10. MANAGEMENT RIGHTS

A. It is understood and agreed that the City possess the sole right and authority to operate and direct the employees of the City and its various departments in all aspects including, but not limited to:

*City of Hughson Employees Association*

1. The right to determine its mission and policies, and to set forth all standards of service offered to the public.
  2. To plan, direct, control, and determine the operations or services to be conducted by employee of the City.
  3. To direct the working forces.
  4. To determine the number of personnel needed to carry out the departmental mission.
  5. To hire, assign, schedule, and transfer employees within the department or other related functions.
  6. To promote, demote, suspend, discipline, or discharge for just cause or release from probation.
  7. To establish work and productivity standards subject to meeting and conferring as required by law.
  8. To assign overtime.
  9. To lay off or relieve employees due to lack of work or funds, or for other legitimate reasons.
  10. To make, publish, and enforce rules and regulations subject to meeting and conferring as required by law.
  11. To introduce new or improved methods, equipment, or facilities.
  12. To determine whether goods and services shall be made or purchased.
  13. To take any and all actions as may be necessary to carry out the mission of the City in situations of civil emergency as may be declared by the Mayor, the City Council, the City Manager, or the Police Chief, provided that no right enumerated herein shall be exercised or enforced in a manner contrary to or inconsistent with the provisions of the Understanding.
- B. The preceding list is not intended to be exhaustive and this Understanding reserves the City all rights or powers not expressly limited by the terms of this Understanding. The Mayor, City Council, and City Manager have sole authority to determine the purpose and mission of the City and the amount of budget to be adopted thereto.
- C. Nothing contained in this Understanding shall be construed as a guarantee of permanent employment, and continuance of employment shall be subject to good behavior,

*City of Hughson Employees Association*

satisfactory work performance, necessity for the performance of work, and the availability of funds.

SECTION 11. NONDISCRIMINATION

A. Discrimination Prohibited

Neither the City nor the bargaining unit shall discriminate against any employee covered by this Understanding in a manner which would violate any applicable laws because of race, religion, sex, creed, color, national origin, ancestry, medical condition, marital status, or age, or participation in the activities of any lawful organization.

B. Union Membership/Agency Shop

Neither the City nor the Union shall interfere with the right of employees covered by this Understanding to become or not to become members of a Union, and there shall be no discrimination against any such employees because of lawful Union membership or non-membership activity or status.

Accordingly, membership in the Union shall not be compulsory. A bargaining unit member has the right to choose, either; to become a member of the Union; or, to pay to the Union a fee for representation services; or, to refrain from either of the above courses of action upon the grounds of a bona fide religious objection as defined by Section 3502.5 of the Government Code to the payment of any fee in support of a Union or "employee organization" as defined in Section 3540.1(d) of the Government Code.

Such exempt bargaining unit member shall, as an alternative to payment of a representation fee to the Union, pay an amount equivalent to such representation fee to a charity to be mutually agreed to by the bargaining unit member and the Union.

C. Union Fair Representation

The bargaining unit agrees to and acknowledges its responsibility to fairly represent all employees in the bargaining unit without regard to race, religion, color, creed, age, national origin, political affiliation or beliefs, sex, handicap, job classification, or employment status.

SECTION 12. SALARY/COMPENSATION

A. Retirement

Retirement for employees covered hereunder shall be 2.7% at 55 for current members and 2.0% at 62 for new members under the California Public Employee Retirement System.

## *City of Hughson Employees Association*

Current members as defined by the California Public Employees' Pension Reform Act of 2013 to pay 2% increase per year of PERS employee share contribution. New members would fall under the California Public Employees' Pension Reform Act of 2013 and pay the full amount of the employee share contribution.

Annual PERS employee share contribution (Current members):

Fiscal Year 2014-2015:	2% increase from prior year.
Fiscal Year 2015-2016:	2% increase from prior year.
Fiscal Year 2016-2017:	2% increase from prior year.
Fiscal Year 2017-2018:	2% increase from prior year.

### B. Survivor's Benefit

The City shall provide PERS survivor benefits pursuant to California Government Code §21574, to the extent allowed by law. City and employee will each pay their own share.

### C. Overtime

Time worked in excess of regularly scheduled work shift shall be compensated at one-and-one-half (1 ½) times the regular rate of pay, or compensatory time off at the rate of one-and-one-half (1 ½) hours credit per hour worked, except that, with the prior concurrence of the employee, time worked in excess of a regularly-scheduled work shift within a workweek (defined as the period from midnight on Sunday to midnight on the following Sunday) may be offset by reducing a shift within the same workweek by the same number of hours worked in excess of the regularly-scheduled work shift, and no overtime shall be incurred unless the total time worked in that workweek is in excess of the total of the regularly-scheduled work shifts for that workweek. Overtime is paid in 15-minute increments. It is the policy of the City to discourage employees from working in excess of their regular schedule. Overtime will be required of any employee only when necessary for the protection of persons or property, or in other circumstances when the public interest requires overtime as established by the supervisor. Overtime may be authorized only by designated supervisory personnel.

Overtime shall be paid for in accordance with the Federal Fair Labor Standards Act. Compensatory time off will be granted to an employee under specific circumstances with prior approval from the Department head or supervisor, in lieu of overtime pay, but in no event more than eighty (80) hours. Compensatory time can be accumulated, and if so, the hours above eighty (80) will be paid at the rate specified by law. Such overtime shall be compensated for on the basis of one and one-half hours off for each hour of overtime worked. Cash out of accumulated balance will be required upon employee promotion out of existing classification.

### D. Longevity

A regular employee who has ten (10) years of service with the City of Hughson shall be eligible for a longevity pay bonus of five percent (5%) above the E Step of the range they

## *City of Hughson Employees Association*

occupy provided the performance of the employee is job standard. Longevity pay shall not be considered automatic, but will be based upon merit and consistent job standard performance. To receive said pay bonus, the employee shall be evaluated annually by his supervisor, recommended on an annual basis by his or her Department Head and approved by the City Manager in an effort to maintain the longevity pay status.

### E. Pay for Employees in an "Acting" Capacity

Any employee who is formally assigned to and performs the duties of a higher level position on an "acting" basis for longer than thirty (30) continuous work days shall, commencing with the sixth (6) work day of such assignment, receive the first salary step of the assigned position to continue for so long as he/she performs the duties of the higher classification.

Any employee who is assigned to and performs the duties of a higher level position on an "acting" basis in an emergency situation such as an accident, injury, or sickness for longer than thirty (30) continuous work days shall receive compensation from the sixth (6) work day in the first salary step of the assigned position for so long as he or she performs the duties of the higher classification. Such pay shall be retroactive to the sixth (6) day. Such assignment shall be approved by the City Manager.

Any employee serving in an acting capacity that is already receiving that or more, he or she shall be paid one step above his or her current salary. There shall be no additional compensation for an employee in an acting capacity occurring because of annual vacation.

### F. Employee Benefits

The City provides certain benefits for its employees, depending on employee categories. The City reserves the right to eliminate or modify any of the benefits at any time, subject to such requirements for meet-and-confer as may be established by law.

(1) Workers' Compensation. All employees are covered by Workers' Compensation, as required by law. Any on-the-job injuries or illness must be immediately reported to the employee's supervisor and to the employee performing the Risk Management function.

