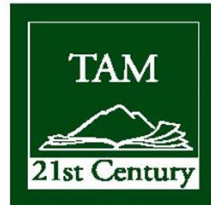




TAMALPAIS UNION HIGH SCHOOL DISTRICT

Budget Update

January 2020



Agenda

- Where have we been?
 - TUHSD Budget Context
 - Enrollment Growth, Pension reform, Special Education costs
- Where are we now?
 - Supplemental Parcel Tax & Cost Reductions
- Where are we going?
 - New Parcel Tax Measure & Ramifications of results
- Next Steps & Questions



We will pause periodically for clarifying questions... Slide-deck posted at www.tamdistrict.org

Where have we been?

In July 2018, we were here...

- In the last 10 years, TUHSD has added 1,227 students resulting in additional 70.5fte certificated staff
- Given TUHSD is 'basic aid', we do not get extra revenue for each student
- As a result, TUHSD is projecting operating deficits of
 - **\$7.9M** for 2018-19 (current year)
 - **\$8.7M** for 2019-20
 - **\$9.7M** for 2020-21
- The Reserve has and will decrease by these operating deficits
 - Reserve was \$24.8M in 2016-17 & is currently \$17.7M to begin this year
 - **Reserve projected to be depleted by 2020-21**
- Solution = Reduce costs + Increase revenue (parcel tax measure on November ballot)
$$\begin{array}{rclcl} \$8\text{M} & = & \$3\text{M} & + & \$5\text{M} & \text{if parcel tax passes} \\ \$8\text{M} & = & \$8\text{M} & + & 0 & \text{if parcel tax fails} \end{array}$$
- Need staff and community input on how to reduce costs with and without Parcel Tax



Basic Aid

vs.

State-Funded (LCFF)

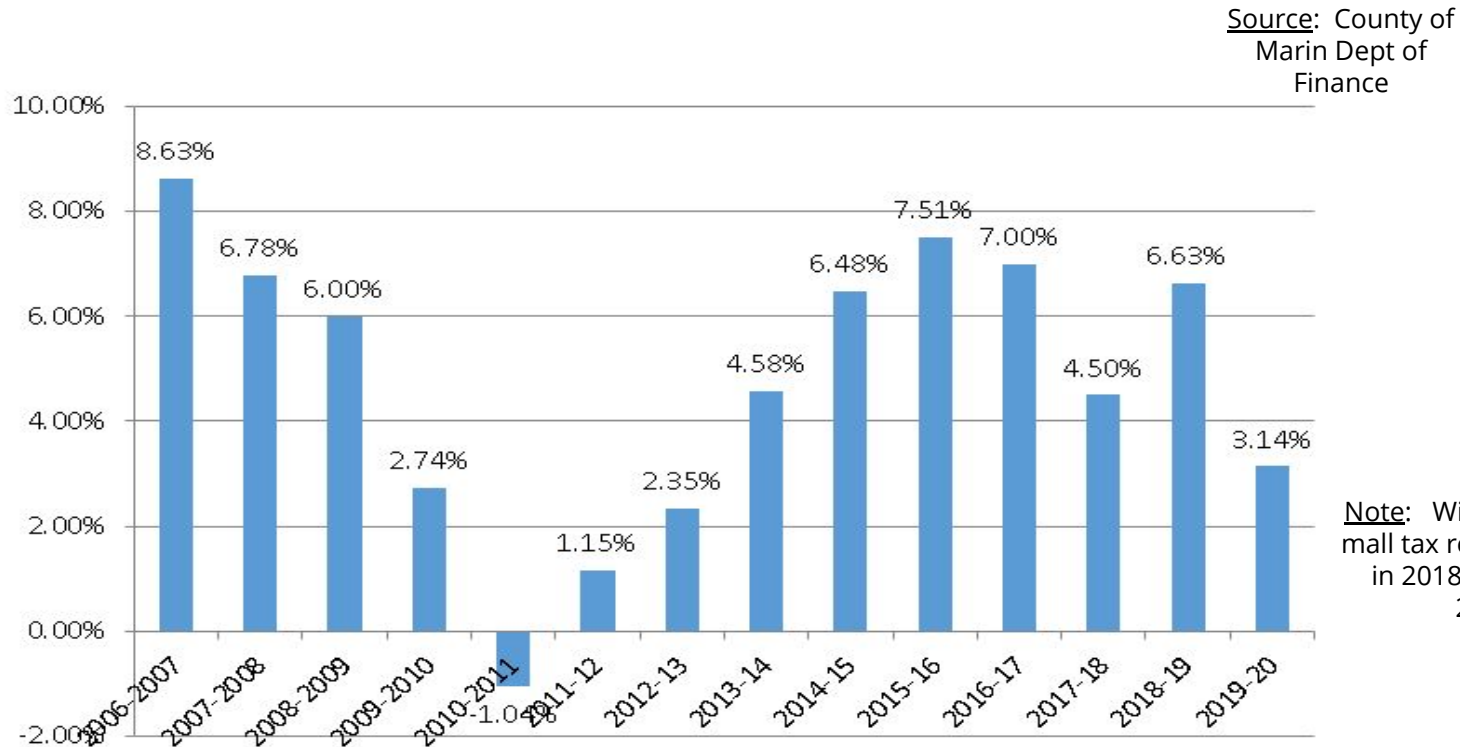
- District is entitled to a calculated revenue entitlement
- Comprised of both local property taxes revenue and state aid
- If property taxes exceed the calculated revenue entitlement, then the district keeps the overflow revenue and receives only basic (minimal) state aid
- Does not receive significant additional revenue for each new student in enrollment growth
- TUHSD is about \$18M over the LCFF entitlement

- Formerly referred to as 'Revenue Limit'
- District is entitled to a calculated revenue entitlement
- Comprised of both local property taxes and state aid
- When property taxes do not meet the calculated revenue entitlement, then the State makes up the shortfall with additional funding up to the calculated revenue entitlement

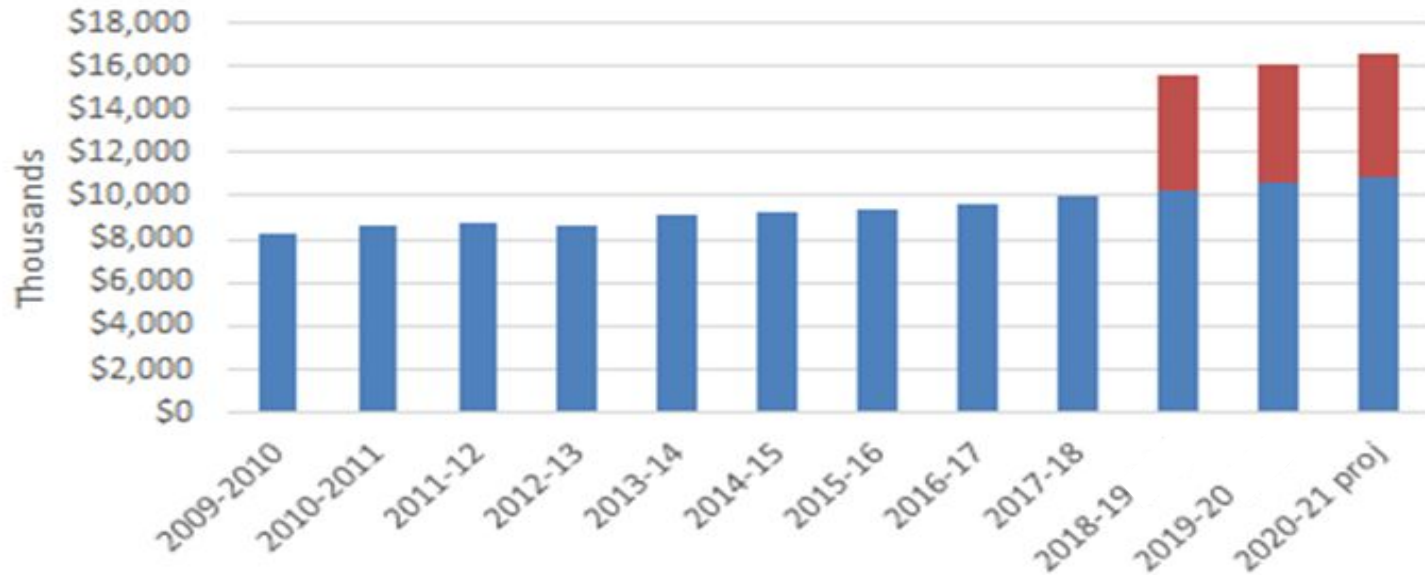


Property Tax Revenues

Property tax revenue increases have been decreasing

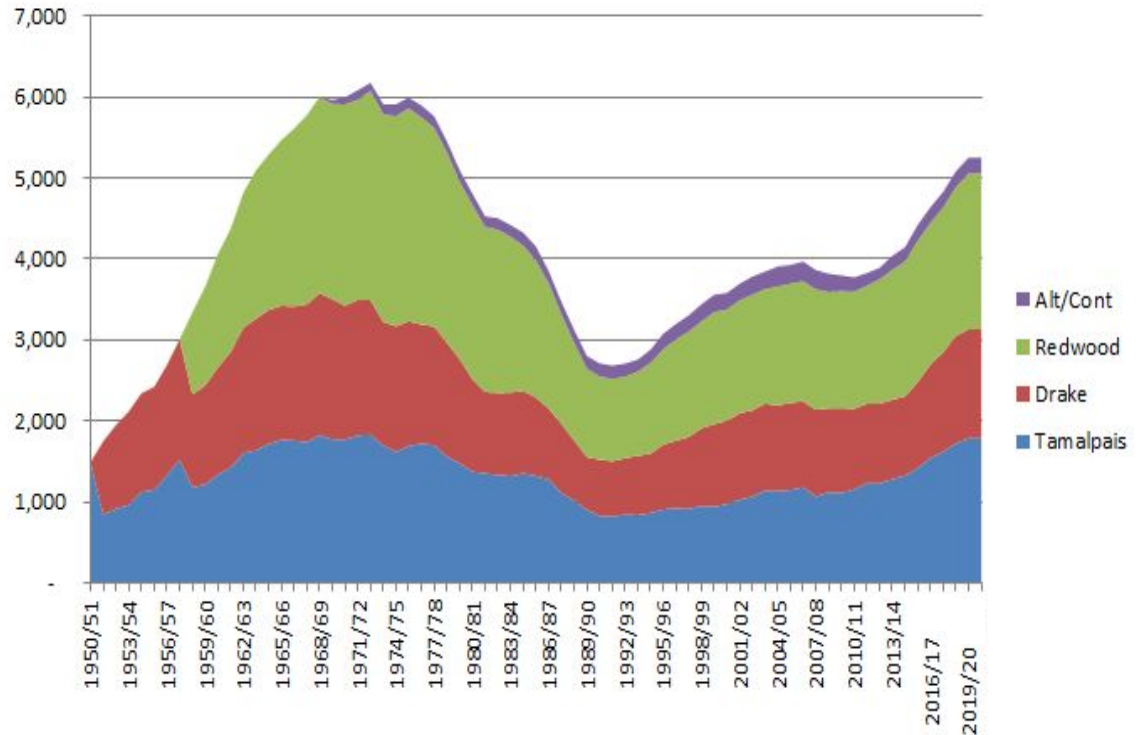


Current Parcel Tax Revenue



Enrollment Growth

- Additional 1,361 students over 11 years
 - 3,823 students in 2008-09 to 5,184 students in 2019-20
- 35% increase over 11-year time period
- Projected enrollment is:
 - 5,270 in 2020-21 (*peak enrollment*)
 - 5,263 in 2021-22

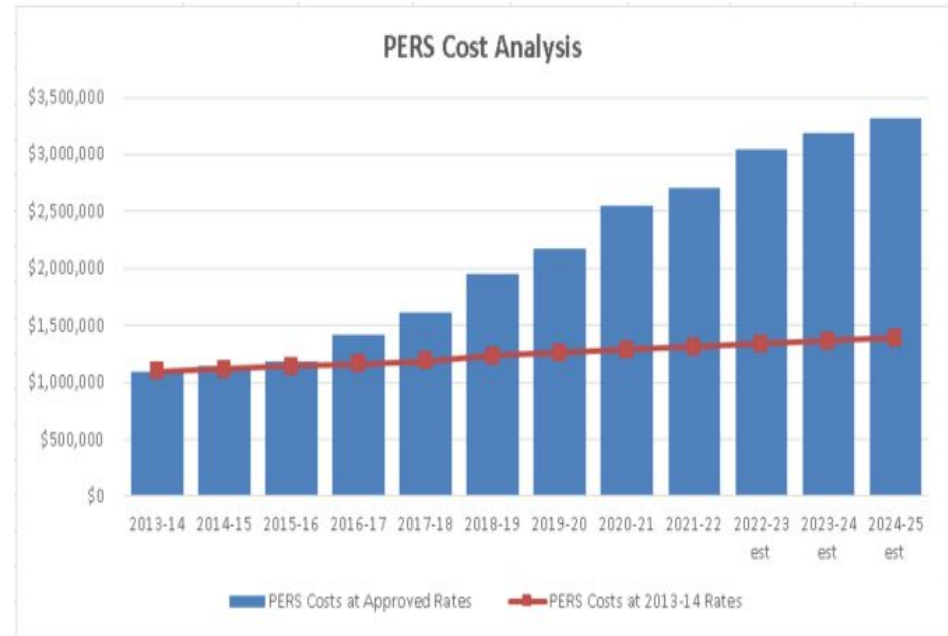
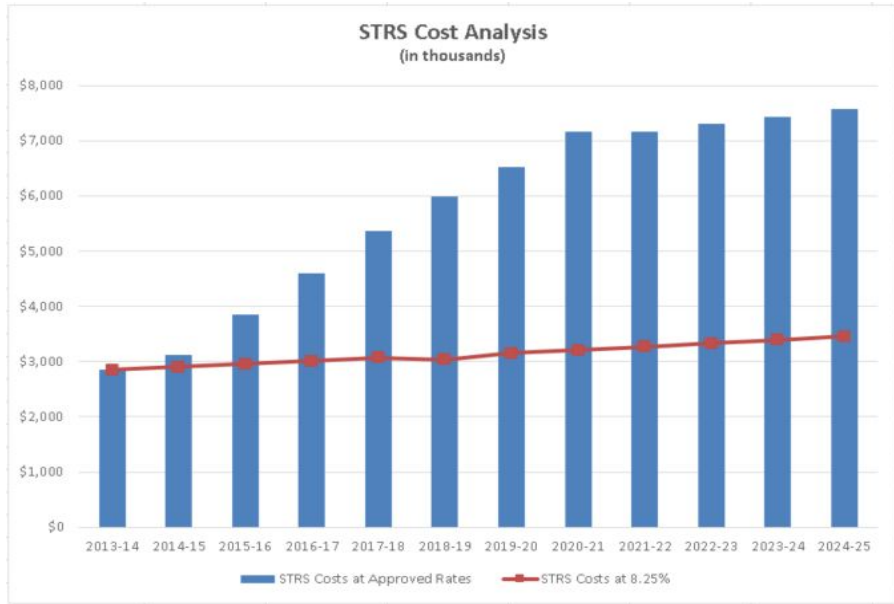


STRS & PERS rates grow significantly

- In 2013, both STRS and PERS rates were re-calculated based on the Public Employee Pension Reform Act that restructured retirement age and benefits, which results in less funding for other uses
- Compared to 2013-14, increased rates cost district additional \$4.2M as of 2019-20
- By 2022-23, budget will reflect \$2.0M more in annual district retirement contributions than '19-20
- From 2013-14 to 2022-23, **the cumulative impact is \$6.2M annually**

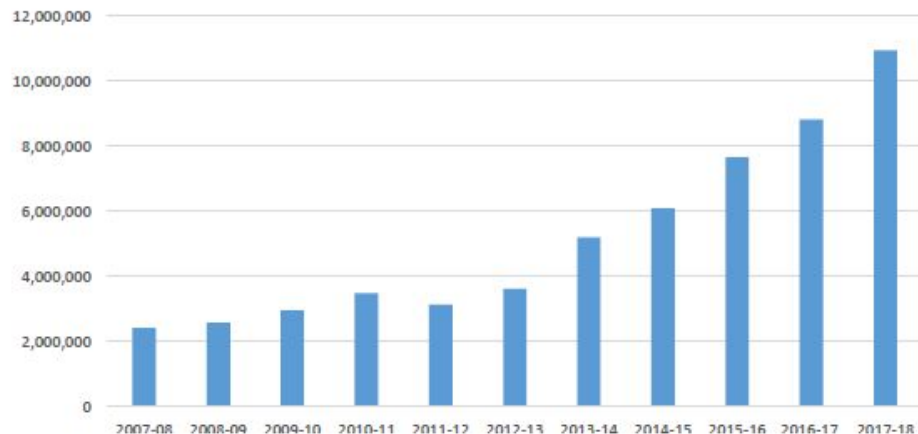
	CalPERS Rate Comparison								
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 est	2023-24 est
Employer Rates	11.85%	13.89%	15.53%	18.06%	19.72%	22.70%	24.60%	26.10%	26.80%
Change		2.04%	1.64%	2.53%	1.66%	2.98%	1.90%	1.50%	0.70%
	CalSTRS Rate Comparison								
Employer Rates	10.73%	12.58%	14.43%	16.28%	17.10%	18.40%	18.10%	18.10%	18.10%
Change		1.85%	1.85%	1.85%	0.82%	1.30%	-0.30%	0.00%	0.00%

STRS & PERS Costs more than double with PEPRA



Special Education Costs

Special Education Contribution from Unrestricted Has Increased from \$2.4M to \$10.9M in Ten Years, an Average Annual Rate of Increase of \$850,000 (12% Annual Average Increase)



Special Education costs are not solely under the control of the local school district

- TUHSD SpEd contributions have increased from \$2.4M to \$14.3M in 11 years
 - Avg. of 10% or \$1M increase annually
- In 2012, CA law changed requiring Districts to provide mental health services to special education students & shifted the full financial responsibility for Non-Public School (NPS) placement onto Districts
- 2016 TUHSD Special Education Audit
 - Recommendation to reduce NPS expenses
- 'Small School' CEC opened in August of 2017 with 15 students at Tamiscal
 - Saves \$560k annually
- Drake CEC opened in January 2019 - already full

Summary: *Where we were in June 2018?*

	<i>2018-19</i>	<i>2019-20</i>	<i>2020-21</i>	<i>2021-22</i>
<i>Operating Deficits (June 2018)</i>	\$(7.8M)	\$(8.7M)	\$(9.7M)	-
<i>Ending Fund Balance/Reserve (June 2018)</i>	\$8.6M (6.5%)	\$1M (1.1%)	<i>Insolvent by Oct.</i>	-

