



# CAMBRIA COMMUNITY HEALTHCARE DISTRICT REGULAR BOARD MEETING January 27, 2026 – 9:00 AM

The regular meeting of the Cambria Community Healthcare District will be held at  
2535 Main Street, Cambria, California.

## Join Zoom Meeting

<https://us02web.zoom.us/j/87307330578?pwd=yIruEYgKaHGIDNfCuVqYTFyeHksN3g.1>

Meeting ID: 873 0733 0578 Passcode: 529826

+1 669 444 9171 US +1 669 900 6833 US (San Jose)

## AGENDA

### A. OPENING

1. Call to order
2. Pledge of Allegiance
3. Establishment of a quorum

### B. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

1. Public members wishing to address the Board on matters other than scheduled items may do so when recognized by the President of the Board of Directors, Cecilia Montalvo. Presentations are limited to a maximum of three minutes per person.

### C. CONSENT AGENDA

1. Approve Minutes from the December 16, 2025, Regular Board Meeting

### D. REPORTS

1. Operations Report: Operations Manager Tim Nurge, Supervisors Paul Hoover and Michael Bryant
2. Administrative/Financial Review: Administrator Hendy
3. Committee Reports: December 2025
  - a. *President's Report*: Cecilia Montalvo
  - b. *Property & Facilities*: Laurie Mileur
  - c. *Healthcare Advocacy & Outreach*: Dawn Kulesa
  - d. *Finance*: Iggy Fedoroff
  - e. *Development*: Laurie Mileur

### E. REGULAR BUSINESS

1. Fiscal Year 2024-2025 Audit - Presentation
2. District Policy Manual Updates

3. Proposed Increase to Ambulance Service Rate Schedule; Resolution 58-26
4. California Brown Act Updates for 2026

## **F. DECLARATION OF FUTURE AGENDA ITEMS**

## **G. ADJOURNMENT**

The next Regular Board meeting will be on February 24, 2026, at 9:00 A.M. at 2535 Main Street, Cambria, California.

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Copies of the monthly agenda, staff reports, and written materials provided to the Board of Directors for Open Session agenda items may be obtained online at [www.cambria-healthcare.org](http://www.cambria-healthcare.org) and at the District office located at 2535 Main Street, Cambria, during regular business hours. Closed-session items are not available for public review. Any changes or additions to the agenda will be posted at the District office and on the District website.

Note: While board members may not engage in dialogue with the public during the board meeting, individual members may choose to incorporate an answer to a question posed by the public during their discussion of an agenda item.



**CAMBRIA COMMUNITY HEALTHCARE DISTRICT  
REGULAR BOARD MEETING MINUTES  
December 16, 2025**

**A. OPENING**

1. President Montalvo called the meeting to order at 9:04 am.
2. President Montalvo led the Pledge of Allegiance.
3. Board of Directors members Cecilia Montalvo, Bruce Mumper, Iggy Fedoroff, and Laurie Mileur were present. Dawn Kulesa was present via Zoom.

Administrator Linda Hendy, Operations Manager Tim Nurge, and Office Manager Jennifer Harley were also present.

**B. BOARD OF DIRECTORS**

President Montalvo called on each Director to reflect and provide feedback on the current year's Board Officer structure:

- President – Cecilia Montalvo
- Vice President – Bruce Mumper
- Secretary – Iggy Fedoroff

Director Mumper motioned to approve retaining the current Board Officers for 2026. Director Mileur seconded the motion, and the Board approved the motion, 5/0.

**C. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**

1. No members of the public provided comments.

**D. CONSENT AGENDA**

1. The minutes from the November 18, 2025, Regular Board meeting were presented for review and approval. Director Fedoroff moved to approve the minutes from November 18, 2025. Director Mumper seconded, and the Board approved the motion, 5/0.

Public Comment: There were no public comments.

**F. REGULAR BUSINESS**

A proposed change to the order of Agenda items was approved, moving F. Regular Business Agenda Item 1, Bond Oversight Committee Annual Report, Performance Audit, and Financial Audit 2025, before Agenda Item E. Reports.

1. **Bond Oversight Committee Annual Report, Performance Audit, and Financial Audit 2025**  
– Jessica Scarffe, the Chair of the Bond Oversight Committee, explained the Committee's role, highlighted key points from the Annual Report, and answered questions from the Board.

Public Comment: There were no public comments.

Motion: No Board action was required for this item.

## E. REPORTS

1. **Operations Report**: Operations Manager Tim Nurge presented the monthly operations report for November 2025.
2. **Administrative/Financial Review**: The November 2025 financial reports were presented by Administrator Linda Hendy.
3. **Committee Reports**:
  - a. President's Report: President Montalvo expressed gratitude to the Hearst Foundation for the District's award of a \$150K grant for the new ambulance station.
  - b. Property & Facilities: Director Mileur updated the Board on the new ambulance station, including the status of the project's minor land use permit and County requirements, building design, and possible staff relocations during construction.
  - c. Healthcare Advocacy & Outreach: Director Kulesa started distribution of privately funded "Minutes Matter Stress Relief Kits" and will continue distributing to San Simeon and food banks at local churches. Future demand will depend on community feedback.
  - d. Finance: Director Fedoroff had nothing additional to report.
  - e. Development Committee: Director Mileur thanked President Montalvo for her efforts in securing the generous Hearst Foundation grant. A suggestion from the Facilities/Property Committee was made to seek donations from local businesses for cabinets and furniture for the new ambulance station.

## F. REGULAR BUSINESS

2. **Appointments to Board Committees** – After a brief Board discussion, the current Committee appointments will remain for 2026.
  - a. *Finance Committee*: Chair-Director Fedoroff, Member-Director Mumper
  - b. *Property & Facilities Committee*: Chair-Director Mileur, Member-Director Mumper
  - c. *Healthcare Advocacy & Outreach Committee*: Chair-Director Kulesa, Member-Director Mileur
  - d. *Development Committee*: Chair-Director Mileur, Member-Director Fedoroff

Public Comment: There were no public comments.

Motion: Director Fedoroff moved to approve retaining the current Committee structure for 2026. Director Mumper seconded the motion, and the Board approved the motion by roll call, 5/0.

3. **Updates to District Bylaws** – Director Fedoroff provided a brief overview of the proposed changes to the District Bylaws, which include the addition of the election divisions and the Operations Manager as a check signer.

Director Fedoroff informed the Board of one correction to be made in Article IV, Section 3. Contracts, Minutes & Resolutions. The reference to "... under Article V" in this section

should be corrected to read "... under Article VI."

Public Comment: There were no public comments.

Motion: Director Mileur moved to approve the updates, including the correction to Article IV, Section 3. Director Mumper seconded, and the Board approved the updates to the District Bylaws by roll call, 5/0.

- 4. District Policy Manual Updates** – Operations Manager Nurge provided an overview of the policies presented to the Board for review and approval.

Director Fedoroff recommended removing the last sentence in Policy 1000, Adoption/Amendment of Policies, Section 1000.4, as the Board sets policy, and detailing standard operating procedures would be inappropriate.

Public Comment: There were no public comments.

Motion: Director Fedoroff moved to approve the proposed policy updates, including the recommended revision to Policy 1000, effective upon completion of the entire manual. Director Mumper seconded, and the Board approved the updates to the identified policies by roll call, 5/0.

## **G. DECLARATION OF FUTURE AGENDA ITEMS**

1. Fiscal Year 2024-2025 Audit Presentation
2. District Policy Manual Updates
3. Brown Act Updates
4. New Ambulance Station GMP
5. Ambulance Rate Fee Schedule
6. Performance Reviews

## **H. ADJOURNMENT**

The meeting was adjourned at 11:00 am.

**Note:** The next regular meeting will be held on Tuesday, January 27, 2026, at 9:00 am.



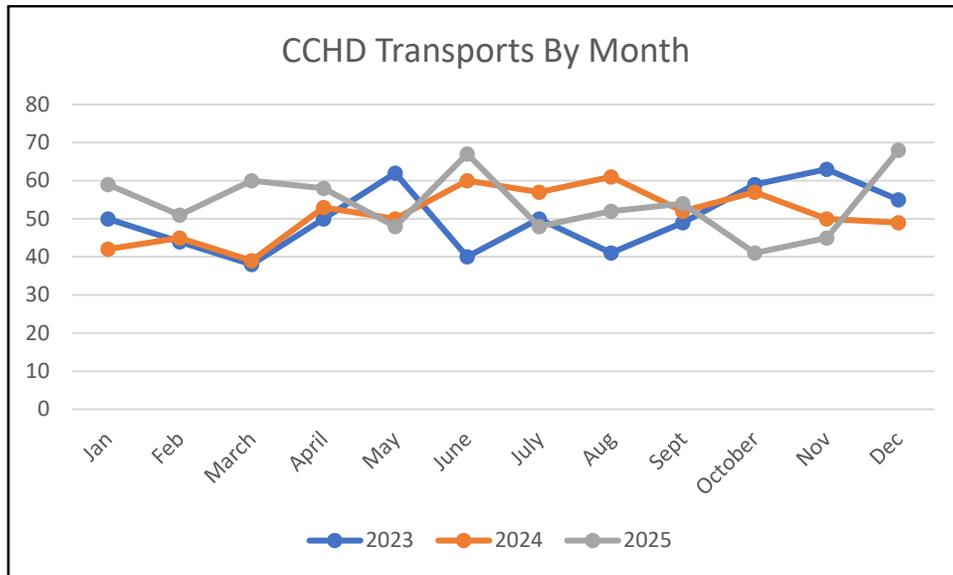
# OPERATIONS REPORT Board of Directors Meeting January 27, 2026

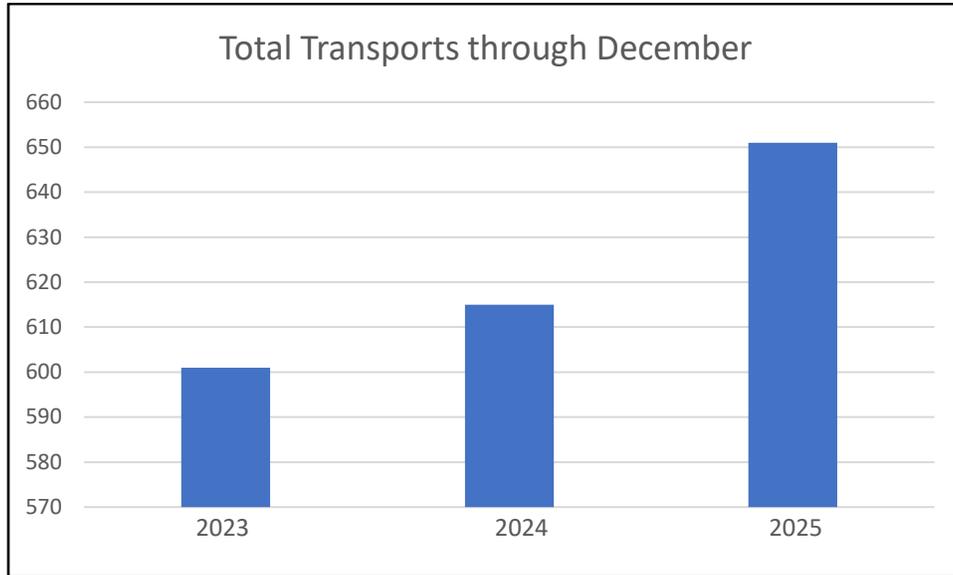
Operations Manager, Tim Nurge  
Supervisors Michael Bryant and Paul Hoover

## Operations Report for December 2025

### Operations Manager Nurge

- **Transport Activity Report** – For December 2025, there has been an increase of thirteen (13) incidents and an increase of eighteen (18) incidents requiring transport compared to December 2024.
- **Response Times and Delays** – In December 2025, 96.2 % of calls were responded to within ten (10) minutes in Cambria. One call was delayed by two minutes due to a communications failure. One call was delayed by one minute due to being dispatched to the wrong address. One call was delayed in the Park Hill area by four minutes due to weather and shift exchange.





- San Luis Ambulance (SLA) Transports/Coverage** – In December 2025, San Luis Ambulance had two (2) Code-3 and zero (0) Code-2 calls in the District’s service area. San Luis Ambulance was dispatched to “move up and cover” Cambria ten (10) times Code-8 and (0) times Code-11 for a total time covering the District’s response area of 9 hours and 13 minutes.

In December 2025, the District responded to seven (7) Code-3 and one (1) Code-2 calls in the San Luis Ambulance service area. District crews were dispatched to “move up and cover” the San Luis Ambulance service area twenty-three (23) times Code-8 and three (3) times Code-11 for a total time covering the San Luis Ambulance service area of 16 hours and 10 minutes.