(2) Group Medical-Dental-Life-Vision Insurance Benefits. Regular employees and their dependents may participate in the City's group medical, dental, life, and vision insurance programs. All regular employees shall be included automatically in the programs, unless the employee waives coverage. The City pays the cost for employee group insurance coverage as established by City Council resolution.

For employees hired prior to July 1, 2014, the City will establish a maximum payment level for Group Medical-Dental-Vision costs based on the San Joaquin Valley Insurance Authority (SJVIA) Anthem Blue Cross PPO rate (effective July 2014). At initial enrollment, the employee will have the one-time option to change current status (single employee, employee and spouse, employee and child or family). For employees hired

*City of Hughson Employees Association*

after July 1, 2014, the City will pay the cost of Group Medical-Dental-Vision for employee and dependents to a maximum of \$920 per month. The City and employee will share equally in the cost of any excess above these maximum thresholds.

Maximum payment level based on SJVIA Anthem Blue Cross PPO rate (July 2014)

Single Employee	\$7,836 (includes \$3,000 HSA Contribution)
Employee and	\$15,600 (includes \$6,000 HSA Contribution)
Spouse: Employee	\$15,144 (includes \$6,000 HSA Contribution)
and Child: Family:	\$21,348 (Include \$6,000 HSA Contribution)

Pursuant to the Consolidated omnibus Budget Reconciliation Act of 1985 (COBRA), employees and their dependents are entitled to a continuation option of group health plan benefits coverage at group rates plus costs to the City on the occurrence of certain qualifying events such as termination and retirement. These terms are applicable to those organizations consisting of twenty (20) or more employees.

**SECTION 13. PAY RATES**

Pay rates are set forth in Schedule A attached hereto.

**SECTION 14. HOURS OF WORK**

City Administration hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday. Works hours for Public Works are 7:30 a.m. to 12:00 p.m. and 12:30 p.m. to 4:00 p.m., Monday through Friday. Administration includes the Office of the City Manager, Finance Department, Planning Department, and the City Clerk's Department. Where deviations to this schedule are required, for the benefit of the City or the employees, the City agrees to meet and confer over the impacts and appropriateness of such a schedule change.

Employees are allowed an unpaid one-hour lunch break. Public Works employees take a half-hour lunch break. Employees are allowed two fifteen (15) minute break periods, one in the morning and one in the afternoon.

**SECTION 15. JURY DUTY AND COURT APPEARANCES**

This section shall not apply to any employee who is named party to an action unrelated to the City and its activities or is serving as a paid expert witness. In such cases, employees may request vacation or personal leave.

When an employee is required to serve on inquest or jury trial duty or is subpoenaed as a witness to appear before a court, administrative agency, public body or commission, the employee must promptly notify his or her supervisor. While on jury duty, a regular

## *City of Hughson Employees Association*

employee will receive full pay, but shall pay to the City all fees received from the court, administrative agency, public body or commission, excluding reimbursement for mileage.

### SECTION 16. SICK LEAVE

Sick leave with pay shall be granted to a regular employee who is unable to perform his or her regular duties because of a personal illness, off-duty injury, or because of confinement for medical treatment.

The department head or supervisor may require a physician's certificate explaining the reason for any employee's absence. At the discretion of the City Manager, an employee may be required to sign an affidavit stating he or she was ill.

Sick leave shall be accumulated at the rate of eight hours per month, to a maximum of not to exceed 125 working days (1000 hours). The use of accumulated sick leave of more than 960 hours must be verified by a physician. At the end of the payroll period in which the leave accumulation reaches or exceeds the stated maximum, the employee's sick leave will stop accruing, and no further sick leave will accrue until the balance is reduced below the stated limit. A thirty (30) day notice will be issued to those employees who are nearing the maximum number of accrued sick leave hours.

An employee having at least four (4) years of continuous employment with the City may, at the option of the employee, be paid up to 50% of his or her unused sick leave earned during the previous 12-month period or convert that or any portion of that amount to vacation time. The remaining percentage of unused sick leave shall be retained in the employee's accumulated total of unused sick leave.

Upon retirement, any employee having at least twenty (20) years of continued service with the City of Hughson, having unused accumulated sick leave shall be paid thereafter in an amount equivalent to 25% of his or her then current daily wage rate for each day of unused sick leave. The employee will have the option of converting the amount due to either paid medical/dental insurance premiums for coverage offered by the City to current employees, or receive a single lump sum cash payment. To be eligible for insurance premium payment, the employee must also be eligible for the insurance coverage as provided in the policy between the City and the carrier selected.

The employee shall report sick leave prior to the start of his or her work shift whenever possible and at least one-half hour after the start of the shift.

If an employee becomes ill while on vacation, his or her period of illness may be charged to sick leave upon presentation of a doctor's certificate stating the nature and extent of the illness. In the case of frequent use of sick leave, an employee may be requested to file a physician's statement for each illness. An employee may also be required to take an examination by a physician designated by the City and to authorize consultation with his or her own physician concerning his or her illness.

## *City of Hughson Employees Association*

Employees shall, whenever possible, make dental, medical and similar appointments on Saturday, or other non-work days. If this is not possible, sick leave shall be used for these purposes for a minimum period of (1) hour and should not exceed four (4) hours except in unusual circumstances.

With the approval of the City Manager, any eligible employee may be granted up to five (5) days leave with pay in the event of a catastrophic illness on the part of a family member living in the employee's house. Use of leave with pay for this purpose is intended to apply in serious and unforeseen conditions where the presence of the employee in the home is required. For the purpose of this section, immediate family shall be defined as mother, father, sister, brother, spouse, child, grandchild, grandparent, mother-in-law, father-in-law of the employee.

For employee injury or disability falling within the provisions of the State Workman's Compensation Disability Act, disability compensation at the rate allowed under said Act shall be the basic remuneration during the employee's regular pay and his disability compensation allowance shall be granted for, but not to exceed, one (1) year, for any period of incapacity. In the case of the miscellaneous employee, the first seven (7) days of his absence shall be deemed to be sick leave and shall be paid by the City. Thereafter, the only compensation payable to the miscellaneous employee shall be such as shall be payable by the insurance carrier under the Workman's Compensation Act. However, sick leave may be used by the employee, in which case the compensation shall be paid over to the City. During the time the City is required to pay and actually pays a public safety employee on disability leave or a miscellaneous employee for sick leave while disabled, the City shall be entitled to receive all payments which otherwise would be payable to such employees for temporary disability or retirement.

### SECTION 17. VACATION LEAVE

#### A. Vacation Leave

The City provides benefits to eligible employees to enable them to take paid time off for rest and recreation. The City believes this time is valuable for employees in order to enhance their productivity and to make their work experience with the City personally satisfying. The city also provides long-service employees with additional vacation benefits as years of service are accumulated.

Vacation leave is a right; however, the use of same shall be approved by the Department Head, taking into account the desires and seniority of employees and more particularly, the workload requirements of the department. Employees shall take vacation leave regularly each year and shall be encouraged to take vacation at least a full week at a time. Vacation may be scheduled at the request of the employee by the Department Head, but must consider all needs of the City.

## *City of Hughson Employees Association*

All regular employees are eligible to accrue and take vacation benefits based on their continuous length of service, measured from the date of hire. "Continuous length of service" is defined as service that is uninterrupted by termination of employment.

The City shall respond to all annual leave requests within five (5) working days after the employee has submitted his or her request to the department head/supervisor.