Reductions Made to Date	Amount
Closure of the Print Shop-2016	\$187,000
Suspension of the Instructional Leadership Team, Teacher Leaders- <i>Spring 2018</i>	\$945,000
Reduction in Instructional Coaching FTE- <i>Spring 2018</i>	\$92,000
Reduction in Anticipated Hiring- <i>Spring 2018</i>	\$463,000
Reduction of all but essential travel, conferences and consultant services- <i>Spring 2018</i>	\$300,000
Reduction of 1.0 FTE Administration: Combine Senior Director of Curriculum and Instruction and Tamiscal Principalship	\$151,000
Reduction of 1.0 FTE Administration: Assistant Superintendent of Educational Services	\$256,000
Reduction in Administration Hours: reduction of work calendar for Director of Nutritional Services	\$5,600
10% reduction in District Department budgets (ed services, maintenance, nutrition, etc)	\$300,000
25% reduction in school site budgets	\$300,000
13	Total \$2,999,600

Budget Reduction Recommendation

14

Item	Cost Savings
Net reduction in certificated staffing by staffing up to contractual ratios	\$823,000***
Reduction in technology (hardware and software)	\$100,000
Reduction custodial and grounds staffing (approximately 8 FTE)	\$510,250
Elimination of community education evening classes (<i>maintain pool and facilities access</i>)	\$350,000
Reduce certificated librarians from 3.0 FTE to .2 FTE and maintain library aides	\$384,000
Reduce Tamiscal staffing by 0.8 FTE	\$109,600
Reduce BACR cost by 22% (<i>with offset by TUPE grant</i>)	\$117,180
Share of Wellness Director position 75/25% between TUHSD and MCOE	\$44,000
Reduce Nutritional Services menu offerings & reduce kitchen staffing by 2.5 FTE	\$160,000
Reduce athletic budgets (<i>keep all teams & 10% reduction, athletic trainers to be financially supported by school foundations and athletic boosters</i>)	\$242,000
*** <i>An estimate pending department staffing</i>	Total \$2,839,780

Start with the End... Summary of Multi-Year Projections

	2018-19	2019-20	2020-21	2021-22
Operating Deficits <i>(June 2018)</i>	\$(7.8M)	\$(8.7M)	\$(9.7M)	-
Ending Fund Balance/Reserve <i>(June 2018)</i>	\$8.6M (6.5%)	\$1M (1.1%)	Insolvent by Oct.	-
Operating Deficits/Surplus <i>(June 2019)</i>	\$(3.4M)	\$201k	\$(1.3M)	\$(529k)
Ending Fund Balance/Reserve <i>(June 2019)</i>	\$14.0M (14.6%)	\$14.2M (15.4%)	\$12.9M (13.4%)	\$12.4M (12.5%)

Multi-Year Projection Assumptions

Revenue Assumptions:

- Local property tax revenue growth is still projected to decrease from 4.14% in '19-20 to 4.08% in '20-21 & '21-22
 - Note: 2018-19 property tax revenue was projected at 4.6% and ended up at 6.67%
 - Given TFT salary agreement, 2018-19 certificated staff to receive one time raise of 1.20%
- Federal & State revenue is expected to remain relatively constant
- Local revenue increased by the Nov 2018 supplemental parcel tax measure revenue
 - Full annual revenue in 2019-20 continuing for the term (\$5.1M)
 - Additional increase with the 3% annual inflation adjustment in both parcel taxes
 - **Both** parcel taxes expire in June 2022
 - Combined Foundations donations is 'one-time' in 2019-20 for Athletic Trainers, Instructional Coaching & graduation ceremonies cost offset (total about \$374k)

Multi-Year Projection Assumptions (cont'd)

Expenditure Assumptions:

- Enrollment to continue to increase over the next two years by an estimated cumulative total of 79 students compared to 2019-20
- Planned additional hiring of certificated positions to accommodate enrollment growth in '20-21 and English dept reduction in '20-21 given new 'class size' MOU staffing practices
- Fiscal Advisory expenditure reductions of \$2.84M (\$5.8M total) included and assumed ongoing
 - Exception: Reinstatement of full-time senior management position in ed services and a teacher leader model in 2020-21
- All employee groups & TUHSD have settled on compensation through '19-20, but not '20-21 nor '21-22
 - Note: Total cost of 1% for all staff is predicted to be \$581k in 2020-21

Multi-Year Projection Assumptions (cont'd)

Expenditure Assumptions: (cont'd)

- Step & Column increases are 2.0% for Certificated and 2.0% for Classified
- All new employees hired for 2019-20 have a cap on District-paid health benefits (i.e. Healthcap)
- Despite Governor's STRS pension rate 'one-time' relief, both STRS & PERS rates still increase overall
- Include five annual payments to PARS given retirement incentive for both classified & certificated staff
- Continued historic trend of Special Education costs increasing approximately 10% annually
- Utilities expenses projected to increase 4% annually (i.e. MMWD, other)

2019-20 Key Budget Assumptions (continued)

Expenditure Assumptions:

- Reduction of staffing (PARS retirement incentive for TFT/CSEA):
 - Certificated: 19.2 fte less
 - Classified: 15.2 fte less
 - Management: 2.3 fte less (not including 1.5fte Assistant Principals not hired for enrollment growth)
- All employee groups & TUHSD have settled on compensation through '19-20, but not '20-21 nor '21-22
- 'Class Size' MOU agreement for three years
- Step & Column increases are 2.0% for Certificated and 2.0% for Classified
- All new employees hired for 2019-20 have a cap on District-paid health benefits (i.e. Healthcap)
- Despite Governor's STRS pension rate 'one-time' relief, both STRS & PERS rates still increase overall
- Fiscal Advisory expenditure reductions of \$5.8M included and assumed ongoing (see next slides)

Start with the End... Summary of Multi-Year Projections

	2018-19	2019-20	2020-21	2021-22
Operating Deficits <i>(June 2018)</i>	\$(7.8M)	\$(8.7M)	\$(9.7M)	-
Ending Fund Balance/Reserve <i>(June 2018)</i>	\$8.6M (6.5%)	\$1M (1.1%)	Insolvent by Oct.	-
Operating Deficits/Surplus <i>(June 2019)</i>	\$(3.4M)	\$201k	\$(1.3M)	\$(529k)
Ending Fund Balance/Reserve <i>(June 2019)</i>	\$14.0M (14.6%)	\$14.2M (15.4%)	\$12.9M (13.4%)	\$12.4M (12.5%)

PAUSE: Any clarifying questions?



Where are we now?

Summary of Multi-Year Projections

	2018-19	2019-20	2020-21	2021-22
Operating Deficits <i>(June 2018)</i>	\$(7.8M)	\$(8.7M)	\$(9.7M)	-
Ending Fund Balance/Reserve <i>(June 2018)</i>	\$8.6M (6.5%)	\$1M (1.1%)	<i>Insolvent by Oct.</i>	-
Operating Deficits/Surplus <i>(June 2019)</i>	\$(3.4M)	\$201k	\$(1.3M)	\$(529k)
Ending Fund Balance/Reserve <i>(June 2019)</i>	\$14.0M (14.6%)	\$14.2M (15.4%)	\$12.9M (13.4%)	\$12.4M (12.5%)
Operating Deficits/Surplus <i>(December 2019)</i>	-	\$208k	\$(1.3M)	\$(226k)
Ending Fund Balance/Reserve <i>(December 2019)</i>	-	\$16.0M (16.7%)	\$14.7M (15.1%)	\$14.5M (14.4%)

Multi-Year Projection Assumptions ('20-21 & '21-22)

Revenue Assumptions:

- Local property tax revenue growth is projected at 4.8% for both 2020-21 & 2021-22
- Federal & State revenue is expected to remain relatively constant
- Local revenue is expected to increase with the 3% annual inflation adjustment in both parcel taxes

Multi-Year Projection Assumptions ('20-21 & '21-22)

Expenditure Assumptions:

- Enrollment to continue to increase over the next two years by an estimated cumulative total of 96 students compared to 2019-20
- Planned certificated hiring of:
 - **'20-21:** Net 0.6 fte increase
 - **'21-22:** Net 1.2 fte decrease
- All employee groups & TUHSD have settled on compensation through '19-20, but not '20-21 nor '21-22
 - Note: Total cost of 1% for all staff is predicted to be \$581k in 2020-21
- Fiscal Advisory expenditure reductions of \$5.8M included and assumed ongoing
 - Reinstatement of Asst Supt of Ed Services and a teacher leader model (no release periods) in 2020-21
- All new employees hired for 2019-20 have a cap on District-paid health benefits (i.e. Healthcap)
- Continued historic trend of Special Education costs increasing approximately 10% annually
- Utilities expenses projected to increase 4% annually (i.e. MMWD, electric, sewer, etc.)

Summary of Multi-Year Projections

	2018-19	2019-20	2020-21	2021-22
Operating Deficits <i>(June 2018)</i>	\$(7.8M)	\$(8.7M)	\$(9.7M)	-
Ending Fund Balance/Reserve <i>(June 2018)</i>	\$8.6M (6.5%)	\$1M (1.1%)	<i>Insolvent by Oct.</i>	-
Operating Deficits/Surplus <i>(June 2019)</i>	\$(3.4M)	\$201k	\$(1.3M)	\$(529k)
Ending Fund Balance/Reserve <i>(June 2019)</i>	\$14.0M (14.6%)	\$14.2M (15.4%)	\$12.9M (13.4%)	\$12.4M (12.5%)
Operating Deficits/Surplus <i>(December 2019)</i>	-	\$208k	\$(1.3M)	\$(226k)
Ending Fund Balance/Reserve <i>(December 2019)</i>	-	\$16.0M (16.7%)	\$14.7M (15.1%)	\$14.5M (14.4%)

Uncertainties & Prudence

- Enrollment to continue to increase over the next two years by an estimated cumulative total of 96 students compared to 2019-20
- Eventual downturn in the economy (every 8-10 years) & impact of property tax revenues
- Scheduled large facilities projects ongoing (Science room conversions, field replacements, pools, etc)
- All employee groups & TUHSD have settled on compensation through '19-20, but not '20-21 nor '21-22
- STRS and PERS pension annual cost increases larger than revenue increases
- Statewide trend of Special Education costs increases (unfunded mandate)
- Given all \$5.8M expenditure reductions are assumed ongoing (with two stated exceptions)
- Class size MOU & both parcel taxes expire in June 2022

PAUSE: Any clarifying questions?



Where are we going?

Parcel Tax (Measure B) Renewal

Parcel Tax Renewal Timeline (Measure B)

May 28th - Initial Board discussion of potential parcel tax renewal

June 11th - The Board held a Public Hearing & Discussion on Budget Proposal

June 11th - June 28th - TUHSD informational mailer with survey sent to community

June 25nd - The Board adopted the 2019-20 Budget and LCAP; Board discussed potential Parcel Tax renewal discussed and approved staff to conduct a community survey (poll)

July 22nd - July 28th - Parcel tax polling was conducted

August 27th - Godbe Research presented community polling results at a regular board meeting

September 10th - Board discussed unaudited actuals and structure of potential parcel tax renewal

November 6th - First draft of TUHSD Parcel Tax Resolution discussed at the regular Board Meeting

November 19th - TUHSD Board Meeting passed Parcel Tax Resolution 19-6

December 3rd - District filed ballot measure paperwork with County Registrar of Voters for the March 2020 election

March 3rd, 2020 - Parcel Tax (Measure B) Election

Existing Parcel Tax details

- Provides \$16.8 million annually
- Accounts for 17% of annual budget
- Set to expire in June 2022
- Provides funding to attract and retain high-quality teachers, support academic programs, provide excellent instruction and art/music programming, and prepare students for college and careers

If parcel tax expires without renewal, TUHSD would be forced to make \$16.8 million in cuts to programs and staffing.

Without any increase to the current parcel taxes and with the \$5.8M of ongoing cuts made over the previous two years, TUHSD would still face sustained operating **deficits** of:

- **\$3M** in '20-21, **\$3.8M** in '21-22, **\$6M** in '22-23 and **\$6.7M** in '23-24 (*current estimates*)

An increase of \$190 per year would generate an additional \$6 million annually (starting in 2020-21) and prevents further significant cuts to staffing and programming.

Parcel Tax Renewal Amount

Proposed Increase: \$190 above current combined annual parcel tax

$$\begin{array}{rclcl} \text{(i.e.) Current Amount} & + & \text{Proposed Increase} & = & \text{Potential New Total Amount} \\ \$455 & + & \$190 & = & \$645 \end{array}$$

Rationale:

- Maintains current level of programming (i.e. broad course offerings) & staffing and prevents any further significant cuts to staffing and programs
- Maintain a balanced budget & re-establish a reserve in alignment with board policy in the 5-year extended budget forecast
- 'Potential New Total Amount' would generate \$22.7M annually starting in 2020-21

Major assumptions include:

- Property tax revenue projections from Marin County Department of Finance
- Enrollment projections (5 yr & 10 yr projections from May 2019)
- COLA (relative to CPI) for staff expenditures
- Unfunded State mandates (STRS/PERS, SpEd) expenditures

Parcel Tax Renewal Term

Proposed Term: 10 years effective 2020-21 school year

Rationale:

- Enrollment is a major driver of expenses for TUHSD, and as a high school district, we can forecast future enrollment for a 10 year period using incoming Kindergarten registrations at our feeder districts.
- Recent polling results suggest the community is receptive to a 10 year term

TBWB and Godbe Research 8/27/19 Recommendation (based on July polling data):

"Given the survey findings and the two-thirds majority required for approval, TBWB and Godbe Research recommend that the Tamalpais Union High School District continue the process to prepare for a March 2020 parcel tax measure election."

What if the parcel tax *fails* on March 3rd?

Possible next steps:

- Analyze results, reassess, and possibly go back out again in November 2020
 - Reminder: Estimated operating deficits of \$3M in '20-21, \$3.8M in '21-22, \$6M in '22-23 and \$6.7M in '23-24
- During 2020-21 school year:
 - Re-establish Fiscal Advisory committee & continue work from 2018-19
 - Begin to identify additional, significant budget cuts including, but not limited to, district-wide programming
 - Note: These potential cuts would need to be in addition to the ongoing expenditure cuts already made



Questions? Comments?
Thank you!

(Again, slides posted at www.tamdistrict.org)

TAMALPAIS UNION HIGH SCHOOL DISTRICT MEASURE J

MEASURE J: To protect high quality education with local funding that cannot be taken by the State, shall Tamalpais Union High School District attract and retain highly qualified teachers, counselors and staff; provide excellent science, technology, engineering, math, reading /writing instruction; protect art /music programs; and maintain small class sizes by levying \$149 per parcel, providing \$5.1 million annually for 4 years, with senior exemptions, annual cost of living adjustments, independent citizens' oversight and all funds for local high school students?

YES

NO

FULL TEXT OF MEASURE J

TAMALPAIS UNION HIGH SCHOOL DISTRICT ACADEMICS AND TEACHER PROTECTION MEASURE Measure J

Tamalpais Union High School District is proud to have some of the highest-rated public high schools in the country with a better than 95% graduation rate. Our schools—Redwood, San Andreas, Sir Francis Drake, Tamalpais and Tamiscal High Schools—have excellent teachers, counselors and staff who provide quality science, technology, engineering, math, reading and writing instruction.

Our schools, however, are facing unprecedented enrollment growth. In the past seven years alone, student enrollment has increased by almost 30% and is expected to continue to climb. At the same time, funding supporting our schools has not kept pace. We are a community-funded district, which means that we do not receive additional funding as more students attend our schools. We cannot rely on the State to provide the funding that our schools need.

To accommodate our growing student enrollment, the District is currently using over \$7 million in reserves. These reserves are running out and, without additional funding, the District will have to lay off teachers and make cuts to academic programs.

Our schools have already made \$2 million in cuts and will need to cut an additional \$6 million more. Cuts of this magnitude would have a direct impact on the classroom and would be the equivalent of laying off over 41 teachers, increasing class sizes and cutting academic and enrichment programs. Measure J will prevent the most devastating cuts to our classrooms and help protect the quality of education in our high schools. Every penny will stay in our community and independent citizens' oversight will help ensure funds are spent as promised. No funds can go to administrator salaries or benefits.

TERMS

To protect high quality education with local funding that cannot be taken by the State, shall Tamalpais Union High School District attract and retain highly qualified teachers, counselors and staff; provide excellent science, technology, engineering, math, reading /writing instruction; protect art /music programs; and maintain small class sizes by levying \$149 per parcel, providing \$5.1 million annually for 4 years, with senior exemptions, annual cost of living adjustments, independent citizens' oversight and all funds for local high school students?

Moneys raised under this Measure shall be authorized to be used only for the following purposes in accordance with priorities established by the Board and to the extent of available funds:

- To provide high quality education,
- To attract and retain highly qualified teachers, counselors and staff
- To provide excellent science, technology, engineering, math, reading, writing, art and music instruction
- To maintain small class sizes

No funds will be spent on administrative salaries or benefits.

A. Amount, Basis, & Collection of Tax

Beginning November 7, 2018, the Tamalpais Union High School District ("District") shall be authorized to levy an annual qualified special tax of \$149 per parcel on all assessor's parcels. The authorization to

levy this qualified special tax shall expire on June 30, 2022. It is the intent of the voters that the tax be levied immediately following its adoption until June 30, 2022, unless extended by voters. Beginning on July 1, 2019, the rate of the qualified special tax shall be increased by three (3) percent every year to account for increases in the cost of living.

This qualified special tax is estimated to raise \$5.1 million in annual local funding for District schools. The amount of annual local funding raised by this qualified special tax will vary from year-to-year due to changes in the number of parcels subject to the levy and the cost of living increase.

An amount equal to the amount of the qualified special tax accruing from November 7, 2018 to June 30, 2019 (\$95.93) shall be billed by the County Tax Collector on the regular tax bill issued for the 2019-2020 tax year, in addition to the amount of the qualified special tax due for the 2019-2020 tax year.

This qualified special tax shall be in addition to the qualified special tax authorized by voters as "Measure B" in November 2011 and the tax so authorized by Measure B shall continue to be levied in accordance with its terms.

B. Exemptions

Under procedures adopted by the District, an exemption from payment of the special tax may be granted on any parcel owned by one or more persons who is/are:

1. An individual who will attain 65 years of age prior to May 1 of the tax year and occupying said parcel as his or her principal residence ("Senior Citizen Exemption"); or,
2. Receiving Supplemental Security Income for a disability, regardless of age, and occupying said parcel as his or her principal residence ("SSI Exemption"); or
3. Receiving Social Security Disability Insurance benefits, regardless of age, whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services, and occupying said parcel as his or her principal residence ("SSDI Exemption").

Exemptions may be granted based on a one-time application received by the District no later than May 1 prior to the tax year. Applications received by May 1, 2019 shall qualify applicants for exemption from any tax amount associated with the 2018-19 tax year. Exemptions granted under prior special taxes levied by the District will not require re-approval, subject to the District's right to verify a property owner's continuing qualification for exemption.

The District shall annually provide to the Marin County Tax Collector ("County Tax Collector") or other appropriate County official a list of parcels that the District has approved for an exemption.

C. Claims / Exemption Procedures

With respect to all general property tax matters within its jurisdiction, the County Tax Collector or other appropriate County tax official shall make all final determinations of tax exemption or relief for any reason, and that decision shall be final and binding. With respect to matters specific to the levy of the special tax including any exemptions, the application of the qualified special tax to any parcel(s), the legality or validity of the special tax, or any other disputed matter specific to the application of the special tax, the decisions of the District shall be final and binding. The procedures described herein, and any additional procedures established by the Board shall be the exclusive claims procedure for claimants seeking an exemption, refund, reduction, or re-computation of the special tax. Whether any particular claim is to be resolved by the District or by the County shall be determined by the District, in coordination with the County as necessary.