- ❖ Code 2 Call - Emergency call that does not require the use of lights and sirens to respond
- ❖ Code 3 Call - Emergency call that requires the use of lights and sirens to respond
- ❖ Code 8 Call - A term used when an ambulance is staged (parked) between two response areas. (Summit/Villa Creek)
- ❖ Code 11 Call – A term used when an ambulance is staged (parked) between two response areas. (Areas 2, 3 & 5)

- Monterey County Calls** – District crews responded to two (2) calls in Monterey County during December 2025, compared to one (1) call in December 2024. Highway 1 through Big Sur has officially reopened as of January 14, 2026.
- Staffing/Employees** – One Reserve EMT completed her paramedic program and received her paramedic license. She will be promoted to paramedic and begin her training as a Reserve Paramedic with the District in January.

- **Recruitment** – The District conducted EMT recruitment in December and hired one Reserve EMT. He will begin his training in January 2026.
- **Training** – The EMSA added the following medications and equipment to our local protocols: Magnesium Sulfate, Ipratropium Bromide, Buprenorphine, and Pediatric Supraglottic Airways. Due to numerous updates to the local protocols, we have initiated a monthly tabletop training session during the first week of each month, focusing on a specific protocol. In January, we will begin with the Respiratory Distress: Bronchospasm protocol.
- **IT/Radios** – Nothing to report.
- **Outreach** – The District participated in the Cambria Lions Club Kids’ Christmas Party with Santa as well as Hands Only CPR in December. The District received a trust donation to expand access to Automated External Defibrillators (AEDs) throughout Cambria. We are collaborating with local organizations to improve equipment and signage.
- **Other** – The Operations Manager and Supervisors continue to work with the Facilities Committee on the new ambulance station design, project planning, and demolition.

### Supervisor Bryant

#### Equipment / Medications:

- All expired medical supplies and medications have been replaced, ensuring all ambulances are fully stocked and ready for service.
- Newly required medications have been obtained and successfully placed into service to implement the new EMSA protocols that took effect January 1, 2026.
- There is currently a county-wide backorder of one new ALS medication with no estimated time for delivery. The EMSA is aware that this issue is affecting all local agencies.
- The Office of Emergency Services has successfully updated the District’s Emergency Worker Exposure Control (EWEC) kits with new equipment.
- Efforts are underway to obtain “leave behind” Naloxone kits from the County of San Luis Obispo Health Agency.

#### SLO County Emergency Medical Services Authority (EMSA):

- In coordination with Operations Manager Nurge, all medication inventories and checkout lists have been updated to reflect new county protocols.

## Supervisor Hoover

### Ambulance Unit Performance/Maintenance

- **Unit 22** – The unit was serviced, and an oil change was completed.
- **Unit 23** – The unit was put back into service with a new engine, which was covered under warranty, in November 2025.
- **Fleet Mileage for December 2025:**

Ambulance Unit	Current Mileage
18	246,494
20	106,638
22	58,389
23	26,837

### Controlled Substance:

- A medication order was placed and received.
- The 4th Quarter Controlled Substance report has been completed, with no discrepancies found, and submitted to EMSA.

### Facility/Station Repairs

- Nothing to report.

## Total Assignment Count

Total Assignment Count
140

## Total Assignments by Type of Coverage

Total Assignment Count	
Type of Coverage: 911 Response	103
Type of Coverage: Code 11	3
Type of Coverage: Code 8	32
Type of Coverage: Standby	2

## Total 911 Responses by Location of Incident

Total Assignment Count	
Activity/Training Sub-Category: (None)	1
Activity/Training Sub-Category: Cambria - Happy Hill	5
Activity/Training Sub-Category: Cambria - Highway 1	1
Activity/Training Sub-Category: Cambria - Leimert	1
Activity/Training Sub-Category: Cambria - Lodge Hill East	13
Activity/Training Sub-Category: Cambria - Lodge Hill West	34
Activity/Training Sub-Category: Cambria - Moonstone Beach	3
Activity/Training Sub-Category: Cambria - Park Hill	9
Activity/Training Sub-Category: Cambria - Pine Knolls	3
Activity/Training Sub-Category: Cambria- Cambria Pines Lodge	1
Activity/Training Sub-Category: Cambria- Main Street	10
Activity/Training Sub-Category: Cambria- Station 81	2
Activity/Training Sub-Category: Harmony	1
Activity/Training Sub-Category: Highway 46 West	1
Activity/Training Sub-Category: Monterey County	2
Activity/Training Sub-Category: Ragged Point	1
Activity/Training Sub-Category: San Simeon	3
Activity/Training Sub-Category: San Simeon- Hearst Castle / Hearst State Beach	3
Activity/Training Sub-Category: SLO Area 2 - Paso Robles / Templeton	1
Activity/Training Sub-Category: SLO Area 3 - Morro Bay / Cayucos / Los Osos	5

Total Assignment Count	
Activity/Training Sub-Category: SLO Area 5 - San Luis Obispo / Avila Beach	2
Activity/Training Sub-Category: Twin Cities Community Hospital- Non Emergent Transfer	1

**Total Code 8 Responses by Posting Location**

Total Assignment Count	
Activity/Training Sub-Category: Code 8 Cuesta	3
Activity/Training Sub-Category: Code 8 Summit	3
Activity/Training Sub-Category: Code 8 Teresa	1
Activity/Training Sub-Category: Code 8 Twin	2
Activity/Training Sub-Category: Code 8 Villa Creek	23

**Total Code 11 Responses by Area**

Total Assignment Count	
Activity/Training Sub-Category: Code 11 Area 5 (SLO)	3

**Total Standby Responses by Type**

Total Assignment Count	
Activity/Training Sub-Category: Committed Standby	2

**Total Monterey County Assignment Count**

Total Monterey Incident Count	
	2

**Total Transport Count**

Total Transport Count	SQ System Level CCHD - Destination Name
0	
1	Helicopter Landing Zone
1	Private Residence
4	Twin Cities Community Hospital
18	French Hospital Medical Center
44	Sierra Vista Regional Medical Center



**Administrator/Finance Report  
Board of Directors Meeting  
January 27, 2026**

**Linda Hendy, Administrator/Director of Finance  
Jennifer Harley, Office Manager**

**Finance:**

Reporting financial performance for December 2025 and the year-to-date fiscal year 2025-2026.

**Income Statement:**

**December 2025 Monthly/Year-To-Date vs Budget**

- **Income:** In December, net ambulance billing of \$101,732 resulted in a favorable budget variance of \$23,732. This brings the year-to-date ambulance net billing total to \$453,412, \$33,788 unfavorable to budget.
  - In December, ambulance net income increased by \$25,656 compared to the previous year.

	<b>2024</b>	<b>2025</b>	<b>Variance</b>
Ambulance Billing	295,443	423,395	\$127,952
Insurance Adjustments	(219,367)	(321,663)	(\$102,296)
<b>Net Ambulance Income</b>	<b>\$76,076</b>	<b>\$101,732</b>	<b>\$25,656</b>

- **Other Income:** In December, District crew members received two dispatch calls to Monterey County. December financials show a favorable year-to-date variance, with income \$10,000 above the budget.
- **Net Operating Total Income:** December financials show net income of \$256,160, resulting in an unfavorable budget variance of (\$26,255) and a year-to-date unfavorable variance of (\$65,075).
- **Total Expenses:** In December, the operating cost was \$199,289, resulting in a favorable variance of \$1,499 from the budget. Year-to-date expenses indicate a favorable variance of \$1,356.
  - Payroll Expenses: In December, payroll expenses were (\$3,019), unfavorable to the budget. Line items Employee Medical/Dental and PERS Pension Expense have increased slightly and reflect an unfavorable variance to the budget. A request for a budget adjustment will be proposed during the Mid-Year Forecast.
- **Net Income:** The December financial report shows a favorable net income of \$56,871 and a year-to-date net income of (\$319,508). Year-to-date budget variance presents an unfavorable amount of (\$3,180).
- **Asset Payments/Cash Flow:** The December financials reflect monthly payments of \$2,100 for medical equipment (Zoll Monitors), \$3,625 for Ambulance Unit 22, and \$2,419 for Unit 23.

## Office Manager Harley

### Claim Payments

In December 2025, the District received 107 payments, totaling \$97,892.04, for billed claims. Of these payments, 106 were for claims billed in 2025. Below is a breakdown of the payments received based on the date of service (DOS).

#### December 2025 – Claim Payments

Claim Date of Service	Amount Received	# of Payments Received
<b>2024</b>	<b>\$ 50.00</b>	<b>1</b>
Dec	50.00	1
<b>2025</b>	<b>\$ 97,842.04</b>	<b>106</b>
Jun	349.27	1
Aug	2,057.41	2
Sep	1,318.72	4
Oct	6,230.51	10
Nov	41,685.54	67
Dec	46,200.59	22
<b>Total</b>	<b>\$ 97,892.04</b>	<b>107</b>

For Fiscal Year 2025-2026, the District is averaging 94 claim payments and \$76,050.54 per month. Below is a summary of claim payments recorded by month through December 2025.

Month	Cencal/Medi-Cal	Medicare	Self Pay	Traditional	Medicare Advantage Plans	Medicare Supplemental	Total Amt Paid	# of Claims
July 2025	7,850.53	20,677.89	4,202.28	35,017.22	6,492.63	6,268.40	<b>80,508.95</b>	98
August 2025	13,397.39	17,111.35	4,601.13	22,500.39	3,437.06	4,666.62	<b>65,713.94</b>	88
September 2025	8,361.84	23,690.46	8,042.04	40,337.72	10,621.75	5,020.51	<b>96,074.32</b>	114
October 2025	12,341.46	25,849.89	2,725.62	18,787.30	7,399.36	6,173.08	<b>73,276.71</b>	97
November 2025	7,084.21	14,359.82	7,855.00	4,031.38	5,455.35	4,051.51	<b>42,837.27</b>	62
December 2025	5,109.27	34,537.19	2,804.89	44,574.25	5,078.07	5,788.37	<b>97,892.04</b>	107
<b>Totals thru December 2025</b>	<b>54,144.70</b>	<b>136,226.60</b>	<b>30,230.96</b>	<b>165,248.26</b>	<b>38,484.22</b>	<b>31,968.49</b>	<b>456,303.23</b>	<b>566</b>
<b>% of Total thru December 2025</b>	<b>12%</b>	<b>30%</b>	<b>7%</b>	<b>36%</b>	<b>8%</b>	<b>7%</b>	<b>100%</b>	
<b>Average thru December 2025</b>	<b>9,024.12</b>	<b>22,704.43</b>	<b>5,038.49</b>	<b>27,541.38</b>	<b>6,414.04</b>	<b>5,328.08</b>	<b>76,050.54</b>	<b>94</b>

## Billed Claims

In December 2025, the District billed a total of 84 claims. The billed claims encompassed transports, non-emergency transports, dry runs, and Monterey transports. Below is a breakdown of the claims billed for December 2025 by incident type.

### December 2025 – Billed Claims by Incident Type

Incident Type	Amount Billed	# of Claims
Transports	\$ 378,742.50	66
Non-Emergency Transports	17,072.50	3
Dry Runs	9,100.00	13
Monterey - Transports	18,682.50	2
Monterey - Dry Runs	0.00	0
<b>Totals</b>	<b>\$ 423,597.50</b>	<b>84</b>

### Fiscal Year 2025-2026 - Billed Claims

For Fiscal Year 2025-2026, the District is billing an average of 64 claims, or \$315,806.67, per month. The tables below provide a breakdown of the total amounts billed and the number of claims billed, categorized by response type.

Month	Transports	Non-Emergency Transports	Dry Runs	Monterey Transports	Monterey Dry Runs	Total Amt Billed	# of Claims
July 2025	\$ 274,277.50	\$ -	\$ 9,100.00	\$ 8,242.50	\$ 700.00	\$ 292,320.00	62
August 2025	304,832.50	5,780.00	12,600.00	-	-	323,212.50	71
September 2025	305,802.50	10,757.50	4,200.00	9,982.50	-	330,742.50	63
October 2025	248,195.00	-	5,600.00	-	-	253,795.00	51
November 2025	257,805.00	-	4,200.00	8,467.50	700.00	271,172.50	54
December 2025	378,742.50	17,072.50	9,100.00	18,682.50	-	423,597.50	84
<b>Totals</b>	<b>\$ 1,769,655.00</b>	<b>\$ 33,610.00</b>	<b>\$44,800.00</b>	<b>\$ 45,375.00</b>	<b>\$ 1,400.00</b>	<b>\$ 1,894,840.00</b>	<b>385</b>
% of Total	93.4%	1.8%	2.4%	2.4%	0.1%		
<b>Average</b>	<b>\$ 294,942.50</b>	<b>\$ 5,601.67</b>	<b>\$ 7,466.67</b>	<b>\$ 7,562.50</b>	<b>\$ 233.33</b>	<b>\$ 315,806.67</b>	<b>64</b>

## Other Business

### Human Resources

- 2025 Qualified Overtime Tax Deduction: Researched employer reporting requirements for the new tax deduction; prepared qualified overtime calculations for employees; conferred with District legal counsel; and prepared an employee memorandum.
- Updated employee profiles to include 2026 health benefit deductions.