Regular employees, except as provided in any applicable memorandum of understanding, shall earn annual leave at the following rates (subject to Section 17.B of this MOU):

- 1) Less than five years' service = 8 hours per month (12 days per year).
- 2) After five years' service = 11.32 hours per month (17 days per year).
- 3) After ten years' service = 14 hours per month (21 days per year).
- 4) After fifteen years' service = 16 hours per month (24 days per year).

### B. Vacation Leave Accumulation

In order to give effect to this agreement and to realize the greatest benefit from vacation leave for both employees and the City, limitations shall be placed upon the amount of unused vacation leave an employee is allowed to accumulate. Maximum accumulation shall be 320 hours at the beginning of any calendar year.

At the end of the payroll period in which the leave accumulation reaches or exceeds the stated limit, the employee's vacation leave shall cease accruing, and no further vacation shall accrue until the balance is reduced below the stated limit. It is the employee's responsibility to seek the use of the vacation leave in a timely manner.

The City will, as a courtesy only without liability, endeavor to give thirty (30) days notice that employee will cease to accrue vacation leave unless the time is taken. If the employee is unable to use the time because of departmental staffing needs, he or she shall be paid for the amount of time in excess of the limit at the end of the month, and accrual may thereafter recur. Upon termination, an employee shall be paid for accrued and unused vacation time.

### C. Cash Payment Option for Vacation

An employee may elect to receive a cash payment for up to a maximum of 40 hours of his/her accumulated vacation balance prior to commencement of a scheduled vacation of forty (40) consecutive hours or more. To exercise the cash payment option an employee must have forty (40) hours of accumulated vacation time remaining after the cash option and scheduled vacation have occurred. This option may be exercised once within a fiscal year.

*City of Hughson Employees Association*

**SECTION 18. HOLIDAYS**

Regular employees shall be entitled to the following holidays with pay:

Two Floating Holidays	Independence Day (4 <sup>th</sup> of July)
New Year's Day	Labor Day
Martin Luther King's Birthday	Veterans Day
Lincoln's Birthday	Thanksgiving Day (4 <sup>th</sup> Thursday in November)
Washington's Birthday	Day after Thanksgiving Day (4 <sup>th</sup> Friday in November)
Memorial Day	Christmas Day - December 25

Any day or part of day declared by the City Manager to be a holiday.

When an employee gives adequate notice, the City will make reasonable accommodations for the employee to observe the Sabbath if it will not unduly interfere with City operations. Such release time may be charged to administrative leave, compensatory time off, vacation, or leave without pay at the discretion of the employee.

When a holiday falls on a Sunday, the following Monday shall be observed as a holiday. When a holiday falls on a Saturday, the preceding Friday shall be observed as a holiday.

To be paid for a holiday the employee must have been in paid status on the workdays for his or her classification, which immediately precedes and succeeds the holiday.

Any employee who might be required to work on any of the above holidays shall be compensated at overtime rates in accordance with Section 12.C of the Memorandum of Understanding. If a holiday falls on an employee's regular day off, he/she shall be entitled to equivalent time off at a later date.

The "Floating Holiday" is to be used during the calendar year and cannot be carried over to the next year.

**SECTION 19. BEREAVEMENT LEAVE**

Any eligible employee shall be granted bereavement leave with pay as necessary but not to exceed three (3) workdays upon the occasion of the date of a close relative. For purposes of the section, close relative shall be those specified in Section 16 of this MOU. Additional bereavement leave not to exceed five (5) calendar days for travel purposes may be granted by the City Manager when circumstances warrant the same.

*City of Hughson Employees Association*

SECTION 20. GRIEVANCES

A. Purpose of Grievance Procedure

The grievance procedures set forth herein are designed to resolve grievances informally and to provide an orderly procedure for such resolution. The grievance procedure is available only to regular employees.

B. Time Limits

Each person involved in a grievance shall act quickly so that the grievance may be solved promptly. Each person shall make every effort possible to complete action within the time limits contained within these grievance procedures, but with the written consent of the other parties involved, the time limits of any step may be extended.

C. Presentation of Grievance

An employee may present a grievance while on duty, provided such use of on-duty time is kept to a reasonable minimum as determined by the City Manager. Employees should present grievances as soon as possible after the events that gave rise to the employee's concerns by submitting a brief written grievance to his or her immediate supervisor. The written grievance should set forth the factual and other bases for the employee's complaint, and must identify the rule or issue allegedly being violated by the City. The employee shall strive to submit the written grievance within five (5) working days after the facts which gave rise to the complaint.

D. Grievance Procedure/First Step (Informal Discussions)

Initially, a grievance shall be personally discussed between the employee and his or her immediate supervisor. The employee shall have a decision or response from the immediate supervisor within five (5) working days.

E. Grievance Procedure/Second Step (Formal Grievance)

- (1) If an informal grievance is not resolved to the satisfaction of the grievant, the grievant may initiate a formal grievance in writing to the Department head (unless the Department Head is his or her immediate supervisor, or the grievant is a Department Head, in which event the grievance shall be to the City Manager). The formal grievance shall be initiated within fifteen (15) working days of the decision rendered in the informal grievance procedure. A formal written grievance shall state the date and nature of the grievance, and shall state all specific facts or omissions upon which the grievance is based. The formal grievance shall be filed with the Department Head.
- (2) Within five (5) working days after the filing of the formal grievance, the department head shall give his or her decision in writing to the grievant.

*City of Hughson Employees Association*

F. Grievance Procedure/Third Step (Appeal)

If the grievant is not satisfied with the decision rendered by the Department Head, the grievant may appeal the decision in writing within five (5) working days to the City Manager. If the grievant does not appeal the decision to the City Manager in writing within five (5) working days, the issue will be considered settled. The appeal shall state the date and nature of the grievance, and shall state all specific facts or omissions upon which the appeal is based.

G. Consideration of Appeal

Within ten (10) working days of the filing of an appeal, the City Manager shall have a meeting with the aggrieved and/or his or her representative, and other persons as the City Manager shall direct.

H. Decision of Appeal

Within ten (10) working days of the hearing of the appeal, the City Manager shall issue a written decision concerning the employee's appeal. The decision of the City Manager shall be final.

SECTION 21. "Y" RATE

When an employee's classification is changed to a lower paid classification as the result of a classification study or other action, the employee may be placed on a "Y" rate. A "Y" rate means that the monthly compensation for the employee shall remain in effect until such time as further changes in the pay range of the new classification exceeds the "Y" rate.

SECTION 22. UNIFORM ALLOWANCE

The City will provide uniforms and laundering thereof for each Public Works Department employee and said employees shall wear the uniforms on the job. Additionally the City will provide a winter weight safety coat in safety orange or yellow as part of the City's uniform. Any special uniform requirements will be determined with Department Head approval and as to appropriateness.

SECTION 23 SAFETY EQUIPMENT

The City shall provide or reimburse the employee for the cost of safety shoes where required and the cost shall be established by the City.

*City of Hughson Employees Association*

SECTION 24. STAND-BY LEAVE

When necessary and in the interest of City operations, a department head may assign employees to "standby" status.

Application of "standby" shall be as follows:

- (1) Each employee so assigned to "standby" shall be provided with a city issued cell phone or pager while on standby duty and shall be able to report to the work site within thirty (30) minutes.
- (2) Employees on standby shall have the option to trade days and/or weeks of standby status with another qualified employee in the same unit or division with department head approval.
- (3) Standby shall be assigned in a minimum of eight (8) hours blocks, i.e., Monday-Friday workweek standby may be 8, 16 or 24-hour blocks.