D. Appropriations Limit

Pursuant to California Constitution Article XIII B and applicable laws, the appropriations limit for the District will be adjusted periodically by the aggregate sum collected by levy of this qualified special tax.

E. Mandatory Accountability Protections

1. *Specific Purposes.* The proceeds of the special tax shall be applied only to the specific purposes identified above. The proceeds of the special tax shall be deposited into a fund, which shall be kept separate and apart from other funds of the District.
2. *Annual Reports.* No later than December 31 of each year while the tax is in effect, the District shall prepare and file with the Board a report detailing the amount of funds collected and expended, and the status of any project authorized to be funded by this Measure. The report may relate to the

calendar year, fiscal year, or other appropriate annual period, and may be incorporated into or filed with the annual budget, audit, or other appropriate routine report to the Board.

3. *Independent Citizens' Oversight Committee.* The Board shall provide for the creation of an independent citizens' oversight committee to oversee expenditure of the funds collected pursuant to the Measure to ensure that moneys raised under this Measure are spent only for the purposes described in this Measure. The Board shall provide for the composition, duties, and other necessary information regarding the committee's formation and operation.

F. Annual Plan

Beginning with expenditures for the 2019-2020 school year, an expenditure plan (the "Proposed Annual Plan") shall be developed annually, on or before June 30, for the succeeding fiscal year by the District staff. The Proposed Annual Plan will recommend expenditures of the tax proceeds that are consistent with the intent of the Funding Measure. The assumptions associated with the recommended expenditures shall be included in the Proposed Annual Plan. The Proposed Annual Plan shall be presented for Board action each fiscal year in conjunction with the District's annual budget adoption process for the subsequent fiscal year. To facilitate public discussion, the Proposed Annual Plan shall be made available for public review.

G. Protection of Funding

Current law forbids any decrease in State or federal funding to the District resulting from the adoption of qualified special tax. However, if any such funding is reduced or affected because of the adoption of this local funding measure, then the Board may reduce the amount of the special taxes levied as necessary in order to restore such State or federal funding and/or maximize the District's fiscal position for the benefit of the educational program. As a result, whether directly or indirectly, no funding from this measure may be taken away by the State or federal governments.

H. Severability

The Board hereby declares, and the voters by approving this Measure concur, that every section and part of this Measure has independent value, and the Board and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this Measure by the voters, should any part of the Measure be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts of the Measure hereof shall remain in full force and effect to the fullest extent allowed by law.

**BOARD OF TRUSTEES
TAMALPAIS UNION HIGH SCHOOL DISTRICT**

RESOLUTION NO. 19-6

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE
TAMALPAIS UNION HIGH SCHOOL DISTRICT, CALLING AN ELECTION FOR
APPROVAL OF AN EDUCATION PARCEL TAX, ESTABLISHING SPECIFICATIONS OF
THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER
ELECTIONS OCCURRING ON MARCH 3, 2020**

RESOLVED by the Board of Trustees ("Board") of the Tamalpais Union High School District ("District"), a school district of the County of Marin, State of California, that:

WHEREAS, the Tamalpais Union High School District is proud to have some of the highest-rated public high schools in the country with a better than 95% graduation rate. The District's excellent teachers and staff provide high quality science, technology, engineering, math, reading and writing instruction at Redwood, San Andreas, Sir Francis Drake, Tamalpais and Tamiscal High Schools. These schools serve over 5,100 students throughout Southern Marin County; and

WHEREAS, the District depends on local funding through its voter-approved parcel tax. This funding has helped the District attract and retain high quality teachers, provide core academics and hands-on instruction, and maintain school counseling programs; and

WHEREAS, local parcel tax funding for the District provides \$16.8 million each year and accounts for 17% of the District's budget. This funding is equivalent to the cost of 114 teaching positions. The current parcel taxes are set to expire in June 2022 and the loss of this revenue would be significant; and

WHEREAS, the District also is facing unprecedented enrollment growth. In the past eleven years alone, student enrollment has increased by almost 35%, and is expected to continue to increase for another two years. At the same time, however, funding for our schools has not kept pace; and

WHEREAS, we cannot rely on the State to provide the funding that our schools need. We are a community-funded district, which means that we do not receive additional funding as more students attend our schools; and

WHEREAS, despite having made \$5.8 million in ongoing cuts to accommodate increased student enrollment, the District recently has used over \$10.4 million in reserves; and

WHEREAS, the District is highly transparent and has strict standards of fiscal accountability as evidenced by the District's recent Aaa credit rating by Moody's, which is the highest rating possible; and

WHEREAS, outstanding local schools provide numerous benefits and advantages to all residents of the community, including supporting strong local property values; and

WHEREAS, this measure would require fiscal accountability provisions, including an independent Citizens' Oversight Committee, annual audits and safeguards to ensure all funding would stay local in Tamalpais Union High School District schools and could not be taken by the State or used for other purposes; and

WHEREAS, property owners aged 65 and older and certain owners receiving SSI or SSDI would be eligible for an optional exemption from the cost of the measure; and

WHEREAS, California Constitution, Article XIII A, section 4 and Government Code sections 50075 et seq. authorizes the District, upon approval of two-thirds of the electorate, to levy qualified special taxes on real property in the District for the purpose of providing quality educational programs in the District and other lawful purposes of the District; and

WHEREAS, in the judgment of this Board, following a public hearing and comment, it is advisable to request that the Marin County Superintendent of Schools call an election and submit to the voters of the District the question of whether the District shall levy a qualified special tax within the District as specified in this resolution, for the purpose of raising revenue for the District; and

WHEREAS, pursuant to the Education Code and Elections Code such election may be completely or partially consolidated with any other election held on the same day and in the same territory or territory that is in part the same.

NOW, THEREFORE, IT IS DETERMINED AND ORDERED as follows:

Section 1. Recitals. The Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. Resolution Constitutes Order of Election. This resolution shall constitute an order of election pursuant to the Education Code to the Marin County Superintendent of Schools ("County Superintendent") to call an election within the boundaries of the District on March 3, 2020.

Section 3. Date and Purpose of Measure. Pursuant to the California Constitution and Government Code, an election shall be held within the boundaries of the District on Tuesday, March 3, 2020, for the purpose of voting on a measure ("Measure") which will be presented to voters in substantially the form attached hereto as **Exhibit A**, containing the question of whether the District shall impose a qualified special tax for the educational purposes stated therein. In addition, the full text of the Measure ("Full Ballot Text") shall appear in the ballot pamphlet in substantially the form attached hereto as **Exhibit B**.

Section 4. Exemptions from Qualified Special Tax. Pursuant to any procedures adopted by the District, upon application an exemption from payment of the special tax may be granted on any parcel owned by one or more:

- (a) Persons who will attain 65 years of age prior to May 1 of the tax year and occupying said parcel as his or her principal residence ("Senior Citizen Exemption"); or,
- (b) Persons receiving Supplemental Security Income for a disability, regardless of age, and occupying said parcel as his or her principal residence ("SSI Exemption"); or
- (c) Persons receiving Social Security Disability Insurance benefits, regardless of age, whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services and occupying said parcel as his or her principal residence ("SSDI Exemption").

Exemptions may be granted based on a one-time application received by the District no later than May 1 prior to the tax year. Exemptions granted under prior special taxes levied by the District will not require re-approval, subject to the District's right to verify a property owner's continuing qualification for exemption.

The District shall annually provide to the Marin County Tax Collector ("County Tax Collector") or other appropriate County official a list of parcels that the District has approved for an exemption.

Section 5. Collection of the Tax. The qualified special tax shall be collected by the County Tax Collector. Unpaid special taxes shall bear interest at the same rate as the rate for unpaid *ad valorem* property taxes until paid. With respect to all general property tax matters within its jurisdiction, the County Tax Collector shall make all final determinations of tax exemption or relief for any reason, and that decision shall be final and binding. With respect to matters specific to the levy of the special tax, including the exemptions, the application of the qualified special tax to any parcel(s), the legality or validity of the special tax, or any other disputed matter specific to the application of the special tax, the decisions of the District shall be final and binding.

This Measure shall not affect the collection of the qualified special taxes authorized by voters as "Measure B" in November 2011 or "Measure J" in November 2018 unless this Measure is adopted, in which case Measure B and Measure J shall cease and be replaced with this Measure on the date this Measure becomes effective.

Section 6. Reporting and Oversight.

- (a) *Specific Purpose.* The proceeds of the special tax shall be applied only to the specific purposes identified in the Full Ballot Text as required by Government Code section 50075.1. The proceeds of the special tax shall be deposited into a fund, which shall be kept separate and apart from other funds of the District.
- (b) *Annual Report.* No later than December 31 of each year while the special tax is in effect, the District shall prepare and file with the Board a report detailing the amount of funds collected and expended, and the status of any project authorized to be funded by this Measure. The report may relate to the calendar year, fiscal year, or other appropriate annual period, as said officer shall determine, and may be incorporated into or filed with the annual budget, audit, or other appropriate routine report to the Board.
- (c) *Independent Citizens' Oversight Committee.* The Board shall provide for the creation of an independent citizens' oversight committee to oversee expenditure of the funds collected pursuant to the Measure to ensure that moneys raised under this Measure are spent only for the purposes described in this Measure. The Board shall provide for the composition, duties, and other necessary information regarding the committee's formation and operation. The Board shall have the option to extend any current independent citizen oversight committee and its membership to serve as the independent citizen oversight committee for this Measure.

Section 7. Authority for Ordering Election. The authority for ordering the election is contained in the Education Code, Elections Code, Government Code, and California Constitution.

Section 8. Authority for Specifications. The authority for the specification of this election order is contained in the Education Code.

Section 9. Resolution to County Officials. The Secretary to the Board is hereby directed to cause certified copies of this Resolution and order to be delivered no later than December 4, 2019, to the County Superintendent, the Marin County Registrar of Voters ("Registrar"), and the Clerk of the Board of Supervisors of Marin County ("Board of Supervisors").

Section 10. Formal Notice. The County Superintendent is hereby requested to prepare and execute a Formal Notice of Parcel Tax Election and consolidation order in substantially the form attached hereto as **Exhibit C** (the "Formal Notice"), and to call the election by causing the Formal Notice to be posted in accordance with the applicable law no later than December 4, 2019, or to otherwise cause the notice to be published as permitted by law. The Secretary to the Board, on behalf of and as may be requested by the County Superintendent, is authorized to cause all notices required by law in connection herewith to be published and posted, as the case may be.

Section 11. Conduct of Election.

- (a) *Request to Registrar.* Pursuant to State law, the Registrar is requested to take all steps to hold the election on March 3, 2020, in accordance with law and these specifications. The election shall be held and conducted in the manner prescribed by Elections Code section 10418.
- (b) *Voter Pamphlet.* The Registrar is hereby requested to reprint the Full Ballot Text in substantially the form attached hereto as **Exhibit B** in the voter information pamphlet to be distributed to voters pursuant to the Elections Code. In the event the Full Ballot Text will not be reprinted in the voter information pamphlet in its entirety, the Registrar is hereby requested to print, immediately below the impartial analysis of the Measure, in no less than 10-point boldface type, a legend substantially as follows:

"The above statement is an impartial analysis of Measure _____. If you desire a copy of the Measure, please call the Marin County Registrar of Voters at {phone number} and a copy will be mailed at no cost to you."

- (c) *Consolidation.* The County Superintendent and the Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections as may be held on the same day in the same territory or in territory that is in part the same.
- (d) *Canvass and Declaration of Results.* The Board of Supervisors is authorized to canvass the returns of the election and declare the result pursuant to the Elections Code.
- (e) *Cost of Election.* The District will reimburse the Registrar and the County of Marin for costs associated with the election as required by law.

Section 12. Appropriations Limit. The Board shall provide in each year for an increase in the District's appropriations limit as shall be necessary to ensure that the proceeds of the special tax may be spent for the authorized purposes.

Section 13. Ballot Arguments. The Board President and/or her designees are hereby authorized to prepare and file with the Registrar any ballot argument prepared in connection with the election, including a rebuttal argument, each within the time established by the Registrar, which shall be considered the official ballot arguments of the Board as sponsor of the Measure and to take all necessary action to prevent inclusion of false and/or misleading information in ballot materials related to the Measure.

Section 14. Official Actions. The District Superintendent, Board President, or their designees are hereby authorized to execute any other document and to perform all acts necessary to place the Measure on the ballot, including making alterations to the Measure and Full Ballot Text stated in **Exhibits A and B** hereto, and to this Resolution, to comply with requirements of law and election officials or which are, in the judgment of the Superintendent and/or Board President, in the best interests of the District.

Section 15. Effective Date. This Resolution shall take effect from and after its adoption.

The foregoing resolution was introduced by Karen Loebbaka, who moved its adoption, seconded by Kevin Saavedra, and adopted on November 19, 2019 by the following vote:

AYES: 5 (Harlander, Loebbaka, Oppenheim, Roenisch, Saavedra)

NOES: 0

ABSENT: 0



Leslie Lundgren Harlander
President of the Board of Trustees
of the Tamalpais Union High School District

ATTEST:



Cynthia Roenisch
Clerk of the Board of Trustees
of the Tamalpais Union High School District

EXHIBIT A

Summary of Measure

The Measure shall be summarized in the following form, and the County of Marin Registrar of Voters is requested to cause this summary of the Measure to appear on the ballot:

****** BEGIN BALLOT LABEL ******

To maintain high quality education with local funding that cannot be taken by the State, shall Tamalpais Union High School District maintain excellent science, technology, engineering, math, reading and writing instruction; attract /retain highly qualified teachers; and support music and art by adopting a measure renewing funding at the current \$455 rate and adding \$190 per parcel, providing \$23 million annually for 10 years, with senior exemptions, cost of living adjustments, independent oversight and all funds for Tamalpais Union High School District students?

****** END BALLOT LABEL ******

EXHIBIT B

FULL BALLOT TEXT

****** BEGIN FULL TEXT ******

TAMALPAIS UNION HIGH SCHOOL DISTRICT ACADEMICS AND TEACHER PROTECTION MEASURE

Measure ____

[letter designation to be assigned by Marin County Registrar of Voters]

Tamalpais Union High School District is proud to have some of the highest-rated public high schools in the country with a better than 95% graduation rate. Our schools—Redwood, San Andreas, Sir Francis Drake, Tamalpais and Tamiscal High Schools—have excellent teachers, counselors and staff who provide quality science, technology, engineering, math, reading and writing instruction.

Local parcel tax funding for our schools helps provide high-quality education to local students. Today this funding provides \$16.8 million each year and accounts for 17% of the District's budget. This funding is equivalent to the cost of 114 teaching positions.

The District's financial management was recently affirmed by Moody's Investors Service in their granting of an Aaa rating, which is the highest credit rating possible. The District continues to review and manage its budget with input from the community. Last year, the District made \$5.8 million in annual cuts while still protecting the quality of education for local students. In addition, the District recently used over \$10.4 million in reserves to accommodate increased enrollment.

In addition, our schools continue to face unprecedented enrollment growth. In the past eleven years alone, student enrollment has increased by almost 35% and is expected to continue to climb. At the same time, funding supporting our schools has not kept pace. We are a community-funded district, which means that we do not receive additional funding as more students attend our schools. Because over 90% of our school funding comes from property taxes, parcel taxes and school foundations, we cannot rely on the State to provide the funding that our schools need.

Measure ____ will renew essential local funding to maintain quality education in our high schools. If local funding is not renewed, our schools face devastating cuts. Every penny will stay in our District and independent citizens' oversight will help ensure funds are spent as promised. No funds can go to administrator salaries or benefits.

TERMS

To maintain high quality education with local funding that cannot be taken by the State, shall Tamalpais Union High School District maintain excellent science, technology, engineering, math, reading and writing instruction; attract /retain highly qualified teachers; and support music and art by adopting a measure renewing funding at the current \$455 rate and adding \$190 per parcel, providing \$23 million annually for 10 years, with senior exemptions, cost of living adjustments, independent oversight and all funds for Tamalpais Union High School District students?

Moneys raised under this Measure shall be authorized to be used only for the following purposes in accordance with priorities established by the Board and to the extent of available funds:

- To provide high quality education,
- To maintain excellent science, technology, engineering, math, reading, and writing instruction
- To attract and retain highly qualified teachers, counselors and staff
- To support art and music programs
- To maintain college preparation programs and resources for all students
- To maintain career-development and vocational job-training programs

No funds will be spent on administrative salaries or benefits.

A. Amount, Basis, & Collection of Tax

Beginning July 1, 2020, the Tamalpais Union High School District ("District") shall be authorized to levy an annual qualified special tax at the rate of \$645 per parcel on all assessor's parcels. The authorization to levy this qualified special tax shall expire on June 30, 2030. Beginning on July 1, 2021, the rate of the qualified special tax shall be increased by three (3) percent every year to account for increases in the cost of living.

This qualified special tax is estimated to raise \$23 million in annual local funding for District schools. The amount of annual local funding raised by this qualified special tax will vary from year-to-year due to changes in the number of parcels subject to the levy and the cost of living increase.

If this Measure is approved by voters, the qualified special taxes authorized by voters as "Measure B" in November 2011 and "Measure J" in November 2018 shall cease to be collected as of July 1, 2020.

B. Exemptions

Under procedures adopted by the District, an exemption from payment of the special tax may be granted on any parcel owned by one or more persons who is/are:

1. An individual who will attain 65 years of age prior to May 1 of the tax year and occupying said parcel as his or her principal residence ("Senior Citizen Exemption"); or,
2. Receiving Supplemental Security Income for a disability, regardless of age, and occupying said parcel as his or her principal residence ("SSI Exemption"); or
3. Receiving Social Security Disability Insurance benefits, regardless of age, whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services, and occupying said parcel as his or her principal residence ("SSDI Exemption").

Exemptions may be granted based on a one-time application received by the District no later than May 1 prior to the tax year. Exemptions granted under prior special taxes levied by the District will not require re-approval, subject to the District's right to verify a property owner's continuing qualification for exemption.

The District shall annually provide to the Marin County Tax Collector ("County Tax Collector") or other appropriate County official a list of parcels that the District has approved for an exemption.

C. Claims / Exemption Procedures

With respect to all general property tax matters within its jurisdiction, the County Tax Collector or other appropriate County tax official shall make all final determinations of tax exemption or relief for any reason, and that decision shall be final and binding. With respect to matters specific to the levy of the qualified special tax including any exemptions, the application of the qualified special tax to any parcel(s), the legality or validity of the special tax, or any other disputed matter specific to the application of the special tax, the decisions of the District shall be final and binding. The procedures described herein, and any additional procedures established by the Board shall be the exclusive claims procedure for claimants seeking an exemption, refund, reduction, or re-computation of the special tax. Whether any particular claim is to be resolved by the District or by the County shall be determined by the District, in coordination with the County as necessary.