### IT

- Attended a meeting with Streamline regarding accessibility for our website.

### New Ambulance Station – Administrative Support

- Resubmitted an updated USDA Grant budget with proposed funding for temporary relocation during construction. The request was denied in mid-January, and a fourth grant revision was requested to include an additional detailed equipment list requested by the representative.
- Attended weekly meetings with Edwards Construction Group and PBK Architects, providing input on the site plan and project budget
- Continue to provide administrative support for Minor Use Permit and PG&E application.
- Met with San Luis Obispo County Supervisor to discuss frontage improvements, including sidewalks, bike lanes, and road requirements for the new station.
- Processed project expense payments by submitting requisitions through US Bank.

### General Obligation Bond Management – Measure C-24

- Provided Performance Audit and Financial Audit to Isom Advisors for regulatory reporting.

### Other

- Attended a meeting with CSDA regarding Brown Act Revamp (2026 changes).
- Renewed registration with SAM.GOV is required for all Federal Grants.
- Provided 2022 financials to GEMT Program Auditor.

**Cambria Community Healthcare District**  
**Summary of Revenues and Expenses**  
**DEC 2025, and Year-To-Date JULY-DEC 2025-2026**

	December Actual	December Budget	Variance	July - Dec YTD Actual	July - Dec YTD Budget	Variance
<b>Ambulance Revenue</b>						
Ambulance Billings	423,888	325,000	98,888	1,889,214	2,030,000	(140,786)
Prior Year Income	(492)	-	(492)	(660)	-	(660)
Total Ambulance Income	423,395	325,000	98,395	1,888,555	2,030,000	(141,445)
Insurance Adjustments/Contra	(321,663)	(247,000)	(74,663)	(1,434,546)	(1,537,800)	103,254
Sent to Collections	-	-	-	(596)	(4,000)	3,404
Bad Debt	-	-	-	-	(1,000)	1,000
Ambulance Income	101,732	78,000	23,732	453,412	487,200	(33,788)
<b>Tax Income</b>						
General Tax	67,446	90,000	(22,554)	177,419	200,000	(22,581)
Special Assessment Tax	82,793	110,000	(27,207)	215,784	235,000	(19,216)
Total Tax Income	150,240	200,000	(49,760)	393,203	435,000	(41,797)
<b>Other Income</b>						
Monterey Contract	4,000	4,000	-	34,000	24,000	10,000
Rental Income	-	-	-	-	300	(300)
Misc. Income	25	100	(75)	223	600	(377)
Bad Debt Recovery	160	300	(140)	2,663	1,500	1,163
Grant Income	-	-	-	-	-	-
Interest Income	3	15	(12)	1,385	1,360	25
Stand By/Event Income	-	-	-	-	-	-
Donations -Amb. Procurement	-	-	-	-	-	-
Total Other Income	4,188	4,415	(227)	38,270	27,760	10,510
<b>Total Income</b>	<b>256,160</b>	<b>282,415</b>	<b>(26,255)</b>	<b>884,885</b>	<b>949,960</b>	<b>(65,075)</b>
<b>Payroll Expenses</b>						
Administration	17,143	17,500	357	102,755	105,000	2,245
Full Time Employees	86,079	90,000	3,921	517,849	550,450	32,601
Part Time Employees	6,669	2,000	(4,669)	37,659	26,000	(11,659)
Payroll Tax Expense	5,678	5,700	22	34,586	39,000	4,414
Employee Medical/Dental	20,307	19,000	(1,307)	122,876	111,000	(11,876)
PERS Pension Expense	9,521	7,200	(2,321)	52,981	43,200	(9,781)
PERS - Unfunded Liability	19,807	19,807	0	120,491	118,843	(1,648)
Uniforms	150	500	350	1,164	3,000	1,836
Workers Comp. Insurance	5,846	6,375	529	30,538	38,250	7,712
Retiree Health	8,820	8,920	100	50,685	53,480	2,795
Total Payroll Expense	180,022	177,002	(3,019)	1,071,584	1,088,223	16,639
<b>Operating Expenses</b>						
Contacted Services	-	-	-	-	-	-
Audit Fees	-	-	-	-	-	-
Billing Services	599	710	111	3,594	4,170	576
Other	-	-	-	-	-	-
Payroll Services	450	550	100	2,652	3,300	648
Total Contracted Services	1,049	1,260	211	6,246	7,470	1,224
Dues and Subscriptions	583	600	17	21,299	19,400	(1,899)
Education/Travel/Mileage	310	120	(190)	627	780	153
Election Expense	-	-	-	-	-	-
Facility Maintenance	520	420	(100)	5,615	2,480	(3,135)
Legal	-	1,200	1,200	2,016	7,200	5,184
Liability Insurance	3,496	3,600	104	20,633	21,600	967
License/Permits	760	1,000	240	1,772	6,000	4,228
Office and Computer Supplies	1,059	1,500	441	7,840	9,000	1,160
Storage	480	-	(480)	480	480	-
Training	-	280	280	385	1,820	1,435
Utilities	2,415	3,000	585	14,229	15,300	1,071
Total Operating Expenses	10,672	12,980	2,308	81,142	91,530	10,388

**Cambria Community Healthcare District**  
**Summary of Revenues and Expenses**  
**DEC 2025, and Year-To-Date JULY-DEC 2025-2026**

	December Actual	December Budget	Variance	July - Dec YTD Actual	July - Dec YTD Budget	Variance
<b>Fleet Expenses:</b>						
Communication Equipment	-	100	100	-	500	500
Fuel	2,729	2,500	(229)	15,099	16,000	901
Unit - 18	-	350	350	573	1,900	1,327
Unit - 20	-	100	100	-	400	400
Unit - 21	-	250	250	825	1,500	675
Unit - 22	480	250	(230)	795	1,500	705
Unit - 23	14	250	236	553	1,500	947
Interest Expense	-	30	30	-	120	120
Medical Supplies/Equipment	2,021	6,000	3,979	24,267	34,400	10,133
<b>Total Fleet Expenses</b>	<b>5,243</b>	<b>9,830</b>	<b>4,587</b>	<b>42,112</b>	<b>57,820</b>	<b>15,708</b>
<b>Total Operating Expenses</b>	<b>15,915</b>	<b>22,810</b>	<b>6,895</b>	<b>123,253</b>	<b>149,350</b>	<b>26,097</b>
<b>Other Expenses</b>						
Bank and Credit Card Charges	244	375	131	1,791	2,250	459
Bond C-24 - New Ambulance Station	2,612	-	(2,612)	2,612	-	(2,612)
Contingency/Outreach/Public Ed. Equipment	496	330	(166)	974	2,020	1,046
Miscellaneous	-	-	-	-	-	-
PP-GEMT Fee	-	150	150	-	750	750
Sales Tax	-	-	-	14,290	23,000	8,710
Sales Tax	-	120	120	429	695	266
<b>Total Other Expenses</b>	<b>3,352</b>	<b>975</b>	<b>(2,377)</b>	<b>20,095</b>	<b>28,715</b>	<b>8,620</b>
<b>Total Expenses</b>	<b>199,289</b>	<b>200,787</b>	<b>1,499</b>	<b>1,214,932</b>	<b>1,266,288</b>	<b>51,356</b>
<b>Net Operating Income</b>	<b>56,871</b>	<b>81,628</b>	<b>(24,757)</b>	<b>(330,047)</b>	<b>(316,328)</b>	<b>(13,719)</b>
<b>Other Income/Expense</b>						
Sale of Asset	-	-	-	3,825	-	3,825
Grant Income	-	-	-	6,714	-	6,714
<b>Total Other Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,539</b>	<b>-</b>	<b>10,539</b>
<b>Net Income</b>	<b>56,871</b>	<b>81,628</b>	<b>(24,757)</b>	<b>(319,508)</b>	<b>(316,328)</b>	<b>(3,180)</b>

**Asset Payments - Cash Flow 2025-2026**

Asset Monthly Payments	December Actual	December Budget	Variance	July - December YTD Actual	July - December YTD Budget	Variance
Zoll Monitors	(2,100)	(2,100)	-	(12,600)	(12,600)	-
Ambulance Unit 22	(3,625)	(3,625)	-	(21,750)	(21,750)	-
Ambulance Unit 23	(2,419)	(2,419)	-	(75,591)	(75,591)	-
<b>Net Income less Asset Expense</b>	<b>48,727</b>	<b>73,484</b>	<b>(24,757)</b>	<b>(429,449)</b>	<b>(426,269)</b>	<b>(3,180)</b>

# Cambria Community Healthcare District

## Transaction Detail by Account

December 2025

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
11200 PP (5645) Operating					
12/01/2025	Bill Payment (Check)	4081	Dana Brancati	Reimbursement, TB Test and Mileage	-62.16
12/01/2025	Bill Payment (Check)	4073	Danny Takaoka	Retiree Health Premium	-2,491.83
12/01/2025	Bill Payment (Check)	4072	Daniel Cariaga	Retiree Health Premium	-1,522.24
12/01/2025	Bill Payment (Check)	4077	Ameritas Life Insurance Corp.	Policy# 58022-00001 and 00002	-1,490.76
12/01/2025	Bill Payment (Check)	4076	Heidi Holmes-Nagy	Retiree Health Premium	-1,108.62
12/01/2025	Bill Payment (Check)	4085	Robert W Sayers	Retiree Health Premium	-949.60
12/01/2025	Bill Payment (Check)	4075	Donald Melendy	Retiree Health Premium	-809.12
12/01/2025	Bill Payment (Check)	4086	SDRMA P/L	Member# 7576 P/L invoice	-778.46
12/01/2025	Bill Payment (Check)	4074	Denise Coddling	Retiree Health Premium	-600.74
12/01/2025	Bill Payment (Check)	4079	Charter Communications	Acct# *****4228	-458.12
12/01/2025	Bill Payment (Check)	4088	Verizon Wireless	Acct# 271000184-00002	-432.51
12/01/2025	Bill Payment (Check)	4078	Cal-Tec Computers		-420.00
12/01/2025	Bill Payment (Check)	4087	Streamline		-390.00
12/01/2025	Bill Payment (Check)	4080	Coastal Copy	Acct# CC45	-217.50
12/01/2025	Bill Payment (Check)	4082	Integrity Security & Integrated Systems, Inc.		-210.00
12/01/2025	Bill Payment (Check)	4083	Mutual of Omaha	Group ID# G000BZ6W	-168.00
12/01/2025	Bill Payment (Check)	4084	Pacific Cntrl Coast Hlth Cntrs		-60.00
12/03/2025	Bill Payment (Check)	4090	Dana Brancati	Mileage Reimbursement - EMSA Update Class	-28.00
12/03/2025	Bill Payment (Check)	4092	John Lisberg	Uniform Reimbursement	-150.00
12/03/2025	Bill Payment (Check)	4089	Antonio Mercado		-150.00
12/03/2025	Bill Payment (Check)	4091	J. Curtis Reid		-49.56
12/05/2025	Check	ACH	Payroll People	Payroll 11.15.2025 to 11.30.25.2025 Payday 12.05.2025	-51,099.33
12/05/2025	Bill Payment (Check)	4093	SEIU Local 620		-174.60
12/08/2025	Expense		EDIS		-104.16
12/09/2025	Check	ACH	CalPERS Fiscal Services Division	Payroll 11.16.2025 to 11.30.2025 Payday 12.05.2025	-150.00
12/09/2025	Bill Payment (Check)	4094	Matthew Hallmark		-349.98
12/09/2025	Expense		WORLDPAY CC		-214.26
12/10/2025	Bill Payment (Check)	ACH	CalPERS Fiscal Services Division		-22,887.94
12/10/2025	Bill Payment (Check)	ACH	CalPERS Fiscal Services Division		-17,200.87
12/10/2025	Bill Payment (Check)	ACH	WEX Bank -		-2,230.92
12/10/2025	Bill Payment (Check)	ACH	CalPERS Fiscal Services Division		-1,510.21
12/10/2025	Bill Payment (Check)	ACH	CalPERS Fiscal Services Division		-1,498.04
12/10/2025	Bill Payment (Check)	ACH	CalPERS Fiscal Services Division		-774.47
12/10/2025	Bill Payment (Check)	ACH	California Public Employees Ret. System		-761.25
12/10/2025	Bill Payment (Check)	ACH	California Public Employees Ret. System		-200.00
12/10/2025	Bill Payment (Check)	ACH	CalPERS Fiscal Services Division		-23.90
12/11/2025	Bill Payment (Check)	4097	KS StateBank		-2,418.80
12/11/2025	Bill Payment (Check)	4099	Best Best & Krieger LLC		-1,312.00
12/11/2025	Bill Payment (Check)	4100	Bound Tree Medical	Acct# 106918	-901.60
12/11/2025	Bill Payment (Check)	4098	Airgas West		-827.76
12/11/2025	Bill Payment (Check)	4095	Orkin	Acct# 2388	-95.00
12/11/2025	Bill Payment (Check)	4096	Cambria Hardware Center	Acct# 205	-31.09
12/12/2025	Bill Payment (Check)	ACH	Zoll Medical Corp.	Cust #108409	-2,090.36
12/12/2025	Bill Payment (Check)	ACH	Pacific Premier CC/FNBO		-979.71
12/12/2025	Bill Payment (Check)	ACH	Pacific Premier CC/FNBO		-496.61
12/12/2025	Bill Payment (Check)	ACH	Pacific Premier CC/FNBO		-79.61
12/15/2025	Bill Payment (Check)	4101	Dana Brancati	Reimbursement, DOT Physical and Mileage	-171.28
12/15/2025	Bill Payment (Check)	4103	SDRMA WC	Member# 7576 W/C invoice	-5,412.80
12/15/2025	Bill Payment (Check)	4102	SDRMA P/L	Member# 7576 P/L invoice	-3,236.75
12/16/2025	Bill Payment (Check)	4104	CCSD	Acct# 450-0245-001	-650.51
12/17/2025	Bill Payment (Check)	ACH	California Public Employees Ret. System		-6,334.89
12/17/2025	Bill Payment (Check)	ACH	California Public Employees Ret. System		-1,364.53
12/17/2025	Bill Payment (Check)	ACH	California Public Employees Ret. System		-1,348.60
12/17/2025	Bill Payment (Check)	ACH	California Public Employees Ret. System		-1,189.83
12/17/2025	Bill Payment (Check)	ACH	California Public Employees Ret. System		-1,175.94
12/18/2025	Bill Payment (Check)	ACH	PG&E - ending 135-3	Acct# 4378486135-3	-11.05
12/19/2025	Check	ACH	Payroll People	Payroll 12.01.2025 to 12.15.25.2025 Payday 12.20.2025	-51,822.79
12/19/2025	Bill Payment (Check)	ACH	PG&E - ending in 816-2	Acct# 3886196816-2	-808.58
12/19/2025	Bill Payment (Check)	ACH	PG&E - #A ending 348-9	Acct# 9976402348-9	-368.26