Standby for weekends i.e., Saturday, Sunday or extended holiday weekends (Friday-Sunday or Saturday-Monday) will be assigned in 8 to 48 hour blocks.

Compensation for "standby" shall be as follows:

- (1) Employees assigned to standby duty shall be paid two (2) hours of straight time pay for every eight (8) hours of standby, and time and one-half (1 ½) for all actual time worked while on standby duty status.
- (2) Employees assigned to standby duty on holidays observed by the City shall be paid two (2) hours of straight time pay for every eight (8) hours of standby, and double time and one-half (2 ½) for all time worked while on standby duty status.

SECTION 25. CALL BACK

When an employee returns to work duty at the request of the department head or his designee for an emergency or for some other need of the City after said employee has been released from work duty, said employee shall be entitled to call-back compensation.

Call back compensation shall be paid at time and one-half (1 ½) for all time actually worked with a minimum of two (2) hours pay. For the purposes of computing time for this provision, time will commence when the employee leaves their home to respond to the call back and will end when they return home.

SECTION 26. ENTIRE UNDERSTANDING

This Understanding supersedes and cancels all prior practices and agreements, whether written or oral, unless expressly stated to the contrary herein. The parties acknowledged

*City of Hughson Employees Association*

that during the negotiations, which resulted in this Understanding, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Understanding. The bargaining unit recognizes that the City has the freedom to make changes in all operations or terms and conditions of employment without further negotiations with the bargaining unit except as such may violate any expressed terms of this Understanding. This constitutes the complete and entire agreement between the parties and may only be amended during its term by the parties' mutual agreement in writing and, if required, approved by the City Council, except that for any matters not covered herein, but covered in the City's Personnel Rules or Regulations, the latter shall control.

**SECTION 27. SAVINGS**

If any provision of this Understanding is subsequently declared by legislative or judicial authority to be invalid, unlawful, unenforceable, or not in accordance with applicable statutes, all other provisions of this Understanding shall remain in full force and effect.

If any provisions of this Understanding are found to be in conflict with the statutory powers of the City, said statutory powers shall take precedence.

The provisions of this Understanding shall be subordinate and subject to any present or subsequent federal law, state law, or City Charter provision.

The terms of this Understanding supersedes any inconsistent provision in an ordinance, rule or other governing document with the City has power to amend.

**SECTION 28. FULL UNDERSTANDING, MODIFICATION AND WAIVER**

This Agreement sets forth the full and entire understanding of the parties regarding the matters set forth herein, and nay and all prior or existing Memoranda of Understanding, Understandings, and Agreements, regarding the matters set forth herein, whether formal or informal are hereby superseded and terminated in their entirety.

Existing practices and/or benefits, which have a direct effect on employee wages, hours, and other terms and conditions of employment, which are not referenced in the Agreement shall continue without change unless modified or abolished by mutual agreement of the parties.

It is the intent of the parties that Ordinances, Board resolutions, rules and regulations enacted pursuant to this Agreement be administered and observed in good faith.

Nothing in this Agreement shall preclude the parties' from mutually agreeing to meet and confer on any subject within the scope of representation during the term of this agreement.

*City of Hughson Employees Association*

**SECTION 29. INCENTIVE PAY**

The following incentives are available to employees within this bargaining unit. Those employees who are required through their job description to maintain a listed license, certificate or degree are not eligible for that incentive.

***Maintenance Worker Classifications:***

- |                                                                                                                                                                |    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| a. Water Distribution Operator I                                                                                                                               | 1% |
| b. Water Distribution Operator II                                                                                                                              | 1% |
| c. Water Treatment Operator I                                                                                                                                  | 1% |
| d. Water Treatment Operator II                                                                                                                                 | 1% |
| e. Pesticide Qualified Applicator License (QAL)<br>(Management will identify and select one member of<br>Public Works who will receive the QAL incentive pay.) | 1% |

***Professional and Technical Classifications:***

**Bilingual Pay (Accounting Technician I/II only):**

- Employees who are certified as bilingual in English –Spanish in the spoken word shall receive additional compensation in the amount of one and one-half percent (1.5%) of base pay.
- Employees who are certified as bilingual in English-Spanish both spoken and written shall receive additional compensation in the amount of two and one-half percent (2.5%) of base pay. Said certification shall be determined by the City subject to review and input by the union. Bilingual employees shall be fluent to a level so as to easily communicate with Spanish speaking customers and the public on City business matters.
- The maximum Bilingual Pay incentive that can be received is two and one-half percent (2.5%) of base pay.

**Education Pay (All City of Hughson Employees Association members):**

- Employees who have obtained a job related Associates of Science or Arts degree from an accredited college shall receive additional compensation in the amount of one and one-half percent (1.5%) of base pay.
- An employee who has obtained a Bachelor of Science or Arts Degree shall receive additional compensation of three percent (3%) of base pay.

**The maximum incentive pay an employee can receive for qualified certificates is three percent (3%).**

**The maximum education incentive pay an employee can receive for a qualified degree is three percent (3%).**

*City of Hughson Employees Association*

**The maximum incentive pay an employee can receive for the combination of qualified certificates and degrees is five percent (5%).**

**Proof of certification must be presented to the City Manager for approval. The incentive pay will be included on the payroll following approval by the City Manager. It is the responsibility of the employee to provide certification.**

*City of Hughson Employees Association*

**EXHIBIT "A"**

<b>Job Title</b>	<b>Current Range</b>	<b>Fiscal Year 2014-2015</b>	<b>Fiscal Year 2015-2016</b>	<b>Fiscal Year 2016-2017</b>	<b>Fiscal Year 2017-2018</b>
Accounting Technician I	44	47	50	53	56
Accounting Technician II	63	66	69	72	75
Building Inspector	90	93	96	99	102
Code Enforcement Officer	65	68	71	74	77
Maintenance Worker I	42	45	48	51	54
Maintenance Worker II	60	63	66	69	72
Mechanic/Maintenance Worker II	68	71	74	77	80
Park and Recreation Coordinator	20	23	26	29	32
Park Maintenance Worker	60	63	66	69	72
Planning and Building Assistant	90	93	96	99	102
Public Works Supervisor	85	88	91	94	97
Redevelopment and Housing Program Analyst	90	93	96	99	102
Senior Accounting Technician	75	78	81	84	87
Senior Maintenance Worker	68	71	74	77	80
Senior Parks Maintenance Worker	68	71	74	77	80
Senior Water Distribution System Operator	80	83	86	89	92
Senior Water Distribution/Treatment System Operator	88	91	94	97	100
Wastewater Chief Plant Operator	88	91	94	97	100
Wastewater Treatment Plant Operator I	72	75	78	81	84
Wastewater Treatment Plant Operator II	80	83	86	89	92
Wastewater Treatment Plant Operator-In-Training	51	54	57	60	63
Water Distribution System Operator	72	75	78	81	84

City of Hughson Employees Association

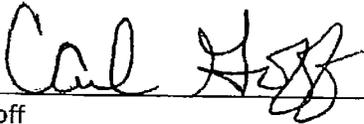
**For Operating Engineers Local Union No. 3  
of the International Union of Operating Engineers, AFL-CIO**