D. Appropriations Limit

Pursuant to California Constitution Article XIII B and applicable laws, the appropriations limit for the District will be adjusted periodically by the aggregate sum collected by levy of this qualified special tax.

E. Mandatory Accountability Protections

1. *Specific Purposes.* The proceeds of the special tax shall be applied only to the specific purposes identified above. The proceeds of the special tax shall be deposited into a fund, which shall be kept separate and apart from other funds of the District.
2. *Annual Reports.* No later than December 31 of each year while the tax is in effect, the District shall prepare and file with the Board a report detailing the amount of funds collected and expended, and the status of any project authorized to be funded by this Measure. The report may relate to the calendar year, fiscal year, or other appropriate annual period, and may be incorporated into or filed with the annual budget, audit, or other appropriate routine report to the Board.
3. *Independent Citizens' Oversight Committee.* The Board shall provide for the creation of an independent citizens' oversight committee to oversee expenditure of the funds collected pursuant to the Measure to ensure that moneys raised under this Measure are spent only for the purposes described in this Measure. The Board shall provide for the composition, duties, and other necessary information regarding the committee's formation and operation. The Board shall have the option to extend any current independent citizen oversight committee and its membership to serve as the independent citizen oversight committee for this Measure.

F. Annual Plan

Beginning with expenditures for the 2020-2021 school year, an expenditure plan (the "Proposed Annual Plan") shall be developed annually, on or before June 30, for the

succeeding fiscal year by the District staff. The Proposed Annual Plan will recommend expenditures of the tax proceeds that are consistent with the intent of the Measure. The assumptions associated with the recommended expenditures shall be included in the Proposed Annual Plan. The Proposed Annual Plan shall be presented for Board action each fiscal year in conjunction with the District's annual budget adoption process for the subsequent fiscal year. To facilitate public discussion, the Proposed Annual Plan shall be made available for public review.

G. Protection of Funding

Current law forbids any decrease in State or federal funding to the District resulting from the adoption of qualified special tax. However, if any such funding is reduced or affected because of the adoption of this local funding measure, then the Board may reduce the amount of the special taxes levied as necessary in order to restore such State or federal funding and/or maximize the District's fiscal position for the benefit of the educational program. As a result, whether directly or indirectly, no funding from this measure may be taken away by the State or federal governments.

H. Severability

The Board hereby declares, and the voters by approving this Measure concur, that every section and part of this Measure has independent value, and the Board and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this Measure by the voters, should any part of the Measure be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts of the Measure hereof shall remain in full force and effect to the fullest extent allowed by law.

****** END FULL TEXT ******

EXHIBIT C

**FORMAL NOTICE OF SPECIAL TAX ELECTION
[For Use by County Superintendent]**

NOTICE IS HEREBY GIVEN to the qualified electors of Tamalpais Union High School District of Marin County, California, that in accordance with the provisions of the Education Code and the Government Code of the State of California, an election will be held on March 3, 2020, for the purpose of submitting to the qualified electors of the District the measure summarized as follows:

To maintain high quality education with local funding that cannot be taken by the State, shall Tamalpais Union High School District maintain excellent science, technology, engineering, math, reading and writing instruction; attract /retain highly qualified teachers; and support music and art by adopting a measure renewing funding at the current \$455 rate and adding \$190 per parcel, providing \$23 million annually for 10 years, with senior exemptions, cost of living adjustments, independent oversight and all funds for Tamalpais Union High School District students?

By execution of this formal Notice of Election the Marin County Superintendent of Schools orders consolidation of the election with such other elections as may be held on the same day in the same territory or in territory that is in part the same.

The Marin County Superintendent of Schools, by this Notice of Election, has called the election pursuant to a Resolution and Order of the Governing Board of the Tamalpais Union High School District adopted November 19, 2019, in accordance with the provisions of Education Code sections 5302, 5325 and 5361.

IN WITNESS WHEREOF, I have hereunto set my hand this day, Nov. 25, 2019.


County Superintendent of Schools
Marin County, California

TAMALPAIS UNION HIGH SCHOOL DISTRICT
BOARD WORKSHOP
BROWN ACT, BOARD MEETINGS AND GOVERNANCE
January 8, 2019

**HOW THE BROWN ACT, EDUCATION CODE, BOARD BYLAWS and
GOVERNANCE HANDBOOK HELP BOARDS AND BOARD MEMBERS FUNCTION
EFFECTIVELY AND LEGALLY**

- Transparency – notice and agenda, no surprises
- Facilitates effective communication with the public/community/staff/students
- Provides structure and process for conducting Board & District business
- Guidance for how Board members should conduct themselves during a meeting as well as in other situations
- Informs Board members of the types of communications that are and are not permitted
- Clear roles and responsibilities, authority of “the Board” versus a Board member
- Encourages open cooperation and collaboration among Board members, staff and community
- Provides specific guidelines for Board to hold closed door meetings and discussion when confidentiality is necessary



DANNIS WOLIVER KELLEY

Attorneys at Law

The Brown Act and Board Governance & Procedures

Tamalpais Union High School District Board Workshop

Presented by

Sandra Woliver & Walt Buster

January 8, 2019

This training is provided for educational, compliance and loss-prevention purposes only, and absent the express prior agreement of DWK, does not create or establish an attorney-client relationship.
The training is not itself intended to convey or constitute legal advice for particular issues or circumstances. Contact a DWK attorney for answers to specific questions.

Intent of the Brown Act

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 good for them not to know. The people insist on remaining informed so that they may retain control over the instruments they have created.

The Ralph M. Brown Act, Gov. Code, § 54950



Intent of the Brown Act

- To keep the public informed of the actions, debates and views of locally elected representatives; and
- To provide the procedural framework for local legislators to meet, debate, act and listen collectively to their constituents.



Board Meetings

- What is the purpose of a board meeting?
- What kinds of board meetings are there?

To whom does the Brown Act Apply?

- Act applies to a “member of the legislative body of a local agency” which includes “[a]ny person elected to serve as a member of a legislative body who has not yet assumed the duties of office ...”
- Once elected, officials are expected to know the requirements of the Brown Act, even before taking office (Gov. Code, § 54952.1.)

What is a “Legislative Body”?

- Includes any:
 - Commission
 - Committee
 - Board

Whether

- Permanent or temporary
 - Decision-making or advisory
 - Established by charter, ordinance, resolution, or formal action of the Board.
- Does not include ad hoc committees or committees formed by the Superintendent

What is/is not a Meeting

- A “meeting” is:
 - Any congregation of a majority of members of a legislative body at the same time and place, including teleconference locations, to **hear, discuss, or deliberate** upon any item within the subject matter jurisdiction of the legislative body
 - There need **not be action** taken or planned, for a “meeting” to occur

Meetings – Location, Logistics

- All meetings must be open and public
- Meeting place must be accessible to public—nondiscriminatory, accessible to disabled, no payment or purchase required
- Teleconference locations must be identified, accessible and meet requirements:
 - The teleconference location must be open and accessible to the public.
 - The agenda shall identify all locations, including the teleconference location(s).
 - The agenda must be posted at all locations, including the teleconference location(s) at the proper time before the meeting.
 - The agenda shall provide for public comment at all locations, including the teleconference location.
 - A majority of the Board must be within the boundaries of the District, even if participating by teleconference.
 - All votes during a teleconference meeting shall be by roll call.
 - The agenda should indicate how/if the meeting will proceed if technical problems prevent teleconferencing.

Meetings – Location, Logistics

- Meeting place must be within District boundaries, with limited exceptions (see Gov. Code, § 54954.), including but not limited to:
 - To attend a conference on non-adversarial collective bargaining techniques;
 - To interview a potential employee from another agency;
 - To interview members of the public concerning potential Superintendent;
 - To comply with court order or attend judicial proceeding;
 - To inspect real or personal property which cannot be brought within bounds of agency;
 - To meet with state or federal elected or appointed officials, when a local meeting impractical;
 - To participate in meetings of multi-agency significance; and
 - To visit with the agency's legal counsel in closed on pending litigation when to do so would reduce legal fees or costs.

What is/is not a Meeting?

- Definition of meeting excludes:
 - Appearance of a Board majority at a general conference open to the public concerning broad issues, attended by officials from a variety of governmental agencies;
 - Attendance at open and publicized meetings, organized to address a topic of local concern by a person or organization other than the local agency;
 - Individual contacts and conversations;
 - Social or ceremonial occasions;

What is/is not a Meeting?

- Definition of meeting excludes:
 - Attendance by a Board majority at open and noticed meetings of another body of the same local agency or any other agency; and
 - Attendance by a Board majority at an open and noticed meeting of a standing committee of the Board, if members of the Board that are not members of the committee attend only as observers. (Gov. Code, § 54952.2.)

What is/is not a Meeting?

- **Note:**

- For any exclusion to apply, Board members must not discuss topics within the subject matter of the district “other than as part of the scheduled program.”

For any exclusion to apply, Board members must not discuss topics within the subject matter of the district “other than as part of the scheduled program.”

Serial Meetings

- A majority of the members of a Board shall not, outside a noticed 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 board's jurisdiction.
- This includes communications through:
 - Telephone, electronic mail, facsimile, internet;
 - Communication through an intermediary



Hub and Spokes

- An employee or official of a district may engage in separate conversations or communications outside of a meeting with other board members in order to answer questions or provide information regarding a matter that is within the district's jurisdiction, if that person does not communicate to board members the comments or position of any other board member.
- A board member may engage in conversations and communications with members of the public, interest groups, friends and family about a matter within the board's jurisdiction as long as that person is not used as an intermediary to communicate his/her comments or position to other board members.

Hub, Spokes and Rim

Common scenarios of which to be aware:

- E-mail messages in which majority of Board is copied;
- Consecutive conversations through intermediary to poll the Board;
- Telephone conference calls involving a majority of the Board; and
- Internet chat rooms and blogs.

Appropriate Communications

- Communications limited to providing information (i.e. superintendent's weekly report) or procedural or administrative matters do not constitute meetings or confidential communications
 - Receipt of written legal advice is not a meeting!
- Private briefings for less than a quorum of board members on background events concerning agenda items do not violate the Act *unless the comments or position of any other board member is disclosed*

Board Role & Conduct

- Board members have collective, not individual authority. Authority to make decisions is only granted to the board as a whole. The full board gives direction to the superintendent, most commonly at board meetings. Individual board members do not have the authority to direct the superintendent or staff, unless otherwise agreed to by the board and superintendent.
- No individual Board member has authority other than as conferred by Board majority
- Board Bylaws
- Protocol for communicating with staff, requests for information

Best Practices for Board Members

- Staying informed & being well prepared... without a serial meeting
 - May you receive the report before the board meeting?
 - If so, when does the public get it?
 - May you meet with staff before the board meeting?
 - If so, what are the “do’s and don’ts”?
 - May you post a request for input from constituents on your blog, even though other board members might see it?

Public Statements—Sample Board Protocol

- **Responding to emails sent to Trustee from the public:**
 - Trustees will refer the request to the board president with a copy to the superintendent (if the superintendent is not already copies).
 - The board president and superintendent will agree on which of them will respond.
 - If the superintendent responds, s/he will copy all trustees
 - If the board president responds, s/he will copy the superintendent, who will pass it on to all trustees.

Agenda Requirements

- Agenda to be posted in a location freely accessible and searchable on the website to members of the public
 - 72 hours before regular meeting
 - 24 hours before special meeting
- Post a prominent and direct link on the homepage to either the current meeting agenda or an integrated agenda management platform. The electronic agenda will need to be retrievable, downloadable, indexable, and electronically searchable. (1/1/19)
- Mail to persons requesting mailed notice including local news media

Action & Vote Requirements

- “Action”
 - Decision by a majority of the board
 - A collective commitment or promise by a majority of the board to make a positive or a negative decision
 - An actual vote by a majority if the board members upon a motion, proposal or resolution
- Board
 - shall act by a majority vote of **entire membership**

Action on Non-Agenda Items – Regular Meetings Only

- Board may consider items not on agenda in two circumstances
 - [Emergency Items](#)
 - Majority vote
 - Limited application
 - [Need to take immediate action \(urgency item\)](#)
 - Arose after agenda posted
 - Requires 2/3 vote, unanimous if less than 2/3rds of Board present
- Often better to use Special Meeting if sufficient advance notice

Non-Agenda Items

- Board may also:
 - Ask for clarification
 - Make a brief announcement or brief report of activity
 - Request staff to “report back” or place item on future agenda
 - “Briefly respond to statements made or questions posed by persons exercising their public testimony rights” (Gov. Code § 54954.2.)
 - Local Board Protocol

Meetings – Public Rights

- Public may place items “directly related to school district business” on the agenda (EC 35145.5—not Brown Act)
- Is Board obligated to speak to each agenda item?
- Does individual who requested agenda item have special rights in regard to that item—amount of time to address item, require staff to prepare information &/or address item
- Check Board Bylaws for process by which Board member or members of public may request to place an item on the agenda

Meetings – Public Rights

- Board meeting is a limited public forum
- Right to comment:
 - Agenda must provide opportunity for public comment
 - Before or during consideration of agenda item
 - At regular meetings, public may also comment on any matter under the Board's jurisdiction – Legal vs. Practical
- Board may place reasonable time limitations on particular topics or speakers

Board Member Use of Technology at Board Meetings

- Emailing and Texting Each Other:
 - This is use of electronic intermediary *inside* a legal meeting.
 - Section 54952.2 prohibits this for a majority of members *outside* a meeting.
 - Same as sharing hard copy?
 - Not “deliberation?”
 - Maybe not Brown Act violation, but distracting and not transparent.

Board Member Use of Technology at Board Meetings (Continued)

- Emailing and Texting Each Other (cont.):
 - Intent of the Brown Act – Keep public informed of actions, debates and views of elected representatives.
 - Section 54953.3: Right of public to address Board etc. = right to participate in Board discussions.
 - Board may adopt regulations to carry out this intent.
 - Thus: Board may adopt regulations limiting or prohibiting use of electronic communications between or among board members during board meetings.

School District Meeting Procedures

- The Brown Act and the Ed. Code do NOT address how board meetings are to be run.
- The Brown Act and the Ed. Code do NOT require Boards to use parliamentary procedures.
- Boards may adopt reasonable regulations to insure the public may place items on the agenda and address the Board on agenda items.
- These regulations may specify reasonable procedures to insure the proper functioning of board meetings.

Board Policy May Specify Operating Procedures

- Does policy require the Board to conduct meetings using parliamentary procedure?
- If so, does the policy require the use of specific rules?
 - Robert's Rules of Order, Newly Revised, 11th Ed.
 - The Standard Code of Parliamentary Procedure – Revised by the American Institute of Parliamentarians – Fourth Edition – originally by Alice Sturgis).
 - Riddick's Rules of Procedure – Floyd Riddick is the Parliamentarian Emeritus of the U.S. Senate.

Know When to Use the Rules

A quote from the original edition of Robert's Rules:

“Never be more technical or more strict than is absolutely necessary for the good of the meeting. Use your judgment, the assembly may be of such a nature, through its ignorance of parliamentary usage and peaceful disposition, that a strict enforcement of the rules, instead of assisting, would greatly hinder business.”

Closed Session

- Board may meet in closed session to discuss/take action on items within enumerated “exceptions” to the open meeting requirements;
- Prior to closed session, disclose in an open session the items to be discussed in closed session which may be a reference to items on the Board’s agenda (Gov. Code § 54957.7.)
- Act provides sample “safe harbor” closed session item descriptions
- Safe harbor descriptions are not required and not all inclusive



Closed Session Procedure

- Who may attend?
 - Board
 - Administrators
 - Legal counsel
 - Board's negotiators
 - Parties whom Board specifically allows
 - Other consultants



Closed Session – Some permitted topics

- Personnel Actions – Appointment, Employment, Evaluation, Discipline/Dismissal/Release
- Hearing “Complaints or Charges” against employees – may require 24-hour notice of right to open session
- Labor Negotiations
- Real Property Transactions
- Pending and Anticipated Litigation
- Tort Claims
- Student discipline hearings - require 24-hour notice of right to open session

Employment Contracts

- All employment contracts with a superintendent, deputy superintendent, assistant superintendent, associate superintendent... or other chief executive officer **shall be ratified in an open session of the governing body which shall be reflected in the governing body's minutes** (Gov. Code, §53262(a).)
- The Brown Act **prohibits holding a special meeting** “regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of a “local agency executive.” (Gov. Code § 54956(b).)
- Prior to taking action, the board must orally report a summary of a recommendation for final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a district executive, during the open meeting in which the final action is to be taken.

Labor Negotiations

- The board may discuss 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.
- Prior to closed session, the board must identify its negotiator(s) in open session.

Note: Compliance with Brown Act not required for discussions regarding negotiations with represented employees (Gov. Code, § 3549.1, Rodda Act).

Real Property Transactions

- Limited to meeting with real property negotiators prior to sale or lease of property, to discuss confidential information concerning price or terms of payment during property negotiations
(Gov. Code, § 54956.8)
 - General real property issues are not included within this exception

Pending and Anticipated Litigation

- To confer with, or receive advice from legal counsel regarding pending or threatened litigation when discussion in open session would prejudice the position of the district in the litigation
(Gov. Code, § 54956.9)
 - Includes consideration of tort claims

Reporting Out

- Board must publicly report certain action taken in closed session
 - “Action taken” is defined in the Brown Act—not every action
 - Must report the vote of every member present
 - Must provide copies of contracts, agreements or other approved documents to a requester at time session ends (if prior written request on file), otherwise next day
- There are specific requirements for reporting out depending on type of action taken

Confidentiality of Closed Session

- Neither board members nor staff may disclose confidential information from closed session unless specifically authorized by a majority of the Board
- Consequences:
 - Injunctive relief
 - Disciplinary action
 - Referral to grand jury
 - Expose the District to potential liability

Closed Session Documents

- District shall provide copies of any contracts, settlement agreements, or other documents that were finally approved or adopted in closed session:
 - to any person who is present at the end of the closed session and who submitted a request within 24 hours of the posting of the agenda
 - to any person with a standing request for all documents as part of a request for notice of meetings.
 - if a document is changed in closed session, district shall provide it as soon as it is retyped the next day as long as the presiding officer explains the substance of amendments in open session.

Violations

- Consequences for violation of the Brown Act:
 - Criminal liability exists if there is “intent to deprive public” (Gov. Code, § 54959)
 - Public can sue to stop violation of Act
 - Declaratory relief regarding past violation of the Act
 - Payment of attorneys’ fees
 - Voiding of action taken in violation of the Act
 - Court may order taping of closed session

Violations

- Disclosure of closed session confidential information prohibited.
- Consequences: injunctive relief, disciplinary action, referral to grand jury.
- For disciplinary action, employee must have been trained in or given notice of these requirements.

(Gov. Code, § 54963(d).)



DANNIS WOLIVER KELLEY

Attorneys at Law

SAN FRANCISCO

LONG BEACH

SAN DIEGO

SAN RAFAEL

CHICO

SACRAMENTO

SAN LUIS OBISPO

www.DWKesq.com



NORMS TO FACILITATE EFFECTIVE GOVERNANCE

Following is a list of Norms based on the 2017 TUHSD Governance Handbook and other sources.