# Cambria Community Healthcare District

## Transaction Detail by Account

December 2025

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
12/22/2025	Check	ACH	CalPERS Fiscal Services Division	Payroll 12.01.2025 to 12.15.2025 Payday 12.20.2025	-150.00
12/22/2025	Bill Payment (Check)	4115	MEDSTOP Urgent Care	Invoice #26179	-200.00
12/22/2025	Bill Payment (Check)	4113	K. Paul Butterfield	Reimbursement-TB Test and Mileage	-92.34
12/22/2025	Bill Payment (Check)	4111	SDRMA WC	Member# 7576 W/C invoice	-5,412.80
12/22/2025	Bill Payment (Check)	4110	SDRMA P/L	Member# 7576 P/L invoice	-3,928.71
12/22/2025	Bill Payment (Check)	4116	MP Cloud Technologies		-599.00
12/22/2025	Bill Payment (Check)	4112	Coastal Copy	Acct# CC45	-259.88
12/22/2025	Bill Payment (Check)	ACH	Mission Country Disposal	Acct# 4130-8101951	-235.40
12/22/2025	Bill Payment (Check)	ACH	Amazon Capital Services	A2DNIJ28UQUQD0	-209.81
12/22/2025	Bill Payment (Check)	4118	Wells Fargo Vendor Financial Services	Cust# 1051980762	-191.98
12/22/2025	Bill Payment (Check)	4117	SEIU Local 620		-174.60
12/22/2025	Bill Payment (Check)	ACH	Mutual of Omaha	Group ID# G000BZ6W	-168.00
12/22/2025	Bill Payment (Check)	4114	Kitzman Water (Culligan)	Acct# 190231	-77.00
12/22/2025	Expense		EDIS	Employee FSA Medical	-104.16
12/23/2025	Check	4119	CCSD	APN 013.241.024	-250.00
12/23/2025	Expense		EDIS	Employee FSA Medical	-60.50
12/28/2025	Bill Payment (Check)	ACH	KS StateBank		-3,621.48
12/29/2025	Bill Payment (Check)	4122	Bound Tree Medical	Acct# 106918	-2,406.13
12/29/2025	Bill Payment (Check)	4120	Airgas West		-2,085.34
12/29/2025	Bill Payment (Check)	4121	Ameritas Life Insurance Corp.	Policy# 58022-00001 and 00002	-1,540.72
12/29/2025	Bill Payment (Check)	4123	Charter Communications	Acct# *****4228	-449.17
12/29/2025	Bill Payment (Check)	4128	Streamline		-390.00
12/29/2025	Bill Payment (Check)	4129	Wells Fargo Vendor Financial Services	Cust# 1051980762	-191.98
12/29/2025	Bill Payment (Check)	4125	McKesson Medical Surgical	Account #****5923	-165.35
12/29/2025	Bill Payment (Check)	4126	MP Cloud Technologies		-599.00
12/29/2025	Bill Payment (Check)	4127	Nelsons Garage, Inc.	Unit 22 Lube, Oil, Filter Service; Battery Replacement	-479.58
12/29/2025	Bill Payment (Check)	ACH	California Public Employees Ret. System		-6,372.38
12/29/2025	Bill Payment (Check)	ACH	California Public Employees Ret. System		-1,348.60
12/29/2025	Bill Payment (Check)	ACH	California Public Employees Ret. System		-1,175.94
12/29/2025	Bill Payment (Check)	ACH	CalPERS Fiscal Services Division		-552.50
12/29/2025	Bill Payment (Check)	ACH	CalPERS Fiscal Services Division		-552.50
12/29/2025	Bill Payment (Check)	4124	J. Curtis Reid	Education Reimbursement-NRC Refresher Course	-255.94
12/29/2025	Bill Payment (Check)	ACH	CalPERS Fiscal Services Division		-101.83
12/29/2025	Bill Payment (Check)	ACH	CalPERS Fiscal Services Division		-101.83
12/30/2025	Bill Payment (Check)	ACH	Verizon Wireless	Acct# 271000184-00002	-476.03
12/31/2025	Expense		Pacific Premier Bank		-6.25
<b>Total for 11200 PP (5645) Operating</b>					<b>\$ -229,842.23</b>



## CAMBRIA COMMUNITY HEALTHCARE DISTRICT

### BOARD AGENDA STAFF REPORT – 01

**TO:** Board of Directors  
**FROM:** Linda Hendy, Administrator  
**DATE:** January 27, 2026  
**DESCRIPTION:** Fiscal Year 2024-2025 Audit - Presentation

---

#### **RECOMMENDATION**

Presentation of audited financial statements for the Fiscal Year ended June 30, 2025, by Adam Guise, CPA, (Partner) Moss, Levy & Hartzheim LLP.

#### **FISCAL IMPACT**

As of June 30, 2025, the District's net position decreased by \$265,876 compared with the previous year. Notable changes include General Obligation Bond revenues and expenses.

#### **DISCUSSION**

The District is in its third year of a three-year contract with Moss, Levy & Hartzheim LLP for annual audit services and year-end financial statements prepared according to GAAP. Led by CPA Adam Guise, the firm's audit team performed on-site testing and confirmed that the financial statements accurately reflect, in all material respects, the District's financial position as of June 30, 2025.

In addition, the annual financial report requires the District to provide management discussion and analysis (MD&A) to supplement the basic financial statements.

**The Annual Financial Report is divided into three basic sections:**

- 1. Introductory section**
- 2. Financial section includes:**
  - a. Independent Auditor's Report
  - b. Management's Discussion and Analysis
  - c. Basic Financial Statements
  - d. Required Supplementary Information
- 3. Auditors' Findings and Responses**

#### **CONCLUSION**

The audited financial statements are presented for the Board of Directors' review.

#### **ATTACHMENT(S)**

1. CCHD Audited Financial Report for the Fiscal Year ended June 30, 2025.

#### **BOARD ACTION**

Review and receive the Fiscal Year 2024-2025 financial audit as presented.

# **Cambria Community Healthcare District**

## ***FINANCIAL STATEMENTS***

***June 30, 2025***

MOSS, LEVY & HARTZHEIM LLP  
Certified Public Accounts

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
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June 30, 2025

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**FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Cambria Community Healthcare District  
Cambria, California

### Report on the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities and the major fund of the Cambria Community Healthcare District, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Cambria Community Healthcare District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Cambria Community Healthcare District, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Cambria Community Healthcare District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cambria Community Healthcare District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cambria Community Healthcare District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cambria Community Healthcare District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of net pension liability, the schedule of pension contributions, the schedule of changes in the net OPEB liability and related ratios, and the schedule of OPEB contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21 2025, on our consideration of the Cambria Community Healthcare District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Moss, Levy & Hartgrain LLP*

Santa Maria, California  
January 21, 2026

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS AND ADMINISTRATOR**  
June 30, 2025

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<b>Name</b>	<b>Position</b>	<b>Term Expires</b>
<i>Board Members:</i>		
Cecilia Montalvo	President	December 2028
Bruce Mumper	Vice President	December 2028
Igor "Iggy" Fedoroff	Secretary	December 2026
Laurie Mileur	Director	December 2026
Dawn Kulesa	Director	December 2026
<i>Admin:</i>		
Linda Hendy	Administrator	Current

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

As the management of the Cambria Community Healthcare District ("District"), we present this overview and analysis of the District's financial activities for the fiscal year ending June 30, 2025. We recommend reviewing this information alongside the District's financial statements, which are included after this section.

**Introduction**

The Cambria Community Healthcare District is a public special district located in San Luis Obispo County, California. Supported by taxes and fees, it has been offering Advanced Life Support (ALS) ambulance services to residents and visitors since 1947.

The District offers emergency 911 ambulance transport to the communities of Cambria, San Simeon, Harmony, and nearby areas along San Luis Obispo County's North Coast. Additionally, via a contractual arrangement with Monterey County, it also provides ambulance services in Monterey County's coastal zone.

**Audited Financial Statements**

Moss, Levy & Hartzheim LLP, a licensed, certified public accounting firm, has audited the District's financial statements. The independent audit aimed to determine whether the District's financial statements for the fiscal year ended June 30, 2025, are free from material misstatement.

The independent auditor concluded that there is a reasonable basis to provide an unmodified opinion, stating that the District's financial statements for the fiscal year ended June 30, 2025, are fairly presented in all material respects, in accordance with generally accepted accounting principles in the United States of America. The independent auditor's report is located on page 1 of the financial section of this report.

**Financial Highlights**

- Total assets increased by \$6,049,354 as of June 30, 2025, compared with 2024, and consisted of cash, accounts receivable, capital assets, and General Obligation (GO) bond funding.
- Total liabilities increased by \$6,259,138 in 2025 compared with 2024. This increase was mainly driven by non-current liabilities, which include Other Post-Employment Benefits (OPEB), pension obligations, long-term disability liabilities, notes for direct borrowing, recording of compensated absences, and the GO bond payable.
- Net revenues totaled \$2,539,555, which is \$213,277 or 9.2% more than the previous year's revenues. Operating revenues increased by \$134,306, and net non-operating revenues increased by \$78,971.
- Expenses totaled \$2,805,431, an increase of \$473,626, or 20.3%, from the previous year.
- The total net pension liabilities amount to \$2,248,137, while the net OPEB (Other Post-Employment Benefits) liabilities totaled \$3,136,809.

## Overview of the Financial Statements

The discussion and analysis introduce the District's basic financial statements. These statements consist of three components:

- 1) Statement of net position
- 2) Statement of revenues, expenses, and changes in net position
- 3) Statement of cash flows

These government-wide financial statements provide a broad overview of the District's finances, similar to those of a private-sector business.

The statement of net position presents information on all assets, deferred outflows, liabilities, and deferred inflows, with the difference representing net position. Assets and liabilities are classified as current or noncurrent. Changes in total net position, as presented on the statement of net position, are based on the activity reported on the statement of revenues, expenses, and changes in net position.