Russ Burns  
Business Manager

9/4/14

Date



Carl Goff  
President

9/4/14

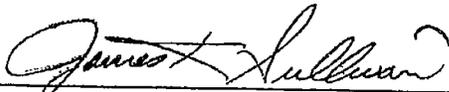
Date



Dan Reding  
Vice-President

9/4/14

Date



James K. Sullivan  
Recording-Corresponding Secretary

9/4/14

Date



Rick Davis  
Director, Public Employee Division

9-4-14

Date



Darren Semore  
Business Representative

7-15-2014

Date

**For City of Hughson**



Raul L. Mendez  
City Manager

7/15/14

Date

**AMENDMENT #1 TO THE MEMORANDUM OF UNDERSTANDING BETWEEN  
THE CITY OF HUGHSON AND OPERATING ENGINEERS LOCAL UNION NO. 3 ON  
BEHALF OF THE CITY OF HUGHSON EMPLOYEES ASSOCIATION  
(JULY 1, 2014 TO JUNE 30, 2018)**

The duly authorized representatives of the City of Hughson and the operating Engineers Local Union No. 3, having met and conferred in good faith, declare their agreement to the provisions of this Amendment #1 to the Memorandum of Understanding effective July 1, 2014 to June 30, 2018.

1. Section 12.F., is hereby amended to read as follows:

F. Employee Benefits

The City provides certain benefits for its employees, depending on employee categories. The City reserves the right to eliminate or modify any of the benefits at any time, subject to such requirements for meet-and-confer as may be established by law.

(1) Workers' Compensation. All employees are covered by Workers' Compensation, as required by law. Any on-the-job injuries or illness must be immediately reported to the employee's supervisor and to the employee performing the Risk Management function.

(2) Group Medical-Dental-Life-Vision Insurance Benefits. Regular employees and their dependents may participate in the City's group medical, dental, life, and vision insurance programs. All regular employees shall be included automatically in the programs, unless the employee waives coverage. The City pays the cost for employee group insurance coverage as established by City Council resolution.

For employees hired prior to July 1, 2014, the City will establish a maximum payment level for Group Medical-Dental-Vision costs based on the San Joaquin Valley Insurance Authority (SJVIA) Anthem Blue Cross PPO rate (effective July 2014). At initial enrollment, the employee will have the one-time option to change current status (single employee, employee and spouse, employee and child or family). Thereafter, employee status may change only upon a qualifying life event which shall have the same meaning as an event allowing an out of open enrollment period change in typical insurance plans (i.e., marriage, divorce, birth of a child). For employees hired after July 1, 2014, the City will pay the cost of Group Medical-Dental-Vision for employee and dependents to a maximum of \$920 per month. The City and employee will share equally in the cost of any excess above these maximum thresholds.

Maximum payment level based on SJVIA Anthem Blue Cross PPO rate

Single Employee	\$7,836 (includes \$3,000 HSA Contribution)
Employee and Spouse:	\$15,600 (includes \$6,000 HSA Contribution)
Employee and Child:	\$15,144 (includes \$6,000 HSA Contribution)
Family:	\$21,348 (Include \$6,000 HSA Contribution)

Pursuant to the Consolidated omnibus Budget Reconciliation Act of 1985 (COBRA), employees and their dependents are entitled to a continuation option of group health plan benefits coverage at group rates plus costs to the City on the occurrence of certain qualifying events such as termination and retirement. These terms are applicable to those organizations consisting of twenty (20) or more employees.

2. This Amendment is effective as of August 24, 2015.

***\*\*\*Signatures contained on next page\*\*\****

///

///

///

///

///

///

///

///

///

///

///

///

///

///

For Operating Engineers Local Union No. 3  
Of the International Union of Operating Engineers, AFL-CIO



Russ Burns  
Business Manager

12-11-15

Date



Dan Reding  
President

12-11-15

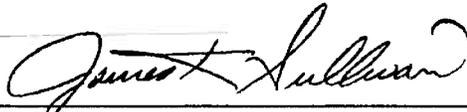
Date



Pete Figueiredo  
Vice President

12-11-15

Date



James K. Sullivan  
Recording-Corresponding Secretary

12-11-15

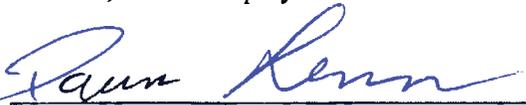
Date



Rick Davis  
Director, Public Employee Division

12-11-15

Date

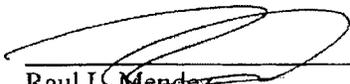


Darren Semore  
Business Representative

12-11-2015

Date

For City of Hughson:



Raul L. Mendez  
City Manager

08/27/15

Date

## *APPENDIX*

### ***Appendix J – League of California Cities– A Primer on California City Finance***

# A Primer on CALIFORNIA CITY FINANCE





# A Primer on CALIFORNIA CITY FINANCE

by Michael Coleman

*You've been elected to the city council. You already know that the question of money arises for every local issue. So how does your city pay its bills? While every city is different — each with its own needs, local economy, expectations, protocols, responsibilities and finances — the essential elements of city revenues and spending are the same throughout California.*

## **An Overview of City Revenue Sources**

City officials may ask: What money does our city get and how is it spent? Revenue, the bread and butter of city budgets, comes from a variety of sources. Some is restricted to certain uses by law. Some revenue is payment for a specific service by customers. Other revenue requires voter approval for rate increases. Still other revenue comes from state and federal agencies, and the city has no control over how much it receives. The California Constitution and state law provide some specific distinctions among municipal revenue sources.

### **Taxes**

A tax is a charge for public services and facilities. There need not be a direct relationship between the services and facilities used by an individual taxpayer and the tax paid. Cities may impose any tax not otherwise prohibited by state law (Gov't. Code section 37100.5). The state

## **ABOUT THIS PRIMER**

*Western City* first published "A Primer on California City Finance" in 2002. The passage of Proposition 1A by California voters in 2004 changed key elements of city financing by enhancing the level of control cities will be able to exercise over their property tax, sales tax and vehicle license fee revenues, and minimizing the possibility of state funding take-aways. This updated primer explains these changes, providing a fresh look at the revenue sources that a city budget comprises and the rules and requirements governing the use of these various funds.

prohibits local governments from taxing certain items, including cigarettes, alcohol and personal income; these are taxed by the state for its own purposes.

The California Constitution distinguishes between a general tax and a special tax. General tax revenues may be used for any purpose. A majority of voters must approve a new general tax, its increase or extension in the same election in which city council members are elected. Special

tax revenues must be used for a specific purpose, and two-thirds of voters must approve a new special tax, its increase or extension.