The Board commits to:

1. Maintaining a unity of purpose and working together as a governance team to set direction for the District
2. Making decisions that are in the best interest of *all* students
3. Communicating with integrity, honesty, and civility.
4. Maintaining and protecting confidentiality
5. Seeking valid and reliable information from the superintendent on which to base decisions
6. Having a plan in place to communicate with each other that complies with the Brown Act and conducting all Board business during Board Meetings
7. Understanding the roles and responsibilities of the governance team members
8. Responding to emails and inquiries in a timely and respectful manner
9. Respecting the majority vote of the board and speaking with one voice regarding Board decisions
10. Celebrating successes and working toward continuous improvement
11. Engaging in dialogue before debate
12. Committing to no surprises

BOARD MEETING NORMS

The Board will:

1. Come prepared and fully present and engaged
2. Deliberate effectively, each listening openly while everyone is encouraged to express their point of view and not interrupting
3. Work collaboratively, striving for consensus
4. Maintain perspective with a sense of humor
5. Allow each other to finish our comments
6. Keep comments as brief as possible
7. Not repeat each other or ourselves
8. Not have side conversations
9. Give full attention to the proceedings (no cell phone use)

BOARD MEETING PROTOCOLS

Topic 1	Board Meetings - Preparation and Attendance
Rationale	<ul style="list-style-type: none"> • The purpose of a board meeting is to conduct board business in public. • Board of Trustees represent the community and provides oversight. • Only a majority vote of the board <u>at a board meeting</u> provides direction to the superintendent. • Board members should be equally informed. • Compliance with the Brown Act and public meeting requirements. • Other?
Protocol	<ul style="list-style-type: none"> • The board president, board clerk, and superintendent plan each board meeting agenda to promote and support thoughtful deliberation and effective use of time. • The board president facilitates the board meeting and manages the public input. • The board will strive to keep open session meetings to no more than 3 hours. When possible, discussion on a topic should occur at a board meeting prior to acting at a subsequent board meeting. • <i>Managing Action items</i> <ul style="list-style-type: none"> Step 1: The board president introduces the action item. Step 2: Superintendent or designee presents the item, background information and a recommendation. Step 3: Board members and the student trustees ask clarifying questions and/or make brief comments. Step 4: The board president asks for public comment & manages public input. Step 5: The board discusses the item again if necessary. Step 6: A motion and second are made. Step 7: The board votes. Other?

BOARD MEETING PROTOCOLS

Topic 2	Closed Session Practices/Confidentiality
Rationale	<ul style="list-style-type: none"> • The Brown Act established conditions for discussion of some board business in confidential, closed sessions. • The public's trust is breached if confidential matters are shared with anyone outside of the closed session. • When closed session discussions are shared, there is potential for liability and violation of employee and student rights. • Other?
Protocol	<ul style="list-style-type: none"> • Only matters legally allowed by the Brown Act will be discussed in closed session. These matters include but are not limited to employee contract negotiations, district litigation, personnel matters, and the substance of the superintendent evaluation. • The board will maintain confidentiality around all matters discussed in closed session & not discuss with anyone. • If a board member violates the legal requirement to keep all closed session discussions confidential, the board president and superintendent will take immediate action to rectify the matter. • Other?

Topic 3	Agenda Questions Answered before a Board Meeting
Rationale	<ul style="list-style-type: none"> • Board members should be equally informed and knowledgeable on agenda items. • It is important that staff members know about and prepare to answer questions at the board meeting whenever possible. • Advance preparation by staff regarding informational questions from the board members enables board meeting time to be more effectively used. • All communications are a matter of public record, and must comply with the Brown Act and public meeting requirements.

Protocol	<ul style="list-style-type: none"> • Trustees will make every attempt to ask clarifying questions concerning the board meeting packet prior to the board meeting. However, no deliberation of issues should occur prior to the meeting in accordance with the Brown Act. • Trustees will direct all questions only to the Superintendent, and will copy the board president. • Written answers to substantive questions prior to the board meeting will be distributed to all Trustees. • Questions from Trustees may be included and highlighted in the presentation to the board at the board meeting.
-----------------	--

COMMUNICATION PROTOCOLS

Topic 1 Communication	Communications To/From the Board
Rationale	<ul style="list-style-type: none"> • It is essential that important and accurate information be communicated to members of the board, the staff, and the community in as timely a fashion as possible. • The governance team recognizes that some situations have legal or other considerations that may place restrictions on what may be told to the media or public. • Other?
Protocol	<p>The governance team commits to speaking with one voice. The designated spokesperson will vary depending on the issue or situation:</p> <ul style="list-style-type: none"> • Crisis/Disaster: The superintendent is the primary spokesperson and may involve the board president at his or her discretion. The superintendent will also coordinate with the county office of education for additional information and resources. • Non-Crisis: The board president and the superintendent will serve as primary spokespersons or may choose a designee. • Controversial Topics: All governance team members may serve as spokespersons utilizing developed and agreed upon key messages. • When possible, the trustee should consult with the superintendent or board president prior to responding. • Emails/documents to Board: If a communication is sent to a quorum of the board that affects an area of their jurisdiction, the District <u>may</u> include the item with the next regularly scheduled board meeting under Board Communications. The board president will respond notifying the party(ies) that this will take place and

	<p>limit response to prevent further dialogue in accordance with the Brown Act.</p> <ul style="list-style-type: none"> • Communication from Superintendent to Board • Emails to quorum – and notifying other two Board members <p>Other?</p>
--	---

Topic 2 Communication	Responding to Complaints and Concerns from Staff and Community
Rationale	<ul style="list-style-type: none"> • The board values open communication and timely resolution of issues. • The board wishes to be accessible, consistent, and fair in dealings with all complaints and concerns. • The board represents the community. The board's role in hearing complaints and concerns is as a listener and to provide information as appropriate • Other?
Protocol	<p>When approached with an issue or concern from staff or a community member trustees agree to utilize the following approach:</p> <ul style="list-style-type: none"> • <u>Receive</u>—listen and remain neutral. • <u>Redirect</u>—guide the person to the appropriate personnel within the District (e.g. teacher, counselor, principal or superintendent). • <u>Report</u>—notify the superintendent of the conversation as soon as possible. Superintendent will let trustee know of resolution as appropriate.

SCHOOL AND COMMUNITY ENGAGEMENT

Topic 1 Engagement	Visiting Schools and Community Events
Rationale	<ul style="list-style-type: none"> • The board wants to be visible to staff and be acquainted with school sites. • Visits include school events, meetings, and school site visits. • Community events provide the board opportunity to connect with constituents and hear community perspectives. • Other?
Protocol	<ul style="list-style-type: none"> • Trustees will contact the principal and superintendent to plan the campus visit. • Trustees will give the principal a reasonable amount of lead time prior to the visit.

Topic 1 Engagement	Visiting Schools and Community Events
	<ul style="list-style-type: none"> • The superintendent will keep trustees informed of events and opportunities for board presence whenever possible. • School and community invitations for trustees to attend events will be coordinated through the superintendent's Executive Assistant. • Other?

FOLLOW UP BOARD DISCUSSIONS AT SUBSEQUENT WORKSHOP

1. Governance Team Goals
2. Board Self Evaluation
3. Superintendent
4. Other?



Opportunities for the TUHSD Governance Team

A 9-12 District

- Serving 10 feeder districts
- Focused on three major high schools, a continuation high school and alternative programs
- Serving diverse economic and ethnic communities
- Receiving students with varying skill levels

The Opportunity to Preserve and Enhance Learning Opportunities

- A community that has consistently passed parcel taxes
- A budget situation that will require the governance team to look for creative ways to expend funds even with recent tax increases
- A community that is technology rich and open to new opportunities for innovation

A Community that Expects Open Communication

- An opportunity to talk with rural, suburban, and urban constituents
- A district with schools located in diverse areas of the district with distinct feeder and 9-12 grade parents
- Supportive feeder superintendents and boards who will encourage active engagement

A History of Non-Adversarial Labor Relations

- A district that has been a leader in open and candid formal and informal bargaining
- The recent selection of a leader with a history of working effectively with staff
- The cohesive district office administrative team focused on success

A Renewed Commitment to Equity and Student Achievement

- Open and candid observations about the inequity in student achievement based on economic challenges
- A determined effort to find ways, with board support, to achieve equity in funding and program opportunities

Board roles and responsibilities as defined by CSBA

- Setting Direction for the District
- Establishing Effective and Efficient Structures
- Providing Support
- Ensuring Accountability
- Providing community leadership as advocates for children, the school district and public schools.

		REDWOOD				DRAKE			
Department:		1.0 FTE		0.30 FTE		1.0 FTE		0.30 FTE	
ENGLISH	GO 1210	Kristal, Vanessa	\$137,196	Elegant, Rebecca	\$27,519	Boehlke, Zane	\$125,709	Freedman, Beth	\$35,178
		Dahlman, Carolyn 0.50	\$79,165			Leffel, Matthew 0.50	\$60,147		
SOCIAL STUDIES	GO 1410	Minhondo, David	\$149,884	Komisar, Robert	\$38,457	Clune, Michael	\$124,515	Watson, Taber	\$32,282
MATH	GO 1310	Hong, Eunice	\$129,939	Detore, Grace	\$34,820	Adams, Jason	\$103,383	Gladysz, Karen	\$42,431
SCIENCE	GO 1390	Sisneros, Andre	\$125,709	Kniesche, Kelsey	\$31,372	Bugbee, Clarke	\$137,196	Nealley, Alan	\$43,697
WORLD LANGUAGE	GO 1230	Aparicio, Alberto	\$107,608	Santin, Caitlin	\$37,713	Anchordoqui, Jose	\$128,744	Rosenthal Cox, Tahia	\$49,046
FINE ARTS	GO 1450	Mattern, John	\$163,486	Baxt, Amy	\$27,722	Thelin, Jasper	\$163,486	Beebe, Adam	\$36,088
PE	GO 1131	Graydon, Nicole	\$128,744	Nelson, Byron	\$38,624	Citek, Casey	\$96,130	Parnow, Tim	\$33,550
APPLIED TECH	GO 1474	Goldsmith, David 0.60	\$98,091	Hart, Stephen 0.20	\$25,749	Gauna, Alex 0.60	\$60,209	Milstead, Rod 0.80	\$113,050
						Parish, Peter 0.40	\$65,394	Boaz Jr, Chip 0.20	\$32,698
COUNSELING	FN 3110	Boran Gulden, Candace	\$151,114	Scott, Ian	\$38,718	Kassembaum, Kyle	\$137,883	Yasuda, Molly	\$52,858
			\$1,270,936		\$300,692		\$1,202,796		\$470,876

Site Total: \$1,571,628

Site Total: \$1,673,672

		TAMALPAIS				SAN ANDREAS		TAMISCAL	
Department:		1.0 FTE		0.30 FTE		0.30 FTE		0.30 FTE	
ENGLISH	GO 1210	Seekins, Tara	\$129,939	Bangs, Arthur	\$38,982	Benson, Bob	\$49,046	Homitz, Patchen	\$47,153
		Sphere, Angelo 0.50	\$58,630						
SOCIAL STUDIES	GO 1410	Cook, Miriam	\$111,831	Lehman, Arielle	\$33,550	Solis, Jade	\$33,550	Callahan, Alyssa	\$39,892
MATH	GO 1310	Baumgartner, Wendy	\$137,196	Aubrey, Aaron	\$41,159	French, Chris	\$43,697	Gebhard, Curt	\$49,046
SCIENCE	GO 1390	Watts, Jessica	\$132,974	Brassey, Mark	\$33,550	Ordonez, Javier	\$41,159	Katuna, Brad	\$49,046
WORLD LANGUAGE	GO 1230	Gilbert, Erin	\$124,515	Blechman, Nicholas	\$34,820	Ordonez, Javier	\$41,159	Cruz, Fernando	\$43,217
FINE ARTS	GO 1450	Rees, Julianna	\$118,206	Tsingaris, Spiro	\$49,046	N/A	N/A	Farley, Anna 0.10	\$15,398
								Homitz, Patchen 0.20	\$31,435
PE	GO 1131	Stanton, Spencer	\$137,196	Nygaard, Dustin	\$42,431	N/A	N/A	N/A	N/A
APPLIED TECH	GO 1474	Kennedy, Kelly 0.40	\$54,878	Goldstein, Michael 0.	\$66,369	N/A	N/A	N/A	N/A
COUNSELING	FN 3110	Lua, Cheryl	\$134,848	Ginsberg, April	\$31,194	Phelps, Katie	\$36,486	Aviles, Grace	\$51,563
			\$1,140,213		\$371,099		\$245,096		\$326,750

Site Total: \$1,511,311

Site Total: \$245,096

Site Total: \$326,750

Total 2019-20 Parcel Tax (Measure J) Expenditures: \$5,328,458

Total 2019-20 Parcel Tax (Measure J) Revenue: \$5,328,632

Difference: (\$174)

2019-2020 Statement of Economic Interests



Form 700

A Public Document

Table of Contents

Quick Start Guide	p.2
Who? Where? How? When?	p.3
Types of Statements	p.4
Cover Page and Schedules	
Cover Page	p.5
Schedule A-1 (<i>Investments</i>)	p.7
Schedule A-2 (<i>Business Entities/Trusts</i>)	p.9
Schedule B (<i>Real Property</i>)	p.11
Schedule C (<i>Income</i>)	p.13
Schedule D (<i>Gifts</i>)	p.15
Schedule E (<i>Travel Payments</i>)	p.17
Restrictions and Prohibitions	p.19
Q & A	p.20

Helpful Resources

- Video Tutorials
- Reference Pamphlet
- Excel Version
- FAQs
- Gift and Travel Fact Sheet for State and Local Officials

California Fair Political Practices Commission

1102 Q Street, Suite 3000 • Sacramento, CA 95811

Email Advice: advice@fppc.ca.gov

Toll-free advice line: 1 (866) ASK-FPPC • 1 (866) 275-3772

Telephone: (916) 322-5660 • Website: www.fppc.ca.gov

December 2019

Quick Start Guide

Detailed instructions begin on page 3.

WHEN IS THE ANNUAL STATEMENT DUE?

- March 2 – Elected State Officers, Judges and Court Commissioners, State Board and Commission members listed in Government Code Section 87200
- April 1 – Most other filers

WHERE DO I FILE?

Most people file the Form 700 with their agency. If you're not sure where to file your Form 700, contact your filing officer or the person who asked you to complete it.

ITEMS TO NOTE!

- The Form 700 is a public document.
- Only filers serving in active military duty may receive an extension on the filing deadline.
- You must also report interests held by your spouse or registered domestic partner.
- Your agency's conflict of interest code will help you to complete the Form 700. You are encouraged to get your conflict of interest code from the person who asked you to complete the Form 700.

NOTHING TO REPORT?

Mark the "No reportable interests" box on Part 4 of the Cover Page, and submit only the signed Cover Page. Please review each schedule carefully!

Schedule	Common Reportable Interests	Common Non-Reportable Interests
A-1: Investments	Stocks, including those held in an IRA or 401K. Each stock must be listed.	Insurance policies, government bonds, diversified mutual funds, funds similar to diversified mutual funds.
A-2: Business Entities/Trusts	Business entities, sole proprietorships, partnerships, LLCs, corporations and trusts. (e.g., Form 1099 filers).	Savings and checking accounts, and annuities.
B: Real Property	Rental property in filer's jurisdiction, or within two miles of the boundaries of the jurisdiction.	A residence used exclusively as a personal residence (such as a home or vacation property).
C: Income	Non-governmental salaries. Note that filers are required to report only half of their spouse's or partner's salary.	Governmental salary (from school district, for example).
D: Gifts	Gifts from businesses, vendors, or other contractors (meals, tickets, etc.).	Gifts from family members.
E: Travel Payments	Travel payments from third parties (not your employer).	Travel paid by your government agency.

Note: Like reportable interests, non-reportable interests may also create conflicts of interest and could be grounds for disqualification from certain decisions.

QUESTIONS?

- advice@fppc.ca.gov
- (866) 275-3772 Mon-Thurs, 9-11:30 a.m.

E-FILEING ISSUES?

- If using your agency's system, please contact technical support at your agency.
- If using FPPC's e-filing system, write to form700@fppc.ca.gov.

What's New

Gift Limit Increase

The gift limit increased to \$500 for calendar years 2019 and 2020.

Who must file:

- Elected and appointed officials and candidates listed in Government Code Section 87200
- Employees, appointed officials, and consultants filing pursuant to a conflict of interest code ("code filers").
Obtain your disclosure categories, which describe the interests you must report, from your agency; they are not part of the Form 700
- Candidates running for local elective offices that are designated in a conflict of interest code (e.g., county sheriffs, city clerks, school board trustees, and water board members)

Exception:

- Candidates for a county central committee are not required to file the Form 700.
- Members of newly created boards and commissions not yet covered under a conflict of interest code
- Employees in newly created positions of existing agencies

For more information, see Reference Pamphlet, page 3, at www.fppc.ca.gov.

Where to file:

87200 Filers

State offices	➔	Your agency
Judicial offices	➔	The clerk of your court
Retired Judges	➔	Directly with FPPC
County offices	➔	Your county filing official
City offices	➔	Your city clerk
Multi-County offices	➔	Your agency

Code Filers — State and Local Officials, Employees, and Consultants Designated in a Conflict of Interest

Code: File with your agency, board, or commission unless otherwise specified in your agency's code (e.g., Legislative staff files directly with FPPC). In most cases, the agency, board, or commission will retain the statements.

Members of Boards and Commissions of Newly

Created Agencies: File with your newly created agency or with your agency's code reviewing body.

Employees in Newly Created Positions of Existing

Agencies: File with your agency or with your agency's code reviewing body. (See Reference Pamphlet, page 3.)

Candidates: File with your local elections office.

How to file:

The Form 700 is available at www.fppc.ca.gov. Form 700 schedules are also available in Excel format. All

statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2.

When to file:

Annual Statements

➔ March 2, 2020

- Elected State Officers
- Judges and Court Commissioners
- State Board and State Commission Members listed in Government Code Section 87200

➔ April 1, 2020

- Most other filers

Individuals filing under conflict of interest codes in city and county jurisdictions should verify the annual filing date with their local filing officers.

Statements postmarked by the filing deadline are considered filed on time.

Statements of 30 pages or less may be emailed or faxed by the deadline as long as the originally signed paper version is sent by first class mail to the filing official within 24 hours.

Assuming Office and Leaving Office Statements

Most filers file within 30 days of assuming or leaving office or within 30 days of the effective date of a newly adopted or amended conflict of interest code.

Exception:

If you assumed office between October 1, 2019, and December 31, 2019, and filed an assuming office statement, you are not required to file an annual statement until March 2, 2021, or April 1, 2021, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, 2020. (See Reference Pamphlet, page 6, for additional exceptions.)

Candidate Statements

File no later than the final filing date for the declaration of candidacy or nomination documents. A candidate statement is not required if you filed an assuming office or annual statement for the same jurisdiction within 60 days before filing a declaration of candidacy or other nomination documents.