The statement of revenues, expenses, and changes in net position presents total revenues versus total expenses and shows how net position changed during the fiscal year. All revenues earned and expenses incurred during the year are classified as either "operating" or "non-operating." For the current year, all expenses are considered operating. All revenues and expenses are recognized as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in disbursements or collections of cash in future fiscal years (e.g., the expense associated with changes in claim liability involving cash transactions beyond the date of the financial statements).

The statement of cash flows shows changes in cash and cash equivalents over the fiscal year. It is prepared using the direct method of cash flow. It classifies the sources and uses of cash and cash equivalents into three categories:

1. Operating activities
2. Financing activities
3. Investing activities

Operating activities include routine tasks, whereas investing activities consist of investments and non-operating activities. Financing activities include property taxes, special assessments, loan transactions, capital asset purchases, and GO bond activities.

The notes to the financial statements provide essential additional information for fully understanding the data presented in the financial statements. These notes explain the nature of operations, detail significant accounting policies, and clarify unique financial information.

## Condensed Statements of Net Position

	2025	2024	Change
<b>Assets:</b>			
Current and Other Assets	\$ 6,513,126	\$ 650,323	\$ 5,862,803
Capital Assets - Noncurrent	540,818	354,267	186,551
Total Assets	<u>7,053,944</u>	<u>1,004,590</u>	<u>6,049,354</u>
<b>Deferred Outflows of Resources:</b>			
Deferred Amount Pension and OPEB	1,065,297	1,477,163	(411,866)
Total Deferred Outflows			
<b>Liabilities:</b>			
Current Liabilities	203,573	174,611	28,962
Noncurrent Liabilities	11,757,480	5,527,304	6,230,176
Total Liabilities	<u>11,961,053</u>	<u>5,701,915</u>	<u>6,259,138</u>
<b>Deferred Inflows of Resources:</b>			
Deferred Amount Pension and OPEB	904,668	1,260,442	(355,774)
Total Deferred Inflows	<u>904,668</u>	<u>1,260,442</u>	<u>(355,774)</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	158,830	169,464	(10,634)
Unrestricted	(4,905,310)	(4,650,068)	(255,242)
Total Net Position	<u>\$ (4,746,480)</u>	<u>\$ (4,480,604)</u>	<u>\$ (265,876)</u>

Total assets increased by \$6,049,354, mainly from receiving \$5,900,000 in C-24 General Obligation (GO) bond funding for constructing a new Ambulance Station. The financial report audited also indicates growth in depreciable assets (net of accumulated depreciation) and a small reduction in cash reserves. At the same time, total liabilities increased by \$6,259,138, primarily due to the new GO bond payable.

The net position offers a useful measure of a government's financial health over time. Between 2024 and 2025, the District's net position declined by \$265,876. This decline includes an increase in Contract services, an operating expense, which rose by \$240,496 from the previous year due to the inclusion of GO bond issuance costs. A tax assessment has been levied on property owners within the District's boundaries to repay the GO bond payable. For more details, see Note 12 in the accompanying financial statements, outlining management's strategy for tackling the District's net deficit.

As of June 30, 2025, capital assets stand at \$531,516 (net of depreciation), reflecting an increase of \$208,878. This growth includes initial expenses for the new Ambulance Station, such as Design Costs, Permitting, and Outside Contractor Services, added to the Construction in Progress account. In 2025, the District acquired a new ambulance, which contributed to the asset increase, and recorded depreciation for 12 months for the fiscal year 2024-2025 (net of accumulated depreciation). The detailed capital asset statement is available in Note 4 of the financial statement.

As of June 30, 2025, the District's long-term obligations, including compensated absences, lease liability, loans for direct borrowing (equipment), pension, GO bond payables, and other post-employment benefits (OBEP), totaled \$11,846,480, with liabilities due within one year totaling \$89,000. The District's long-term liabilities are reported in Note 5 of the financial statements.

## Condensed Statements of Revenues, Expenses, and Change in Net Position

	2025	2024	Change
Operating Revenues	\$ 1,076,595	\$ 942,289	\$ 134,306
Non-operating Revenues, Net	1,462,960	1,383,989	78,971
Total Revenues	2,539,555	2,326,278	213,277
Total Operating Expenses	2,805,431	2,331,805	473,626
Change in Net Position	(265,876)	(5,527)	(260,349)
Net Position - Beginning of Year	(4,480,604)	(4,475,077)	(5,527)
Net Position - End of Year	\$ (4,746,480)	\$ (4,480,604)	\$ (265,876)

As of June 30, 2025, the District's total operating expenses exceeded total revenues, reducing its net position to (\$265,876). Compared with the previous year, operating and net non-operating revenues increased by \$213,277 and operating expenses rose by \$473,626, as noted on page 9 of the audited financials.

### Operating Revenues:

The District's operating revenues increased by \$134,306, or 14.25%, driven by higher ambulance service revenue. This growth is primarily due to increased insurance reimbursements and more transports provided in 2024-2025.

### Non-operating Revenues:

Net non-operating revenues increased by \$78,971, or 5.71%, compared with the previous year. These revenues primarily consist of property taxes and special assessments from the County of San Luis Obispo. In the 2024-25 fiscal year, tax revenue increased by \$46,498. An increase of \$26,043 in non-operating revenues is primarily attributed to grants received, which assisted with the initial down payment for the new ambulance.

### Operating Expenses:

Operating expenses include costs associated with the District's ambulance operations, primarily payroll and benefits. Additionally, the District incurs general and administrative expenses related to the operations of the District Offices. In 2025, operating expenses increased by \$473,626 compared to 2024. These detailed operating expenses reflect an increase in pension payables and the GO bond issuance expense is included in the Contract Services line item.

### Economic Factors:

In November 2024, the Citizens of Cambria approved bond measure C-24 by 76.68%, authorizing the District to issue general obligation bonds up to \$5,900,000 to build a new ambulance station, with construction to begin in the second quarter of 2026. In addition, the District was awarded a \$1,000,000 federal grant, which will be received upon completion of the project in 2027.

### Request for Information

This financial report provides a broad overview of the Cambria Community Healthcare District's finances and highlights its accountability for received funds. Any questions regarding this report or requests for further financial details should be directed to the District Administrator/Director of Finance at 2535 Main Street, Cambria, CA 93428.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**STATEMENT OF NET POSITION - ENTERPRISE FUND**  
June 30, 2025

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**Assets**

Current:

Cash and investments	\$ 6,214,488
Receivables:	
Accounts	236,421
Prepaid expenses	7,438
Prepaid bond insurance premium	54,779
<b>Total Current Assets</b>	<u>6,513,126</u>

Noncurrent:

Right to use asset	98,610
Less accumulated amortization	(89,308)
Nondepreciable	118,199
Depreciable assets - net of accumulated depreciation	413,317
<b>Total Noncurrent Assets</b>	<u>540,818</u>
<b>Total Assets</b>	<u>7,053,944</u>

**Deferred Outflows of Resources**

Deferred OPEB	359,035
Deferred pensions	706,262
<b>Total Deferred Outflows of Resources</b>	<u>1,065,297</u>

**Liabilities**

Current:

Accounts payable	27,489
Accrued payroll	87,084
Interest payable	
Current portion - accrued compensated leave	15,256
Current portion - lease liability	7,886
Current portion - notes from direct borrowing	57,930
Current portion - bond premium	7,928
<b>Total Current Liabilities</b>	<u>203,573</u>

Noncurrent:

Accrued compensated leave, net of current portion	45,769
Notes from direct borrowing, net of current portion	196,179
Bonds payable	5,900,000
Bond premium, net of current portion	230,586
OPEB liability	3,136,809
Net pension liability	2,248,137
<b>Total Noncurrent Liabilities</b>	<u>11,757,480</u>
<b>Total Liabilities</b>	<u>11,961,053</u>

**Deferred Inflows of Resources**

Deferred OPEB	856,834
Deferred pensions	47,834
<b>Total Deferred Inflows of Resources</b>	<u>904,668</u>

**Net Position**

Net investment in capital assets	158,830
Unrestricted	(4,905,310)
<b>Total Net Position</b>	<u>\$ (4,746,480)</u>

The notes to basic financial statements are an integral part of this statement.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -**  
**ENTERPRISE FUND**  
For the Fiscal Year Ended June 30, 2025

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**Operating Revenues:**

Ambulance charges	\$ 1,032,390
Other operating	<u>44,205</u>
Total operating revenues	<u>1,076,595</u>

**Operating Expenses:**

Salaries and wages	1,246,858
Payroll benefits	736,070
Payroll taxes	72,341
Workers' compensation insurance	38,534
Professional services	23,708
Contract services	258,256
Medical supplies and equipment	62,534
Repairs and maintenance	28,447
Insurance	40,691
Fuel and oil	30,882
Utilities	35,928
Licenses and permits	4,394
Office and computer supplies	18,050
Uniform expense	6,705
Education and travel	4,443
Miscellaneous expense	63,340
Training	2,071
Amortization	20,800
Depreciation	<u>111,379</u>
Total operating expenses	<u>2,805,431</u>
Operating loss	<u>(1,728,836)</u>

**Nonoperating Revenues (Expenses):**

Property and special assessment taxes	1,373,519
Grant revenue	65,915
Rental income	1,200
Interest expense	(13,550)
Other nonoperating revenues (expenses)	<u>35,876</u>
Total nonoperating revenues (expenses)	<u>1,462,960</u>
Change in net position	(265,876)
Net position, beginning of fiscal year	<u>(4,480,604)</u>
Net position, end of fiscal year	<u><u>\$ (4,746,480)</u></u>

The notes to basic financial statements are an integral part of this statement.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**STATEMENT OF CASH FLOWS - ENTERPRISE FUND**  
For the Fiscal Year Ended June 30, 2025

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$ 1,061,494
Payments to suppliers	(613,260)
Payments to employees	<u>(1,959,898)</u>
Net cash used by operating activities	<u>(1,511,664)</u>

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Property taxes	1,373,519
Intergovernmental grants	65,915
Rental income	1,200
Other revenue	<u>10,684</u>
Net cash provided by noncapital financing activities	<u>1,451,318</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Acquisition and construction of capital assets	(320,257)
Principal paid on lease liability	(23,192)
Principal paid on loans from direct borrowing	(42,617)
Interest paid on long-term debt	(13,550)
Prepaid bond insurance	(55,234)
Proceeds from the issuance of the loan	143,000
Proceeds from the issuance of the bonds	<u>6,140,496</u>
Net cash used by capital and related financing activities	<u>5,828,646</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	<u>25,193</u>
Net cash provided by investing activities	<u>25,193</u>

Net decrease in cash and cash equivalents	5,793,493
Cash and cash equivalents, July 1,	<u>420,995</u>
Cash and cash equivalents, June 30	<u>\$ 6,214,488</u>
Reconciliation to Statement of Net Position:	
Cash and investments	<u>\$ 6,214,488</u>

(Continued)

The notes to basic financial statements are an integral part of this statement.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**STATEMENT OF CASH FLOWS - ENTERPRISE FUND (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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**Reconciliation to reconcile operating loss to net cash used by operating activities:**

Operating loss	\$ (1,728,836)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Amortization	20,800
Depreciation	111,379
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Accounts receivable	(15,101)
Prepaid expenses	569
Deferred outflows	411,866
Accounts payable	4,154
Accrued payroll	14,576
OPEB liability	100,371
Compensated absences	(21,411)
Net pension liability	(54,257)
Deferred inflows	<u>(355,774)</u>
Net cash used by operating activities	<u><u>\$ (1,511,664)</u></u>

(Concluded)

The notes to basic financial statements are an integral part of this statement.

# CAMBRIA COMMUNITY HEALTHCARE DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. **Organization and Operations of the Reporting Entity**

The Cambria Community Healthcare District (the District), was organized in 1947, under the authority of section 3200, et. seq., of the Health and Safety Code of the state of California. The District is a public, tax and fee supported special district in the county of San Luis Obispo, California. The District provides advance life support ambulance service for the area, which includes the communities of Cambria, Harmony, San Simeon, and outlying areas north to the Monterey County line. Under an agreement with the County of Monterey, the District also provides ambulance service in the Monterey County Coast zone.

The District's mission is to improve the health of district residents by providing emergency services, enhancing access to care, and promoting wellness. The District is governed by a five-member board of directors. The Administrator manages the day-to-day operations of the District in accordance with the policies and procedures established by the board of directors. The board of directors meets each month. Meetings are publicly noticed and citizens are encouraged to attend. An annual budget is approved by the board of directors.