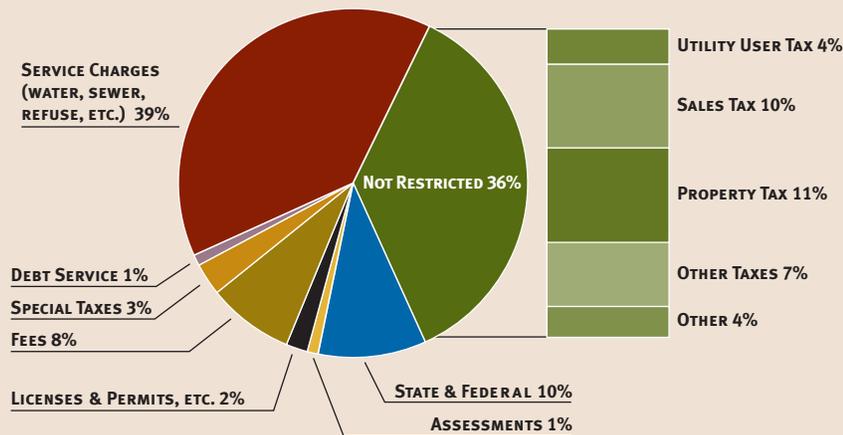
### **Fees, Charges and Assessments**

A fee is a charge imposed on an individual for a service that the person chooses to receive. A fee may not exceed the estimated reasonable cost of providing the particular service or facility for which

---

Michael Coleman is principal of Coleman Advisory Services and fiscal consultant to the League. He can be reached at <coleman@cal.net>. More information on city finance is available on Coleman's website at [www.californiacityfinance.com](http://www.californiacityfinance.com).

## TYPICAL CALIFORNIA CITY REVENUES\*



\* Based on total cities statewide

### Other City Revenues

Other sources of revenue to cities include rents, concessions and royalties; investment earnings; revenue from the sale of property; proceeds from debt financing; revenues from licenses and permits; and fines and penalties. Each type of revenue has legal limitations on what may be charged and collected as well as how the money may be spent.

### Putting Money in Its Proper Place

The law restricts many types of city revenues to certain uses. As explained above, a special tax is levied for a specific program. Some subventions are designated by law for specific activities. Fees are charged for specific services, and fee revenue can fund only those services and related expenses. To comply with these laws and standards, finance departments segregate revenues and expenditures into separate accounts or funds. The three most important types of city funds are special revenue funds, enterprise funds and the general fund.

**Special revenue funds** are used to account for activities paid for by taxes or other designated revenue sources that have specific limitations on use according to law. For example, the state levies gas taxes and subvenes some of these funds to cities and counties. A local government deposits gas tax revenue in a special fund and spends the money for streets and road-related programs, according to law.

*continued*

the fee is charged, plus overhead. Examples of city fees include water service, sewer service connection, building permits, recreation classes and development impact fees.

Cities have the general authority to impose fees (charges and rates) under the cities' police powers granted by the state Constitution (Article XI, sections 7 and 9). There are specific procedures in state law for fee and rate adoption. Proposition 218 provides special rules for property-related fees used to fund property-related services.

Special benefit assessments are charges levied to pay for public improvements or services within a predetermined district or area, according to the benefit the parcel receives from the improvement or services. The state Constitution requires property-owner approval to impose a benefit assessment. Other locally raised revenues include licenses and permits; franchises and rents; royalties and concessions, fines, forfeitures and penalties; and investment earnings.

### Intergovernmental Revenue

Cities also receive revenue from other government agencies, principally the state and federal governments. These revenues include general or categorical support monies called subventions, as well as grants for specific projects, and reimbursements for the costs of some state mandates. Intergovernmental revenues provide 10 percent of city revenues statewide.

## CITY RESPONSIBILITIES DIFFER

Comparing revenues and expenditures of different cities can be difficult because cities vary according to the needs of their constituents and the nature of the local economy, as well as the service and financial responsibilities of the city. Less than 25 percent of California cities are full-service cities, responsible for funding all of the major city general fund-supported services such as police, fire, library, parks and recreation, and planning. In about three out of 10 California communities, a special district provides fire services with property tax revenue that would otherwise go to the city. In six out of 10 cities, library services are provided and funded by another public agency. On the revenue side, these differences in financial responsibility among cities are generally reflected in the allocation of property tax revenue. Other city tax rates and allocations are unrelated to service responsibility.

## SALES TAX: HOW MUCH GOES TO YOUR CITY?

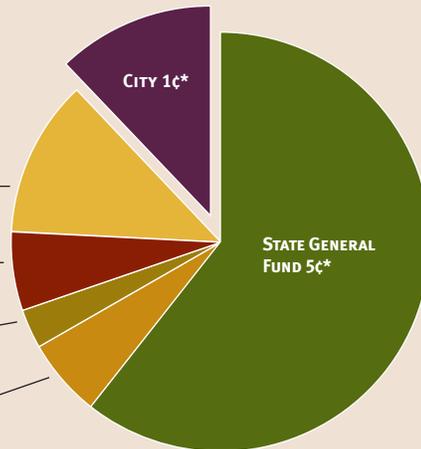
For each taxable dollar spent, sales tax is paid as follows:

**SPECIAL TRANSACTIONS & USE:**  
0-1¢ (VARIES)

**PUBLIC SAFETY (PROP. 172):** 1/2¢

**COUNTYWIDE TRANSPORTATION:** 1/4¢

**COUNTY HEALTH & WELFARE:** 1/2¢



\*Under Prop. 57, beginning in FY 2004–05, the local (city) sales tax rate is reduced by 0.25 percent and the state rate increased by 0.25 percent to repay state fiscal recovery bonds. Cities and counties are reimbursed dollar for dollar with additional property tax. This arrangement, known as the “triple flip,” will last about 10 years until the bonds are repaid.

### NOTES

1. California sales tax revenues are distributed based on the place (“situs”) where each sale occurs.
2. Cities receive about 6 percent and counties get 94 percent of Prop. 172 funds. The funds are restricted for public safety services such as police, fire, district attorney and jails.
3. The state sales tax rate is 6.25 percent, including 0.5 percent for county health and welfare programs, 0.5 percent for Prop. 172 and 0.25 percent for the Prop. 57 “triple flip.”
4. The city portion of sales tax goes to the county if the sales transaction occurs in an unincorporated area of the county.
5. Many counties and some cities add transaction and use rates ranging from 0.25 percent to 1.25 percent. These additional rates cause the total California sales tax to vary from 7.25 percent to 8.75 percent.
6. Some cities share a portion of their 1-cent rate with their county.

Source: California State Board of Equalization, Coleman Advisory Services

**Enterprise funds** are used to account for self-supporting activities that provide services on a user-charge basis. For example, many cities provide water treatment and distribution services to their residents. Users of these services pay utility fees, which the city deposits in a water enterprise fund. Expenditures for water services are charged to this fund.

**The general fund** is used to account for money that is not required legally or by sound financial management to be accounted for in another fund. Major sources of city general fund revenue include sales and use tax, property tax

and local taxes, including business license tax, hotel tax and utility user taxes.

### Major City Revenues

**Sales and Use Tax.** The sales tax an individual pays on a purchase is collected by the state Board of Equalization and includes a state sales tax, the locally levied Bradley-Burns sales tax and several other components. The *sales tax* is imposed on the total retail price of any tangible personal property. (State law provides a variety of exemptions to the sales and use tax, including resale, interstate sales, intangibles, food for home consumption,

candy, bottled water, natural gas, electricity and water delivered through pipes, prescription medicines, agricultural feeds, seeds, fertilizers and sales to the federal government.) A *use tax* is imposed on the purchaser for transactions in which the sales tax is not collected. Sales and use tax revenue received by cities is general purpose revenue and is deposited into a city’s general fund. Although cities vary widely, on average, sales and use tax revenue provides 30 percent of city general purpose revenue and often as much as 45 percent.

Cities and counties may impose additional transaction and use taxes in increments of 0.25 percent with a two-thirds city council approval and majority voter approval. A city may impose more than one transaction and use tax: One might be for a general purpose; a second might be for a special purpose. The combined rate of the city and county transaction and use taxes may not exceed 2 percent.