Late Statements

There is no provision for filing deadline extensions unless the filer is serving in active military duty. (See page 19 for information on penalties and fines.)

Amendments

Statements may be amended at any time. You are only required to amend the schedule that needs to be revised. It is not necessary to amend the entire filed form. Obtain amendment schedules at www.fppc.ca.gov.

Types of Statements

Assuming Office Statement:

If you are a newly appointed official or are newly employed in a position designated, or that will be designated, in a state or local agency's conflict of interest code, your assuming office date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected official, your assuming office date is the date you were sworn in.

- Report: Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position.

For positions subject to confirmation by the State Senate or the Commission on Judicial Appointments, your assuming office date is the date you were appointed or nominated to the position.

- Example: Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate confirmation. The assuming office date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your office or position has been added to a newly adopted or newly amended conflict of interest code, use the effective date of the code or amendment, whichever is applicable.

- Report: Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment.

Annual Statement:

Generally, the period covered is January 1, 2019, through December 31, 2019. If the period covered by the statement is different than January 1, 2019, through December 31, 2019, (for example, you assumed office between October 1, 2018, and December 31, 2018 or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2019.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the conflict of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

Leaving Office Statement:

Generally, the period covered is January 1, 2019, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2019, through the date you stopped performing the duties of your position (for example, you assumed office between October 1, 2018, and December 31, 2018, or you are combining statements), the period covered must be specified. The reporting period can cover parts of two calendar years.

- Report: Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2019.

Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective offices (e.g., county sheriffs, city clerks, school board trustees, or water district board members) must file candidate statements, as required by the conflict of interest code for the elected position. The code may be obtained from the agency of the elected position.

Amendments:

If you discover errors or omissions on any statement, file an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to refile the entire form. Obtain amendment schedules from the FPPC website at www.fppc.ca.gov.

Note: Once you file your statement, you may not withdraw it. All changes must be noted on amendment schedules.

COVER PAGE

A PUBLIC DOCUMENT

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable

Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: Position:

2. Jurisdiction of Office (Check at least one box)

- ☐ State ☐ Judge, Retired Judge, Pro Tem Judge, or Court Commissioner (Statewide Jurisdiction)
- ☐ Multi-County ☐ County of
- ☐ City of ☐ Other

3. Type of Statement (Check at least one box)

- ☐ **Annual:** The period covered is January 1, 2019, through December 31, 2019.
- or-** The period covered is / / , through December 31, 2019.
- ☐ **Assuming Office:** Date assumed / /
- ☐ **Leaving Office:** Date Left / / (Check one circle.)
- ☐ The period covered is January 1, 2019, through the date of leaving office.
- or-** ☐ The period covered is / / , through the date of leaving office.
- ☐ **Candidate:** Date of Election and office sought, if different than Part 1:

4. Schedule Summary (must complete) ► Total number of pages including this cover page: _____

Schedules attached

- ☐ **Schedule A-1 - Investments** – schedule attached ☐ **Schedule C - Income, Loans, & Business Positions** – schedule attached
- ☐ **Schedule A-2 - Investments** – schedule attached ☐ **Schedule D - Income – Gifts** – schedule attached
- ☐ **Schedule B - Real Property** – schedule attached ☐ **Schedule E - Income – Gifts – Travel Payments** – schedule attached

-or- ☐ **None - No reportable interests on any schedule**

5. Verification

MAILING ADDRESS STREET CITY STATE ZIP CODE
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER EMAIL ADDRESS
()

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed Signature
(month, day, year) (File the originally signed paper statement with your filing official.)

Instructions

Cover Page

Enter your name, mailing address, and daytime telephone number in the spaces provided. **Because the Form 700 is a public document, you may list your business/office address instead of your home address.**

Part 1. Office, Agency, or Court

- Enter the name of the office sought or held, or the agency or court. Consultants must enter the public agency name rather than their private firm's name. (Examples: State Assembly; Board of Supervisors; Office of the Mayor; Department of Finance; Hope County Superior Court)
- Indicate the name of your division, board, or district, if applicable. (Examples: Division of Waste Management; Board of Accountancy; District 45). **Do not use acronyms.**
- Enter your position title. (Examples: Director; Chief Counsel; City Council Member; Staff Services Analyst)
- If you hold multiple positions (i.e., a city council member who also is a member of a county board or commission), you may be required to file statements with each agency. To simplify your filing obligations, you may complete an expanded statement.
 - To do this, enter the name of the other agency(ies) with which you are required to file and your position title(s) in the space provided. **Do not use acronyms.** Attach an additional sheet if necessary. Complete one statement covering the disclosure requirements for all positions. Each copy must contain an original signature. Therefore, before signing the statement, make a copy for each agency. Sign each copy with an original signature and file with each agency.

If you assume or leave a position after a filing deadline, you must complete a separate statement. For example, a city council member who assumes a position with a county special district after the April annual filing deadline must file a separate assuming office statement. In subsequent years, the city council member may expand his or her annual filing to include both positions.

Example:

Brian Bourne is a city council member for the City of Lincoln and a board member for the Camp Far West Irrigation District – a multi-county agency that covers Placer and Yuba counties. Brian will complete one Form 700 using full disclosure (as required for the city position) and covering interests in both Placer and Yuba counties (as required for the multi-county position) and list both positions on the Cover Page. Before signing the statement, Brian will make a copy and sign both statements. One statement will be filed with City of Lincoln and the other will be filed with Camp Far West Irrigation District. Both will contain an original signature.

Part 2. Jurisdiction of Office

- Check the box indicating the jurisdiction of your agency and, if applicable, identify the jurisdiction. Judges, judicial candidates, and court commissioners have statewide jurisdiction. All other filers should review the Reference Pamphlet, page 13, to determine their jurisdiction.

- If your agency is a multi-county office, list each county in which your agency has jurisdiction.
- If your agency is not a state office, court, county office, city office, or multi-county office (e.g., school districts, special districts and JPAs), check the "other" box and enter the county or city in which the agency has jurisdiction.

Example:

This filer is a member of a water district board with jurisdiction in portions of Yuba and Sutter Counties.

1. Office, Agency, or Court	
Agency Name (Do not use acronyms) Feather River Irrigation District	
Division, Board, Department, District, if applicable N/A	Your Position Board Member
► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)	
Agency: N/A	Position: _____
2. Jurisdiction of Office (Check at least one box)	
<input type="checkbox"/> State	<input type="checkbox"/> Judge or Court Commissioner (Statewide Jurisdiction)
<input checked="" type="checkbox"/> Multi-County Yuba & Sutter Counties	<input type="checkbox"/> County of _____
<input type="checkbox"/> City of _____	<input type="checkbox"/> Other _____

Part 3. Type of Statement

Check at least one box. The period covered by a statement is determined by the type of statement you are filing. If you are completing a 2019 annual statement, **do not** change the pre-printed dates to reflect 2020. Your annual statement is used for reporting the **previous year's** economic interests. Economic interests for your annual filing covering January 1, 2020, through December 31, 2020, will be disclosed on your statement filed in 2021. See Reference Pamphlet, page 4.

Combining Statements: Certain types of statements may be combined. For example, if you leave office after January 1, but before the deadline for filing your annual statement, you may combine your annual and leaving office statements. File by the earliest deadline. Consult your filing officer or the FPPC.

Part 4. Schedule Summary

- Complete the Schedule Summary after you have reviewed each schedule to determine if you have reportable interests.
- Enter the total number of completed pages including the cover page and either check the box for each schedule you use to disclose interests; **or** if you have nothing to disclose on any schedule, check the "No reportable interests" box. Please **do not** attach any blank schedules.

Part 5. Verification

Complete the verification by signing the statement and entering the date signed. All statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2.

When you sign your statement, you are stating, under penalty of perjury, that it is true and correct. Only the filer has authority to sign the statement. An unsigned statement is not considered filed and you may be subject to late filing penalties.

SCHEDULE A-1

Investments

Stocks, Bonds, and Other Interests

(Ownership Interest is Less Than 10%)

Investments must be itemized.

Do not attach brokerage or financial statements.

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

Name _____

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

☐ Stock ☐ Other _____ (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/19 ____/____/19
ACQUIRED DISPOSED

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

☐ Stock ☐ Other _____ (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/19 ____/____/19
ACQUIRED DISPOSED

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

☐ Stock ☐ Other _____ (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/19 ____/____/19
ACQUIRED DISPOSED

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

☐ Stock ☐ Other _____ (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/19 ____/____/19
ACQUIRED DISPOSED

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

☐ Stock ☐ Other _____ (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/19 ____/____/19
ACQUIRED DISPOSED

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

☐ Stock ☐ Other _____ (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/19 ____/____/19
ACQUIRED DISPOSED

Comments: _____

Instructions – Schedules A-1 and A-2 Investments

“Investment” means a financial interest in any business entity (including a consulting business or other independent contracting business) that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency’s jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more at any time during the reporting period. (See Reference Pamphlet, page 13.)

Reportable investments include:

- Stocks, bonds, warrants, and options, including those held in margin or brokerage accounts and managed investment funds (See Reference Pamphlet, page 13.)
- Sole proprietorships
- Your own business or your spouse’s or registered domestic partner’s business (See Reference Pamphlet, page 8, for the definition of “business entity.”)
- Your spouse’s or registered domestic partner’s investments even if they are legally separate property
- Partnerships (e.g., a law firm or family farm)
- Investments in reportable business entities held in a retirement account (See Reference Pamphlet, page 15.)
- If you, your spouse or registered domestic partner, and dependent children together had a 10% or greater ownership interest in a business entity or trust (including a living trust), you must disclose investments held by the business entity or trust. (See Reference Pamphlet, page 16, for more information on disclosing trusts.)
- Business trusts

You are not required to disclose:

- Government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. (See Reference Pamphlet, page 13.) (Regulation 18237)
- Bank accounts, savings accounts, money market accounts and certificates of deposits
- Insurance policies
- Annuities
- Commodities
- Shares in a credit union
- Government bonds (including municipal bonds)
- Retirement accounts invested in non-reportable interests (e.g., insurance policies, mutual funds, or government bonds) (See Reference Pamphlet, page 15.)

- Government defined-benefit pension plans (such as CalPERS and CalSTRS plans)
- Certain interests held in a blind trust (See Reference Pamphlet, page 16.)

Use Schedule A-1 to report ownership of less than 10% (e.g., stock). Schedule C (Income) may also be required if the investment is not a stock or corporate bond. (See second example below.)

Use Schedule A-2 to report ownership of 10% or greater (e.g., a sole proprietorship).

To Complete Schedule A-1:

Do not attach brokerage or financial statements.

- Disclose the name of the business entity.
- Provide a general description of the business activity of the entity (e.g., pharmaceuticals, computers, automobile manufacturing, or communications).
- Check the box indicating the highest fair market value of your investment during the reporting period. If you are filing a candidate or an assuming office statement, indicate the fair market value on the filing date or the date you took office, respectively. (See page 20 for more information.)
- Identify the nature of your investment (e.g., stocks, warrants, options, or bonds).
- An acquired or disposed of date is only required if you initially acquired or entirely disposed of the investment interest during the reporting period. The date of a stock dividend reinvestment or partial disposal is not required. Generally, these dates will not apply if you are filing a candidate or an assuming office statement.

Examples:

Frank Byrd holds a state agency position. His conflict of interest code requires full disclosure of investments. Frank must disclose his stock holdings of \$2,000 or more in any company that is located in or does business in California, as well as those stocks held by his spouse or registered domestic partner and dependent children.

Alice Lance is a city council member. She has a 4% interest, worth \$5,000, in a limited partnership located in the city. Alice must disclose the partnership on Schedule A-1 and income of \$500 or more received from the partnership on Schedule C.

Reminders

- Do you know your agency’s jurisdiction?
- Did you hold investments at any time during the period covered by this statement?
- Code filers – your disclosure categories may only require disclosure of specific investments.

SCHEDULE A-2
Investments, Income, and Assets
of Business Entities/Trusts
(Ownership Interest is 10% or Greater)

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION
Name _____

▶ 1. BUSINESS ENTITY OR TRUST

Name _____

Address (Business Address Acceptable) _____

Check one

☐ Trust, go to 2 ☐ Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

- ☐ \$0 - \$1,999
☐ \$2,000 - \$10,000
☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000
☐ Over \$1,000,000

IF APPLICABLE, LIST DATE:

_____/_____/19 ____/_____/19
ACQUIRED DISPOSED

NATURE OF INVESTMENT

☐ Partnership ☐ Sole Proprietorship ☐ _____ Other

YOUR BUSINESS POSITION _____

▶ 1. BUSINESS ENTITY OR TRUST

Name _____

Address (Business Address Acceptable) _____

Check one

☐ Trust, go to 2 ☐ Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

- ☐ \$0 - \$1,999
☐ \$2,000 - \$10,000
☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000
☐ Over \$1,000,000

IF APPLICABLE, LIST DATE:

_____/_____/19 ____/_____/19
ACQUIRED DISPOSED

NATURE OF INVESTMENT

☐ Partnership ☐ Sole Proprietorship ☐ _____ Other

YOUR BUSINESS POSITION _____

▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

- ☐ \$0 - \$499 ☐ \$10,001 - \$100,000
☐ \$500 - \$1,000 ☐ OVER \$100,000
☐ \$1,001 - \$10,000

▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

- ☐ \$0 - \$499 ☐ \$10,001 - \$100,000
☐ \$500 - \$1,000 ☐ OVER \$100,000
☐ \$1,001 - \$10,000

▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

☐ None or ☐ Names listed below

▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

☐ None or ☐ Names listed below

▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:

☐ INVESTMENT ☐ REAL PROPERTY

Name of Business Entity, if Investment, or
Assessor's Parcel Number or Street Address of Real Property

Description of Business Activity or
City or Other Precise Location of Real Property

FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000
☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000
☐ Over \$1,000,000

IF APPLICABLE, LIST DATE:

_____/_____/19 ____/_____/19
ACQUIRED DISPOSED

NATURE OF INTEREST

☐ Property Ownership/Deed of Trust ☐ Stock ☐ Partnership

☐ Leasehold _____
Yrs. remaining

☐ Other _____

☐ Check box if additional schedules reporting investments or real property are attached

▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:

☐ INVESTMENT ☐ REAL PROPERTY

Name of Business Entity, if Investment, or
Assessor's Parcel Number or Street Address of Real Property

Description of Business Activity or
City or Other Precise Location of Real Property

FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000
☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000
☐ Over \$1,000,000

IF APPLICABLE, LIST DATE:

_____/_____/19 ____/_____/19
ACQUIRED DISPOSED

NATURE OF INTEREST

☐ Property Ownership/Deed of Trust ☐ Stock ☐ Partnership

☐ Leasehold _____
Yrs. remaining

☐ Other _____

☐ Check box if additional schedules reporting investments or real property are attached

Comments: _____

Instructions – Schedule A-2

Investments, Income, and Assets of Business Entities/Trusts

Use Schedule A-2 to report investments in a business entity (including a consulting business or other independent contracting business) or trust (including a living trust) in which you, your spouse or registered domestic partner, and your dependent children, together or separately, had a 10% or greater interest, totaling \$2,000 or more, during the reporting period and which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction. (See Reference Pamphlet, page 13.) A trust located outside your agency's jurisdiction is reportable if it holds assets that are located in or doing business in the jurisdiction. Do not report a trust that contains non-reportable interests. For example, a trust containing only your personal residence not used in whole or in part as a business, your savings account, and some municipal bonds, is not reportable.

Also report on Schedule A-2 investments and real property held by that entity or trust if your pro rata share of the investment or real property interest was \$2,000 or more during the reporting period.

To Complete Schedule A-2:

Part 1. Disclose the name and address of the business entity or trust. If you are reporting an interest in a business entity, check "Business Entity" and complete the box as follows:

- Provide a general description of the business activity of the entity.
- Check the box indicating the highest fair market value of your investment during the reporting period.
- If you initially acquired or entirely disposed of this interest during the reporting period, enter the date acquired or disposed.
- Identify the nature of your investment.
- Disclose the job title or business position you held with the entity, if any (i.e., if you were a director, officer, partner, trustee, employee, or held any position of management). A business position held by your spouse is not reportable.

Part 2. Check the box indicating **your pro rata** share of the **gross** income received **by** the business entity or trust. This amount includes your pro rata share of the **gross** income **from** the business entity or trust, as well as your community property interest in your spouse's or registered domestic partner's share. Gross income is the total amount of income before deducting expenses, losses, or taxes.

Part 3. Disclose the name of each source of income that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency's jurisdiction, as follows:

- Disclose each source of income and outstanding loan **to the business entity or trust** identified in Part 1 if your pro rata share of the **gross** income (including your community property interest in your spouse's or registered domestic partner's share) to the business entity or trust from that source was \$10,000 or more during the reporting

period. (See Reference Pamphlet, page 11, for examples.) Income from governmental sources may be reportable if not considered salary. See Regulation 18232. Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.

- Disclose each individual or entity that was a source of commission income of \$10,000 or more during the reporting period through the business entity identified in Part 1. (See Reference Pamphlet, page 8.)

You may be required to disclose sources of income located outside your jurisdiction. For example, you may have a client who resides outside your jurisdiction who does business on a regular basis with you. Such a client, if a reportable source of \$10,000 or more, must be disclosed.

Mark "None" if you do not have any reportable \$10,000 sources of income to disclose. Phrases such as "various clients" or "not disclosing sources pursuant to attorney-client privilege" are not adequate disclosure. (See Reference Pamphlet, page 14, for information on procedures to request an exemption from disclosing privileged information.)

Part 4. Report any investments or interests in real property held or leased **by the entity or trust** identified in Part 1 if your pro rata share of the interest held was \$2,000 or more during the reporting period. Attach additional schedules or use FPPC's Form 700 Excel spreadsheet if needed.

- Check the applicable box identifying the interest held as real property or an investment.
- If investment, provide the name and description of the business entity.
- If real property, report the precise location (e.g., an assessor's parcel number or address).
- Check the box indicating the highest fair market value of your interest in the real property or investment during the reporting period. (Report the fair market value of the portion of your residence claimed as a tax deduction if you are utilizing your residence for business purposes.)
- Identify the nature of your interest.
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property or investment during the reporting period.