#### B. **Reporting Entity**

The reporting entity is the Cambria Community Healthcare District. There are no component units included in this report which meet the criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39, No. 61, No. 80, and No. 90.

#### C. **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The basic financial statements of the Cambria Community Healthcare District have been prepared in conformity with accounting principles generally accepted in the United States of America ("US GAAP"). The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for governmental accounting financial reporting purposes.

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that are comprised of assets, liabilities, fund equity, revenues, and expenses. This system permits separate accounting for each established fund for purposes of complying with applicable legal provisions, Board of Director's ordinances and resolutions, and other requirements. The accounts have also been maintained in accordance with the California State Controller's uniform system of accounts.

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The enterprise fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred.

The District distinguishes operating revenues and expenses from those revenues and expenses that are non-operating. The operating revenue of the District includes charges derived from ambulance services provided. Operating expenses include payroll and operational costs associated with the ambulance service activities, and also include management, administrative and depreciation and amortization expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues, expenses, and contributions.

#### D. **Budgetary Procedures**

Budgetary information is not presented because the District is not legally required to adopt a budget. Although not legally required, an annual budget is prepared, which includes estimates for the District's principal income sources to be received during the fiscal year, as well as estimated expenses and cash reserves needed for operations.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the American Institute of Certified Public Accountants, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**F. Deposits and Investments**

For purpose of the Statement of Cash Flows, the District considers all highly liquid investments (including restricted assets) with a maturity period, at purchase, of three months or less to be cash equivalents.

As a governmental entity other than an external investment pool in accordance with GASB Statement No. 71, the District's investments are stated at fair value.

**G. Receivables**

Receivables are generally recorded when the amount is earned and can be estimated. Receivables include amounts due from recipients of ambulance services and certain tax levies. All receivables are current and, therefore, due within one year. Receivables are reported at their net realizable value. The District provides for Medicare and Medi-Cal contractual allowances when recording the net realizable value of the receivables. The amount recorded is believed to be fully collectible by the District and as such, no allowance for doubtful accounts has been recorded.

**H. Capital Assets**

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Contributed capital assets are valued at their estimated fair value at the date of the contribution. Capital assets are defined by the District as assets with an initial individual cost of more than \$500 and estimated useful life in excess of two years.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method. Depreciation is charged as an expense against operations. The estimated useful lives are as follows:

Equipment and vehicles	5 to 10 years
Furniture and fixtures	5 to 10 years
Building improvements	15 years
Buildings	40 years

**I. Right to Use Assets**

The District has recorded right to use lease assets as a result of implementing GASB Statement No. 87. The right to use is initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term less lease incentives plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

**J. Compensated Absences**

The District's policy is to permit employees to accumulate earned vacation leave according to the number of years of service with the District. The liability for vested vacation leave is reported as an expense when earned and has become vested, in accordance with District policy.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Cambria Community Healthcare District's California Public Employee's Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**L. Other Postemployment Benefits (OPEB)**

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**M. Deferred Outflows and Inflows of Resources**

Pursuant to GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*," and GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*," the District recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The District has two items which qualify for reporting in this category; refer to Notes 8 and 9 for a detailed listing of the deferred outflows of resources the District has reported.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period. The District has two items which qualify for reporting in this category; refer to Notes 8 and 9 for a detailed listing of the deferred inflows of resources the District has reported.

**N. Net Position**

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

**O. Special Assessment**

The District passed a special assessment on November 5, 1985, of \$4.00 flat rate per unimproved parcel and \$7.00 flat rate for improved parcel per year on all real property (except for federal, state, or local government agencies) within the boundaries of the District for periodic and equipment replacement. On November 8, 1994, the voters approved an increase to the special assessment, raising the unimproved parcel fee to \$7.00 and improved parcel fee to \$20.00 to upgrade general operations. On November 7, 2006, the voters approved another increase to the special assessment, raising the unimproved parcel fee to \$25 and improved parcel fee to \$85 to improve paramedic staffing and upgrade general operations, annually adjusted by the change in the Consumer Price Index for the Greater Los Angeles Area.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**P. Property Taxes**

Property taxes in the State of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:

Property Valuations – Are established by the Assessor of the County of San Luis Obispo for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under the provisions of Article XIII of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100% of full value. From the base assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal.

Tax Collections – Are the responsibility of the county tax collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments: the first is due on November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the county for late payments.

Tax Levy Apportionments – Due to the nature of the District-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Under State legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the county auditor-controller based primarily on the ratio that each agency represented of the total District-wide levy for the three years prior to fiscal year 1979.

Property Tax Administration Fees – The State of California FY 90-91 Budget Act, authorized counties to collect an administrative fee for collection and distribution of property taxes. Property taxes are recorded as net of administrative fees withheld during the fiscal year.

Tax Levies – Are limited to 1% of full value which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

Tax Levy Dates – Are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

**Q. Annual Appropriations Limit**

The District is exempt from the annual appropriations limit required by Senate Bill 813 (Chapter 1025, Statutes of 1987), in accordance with California Constitution Article XIII B. This exemption is based on the voters of the District approving an additional assessment subsequent to the passage of Proposition 13.

**R. Future Accounting Pronouncements**

GASB Statements listed below will be implemented in future financial statements:

Statement No. 103 "Financial Reporting Model Improvements" The provisions of this statement are effective for fiscal years beginning after June 15, 2025.

Statement No. 104 "Disclosure of Certain Capital Assets" The provisions of this statement are effective for fiscal years beginning after June 15, 2025.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 2 – CASH AND INVESTMENTS**

On June 30, 2025, the District had the following cash on hand:

Cash in banks	\$ 372,872
Local Agency Investment Fund (LAIF)	61,609
Cash with fiscal agent	<u>5,780,007</u>
Total cash and investments	<u>\$ 6,214,488</u>

Cash and investments are presented on the accompanying basic financial statements, as follows:

Cash and investments, statement of net position	<u>\$ 6,214,488</u>
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The District categorizes its fair value measurements within the fair value hierarchy established by U.S. Generally Accepted Accounting Principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These principles recognize a three-tiered fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District had investments in the LAIF fund, however, that external pool is not subject to fair value measurements under the hierarchy as described above.

The table below identifies the investment types that are authorized for the District by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
Bankers' Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase and Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Fund	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75,000,000
JPA Pools (Other Investment Pools) California Agencies	N/A	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

Investment Type	Carrying Amount	Remaining Maturity (in Months)			
		12 Months Or Less	13-24 Months	25-60 Months	More than 60 Months
State investment pool (LAIF)	\$ 61,609	\$ 61,609	\$ -	\$ -	\$ -
Cash with fiscal agent money market	5,780,007	5,780,007			
	<u>\$ 5,841,616</u>	<u>\$ 5,841,616</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2025**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below, is the minimum rating required by the California Government Code, the District’s investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Carrying Amount	Minimum Legal Rating	Rating as of Fiscal Year End			
			AAA	A+	Baa	Not Rated
State investment pool (LAIF)	\$ 61,609	N/A	\$ -	\$ -	\$ -	\$ 61,609
Cash with fiscal agent money market	5,780,007					5,780,007
	<u>\$ 5,841,616</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,841,616</u>

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District’s deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2025, none of the District’s deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government’s indirect investment in securities through the use of mutual funds or government investment pools (such as the Local Agency Investment Fund).

Investment in State Pool (LAIF)

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District’s investment in this pool is reported in the accompanying financial statements at amounts based upon the District’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2025**

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**NOTE 3 – RIGHT TO USE LEASE ASSET**

Right to use lease asset activity for the fiscal year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Leased assets:				
Equipment	\$ 98,610	\$ -	\$ -	\$ 98,610
Total right to use assets	98,610			98,610
Less accumulated amortization for:				
Equipment	66,981	22,327		89,308
Total accumulated amortization	66,981	22,327		89,308
Net right to use assets	<u>\$ 31,629</u>	<u>\$ (22,327)</u>	<u>\$ -</u>	<u>\$ 9,302</u>

**NOTE 4 – CAPITAL ASSETS**

Capital assets activity for the fiscal year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 5,063	\$ -	\$ -	\$ 5,063
Construction in progress		113,136		113,136
Total capital assets not being depreciated	<u>\$ 5,063</u>	<u>\$ 113,136</u>	<u>\$ -</u>	<u>\$ 118,199</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 181,664	\$ -	\$ -	\$ 181,664
Ambulance and vehicles	488,137	204,201		692,338
Furniture and fixtures	4,295			4,295
Equipment	197,994	2,920		200,914
	872,090	207,121		1,079,211
Less accumulated depreciation:				
Buildings and improvements	90,502	8,368		98,870
Ambulance and vehicles	353,883	68,029		421,912
Furniture and fixtures	3,581	714		4,295
Equipment	106,549	34,268		140,817
	554,515	111,379		665,894
Total capital assets being depreciated, net	<u>\$ 317,575</u>	<u>\$ 95,742</u>	<u>\$ -</u>	<u>\$ 413,317</u>
Net capital assets	<u>\$ 322,638</u>	<u>\$ 208,878</u>	<u>\$ -</u>	<u>\$ 531,516</u>

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE 5 – LONG TERM LIABILITIES**

A schedule of long-term liabilities for the fiscal year ended June 30, 2025 is shown below:

	Balance			Balance		Due Within
	July 1, 2024	Additions	Retirements	June 30, 2025	One Year	
Compensated absences	\$ 82,436	\$ -	\$ 21,411	\$ 61,025	\$ 15,256	
Lease liability	31,078		23,192	7,886	7,886	
Loans from direct borrowing	153,726	143,000	42,617	254,109	57,930	
Bonds payable		5,900,000		5,900,000		
Bond premium		240,496	1,982	238,514	7,928	
OPEB liability	3,036,438	100,371		3,136,809		
Net pension liability	2,302,394		54,257	2,248,137		
Total long-term liabilities	\$ 5,606,072	\$ 6,383,867	\$ 143,459	\$ 11,846,480	\$ 89,000	

**NOTE 6 – LOANS FROM DIRECT BORROWING**

During fiscal year 2023, the District entered into another loan agreement to purchase an ambulance. The loan carries interest at 6.15%. The term of the loan is five years with monthly payments of \$3,621, commencing on July 28, 2023. The loan matures on June 28, 2028, when all remaining principal and interest on the loan is due. The remaining principal owed as of June 30, 2025 was \$118,760.

During fiscal year 2025, the District entered into another loan agreement to purchase an ambulance. The loan carries interest at 6.70%. The term of the loan is six years with monthly payments of \$2,419, commencing on February 15, 2025. The loan matures on January 15, 2031, when all remaining principal and interest on the loan is due. The remaining principal owed as of June 30, 2025 was \$135,349.

The District's outstanding loans from direct borrowings related to business-type activities are secured with collateral of the underlying assets purchased with these loans. If the District fails to make payments after 15 days of the due date, that will be considered an event of default and the lenders may pursue all available remedies including repossession.

Future payments of long-term liabilities in connection with the loan agreements are as follows:

<u>Fiscal year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 57,930	\$ 14,554	\$ 72,484
2027	61,691	10,792	72,483
2028	65,697	6,787	72,484
2029	25,257	3,769	29,026
2030	26,967	2,058	29,025
2031	16,567	365	16,932
Total	\$ 254,109	\$ 38,325	\$ 292,434

**NOTE 7 – LEASE LIABILITY**

The District has entered into an agreement to lease certain equipment. The lease agreement qualifies as other than short-term leases under GASB Statement No. 87 and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception.

An agreement with Zoll Medical Corporation was signed on June 30, 2020, to lease 4 X Series Manual Monitor/Defibrillators requiring 60 monthly payments of \$1,984. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3%, which is the implicit rate used for the lease agreement. As a result of the lease, the District recorded as of July 1, 2021 a right to use asset that has a net book value of \$9,302 at June 30, 2025. The right to use asset is discussed in more detail in Note 3.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE 7 – LEASE LIABILITY (Continued)**

Future payments of long-term liabilities in connection with the lease liability is as follows:

<u>Fiscal year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 7,886	\$ 49	\$ 7,935
Total	<u>\$ 7,886</u>	<u>\$ 49</u>	<u>\$ 7,935</u>

**NOTE 8 – BONDS PAYABLE**

On November 5, 2024, \$5,900,000 in general obligation bonds were authorized by an election held within the Cambria Community Healthcare District. On March 20, 2025, \$5,900,000 of the general obligation bonds were sold under the Measure C-24, which provides that proceeds of the bonds only be used for projects specified in Board Resolution 44-24. The bond was issued at a premium of \$240,495 and with a prepaid bond insurance cost of \$55,234 which are both amortized over the 30 year term of the bonds.