**Property Tax.** The property tax is an ad valorem (value-based) tax imposed on real property and tangible personal property. (State law provides a variety of exemptions to the property tax, including most government-owned property; non-profit, educational, religious, hospital, charitable and cemetery properties; the first \$7,000 of an owner-occupied home; business inventories; household furnishings and personal effects; timber; motor vehicles, freight and passenger vessels; and crops and orchards for the first four years). California Constitution Article XIII A (Prop. 13) limits the property tax to a maximum 1 percent of assessed value, not including voter-approved rates to fund debt. The assessed value of property is capped at 1975–76 base year plus inflation — or 2 percent per year. Property that declines in value may be reassessed at the lower market value. Property is reassessed to current full value upon change in ownership (with certain exemptions). Property tax revenue is collected by counties and allocated according to state law among cities, counties, school districts and special districts.

The share of property tax revenue allocated to a city varies depending on a variety of factors, including:

- The service responsibilities of the city (for example, if fire services are funded and provided by a fire district, then the district gets a portion that would otherwise go to the city);
- The presence of a redevelopment agency, which retains a portion of revenue growth; and
- The historic (1980) tax rates of the city in relation to other local taxing entities.

City property tax revenues are also affected by local property values.

**Business License Tax (BLT).** Most cities in California levy a business license tax. Tax rates are determined by each city, which collects the taxes. Business license taxes are most commonly based on gross receipts or levied at a flat rate but are sometimes based on the quantity of goods produced, number of employees, number of vehicles, square footage of the business or some combination of factors. In all cases, cities have adopted their tax as a general tax. On average, the business license tax provides about 3 percent of city general revenue and often as much as 6 percent. For businesses that operate in more than one city, state or county, cities can impose a business license tax on only that portion of the business transacted in that city.

**Transient Occupancy Tax (TOT).** Like the business license tax, a TOT may be levied by a city under the police powers granted to cities in the state Constitution. More than 380 cities in California impose TOT on people staying for 30 days or less in a hotel, inn or other lodging facility. Rates range from 4 to 15 percent of the lodging cost. In nearly all cases, cities have adopted these as general taxes, but some cities make a point of budgeting the funds for tourism or business development-related programs. Among cities that impose a TOT, it provides 7 percent of a city's general revenues on average and often as much as 17 percent.

*continued*

## THE EFFECTS OF PROPOSITION 13

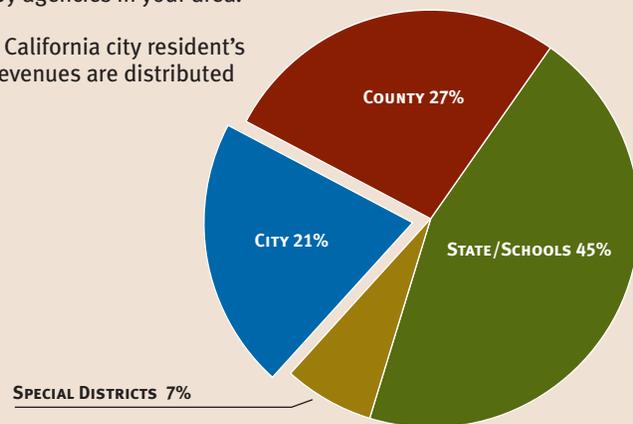
Proposition 13 produced the following results:

- Elderly and low-income homeowners' tax burden was decreased;
- Similarly situated properties are taxed differently;
- Local government property tax revenues were cut by 60 percent;
- Revenue windfalls from personal income tax produce \$1 billion for the state and \$1.6 billion for the federal government annually;
- Cities and counties raised user fees and local taxes;
- The authority to allocate local property tax shifted to the state (Prop. 1A now limits the state's authority);
- Counties and schools rely more heavily on the state general fund with a corresponding shift in power;
- Cities rely more heavily on other general revenues, including locally imposed taxes and the sales and use tax; and
- Tax rates/shares (from 1980) are now out of sync with service demands.

## PROPERTY TAX: HOW MUCH GOES TO YOUR CITY?

The allocation of property taxes to government agencies varies among different areas, depending on historic (pre-Prop. 13) property tax levels and which services are provided by agencies in your area.

On average, a California city resident's property tax revenues are distributed as follows:



### NOTES

1. This is the rate for the average city for properties not in a redevelopment area. Results vary depending on the extent of services provided by your city. Full-service cities may receive slightly more. Cities in which fire services are provided by a special district receive less, with the difference going to the fire district.
2. For properties in the unincorporated area of a county, the county gets a bigger share of the property tax, which would otherwise go to a city. If the area ever incorporates, some of the county share becomes the share for the new city.
3. City and county property tax shares include "property tax in lieu of Vehicle License Fee."
4. This does not include the temporary reimbursement for city sales tax with property tax for sales tax under the Prop. 57 "triple flip."

Source: California State Board of Equalization, Coleman Advisory Services

## THE FACTS ABOUT PROPOSITION 1A

In November 2004, California voters approved Prop. 1A, a ballot measure sponsored by the League and a broad coalition that included Governor Arnold Schwarzenegger, legislators, other local governments, and public safety, business and community organizations. This landmark amendment to the state Constitution was intended to restore predictability and stability to local government budgets. The measure:

1. Strengthens prohibitions against unfunded state mandates by requiring the state to suspend state mandates in any year the Legislature does not fully fund those laws;
2. Expands definition of state mandate to include transfer of responsibility of a program for which the state previously had full or partial responsibility; and
3. Prohibits the state from:
  - Reducing the local Bradley-Burns Uniform Sales & Use Tax rate or altering its method of allocation, except to comply with federal law or an interstate compact;
  - Decreasing Vehicle License Fee revenue from the 0.65 percent rate without providing replacement funding to cities and counties; and
  - Shifting property taxes from cities, counties or special districts, with the following exceptions:
    - a) The state may reallocate among cities, counties and special districts (but not schools or any other local entity) with a two-thirds vote of both houses of the Legislature.
    - b) Beginning in FY 2008–09, the state may borrow up to 8 percent of the property tax revenue within a county (currently about \$1.3 billion on a statewide basis) if:
      - The governor declares a “fiscal hardship”;
      - The Legislature enacts an urgency statute by a two-thirds vote;
      - The funds are repaid within three years;
      - The FY 2003–04 VLF backfill gap has been repaid;
      - Any previous borrowing of this kind has been repaid; **and**
      - The state has not borrowed from the revenues more than twice in 10 years.

**Utility User Tax (UUT).** More than 150 cities (collectively representing a majority of the state’s population) impose a utility user tax. UUT rates vary from 1 to 11 percent and are levied on the users of various utilities, which may include telephone, electric, gas, water and cable television. For cities that impose the UUT, it provides an average of 15 percent of general revenue and often as much as 22 percent.

**Vehicle License Fee (VLF).** The VLF is a tax imposed by the state on the ownership of a registered vehicle in place of taxing vehicles as personal property. Under California Constitution Article XI, section 15, VLF revenue (based upon a rate of 0.65 percent) must go to cities and counties. Since 1948, the VLF tax rate had been 2 percent. In 1998, the Legislature and governor began cutting the tax, backfilling the loss to cities and counties with a like amount of state general fund money. In 2004, the state reduced the rate to 0.65 percent and re-placed the state general fund backfill to cities and counties with additional property tax in lieu of VLF (see paragraph below). The VLF is collected by the state Department of Motor Vehicles (DMV). Most VLF revenue goes to fund county health and welfare programs (75 percent) and DMV administrative charges (14 percent). The allocation to cities is on the basis of population and provides about 1 percent of general revenues to the average city budget.