SCHEDULE B

Interests in Real Property

(Including Rental Income)

CALIFORNIA FORM
FAIR POLITICAL PRACTICES COMMISSION

700

Name _____

► ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

CITY _____

FAIR MARKET VALUE
☐ \$2,000 - \$10,000
☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000
☐ Over \$1,000,000

IF APPLICABLE, LIST DATE:

____/____/19
 ACQUIRED

____/____/19
 DISPOSED

NATURE OF INTEREST

☐ Ownership/Deed of Trust

☐ Leasehold _____

Yrs. remaining

☐ Easement

☐ _____

Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

☐ \$0 - \$499
☐ \$10,001 - \$100,000

☐ \$500 - \$1,000
☐ OVER \$100,000

☐ \$1,001 - \$10,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

☐ None

► ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

CITY _____

FAIR MARKET VALUE
☐ \$2,000 - \$10,000
☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000
☐ Over \$1,000,000

IF APPLICABLE, LIST DATE:

____/____/19
 ACQUIRED

____/____/19
 DISPOSED

NATURE OF INTEREST

☐ Ownership/Deed of Trust

☐ Leasehold _____

Yrs. remaining

☐ Easement

☐ _____

Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

☐ \$0 - \$499
☐ \$10,001 - \$100,000

☐ \$500 - \$1,000
☐ OVER \$100,000

☐ \$1,001 - \$10,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

☐ None

* You are not required to report loans from a commercial lending institution made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER*

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF LENDER

INTEREST RATE
 _____% ☐ None

TERM (Months/Years)

HIGHEST BALANCE DURING REPORTING PERIOD

☐ \$500 - \$1,000
☐ \$10,001 - \$100,000
☐ Guarantor, if applicable

☐ \$1,001 - \$10,000
☐ OVER \$100,000

NAME OF LENDER*

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF LENDER

INTEREST RATE
 _____% ☐ None

TERM (Months/Years)

HIGHEST BALANCE DURING REPORTING PERIOD

☐ \$500 - \$1,000
☐ \$10,001 - \$100,000
☐ Guarantor, if applicable

☐ \$1,001 - \$10,000
☐ OVER \$100,000

Comments: _____

Instructions – Schedule B

Interests in Real Property

Report interests in real property located in your agency's jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more any time during the reporting period. Real property is also considered to be "within the jurisdiction" of a local government agency if the property or any part of it is located within two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency. (See Reference Pamphlet, page 13.)

Interests in real property include:

- An ownership interest (including a beneficial ownership interest)
- A deed of trust, easement, or option to acquire property
- A leasehold interest (See Reference Pamphlet, page 14.)
- A mining lease
- An interest in real property held in a retirement account (See Reference Pamphlet, page 15.)
- An interest in real property held by a business entity or trust in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater ownership interest (Report on Schedule A-2.)
- Your spouse's or registered domestic partner's interests in real property that are legally held separately by him or her

You are **not** required to report:

- A residence, such as a home or vacation cabin, used exclusively as a personal residence (However, a residence in which you rent out a room or for which you claim a business deduction may be reportable. If reportable, report the fair market value of the portion claimed as a tax deduction.)
- Some interests in real property held through a blind trust (See Reference Pamphlet, page 16.)
 - **Please note:** A non-reportable property can still be grounds for a conflict of interest and may be disqualifying.

To Complete Schedule B:

- Report the precise location (e.g., an assessor's parcel number or address) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property during the reporting period.
- Identify the nature of your interest. If it is a leasehold,

Reminders

- Income and loans already reported on Schedule B are not also required to be reported on Schedule C.
- Real property already reported on Schedule A-2, Part 4 is not also required to be reported on Schedule B.
- Code filers – do your disclosure categories require disclosure of real property?

disclose the number of years remaining on the lease.

- If you received rental income, check the box indicating the gross amount you received.
- If you had a 10% or greater interest in real property and received rental income, list the name of the source(s) if your pro rata share of the gross income from any single tenant was \$10,000 or more during the reporting period. If you received a total of \$10,000 or more from two or more tenants acting in concert (in most cases, this will apply to married couples), disclose the name of each tenant. Otherwise, mark "None."
- Loans from a private lender that total \$500 or more and are secured by real property may be reportable. **Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.**

When reporting a loan:

- Provide the name and address of the lender.
- Describe the lender's business activity.
- Disclose the interest rate and term of the loan. For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period. The term of a loan is the total number of months or years given for repayment of the loan at the time the loan was established.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule C.

Example:

Allison Gande is a city planning commissioner. During the reporting period, she received rental income of \$12,000, from a single tenant who rented property she owned in the city's jurisdiction. If Allison received \$6,000 each from two tenants, the tenants' names would not be required because no single tenant paid her \$10,000 or more. A married couple is considered a single tenant.

ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS 4600 24th Street	
CITY Sacramento	
FAIR MARKET VALUE <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input checked="" type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	IF APPLICABLE, LIST DATE: ACQUIRED 18 / 18 / 18 DISPOSED
NATURE OF INTEREST <input type="checkbox"/> Ownership/Deed of Trust <input type="checkbox"/> Easement <input type="checkbox"/> Leasehold <input type="checkbox"/> Yrs. remaining <input type="checkbox"/> Other	
IF RENTAL PROPERTY, GROSS INCOME RECEIVED <input type="checkbox"/> \$0 - \$499 <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	
SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more. <input type="checkbox"/> None Henry Wells	
NAME OF LENDER* Sophia Petroillo ADDRESS (Business Address Acceptable) 2121 Blue Sky Parkway, Sacramento BUSINESS ACTIVITY, IF ANY, OF LENDER Restaurant Owner	
INTEREST RATE 8 % <input type="checkbox"/> None	TERM (Months/Years) 15 Years
HIGHEST BALANCE DURING REPORTING PERIOD <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	
<input type="checkbox"/> Guarantor, if applicable	
Comments:	

SCHEDULE C
Income, Loans, & Business
Positions
(Other than Gifts and Travel Payments)

CALIFORNIA FORM 700 FAIR POLITICAL PRACTICES COMMISSION
Name _____

▶ 1. INCOME RECEIVED	▶ 1. INCOME RECEIVED
NAME OF SOURCE OF INCOME _____ ADDRESS (Business Address Acceptable) _____ BUSINESS ACTIVITY, IF ANY, OF SOURCE _____ YOUR BUSINESS POSITION _____	NAME OF SOURCE OF INCOME _____ ADDRESS (Business Address Acceptable) _____ BUSINESS ACTIVITY, IF ANY, OF SOURCE _____ YOUR BUSINESS POSITION _____
GROSS INCOME RECEIVED <input type="checkbox"/> No Income - Business Position Only <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	GROSS INCOME RECEIVED <input type="checkbox"/> No Income - Business Position Only <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000
CONSIDERATION FOR WHICH INCOME WAS RECEIVED <input type="checkbox"/> Salary <input type="checkbox"/> Spouse's or registered domestic partner's income (For self-employed use Schedule A-2.) <input type="checkbox"/> Partnership (Less than 10% ownership. For 10% or greater use Schedule A-2.) <input type="checkbox"/> Sale of _____ (Real property, car, boat, etc.) <input type="checkbox"/> Loan repayment <input type="checkbox"/> Commission or <input type="checkbox"/> Rental Income, list each source of \$10,000 or more _____ (Describe) <input type="checkbox"/> Other _____ (Describe)	CONSIDERATION FOR WHICH INCOME WAS RECEIVED <input type="checkbox"/> Salary <input type="checkbox"/> Spouse's or registered domestic partner's income (For self-employed use Schedule A-2.) <input type="checkbox"/> Partnership (Less than 10% ownership. For 10% or greater use Schedule A-2.) <input type="checkbox"/> Sale of _____ (Real property, car, boat, etc.) <input type="checkbox"/> Loan repayment <input type="checkbox"/> Commission or <input type="checkbox"/> Rental Income, list each source of \$10,000 or more _____ (Describe) <input type="checkbox"/> Other _____ (Describe)

▶ 2. LOANS RECEIVED OR OUTSTANDING DURING THE REPORTING PERIOD

* You are not required to report loans from a commercial lending institution, or any indebtedness created as part of a retail installment or credit card transaction, made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER* _____ ADDRESS (Business Address Acceptable) _____ BUSINESS ACTIVITY, IF ANY, OF LENDER _____ HIGHEST BALANCE DURING REPORTING PERIOD <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	INTEREST RATE _____% <input type="checkbox"/> None SECURITY FOR LOAN <input type="checkbox"/> None <input type="checkbox"/> Personal residence <input type="checkbox"/> Real Property _____ Street address _____ City <input type="checkbox"/> Guarantor _____ <input type="checkbox"/> Other _____ (Describe)
---	--

Comments: _____

Instructions – Schedule C

Income, Loans, & Business Positions

(Income Other Than Gifts and Travel Payments)

Reporting Income:

Report the source and amount of gross income of \$500 or more you received during the reporting period. Gross income is the total amount of income before deducting expenses, losses, or taxes and includes loans other than loans from a commercial lending institution. (See Reference Pamphlet, page 11.) You must also report the source of income to your spouse or registered domestic partner if your community property share was \$500 or more during the reporting period.

The source and income must be reported only if the source is located in, doing business in, planning to do business in, or has done business during the previous two years in your agency's jurisdiction. (See Reference Pamphlet, page 13.) Reportable sources of income may be further limited by your disclosure category located in your agency's conflict of interest code.

Reporting Business Positions:

You must report your job title with each reportable business entity even if you received no income during the reporting period. Use the comments section to indicate that no income was received.

Commonly reportable income and loans include:

- Salary/wages, per diem, and reimbursement for expenses including travel payments provided by your employer
- Community property interest (50%) in your spouse's or registered domestic partner's income - **report the employer's name and all other required information**
- Income from investment interests, such as partnerships, reported on Schedule A-1
- Commission income not required to be reported on Schedule A-2 (See Reference Pamphlet, page 8.)
- Gross income from any sale, including the sale of a house or car (Report your pro rata share of the total sale price.)
- Rental income not required to be reported on Schedule B
- Prizes or awards not disclosed as gifts
- Payments received on loans you made to others
- An honorarium received prior to becoming a public official (See Reference Pamphlet, page 10.)
- Incentive compensation (See Reference Pamphlet, page 12.)

Reminders

- Code filers – your disclosure categories may not require disclosure of all sources of income.
- If you or your spouse or registered domestic partner are self-employed, report the business entity on Schedule A-2.
- Do not disclose on Schedule C income, loans, or business positions already reported on Schedules A-2 or B.

You are not required to report:

- Salary, reimbursement for expenses or per diem, or social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency.
- Stock dividends and income from the sale of stock unless the source can be identified.
- Income from a PERS retirement account.

(See Reference Pamphlet, page 12.)

To Complete Schedule C:

Part 1. Income Received/Business Position Disclosure

- Disclose the name and address of each source of income or each business entity with which you held a business position.
- Provide a general description of the business activity if the source is a business entity.
- Check the box indicating the amount of gross income received.
- Identify the consideration for which the income was received.
- For income from commission sales, check the box indicating the gross income received and list the name of each source of commission income of \$10,000 or more. (See Reference Pamphlet, page 8.) **Note: If you receive commission income on a regular basis or have an ownership interest of 10% or more, you must disclose the business entity and the income on Schedule A-2.**
- Disclose the job title or business position, if any, that you held with the business entity, even if you did not receive income during the reporting period.

Part 2. Loans Received or Outstanding During the Reporting Period

- Provide the name and address of the lender.
- Provide a general description of the business activity if the lender is a business entity.
- Check the box indicating the highest balance of the loan during the reporting period.
- Disclose the interest rate and the term of the loan.
 - For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period.
 - The term of the loan is the total number of months or years given for repayment of the loan at the time the loan was entered into.
- Identify the security, if any, for the loan.

SCHEDULE D Income – Gifts

CALIFORNIA FORM 700

FAIR POLITICAL PRACTICES COMMISSION

Name

<div>▶ NAME OF SOURCE (Not an Acronym)</div> <div>ADDRESS (Business Address Acceptable)</div> <div>BUSINESS ACTIVITY, IF ANY, OF SOURCE</div> <table> <tr> <th>DATE (mm/dd/yy)</th> <th>VALUE</th> <th>DESCRIPTION OF GIFT(S)</th> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> </table>	DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)	____/____/____	\$____	_____	____/____/____	\$____	_____	____/____/____	\$____	_____	<div>▶ NAME OF SOURCE (Not an Acronym)</div> <div>ADDRESS (Business Address Acceptable)</div> <div>BUSINESS ACTIVITY, IF ANY, OF SOURCE</div> <table> <tr> <th>DATE (mm/dd/yy)</th> <th>VALUE</th> <th>DESCRIPTION OF GIFT(S)</th> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> </table>	DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)	____/____/____	\$____	_____	____/____/____	\$____	_____	____/____/____	\$____	_____
DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
<div>▶ NAME OF SOURCE (Not an Acronym)</div> <div>ADDRESS (Business Address Acceptable)</div> <div>BUSINESS ACTIVITY, IF ANY, OF SOURCE</div> <table> <tr> <th>DATE (mm/dd/yy)</th> <th>VALUE</th> <th>DESCRIPTION OF GIFT(S)</th> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> </table>	DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)	____/____/____	\$____	_____	____/____/____	\$____	_____	____/____/____	\$____	_____	<div>▶ NAME OF SOURCE (Not an Acronym)</div> <div>ADDRESS (Business Address Acceptable)</div> <div>BUSINESS ACTIVITY, IF ANY, OF SOURCE</div> <table> <tr> <th>DATE (mm/dd/yy)</th> <th>VALUE</th> <th>DESCRIPTION OF GIFT(S)</th> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> </table>	DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)	____/____/____	\$____	_____	____/____/____	\$____	_____	____/____/____	\$____	_____
DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
<div>▶ NAME OF SOURCE (Not an Acronym)</div> <div>ADDRESS (Business Address Acceptable)</div> <div>BUSINESS ACTIVITY, IF ANY, OF SOURCE</div> <table> <tr> <th>DATE (mm/dd/yy)</th> <th>VALUE</th> <th>DESCRIPTION OF GIFT(S)</th> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> </table>	DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)	____/____/____	\$____	_____	____/____/____	\$____	_____	____/____/____	\$____	_____	<div>▶ NAME OF SOURCE (Not an Acronym)</div> <div>ADDRESS (Business Address Acceptable)</div> <div>BUSINESS ACTIVITY, IF ANY, OF SOURCE</div> <table> <tr> <th>DATE (mm/dd/yy)</th> <th>VALUE</th> <th>DESCRIPTION OF GIFT(S)</th> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$____</td> <td>_____</td> </tr> </table>	DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)	____/____/____	\$____	_____	____/____/____	\$____	_____	____/____/____	\$____	_____
DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							
____/____/____	\$____	_____																							

Comments: _____

Instructions – Schedule D

Income – Gifts

A gift is anything of value for which you have not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is \$50 or more. In addition, multiple gifts totaling \$50 or more received during the reporting period from a single source must be reported.

It is the acceptance of a gift, not the ultimate use to which it is put, that imposes your reporting obligation. Except as noted below, you must report a gift even if you never used it or if you gave it away to another person.

If the exact amount of a gift is unknown, you must make a good faith estimate of the item's fair market value. Listing the value of a gift as "over \$50" or "value unknown" is not adequate disclosure. In addition, if you received a gift through an intermediary, you must disclose the name, address, and business activity of both the donor and the intermediary. You may indicate an intermediary either in the "source" field after the name or in the "comments" section at the bottom of Schedule D.

Commonly reportable gifts include:

- Tickets/passes to sporting or entertainment events
- Tickets/passes to amusement parks
- Parking passes not used for official agency business
- Food, beverages, and accommodations, including those provided in direct connection with your attendance at a convention, conference, meeting, social event, meal, or like gathering
- Rebates/discounts not made in the regular course of business to members of the public without regard to official status
- Wedding gifts (See Reference Pamphlet, page 16)
- An honorarium received prior to assuming office (You may report an honorarium as income on Schedule C, rather than as a gift on Schedule D, if you provided services of equal or greater value than the payment received. See Reference Pamphlet, page 10.)
- Transportation and lodging (See Schedule E.)
- Forgiveness of a loan received by you

Reminders

- Gifts from a single source are subject to a \$500 limit in 2019. (See Reference Pamphlet, page 10.)
- Code filers – you only need to report gifts from reportable sources.

Gift Tracking Mobile Application

- FPPC has created a gift tracking app for mobile devices that helps filers track gifts and provides a quick and easy way to upload the information to the Form 700. Visit FPPC's website to download the app.

You are not required to disclose:

- Gifts that were not used and that, within 30 days after receipt, were returned to the donor or delivered to a charitable organization or government agency without being claimed by you as a charitable contribution for tax purposes
- Gifts from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, and certain other family members (See Regulation 18942 for a complete list.). The exception does not apply if the donor was acting as an agent or intermediary for a reportable source who was the true donor.
- Gifts of similar value exchanged between you and an individual, other than a lobbyist registered to lobby your state agency, on holidays, birthdays, or similar occasions
- Gifts of informational material provided to assist you in the performance of your official duties (e.g., books, pamphlets, reports, calendars, periodicals, or educational seminars)
- A monetary bequest or inheritance (However, inherited investments or real property may be reportable on other schedules.)
- Personalized plaques or trophies with an individual value of less than \$250
- Campaign contributions
- Up to two tickets, for your own use, to attend a fundraiser for a campaign committee or candidate, or to a fundraiser for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The ticket must be received from the organization or committee holding the fundraiser.
- Gifts given to members of your immediate family if the source has an established relationship with the family member and there is no evidence to suggest the donor had a purpose to influence you. (See Regulation 18943.)
- Free admission, food, and nominal items (such as a pen, pencil, mouse pad, note pad or similar item) available to all attendees, at the event at which the official makes a speech (as defined in Regulation 18950(b)(2)), so long as the admission is provided by the person who organizes the event.
- Any other payment not identified above, that would otherwise meet the definition of gift, where the payment is made by an individual who is not a lobbyist registered to lobby the official's state agency, where it is clear that the gift was made because of an existing personal or business relationship unrelated to the official's position and there is no evidence whatsoever at the time the gift is made to suggest the donor had a purpose to influence you.

To Complete Schedule D:

- Disclose the full name (not an acronym), address, and, if a business entity, the business activity of the source.
- Provide the date (month, day, and year) of receipt, and disclose the fair market value and description of the gift.

SCHEDULE E
Income – Gifts
Travel Payments, Advances,
and Reimbursements

CALIFORNIA FORM 700 FAIR POLITICAL PRACTICES COMMISSION Name _____

- Mark either the gift or income box.
- Mark the “501(c)(3)” box for a travel payment received from a nonprofit 501(c)(3) organization or the “Speech” box if you made a speech or participated in a panel. Per Government Code Section 89506, these payments may not be subject to the gift limit. However, they may result in a disqualifying conflict of interest.
- For gifts of travel, provide the travel destination.