The outstanding general obligation bonded debt of the Cambria Community Healthcare District at June 30, 2025, is:

Date of Issue	Interest Rate	Maturity Date	Amount of Original Issue	Outstanding July 1, 2024	Issued Current Fiscal Year	Redeemed Current Fiscal Year	Outstanding June 30, 2025
2025	4.125% - 5.000%	2056	\$ 5,900,000	\$ -	\$ 5,900,000	\$ -	\$ 5,900,000
			<u>\$ 5,900,000</u>	<u>\$ -</u>	<u>\$ 5,900,000</u>	<u>\$ -</u>	<u>\$ 5,900,000</u>

The annual requirements to amortize general obligation bonds payable outstanding as of June 30, 2025, are as follows:

<u>Fiscal year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ -	\$ 235,043	\$ 235,043
2027	-	272,075	272,075
2028	-	272,075	272,075
2029	-	272,075	272,075
2030	-	272,075	272,075
2031-2035	80,000	1,355,625	1,435,625
2036-2040	400,000	1,297,875	1,697,875
2041-2045	865,000	1,143,500	2,008,500
2046-2050	1,530,000	848,375	2,378,375
2051-2055	2,415,000	392,925	2,807,925
2056	610,000	12,581	622,581
	<u>\$ 5,900,000</u>	<u>\$ 6,374,224</u>	<u>\$ 12,274,224</u>

**NOTE 9 – PENSION PLAN**

**A. General Information about the Pension Plan**

*Plan Description*

All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS’ website.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE 9 – PENSION PLAN (Continued)**

*Benefits Provided*

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2024 (the Measurement Date), are summarized as follows:

	Miscellaneous		
	Classic Member Hired	New Member Hired	
	Prior to January 1, 2013	On or after January 1, 2013	
Hire Date			
Benefit formula	2% @ 55	2% @ 62	
Benefit vesting schedule	5 years service	5 years service	
Benefit payments	monthly for life	monthly for life	
Retirement age	50-63	52-67	
Monthly benefits, as a % of eligible compensation	1.46% to 2.418%	1.0% to 2.5%	
Required employee contribution rates	7.00%	7.75%	
Required employer contribution rates	11.88% + \$17,232	7.87%	
	Safety		
	Classic Member Hired	New Member Hired	New Member Hired
	Prior to January 1, 2013	On or after January 1, 2010 and Before January 1, 2013	On or after January 1, 2013
Hire Date			
Benefit formula	2% @ 55	2% @ 62	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-63	52-67	52-67
Monthly benefits, as a % of eligible compensation	1.46% to 2.418%	1.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	9.00%	9.00%	13.75%
Required employer contribution rates	\$198,500	24.33%	13.76%

*Contributions*

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the fiscal year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions to the pension plan from the District were \$316,627 (\$283,461 Safety and \$33,166 Miscellaneous) for the fiscal year ended June 30, 2025.

**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions**

At June 30, 2024, the District reported a liability of \$2,248,137 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all pension plan participants, actuarially determined. At June 30, 2024, the District’s proportion share of net pension liability was as follows:

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 9 – PENSION PLAN (Continued)**

**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
Proportion-June 30, 2023	0.00312%	0.02872%	0.03184%
Proportion-June 30, 2024	0.00303%	0.02882%	0.03185%
Change-Increase (Decrease)	-0.00009%	0.00010%	0.00001%

For the fiscal year ended June 30, 2025, the District recognized pension expense of \$427,403. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
District contributions subsequent to the measurement date	\$ 316,627	\$ -
Changes in assumptions	55,545	
Differences between expected and actual experience	184,179	6,071
Net difference between projected and actual earnings on retirement plan investments	110,019	
Adjustment due to differences in proportion	25,129	12,508
Changes in proportion and differences between District contributions and proportionate share of contributions	14,763	29,255
	<u>\$ 706,262</u>	<u>\$ 47,834</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

\$316,627 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

<u>Fiscal year ending June 30,</u>	<u>Amount</u>
2026	\$ 127,660
2027	257,312
2028	(5,524)
2029	(37,647)
	<u>\$ 341,801</u>

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 9 – PENSION PLAN (Continued)**

**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

*Actuarial Assumptions*

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous and Safety
Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Projected Salary Increase	Varies by Entry Age and Service
Mortality	Derived using CalPERS' Membership Data for all Funds (1)
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

- (1) The mortality table used was developed based on CalPERS' specific data. The probabilities are based on the 2021 CalPERS' Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS' Experience Study and Review of Actuarial.

*Long-term Expected Rate of Return*

In determining the long-term expected rate of return, CalPERS' took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return (a,b)
Global Equity - cap-weighted	30.0%	4.54%
Global Equity - non-cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporations	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100.0%	

- (a) An expected inflation of 2.30% was used for this period.  
(b) Figures are based on the 2021 Asset Liability Management Study.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
 June 30, 2025

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**NOTE 9 – PENSION PLAN (Continued)**

**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

*Discount Rate*

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in Discount Rate*

The following represents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.90% percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.90 percent) or 1 percentage point higher (7.90 percent) than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
1% Decrease	5.90%	5.90%	5.90%
Net Pension Liability	\$ 255,477	\$ 3,216,673	\$ 3,472,150
Current Discount Rate	6.90%	6.90%	6.90%
Net Pension Liability	\$ 146,633	\$ 2,101,504	\$ 2,248,137
1% Increase	7.90%	7.90%	7.90%
Net Pension Liability	\$ 57,038	\$ 1,189,452	\$ 1,246,490

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS’ financial reports.

**C. Payable to Pension Plan**

At June 30, 2025, the District had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2025.

**NOTE 10 – POSTEMPLOYMENT HEALTH CARE BENEFITS (OPEB)**

**A. Plan Description**

The District provides other postemployment benefits (OPEB) under a single employer plan to qualified employees who retire from the District and meet the District’s vesting requirements. Qualified Employees may retire directly from the District under PERS (age 50 and 5 years of PERS service) and receive up to 90% of the PERS Choice Region 2 family premium rate. Employees hired on or after September 1, 2008 must retire with 10 years of CalPERS service and at least 5 years District service and are subject to vesting under Government code 22893. Survivor benefits are available. The District also pays the CalPERS’ administrative fee. The District does not offer vision, dental, or life benefits for retirees. Benefit provisions are established through negotiations between the District and the bargaining union representing District employees.

The District sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act (PEMHCA), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE 10 – POSTEMPLOYMENT HEALTH CARE BENEFITS (OPEB) (Continued)**

**B. Employees Covered**

As of July 1, 2023, actuarial valuation, the following current and former employees were covered by the benefit terms under the District's Plan:

Active plan members	13
Inactive employees or beneficiaries currently receiving benefits	<u>5</u>
Total	<u><u>18</u></u>

**C. Contributions**

The District currently finances benefits on a pay-as-you-go basis and does not have any assets in an OPEB trust.

**D. Total OPEB Liability**

The District's OPEB Liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the OPEB Liability was determined by an actuarial valuation as of July 1, 2023.

*Actuarial assumptions:* The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.00%
Inflation rate	2.50%
Medical cost trend rate	5.50% for 2024-2034, 4.50% for 2035-2069, and 4.00% for 2070 and later years

Pre-retirement mortality and post-retirement mortality rates were based on the mortality projected fully generational with the 2021 CalPERS' Experience Study. Actuarial assumptions used in the July 1, 2023 valuation were based on a review of plan experience during the period July 1, 2021 to June 30, 2023.

*Discount rate:* GASB 75 requires a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments — to the extent that the OPEB plan's fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher — to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the District's total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Municipal 20 Year High Grade Rate Index	Discount Rate
June 30, 2023	June 30, 2022	3.69%	3.69%
June 30, 2024	June 30, 2023	3.86%	3.86%
June 30, 2025	June 30, 2024	3.97%	3.97%

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 10 – POSTEMPLOYMENT HEALTH CARE BENEFITS (OPEB) (Continued)**

**E. Changes in the OPEB Liability**

	Total OPEB Liability
Balance at June 30, 2024 (Valuation Date July 1, 2023)	<u>\$ 3,036,438</u>
Changes recognized for the measurement period:	
Service cost	165,029
Interest	120,980
Changes of assumptions	(49,829)
Benefit payments	<u>(135,809)</u>
Net Changes	<u>100,371</u>
Balance at June 30, 2025 (Measurement Date June 30, 2024)	<u><u>\$ 3,136,809</u></u>

*Sensitivity of the OPEB liability to changes in the discount rate:* The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.97 percent) or 1 percentage-point higher (4.97 percent) than the current discount rate:

	1% Decrease 2.97%	Current Rate 3.97%	1% Increase 4.97%
OPEB Liability	<u>\$ 3,638,275</u>	<u>\$ 3,136,809</u>	<u>\$ 2,733,851</u>

*Sensitivity of the OPEB liability to changes in the healthcare cost trend rates:* The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.50 percent decreasing to 3.00 percent) or 1 percentage point higher (6.50 percent decreasing to 5.00 percent) than the current healthcare cost trend rates:

	1% Decrease 4.50% (Decreasing to 3.00%)	Current Rate 5.50% (Decreasing to 4.00%)	1% Increase 6.50% (Decreasing to 5.00%)
OPEB Liability	<u>\$ 2,676,338</u>	<u>\$ 3,136,809</u>	<u>\$ 3,719,488</u>

**F. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB**

For the fiscal year ended June 30, 2025, the District recognized an OPEB expense of \$132,635. As of the fiscal year ended June 30, 2025, the District reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 102,113	\$ -
Difference between expected and actual experience		268,541
Change in assumptions	<u>256,922</u>	<u>588,293</u>
	<u><u>\$ 359,035</u></u>	<u><u>\$ 856,834</u></u>

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2025

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**NOTE 10 – POSTEMPLOYMENT HEALTH CARE BENEFITS (OPEB) (Continued)**

**F. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)**

The reported deferred outflows of resources related to OPEB in the amount of \$102,113 resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the 2025-26 fiscal year. The additional amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Fiscal year Ending June 30,</u>	<u>Amount</u>
2026	\$ (155,354)
2027	(155,353)
2028	(174,388)
2029	(57,654)
2030	(52,634)
Thereafter	(4,529)
	<u>\$ (599,912)</u>

**NOTE 11 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District, as a member of the Special District Risk Management Authority (SDRMA), has purchased various insurance policies to manage the potential liabilities that may occur from the previously named sources. SDRMA is an intergovernmental risk sharing joint powers authority, created pursuant to California Government Code Sections 6500 et Seq. SDRMA's purpose is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

At June 30, 2025, the District participated in the liability and property programs of the SDRMA as follows: general and auto liability, public officials' and employees' errors and omissions and employment practices liability; total risk financing limits of \$2.5 million, combined single limit at \$2.5 million per occurrence, subject to the following deductibles: 1) \$500 per occurrence for third-party general liability property damage, 2) \$1,000 per occurrence for third-party auto liability property damage, and 3) 50% co-insurance of cost expended by SDRMA, in excess of \$10,000 up to \$50,000, per occurrence, for employment related claims. However, 100% of the obligation is waived if certain criteria are met, as provided in the Memorandum of Coverages.

As respects, any employment practices claim or suit arising in whole or in part out of any action involving discipline, demotion, reassignment, or termination of any employee, leased worker, temporary worker, volunteer, or any worker who participates in an internship or training program which may lead to employment with the Member: (1) SDRMA shall be responsible for the first \$10,000 of loss, and (2) as to amounts expended for a loss in excess of \$10,000 up to \$110,000, such losses will be shared between SDRMA (50%) and the Member (50%) such that the Member will be responsible for up to but not in excess of \$50,000.

- Employee dishonesty coverage of \$1,000,000 per loss includes public employee dishonesty, forgery or alteration and theft, disappearance, and destruction coverage.
- Property loss is paid at the replacement cost for property on file, if replaced within three years after the loss, otherwise paid on an actual cash value (ACV) basis, to a combined (pool limit) total of \$1 billion per occurrence, subject to a \$1,000 deductible per occurrence.
- Boiler and machinery coverage is for the replacement cost up to \$100 million per (pool limit) occurrence, subject to \$1,000 deductible. Public officials' personal liability is up to \$500,000 each occurrence, with an annual aggregate of \$500,000 per each elected/appointed official to which this coverage applies, subject to the terms, conditions and exclusions as provided in the Memorandum of Coverage, deductible of \$500 per claim.
- Comprehensive and collision on selected vehicles, with deductibles of \$250/\$500 or \$500/\$1,000 as elected; ACV limits.

The District maintains workers' compensation coverage and employer's liability coverage in accordance with statutory requirements of the state of California. Statutory limits per occurrence for workers' compensation and \$5.0 million for employers' liability coverage, subject to the terms, conditions, and exclusions as provided in the Memorandum of Coverage.