**Property Tax in Lieu of Vehicle License Fee.** In FY 2004–05, cities and counties began receiving additional property tax to replace VLF revenue that was cut when the state repealed the state general fund backfill for the reduction in the VLF. Beginning in FY 2005–06, this property tax in lieu of VLF grows with the change in gross assessed valuation of taxable property in the jurisdiction from the prior year. Property tax in lieu of VLF allocations are in addition to other property tax apportionments.

Property tax revenue (including property tax in lieu of VLF) accounts for more than one-third of general revenue for the average full-service city. For cities that do

not fund fire service, property tax revenue represents on average 25 percent of general revenue.

**Parcel Tax.** This is a special nonvalue-based tax on property, generally based on either a flat per-parcel rate or a variable rate depending on the size, use or number of units on the parcel. Parcel taxes require two-thirds voter approval and are imposed for a variety of purposes, including police and fire services, parks, libraries and open space protection. Parcel taxes provide less than 1 percent of city revenues statewide.

**Rents, Royalties and Concessions.** Examples of revenues generated through the use of city property include royalties from natural resources taken from city property, the sale of advertising in city publications, payments from concessionaires operating on city property, facility rentals, entry charges, on- and off-street parking charges and even golf fees.

**Franchises.** Franchise fees are collected in lieu of rent for use of city streets from refuse collectors, cable television companies and utilities. Some franchise charges are limited by statute.

**Fines, Forfeitures and Penalties.** Cities receive a share of fines and bail forfeitures from misdemeanors and infractions committed within city boundaries. State law determines the distribution and use

## TRENDS IN CALIFORNIA CITY FINANCE

The following list summarizes trends in California city finance.

- State and federal aid to California cities is declining, down from 21 percent of a city's budget in 1974–75 to 10 percent today.
- The sales tax base is declining, due to a shift toward a service-oriented economy and increasing Internet and catalog retail sales.
- Limitations on taxes and fees that cities can impose are driven by Prop. 13, Prop. 218 and other state laws.
- State population growth is higher in cities.
- Cities must respond to citizens' demand for a greater array of services that bring with them additional costs and new challenges (high tech, cable, transit, etc.).
- Public safety spending is up.
- Infrastructure improvements and maintenance are lagging.

of state-imposed fines and forfeitures, but cities determine penalties for violations of their municipal codes.

**Service Charges and Fees.** Cities have authority to impose fees, charges and rates for services and facilities they provide, such as plan checking or recreation classes. Use of these revenues is limited to paying for the service for which the fees are collected, but may include overhead, capital improvements and debt service.

City utilities and enterprises supported by service fees constitute a substantial portion of most city budgets. These include water, sewer, electricity and solid waste services. In some cities, a public or private agency other than the city provides and funds these services.

### Most Discretionary Dollars Go to Public Safety

In most cities, roughly two-thirds of the total city budget is either earmarked for specific purposes (such as special taxes, restricted state grants and debt obligations like bonds) or is fee revenue used to pay for services provided. In the typical full-service city, three out of five of these discretionary dollars are spent on police and fire services.

### ... And There's More

City budgets can be bewildering. Myriad laws and limitations make city funding a very complicated subject. Understanding the essentials of city finance is critical for any city decision-maker. Elected officials find their job is made easier when they are able to explain the basic elements of municipal finance to their constituents. ■

## FOR MORE INFORMATION

More information about city finance is available from these online sources:

- *California Local Government Finance Almanac*, [www.californiacityfinance.com](http://www.californiacityfinance.com)
- *Primer on California's Tax System*, Legislative Analyst's Office, [www.lao.ca.gov](http://www.lao.ca.gov)
- *The Fiscal Condition of California Cities*, Institute for Local Government, [www.ilsg.org](http://www.ilsg.org)

In addition, the following publications are available from CityBooks. To order, call (916) 658-8257 or visit [www.cacities.org/store](http://www.cacities.org/store).

- *Municipal Revenue Sources Handbook*, League of California Cities. \$25; Item No. 1031
- *Local Government Dollars & Sense* by Len Wood. \$30; Item No. 105

# AFTER PROPOSITION 1A: WHAT'S NEXT FOR CALIFORNIA CITY FINANCE?

California city officials and their partners in the LOCAL (“Leave Our Community Assets Local”) coalition should feel very proud of what they have accomplished in the past few years. Surprising many political pundits, they succeeded in building the grassroots organization and raising the funds needed to qualify a constitutional amendment for the statewide ballot. Then they ran a successful statewide campaign that resulted in passage of Proposition 1A by almost 84 percent — a truly remarkable achievement. As explained in this primer, the passage of Prop. 1A will end the practice of state take-aways of local funds needed to pay for local services.

But even as local officials give themselves a well-deserved pat on the back, now is not the time for complacency. If city officials have learned anything during the past 15 years, it's that they need to be constantly vigilant about state actions that can impact local decision-making. Sometimes proposed legislation is the source of concern. But impacts can also occur as a result of new ballot measures attempting to amend or contradict constitutional provisions that currently protect local funds.

What can local officials do? What can anyone do, if they care about local democracy?

A lot — much remains to be done. The League of California Cities is working hard to ensure that we maintain and build upon the activities that made Prop. 1A possible. All these activities depend upon the active involvement of League members, as well as labor, business and community groups who care about protecting local services.

## How You Can Help Protect Local Services

- **Become an advocate.** Your participation is critical as fiscal issues are debated in the state Capitol or when measures that could undermine local decision-making are placed on the statewide ballot.
  - **Help to educate your legislators** on how your city would be impacted by legislative proposals. Contact your League regional representative to volunteer for this and other efforts. Find your regional rep's contact info online at [www.cacities.org/regionalrepresentative](http://www.cacities.org/regionalrepresentative).
  - **Sign up for electronic League Action Alerts** that you receive whenever there's a pressing need for your legislator to hear directly from you. Visit the League's online Advocacy Center ([www.cacities.org/advocacy](http://www.cacities.org/advocacy)) to receive alerts that include sample letters you can write and send online, or talking points to use when you call your legislators. It's fast, it's easy — and it's effective!
  - **Contribute to CITIPAC**, the League's political action committee. The League needs non-public funds to engage in ballot measure advocacy. Your dollars help make that possible. Learn how you can help by visiting [www.citipac.org](http://www.citipac.org).
- Learn More.** Stay abreast of proposals that would impact local services.
- Make regular visits to the League's website ([www.cacities.org](http://www.cacities.org)). You'll find information on issues affecting California cities and resources to help understand the issues. You can also find out how to get involved with League advocacy activities.
  - Subscribe to *Priority Focus*, the League's weekly online newspaper ([www.cacities.org/priorityfocus](http://www.cacities.org/priorityfocus)) and *Western City*, the League's award-winning monthly magazine ([www.westerncity.com](http://www.westerncity.com)).
  - If you're a city official, sign up for a League listserv. You'll be better connected with your colleagues in other cities and receive ([www.cacities.org/listserv](http://www.cacities.org/listserv)).