▶ NAME OF SOURCE <i>(Not an Acronym)</i> _____ ADDRESS <i>(Business Address Acceptable)</i> _____ CITY AND STATE _____ <input type="checkbox"/> 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE _____ DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ <i>(If gift)</i> ▶ MUST CHECK ONE: <input type="checkbox"/> Gift -or- <input type="checkbox"/> Income <input type="radio"/> Made a Speech/Participated in a Panel <input type="radio"/> Other - Provide Description _____ _____ ▶ If Gift, Provide Travel Destination _____ _____

▶ NAME OF SOURCE <i>(Not an Acronym)</i> _____ ADDRESS <i>(Business Address Acceptable)</i> _____ CITY AND STATE _____ <input type="checkbox"/> 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE _____ DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ <i>(If gift)</i> ▶ MUST CHECK ONE: <input type="checkbox"/> Gift -or- <input type="checkbox"/> Income <input type="radio"/> Made a Speech/Participated in a Panel <input type="radio"/> Other - Provide Description _____ _____ ▶ If Gift, Provide Travel Destination _____ _____

▶ NAME OF SOURCE <i>(Not an Acronym)</i> _____ ADDRESS <i>(Business Address Acceptable)</i> _____ CITY AND STATE _____ <input type="checkbox"/> 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE _____ DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ <i>(If gift)</i> ▶ MUST CHECK ONE: <input type="checkbox"/> Gift -or- <input type="checkbox"/> Income <input type="radio"/> Made a Speech/Participated in a Panel <input type="radio"/> Other - Provide Description _____ _____ ▶ If Gift, Provide Travel Destination _____ _____

▶ NAME OF SOURCE <i>(Not an Acronym)</i> _____ ADDRESS <i>(Business Address Acceptable)</i> _____ CITY AND STATE _____ <input type="checkbox"/> 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE _____ DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ <i>(If gift)</i> ▶ MUST CHECK ONE: <input type="checkbox"/> Gift -or- <input type="checkbox"/> Income <input type="radio"/> Made a Speech/Participated in a Panel <input type="radio"/> Other - Provide Description _____ _____ ▶ If Gift, Provide Travel Destination _____ _____

Comments: _____

Instructions – Schedule E

Travel Payments, Advances, and Reimbursements

Travel payments reportable on Schedule E include advances and reimbursements for travel and related expenses, including lodging and meals.

Gifts of travel may be subject to the gift limit. In addition, certain travel payments are reportable gifts, but are not subject to the gift limit. To avoid possible misinterpretation or the perception that you have received a gift in excess of the gift limit, you may wish to provide a specific description of the purpose of your travel. (See the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans" to read about travel payments under section 89506(a).)

You are not required to disclose:

- Travel payments received from any state, local, or federal government agency for which you provided services equal or greater in value than the payments received, such as reimbursement for travel on agency business from your government agency employer.
- A payment for travel from another local, state, or federal government agency and related per diem expenses when the travel is for education, training or other inter-agency programs or purposes.
- Travel payments received from your employer in the normal course of your employment that are included in the income reported on Schedule C.
- A travel payment that was received from a nonprofit entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration, such as reimbursement for travel on business for a 501(c)(3) organization for which you are a board member.

Note: Certain travel payments may not be reportable if reported via email on Form 801 by your agency.

To Complete Schedule E:

- Disclose the full name (not an acronym) and address of the source of the travel payment.
- Identify the business activity if the source is a business entity.
- Check the box to identify the payment as a gift or income, report the amount, and disclose the date(s).
 - **Travel payments are gifts** if you did not provide services that were equal to or greater in value than the payments received. You must disclose gifts totaling \$50 or more from a single source during the period covered by the statement.

When reporting travel payments that are gifts, you must provide a description of the gift, the **date(s)** received, and the **travel destination**.

- **Travel payments are income** if you provided services that were equal to or greater in value than the payments received. You must disclose income totaling

\$500 or more from a single source during the period covered by the statement. You have the burden of proving the payments are income rather than gifts. When reporting travel payments as income, you must describe the services you provided in exchange for the payment. You are not required to disclose the date(s) for travel payments that are income.

Example:

City council member MaryClaire Chandler is the chair of a 501(c)(6) trade association, and the association pays for her travel to attend its meetings. Because MaryClaire is deemed to be providing equal or greater consideration for the travel payment by virtue of serving on the board, this payment may be reported as income. Payments for MaryClaire to attend other events for which she is not providing services are likely considered gifts. Note that the same payment from a 501(c)3 would NOT be reportable.

▶ NAME OF SOURCE (Not an Acronym)	
Health Services Trade Association	
ADDRESS (Business Address Acceptable)	
1230 K Street, Suite 610	
CITY AND STATE	
Sacramento, CA	
<input type="checkbox"/> 501 (c)3 or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE	
Association of Healthcare Workers	
DATE(S):	AMT: \$ 550.00
(If gift)	
▶ MUST CHECK ONE: <input type="checkbox"/> Gift -or- <input checked="" type="checkbox"/> Income	
<input type="radio"/> Made a Speech/Participated in a Panel	
<input checked="" type="radio"/> Other - Provide Description Travel reimbursement for board meeting.	
▶ If Gift, Provide Travel Destination	

Example:

Mayor Kim travels to China on a trip organized by China Silicon Valley Business Development, a California nonprofit, 501(c)(6) organization. The Chengdu Municipal People's Government pays for Mayor Kim's airfare and travel costs, as well as his meals and lodging during the trip. The trip's agenda shows that the trip's purpose is to promote job creation and economic activity in China and in Silicon Valley, so the trip is reasonably related to a governmental purpose. Thus, Mayor Kim must report the gift of travel, but the gift is exempt from the gift limit. In this case, the travel payments are not subject to the gift limit because the source is

▶ NAME OF SOURCE (Not an Acronym)	
Chengdu Municipal People's Government	
ADDRESS (Business Address Acceptable)	
2 Caoshi St. CaoShiJie, Qingyang Qu, Chengdu Shi,	
CITY AND STATE	
Sichuan Sheng, China, 610000	
<input type="checkbox"/> 501 (c)3 or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE	
DATE(S):	AMT: \$ 3,874.38
(If gift)	
▶ MUST CHECK ONE: <input checked="" type="checkbox"/> Gift -or- <input type="checkbox"/> Income	
<input type="radio"/> Made a Speech/Participated in a Panel	
<input checked="" type="radio"/> Other - Provide Description Travel reimbursement for trip to China.	
▶ If Gift, Provide Travel Destination	
Sichuan Sheng, China	

a foreign government and because the travel is reasonably related to a governmental purpose. (Section 89506(a)(2).) Note that Mayor Kim could be disqualified from participating in or making decisions about The Chengdu Municipal People's Government for 12 months. Also note that if China Silicon Valley Business Development (a 501(c)(6) organization) paid for the travel costs rather than the governmental organization, the payments would be subject to the gift limits. (See the FPPC fact sheet, Limitations and Restrictions on Gifts, Honoraria, Travel and Loans, at www.fppc.ca.gov.)

Restrictions and Prohibitions

The Political Reform Act (Gov. Code Sections 81000-91014) requires most state and local government officials and employees to publicly disclose their personal assets and income. They also must disqualify themselves from participating in decisions that may affect their personal economic interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

Gift Prohibition

Gifts received by most state and local officials, employees, and candidates are subject to a limit. In 2019-2020, the gift limit is \$500 from a single source during a calendar year.

Additionally, state officials, state candidates, and certain state employees are subject to a \$10 limit per calendar month on gifts from lobbyists and lobbying firms registered with the Secretary of State. See Reference Pamphlet, page 10.

State and local officials and employees should check with their agency to determine if other restrictions apply.

Disqualification

Public officials are, under certain circumstances, required to disqualify themselves from making, participating in, or attempting to influence governmental decisions that will affect their economic interests. This may include interests they are not required to disclose. For example, a personal residence is often not reportable, but may be grounds for disqualification. Specific disqualification requirements apply to 87200 filers (e.g., city councilmembers, members of boards of supervisors, planning commissioners, etc.). These officials must publicly identify the economic interest that creates a conflict of interest and leave the room before a discussion or vote takes place at a public meeting. For more information, consult Government Code Section 87105, Regulation 18707, and the Guide to Recognizing Conflicts of Interest page at www.fppc.ca.gov.

Honorarium Ban

Most state and local officials, employees, and candidates are prohibited from accepting an honorarium for any speech given, article published, or attendance at a conference, convention, meeting, or like gathering. (See Reference Pamphlet, page 10.)

Loan Restrictions

Certain state and local officials are subject to restrictions on loans. (See Reference Pamphlet, page 14.)

Post-Governmental Employment

There are restrictions on representing clients or employers before former agencies. The provisions apply to elected state officials, most state employees, local elected officials, county chief administrative officers, city managers, including the chief administrator of a city, and general managers or chief administrators of local special districts and JPAs. The FPPC website has fact sheets explaining the provisions.

Late Filing

The filing officer who retains originally-signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or district attorney) for investigation and possible prosecution. In addition to the late filing penalties, a fine of up to \$5,000 per violation may be imposed.

For assistance concerning reporting, prohibitions, and restrictions under the Act:

- Email questions to advice@fppc.ca.gov.
- Call the FPPC toll-free at (866) 275-3772.

Form 700 is a Public Document Public Access Must Be Provided

Statements of Economic Interests are public documents. The filing officer must permit any member of the public to inspect and receive a copy of any statement.

- Statements must be available as soon as possible during the agency's regular business hours, but in any event not later than the second business day after the statement is received. Access to the Form 700 is not subject to the Public Records Act procedures.
- No conditions may be placed on persons seeking access to the forms.
- No information or identification may be required from persons seeking access.
- Reproduction fees of no more than 10 cents per page may be charged.

Questions and Answers

General

- Q. What is the reporting period for disclosing interests on an assuming office statement or a candidate statement?
- A. On an assuming office statement, disclose all reportable investments, interests in real property, and business positions held on the date you assumed office. In addition, you must disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you assumed office.
- On a candidate statement, disclose all reportable investments, interests in real property, and business positions held on the date you file your declaration of candidacy. You must also disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you file your declaration of candidacy.
- Q. I hold two other board positions in addition to my position with the county. Must I file three statements of economic interests?
- A. Yes, three are required. However, you may complete one statement listing the county and the two boards on the Cover Page or an attachment as the agencies for which you will be filing. Report your economic interests using the largest jurisdiction and highest disclosure requirements assigned to you by the three agencies. Make two copies of the entire statement before signing it, sign each copy with an original signature, and distribute one original to the county and to each of the two boards. Remember to complete separate statements for positions that you leave or assume during the year.
- Q. I am a department head who recently began acting as city manager. Should I file as the city manager?
- A. Yes. File an assuming office statement as city manager. Persons serving as “acting,” “interim,” or “alternate” must file as if they hold the position because they are or may be performing the duties of the position.
- Q. My spouse and I are currently separated and in the process of obtaining a divorce. Must I still report my spouse’s income, investments, and interests in real property?
- A. Yes. A public official must continue to report a spouse’s economic interests until such time as dissolution of marriage proceedings is final. However, if a separate property agreement has been reached prior to that time, your estranged spouse’s income may not have to be reported. Contact the FPPC for more information.

- Q. As a designated employee, I left one state agency to work for another state agency. Must I file a leaving office statement?
- A. Yes. You may also need to file an assuming office statement for the new agency.

Investment Disclosure

- Q. I have an investment interest in shares of stock in a company that does not have an office in my jurisdiction. Must I still disclose my investment interest in this company?
- A. Probably. The definition of “doing business in the jurisdiction” is not limited to whether the business has an office or physical location in your jurisdiction. (See Reference Pamphlet, page 13.)
- Q. My spouse and I have a living trust. The trust holds rental property in my jurisdiction, our primary residence, and investments in diversified mutual funds. I have full disclosure. How is this trust disclosed?
- A. Disclose the name of the trust, the rental property and its income on Schedule A-2. Your primary residence and investments in diversified mutual funds registered with the SEC are not reportable.
- Q. I am required to report all investments. I have an IRA that contains stocks through an account managed by a brokerage firm. Must I disclose these stocks even though they are held in an IRA and I did not decide which stocks to purchase?
- A. Yes. Disclose on Schedule A-1 or A-2 any stock worth \$2,000 or more in a business entity located in or doing business in your jurisdiction.
- Q. The value of my stock changed during the reporting period. How do I report the value of the stock?
- A. You are required to report the highest value that the stock reached during the reporting period. You may use your monthly statements to determine the highest value. You may also use the entity’s website to determine the highest value. You are encouraged to keep a record of where you found the reported value. Note that for an assuming office statement, you must report the value of the stock on the date you assumed office.

Questions and Answers

Continued

- Q. I am the sole owner of my business, an S-Corporation. I believe that the nature of the business is such that it cannot be said to have any "fair market value" because it has no assets. I operate the corporation under an agreement with a large insurance company. My contract does not have resale value because of its nature as a personal services contract. Must I report the fair market value for my business on Schedule A-2 of the Form 700?
- A. Yes. Even if there are no *tangible* assets, intangible assets, such as relationships with companies and clients are commonly sold to qualified professionals. The "fair market value" is often quantified for other purposes, such as marital dissolutions or estate planning. In addition, the IRS presumes that "personal services corporations" have a fair market value. A professional "book of business" and the associated goodwill that generates income are not without a determinable value. The Form 700 does not require a precise fair market value; it is only necessary to check a box indicating the broad range within which the value falls.
- Q. I own stock in IBM and must report this investment on Schedule A-1. I initially purchased this stock in the early 1990s; however, I am constantly buying and selling shares. Must I note these dates in the "Acquired" and "Disposed" fields?
- A. No. You must only report dates in the "Acquired" or "Disposed" fields when, during the reporting period, you initially purchase a reportable investment worth \$2,000 or more or when you dispose of the entire investment. You are not required to track the partial trading of an investment.
- Q. On last year's filing I reported stock in Encoe valued at \$2,000 - \$10,000. Late last year the value of this stock fell below and remains at less than \$2,000. How should this be reported on this year's statement?
- A. You are not required to report an investment if the value was less than \$2,000 during the **entire** reporting period. However, because a disposed date is not required for stocks that fall below \$2,000, you may want to report the stock and note in the "comments" section that the value fell below \$2,000. This would be for informational purposes only; it is not a requirement.

- Q. We have a Section 529 account set up to save money for our son's college education. Is this reportable?
- A. If the Section 529 account contains reportable interests (e.g., common stock valued at \$2,000 or more), those interests are reportable (not the actual Section 529 account). If the account contains solely mutual funds, then nothing is reported.

Income Disclosure

- Q. I reported a business entity on Schedule A-2. Clients of my business are located in several states. Must I report all clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2, Part 3?
- A. No, only the clients located in or doing business on a regular basis in your jurisdiction must be disclosed.
- Q. I believe I am not required to disclose the names of clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2 because of their right to privacy. Is there an exception for reporting clients' names?
- A. Regulation 18740 provides a procedure for requesting an exemption to allow a client's name not to be disclosed if disclosure of the name would violate a legally recognized privilege under California or Federal law. This regulation may be obtained from our website at www.fppc.ca.gov. (See Reference Pamphlet, page 14.)
- Q. I am sole owner of a private law practice that is not reportable based on my limited disclosure category. However, some of the sources of income to my law practice are from reportable sources. Do I have to disclose this income?
- A. Yes, even though the law practice is not reportable, reportable sources of income to the law practice of \$10,000 or more must be disclosed. This information would be disclosed on Schedule C with a note in the "comments" section indicating that the business entity is not a reportable investment. The note would be for informational purposes only; it is not a requirement.

Questions and Answers Continued

Q. I am the sole owner of my business. Where do I disclose my income - on Schedule A-2 or Schedule C?

A. Sources of income to a business in which you have an ownership interest of 10% or greater are disclosed on Schedule A-2. (See Reference Pamphlet, page 8.)

Q. My husband is a partner in a four-person firm where all of his business is based on his own billings and collections from various clients. How do I report my community property interest in this business and the income generated in this manner?

A. If your husband's investment in the firm is 10% or greater, disclose 100% of his share of the business on Schedule A-2, Part 1 and 50% of his income on Schedule A-2, Parts 2 and 3. For example, a client of your husband's must be a source of at least \$20,000 during the reporting period before the client's name is reported.

Q. How do I disclose my spouse's or registered domestic partner's salary?

A. Report the name of the employer as a source of income on Schedule C.

Q. I am a doctor. For purposes of reporting \$10,000 sources of income on Schedule A-2, Part 3, are the patients or their insurance carriers considered sources of income?

A. If your patients exercise sufficient control by selecting you instead of other doctors, then your patients, rather than their insurance carriers, are sources of income to you. (See Reference Pamphlet, page 14.)

Q. I received a loan from my grandfather to purchase my home. Is this loan reportable?

A. No. Loans received from family members are not reportable.

Q. Many years ago, I loaned my parents several thousand dollars, which they paid back this year. Do I need to report this loan repayment on my Form 700?

A. No. Payments received on a loan made to a family member are not reportable.

Real Property Disclosure

Q. During this reporting period we switched our principal place of residence into a rental. I have full disclosure and the property is located in my agency's jurisdiction, so it is now reportable. Because I have not reported this property before, do I need to show an "acquired" date?

A. No, you are not required to show an "acquired" date because you previously owned the property. However, you may want to note in the "comments" section that the property was not previously reported because it was used exclusively as your residence. This would be for informational purposes only; it is not a requirement.

Q. I am a city manager, and I own a rental property located in an adjacent city, but one mile from the city limit. Do I need to report this property interest?

A. Yes. You are required to report this property because it is located within 2 miles of the boundaries of the city you manage.

Q. Must I report a home that I own as a personal residence for my daughter?

A. You are not required to disclose a home used as a personal residence for a family member unless you receive income from it, such as rental income.

Q. I am a co-signer on a loan for a rental property owned by a friend. Since I am listed on the deed of trust, do I need to report my friend's property as an interest in real property on my Form 700?

A. No. Simply being a co-signer on a loan for property does not create a reportable interest in real property for you.

Gift Disclosure

Q. If I received a reportable gift of two tickets to a concert valued at \$100 each, but gave the tickets to a friend because I could not attend the concert, do I have any reporting obligations?

A. Yes. Since you accepted the gift and exercised discretion and control of the use of the tickets, you must disclose the gift on Schedule D.

Questions and Answers Continued

- Q. Julia and Jared Benson, a married couple, want to give a piece of artwork to a county supervisor. Is each spouse considered a separate source for purposes of the gift limit and disclosure?
- A. Yes, each spouse may make a gift valued at the gift limit during a calendar year. For example, during 2019 the gift limit was \$500, so the Bensons may have given the supervisor artwork valued at no more than \$1,000. The supervisor must identify Jared and Julia Benson as the sources of the gift.
- Q. I received free admission to an educational conference related to my official duties. Part of the conference fees included a round of golf. Is the value of the golf considered informational material?
- A. No. The value of personal benefits, such as golf, attendance at a concert, or sporting event, are gifts subject to reporting and limits.
- Q. I am a Form 700 filer with full disclosure. Our agency holds a holiday raffle to raise funds for a local charity. I bought \$10 worth of raffle tickets and won a gift basket valued at \$120. The gift basket was donated by Doug Brewer, a citizen in our city. At the same event, I bought raffle tickets for, and won a quilt valued at \$70. The quilt was donated by a coworker. Are these reportable gifts?
- A. Because the gift basket was donated by an outside source (not an agency employee), you have received a reportable gift valued at \$110 (the value of the basket less the consideration paid). The source of the gift is Doug Brewer and the agency is disclosed as the intermediary. Because the quilt was donated by an employee of your agency, it is not a reportable gift.
- Q. My agency is responsible for disbursing grants. An applicant (501(c)(3) organization) met with agency employees to present its application. At this meeting, the applicant provided food and beverages. Would the food and beverages be considered gifts to the employees? These employees are designated in our agency's conflict of interest code and the applicant is a reportable source of income under the code.
- A. Yes. If the value of the food and beverages consumed by any one filer, plus any other gifts received from the same source during the reporting period total \$50 or more, the food and beverages would be reported using the fair market value and would be subject to the gift limit.