**NOTE 11 – COMMITMENTS AND CONTINGENCIES**

Litigation

According to the District's staff and attorney, no contingent liabilities or lawsuits are pending of any financial consequence as of June 30, 2025.

State and Federal Allowances, Awards, and Grants

The District receives grant monies as reimbursements for specific costs incurred in certain projects it administers that may be subject to review and audit by the reimbursing agencies. Although such audits could generate expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

**NOTE 12 – ACCUMULATED NET DEFICIT AND MANAGEMENT PLANS**

In fiscal year 2024-2025, the District experienced a total decrease in net position of \$265,876. This decrease has increased the accumulated net deficit to \$4,746,480 at June 30, 2025.

Prior to fiscal 2019, the District had experienced substantial negative net cash flow from operations which resulted in a sustained draw down of the District's available cash reserves.

In the fiscal year 2018, management and the board of directors implemented a strategic deployment plan to maximize the potential for emergency response based on the highest probability for 911 requests for service, and at the same time reduce unnecessary payroll expenses, which was fully implemented.

The District is operating at a net deficit. The significant expenses of the District are payroll and benefit related expenses. The primary reason for the net deficit is the recognition of net pension and OPEB long-term liabilities and recognition of their related expenses as required by the GASB which are long-term liabilities.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY**  
Last 10 Years  
As of June 30, 2025

The following table provides required supplementary information regarding the District's Pension Plan.

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Proportion of the net pension liability	0.01854%	0.01846%	0.01814%	0.02078%	0.01662%
Proportionate share of the net pension liability	\$ 2,248,137	\$ 2,302,394	\$ 2,094,778	\$ 1,123,584	\$ 1,808,233
Covered payroll	\$ 682,008	\$ 653,690	\$ 598,978	\$ 830,041	\$ 823,817
Proportionate share of the net pension liability as a percentage of covered payroll	329.63%	352.21%	349.73%	135.36%	219.49%
Plan's total pension liability	\$55,320,956,562	\$52,441,984,274	\$49,525,975,138	\$46,174,942,264	\$43,702,930,887
Plan's fiduciary net position	\$43,193,516,089	\$39,966,633,692	\$37,975,170,163	\$40,766,653,876	\$32,822,501,335
Plan fiduciary net position as a percentage of the total pension liability	78.08%	76.21%	76.68%	88.29%	75.10%
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Proportion of the net pension liability	0.01605%	0.01503%	0.01577%	0.01669%	0.01741%
Proportionate share of the net pension liability	\$ 1,644,639	\$ 1,448,721	\$ 1,564,188	\$ 1,444,091	\$ 1,194,756
Covered payroll	\$ 923,563	\$ 905,129	\$ 951,188	\$ 955,565	\$ 894,213
Proportionate share of the net pension liability as a percentage of covered payroll	178.08%	160.06%	164.45%	151.12%	133.61%
Plan's total pension liability	\$ 41,426,453,489	\$ 38,944,855,364	\$ 37,161,348,332	\$ 33,358,627,624	\$ 31,771,217,402
Plan's fiduciary net position	\$ 31,179,414,067	\$ 29,308,589,559	\$ 27,244,095,376	\$ 24,705,532,291	\$ 24,907,305,871
Plan fiduciary net position as a percentage of the total pension liability	75.26%	75.26%	73.31%	74.06%	78.40%

**Notes to Schedule:**

Changes in assumptions

No changes in assumptions were noted for the fiscal year ended June 30, 2025.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
 Last 10 Years  
 As of June 30, 2025

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The following table provides required supplementary information regarding the District's Pension Plan.

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Contractually required contribution (actuarially determined)	\$ 316,627	\$ 246,120	\$ 259,196	\$ 231,332	\$ 76,889
Contribution in relation to the actuarially determined contributions	(316,627)	(246,120)	(259,196)	(231,332)	(76,889)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 761,174	\$ 682,008	\$ 653,690	\$ 598,978	\$ 830,041
Contributions as a percentage of covered payroll	41.60%	36.09%	39.65%	38.62%	9.26%
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Contractually required contribution (actuarially determined)	\$ 68,150	\$ 82,840	\$ 130,863	\$ 195,492	\$ 180,930
Contribution in relation to the actuarially determined contributions	(68,150)	(82,840)	(130,863)	(195,492)	(180,930)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 823,817	\$ 923,563	\$ 905,129	\$ 951,188	\$ 955,565
Contributions as a percentage of covered payroll	8.27%	8.97%	14.46%	20.55%	18.93%

**Notes to Schedule:**

Changes in assumptions

No changes in assumptions were noted for the fiscal year ended June 30, 2025.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS**  
Last 10 Years\*  
As of June 30, 2025

Reporting Period	2025	2024	2023	2022
<b>Total OPEB liability</b>				
Service cost	\$ 165,029	\$ 211,963	\$ 303,839	\$ 214,277
Interest on the total OPEB liability	120,980	124,672	82,159	83,501
Changes of benefit terms		(67,967)		
Actual and expected experience difference		(289,166)		(189,585)
Changes in assumptions	(49,829)	(56,542)	(1,089,554)	770,770
Benefit payments	(135,809)	(105,430)	(105,142)	(90,022)
<b>Net change in total OPEB liability</b>	\$ 100,371	\$ (182,470)	\$ (808,698)	\$ 788,941
Total OPEB liability-beginning	3,036,438	3,218,908	4,027,606	3,238,665
Total OPEB liability-ending	<u>\$ 3,136,809</u>	<u>\$ 3,036,438</u>	<u>\$ 3,218,908</u>	<u>\$ 4,027,606</u>
Covered Payroll	\$ 1,086,363	\$ 813,582	\$ 871,823	\$ 894,805
Total OPEB Liability as a percentage of covered payroll	288.74%	373.22%	369.22%	450.11%
Reporting Period	2021	2020	2019	2018
<b>Total OPEB liability</b>				
Service cost	\$ 150,519	\$ 139,691	\$ 365,841	\$ 355,185
Interest on the total OPEB liability	89,393	129,180	104,446	92,171
Changes of benefit terms				
Actual and expected experience difference		(963,671)		
Changes in assumptions	327,817	33,431	(322,844)	
Benefit payments	(68,556)	(55,424)	(55,769)	(54,570)
<b>Net change in total OPEB liability</b>	\$ 499,173	\$ (716,793)	\$ 91,674	392,786
Total OPEB liability-beginning	2,739,492	3,456,285	3,364,611	2,971,825
Total OPEB liability-ending	<u>\$ 3,238,665</u>	<u>\$ 2,739,492</u>	<u>\$ 3,456,285</u>	<u>\$ 3,364,611</u>
Covered Payroll	\$ 823,816	\$ 826,535	\$ 923,563	\$ 905,129
Total OPEB Liability as a percentage of covered payroll	393.13%	331.44%	374.23%	371.73%

**Notes to Schedule:**

The discount rate was changed to 3.97% from 3.86% for the June 30, 2024 measurement date.

\*-Fiscal year 2018 was the first year of implementation, therefore only eight years are shown.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**SCHEDULE OF OPEB CONTRIBUTIONS**  
For the Fiscal Year Ended June 30, 2025

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The District's contributions for the fiscal year ended June 30, 2025 were \$102,113. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2025, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2024 were \$96,718. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2024, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2023 were \$84,270. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2023, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2022 were \$85,198. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2022, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2021 were \$90,022. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2021, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2020 were \$68,556. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2020, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2019 were \$55,424. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2019, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2018 were \$55,769. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2018, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.



## CAMBRIA COMMUNITY HEALTHCARE DISTRICT

### BOARD AGENDA STAFF REPORT – 02

**TO:** Board of Directors  
**FROM:** Tim Nurge, Operations Manager  
**DATE:** January 27, 2026  
**DESCRIPTION:** District Policy Manual Updates

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#### **RECOMMENDATION**

Recommendation to update the policies identified in the chart below.

#### **FISCAL IMPACT**

None at this time.

#### **DISCUSSION**

The District Policy Manual is a comprehensive document that outlines the Cambria Community Healthcare District’s policies, procedures, and guidelines. The Board reviews policies to determine if changes are needed. Adoption of a new policy or amendment of an existing policy shall be accomplished at a regular meeting of the Board of Directors.

The District’s Standard Operating Procedure (SOP) Manual includes step-by-step instructions to help employees perform tasks consistently and efficiently, ensuring safety and maintaining high performance. Over the past year, the SOP Manual has been updated, with all updates reviewed and approved by the local bargaining unit, SEIU.

With changes in the District’s structure, legislation, and the current MOU, many procedures in the District’s Policy Manual have been incorporated into the SOP Manual, and many policies need to be updated to improve employee accountability and standards. Staff began providing updated policies for review and approval by the Board in December 2025. The SOP Manual will not go into effect until all policy updates have been completed.

Below is a chart of policies to be reviewed and approved by the Board. The chart addresses the intended action (update, remove, and/or title change).

<b>Policy Number</b>	<b>Title</b>	<b>Action</b>	<b>Board Attachment</b>
<b>3104</b>	Disciplinary Action	Update	1a & 1b
<b>3106</b>	Driver Training and Record Review	Update/Title Change: "Training and Record Review"	2a & 2b
<b>3120</b>	Grievances Procedure	Update/Title Change: "Grievances"	3a & 3b
<b>3122</b>	Hours of Work and Overtime	Update	4a & 4b
<b>3130</b>	Performance Evaluation	Update	5a & 5b
<b>3134</b>	Recruitment and Hiring	Update	6a & 6b

**ATTACHMENT(S)**

See the chart above for Policy attachments.

**BOARD ACTION**

Motion to approve District updates to the policies identified in the chart.



## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:**            **Disciplinary Action**

**POLICY NUMBER:**       **3104**

**REVISION DATE:**       **JANUARY 27, 2026**

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~~This Section does not apply to employees covered by the separate MOU – SEIU labor agreement.~~

3104.1 The District expects all of its employees to act in the best interest of the District and its customers and residents. It is the responsibility of all employees to observe all rules, guidelines, and operating procedures of the District. The District further expects that each of its employees will act in a polite and professional manner when dealing with members of the public and other employees. These General Rules of Conduct, along with the “Examples of Unacceptable Conduct” listed below, are not meant to be all-inclusive, but rather to provide illustrations of acceptable conduct versus problematic conduct.

3104.2 Examples of Unacceptable Conduct. The following list presents examples of some of the types of unacceptable conduct that may result in **immediate** disciplinary action, up to and including immediate termination. This list is not an exhaustive list of what conduct may result in discipline, but is merely meant to be illustrations of unacceptable conduct:

- 3104.2.1     Discourteous treatment of the public or fellow employees.
- 3104.2.2     Use, possession, or being under the influence of alcohol or illegal drugs (including marijuana) while on duty or on District premises.
- 3104.2.3     Habitual absence or tardiness.
- 3104.2.4     Abuse of sick leave.
- 3104.2.5     Disorderly conduct.
- 3104.2.6     Incompetence or inefficiency.
- 3104.2.7     Being wasteful of material, property, or working time.
- 3104.2.8     Violation of any lawful or reasonable regulation or order made and given by an employee's supervisor.
- 3104.2.9     Neglect of duty.



## Policy Manual

### SECTION 3100 – Employment Practices

- 3104.2.10 Dishonesty or fraud.
- 3104.2.11 Misuse of District property.
- 3104.2.12 Willful disobedience or Insubordination.
- 3104.2.13 Conduct unbecoming a District employee.
- 3104.2.14 Violation of the District’s Unlawful Harassment Policy.
- 3104.2.15 Possession of firearms or dangerous weapons on District property.
- 3104.2.16 Theft.
- 3104.2.17 Falsifying records
- 3104.2.18 Any act or failure to act during or outside of work hours, which is detrimental to the best interest of the District as determined by the Administrator or the Board.

The District also reserves the right to discipline an employee for unsatisfactory job performance including incompetence and/or inefficiency, permanent or chronic physical or mental ailment (including impairment from alcohol or drugs) or other condition which renders the employee unable to perform the essential duties of his or her job, or failure to satisfactorily perform job tasks or responsibilities.

3104.3 Vehicle-related accidents and violations expose the district to increased liability whether they occur on or off duty. The District shall participate in the Department of Motor Vehicles (DMV) Employer Pull Notice Program (a.k.a.: “Pull Program”). Records for anyone operating vehicles on District business shall be requested from DMV: (a) every six months; and, (b) immediately in the event of new activity (e.g., moving violation, accident, address change, etc.). Employees who have terminated employment will be deleted from the program. Violations resulting from the Employer Pull Notice Program may be subject to disciplinary action.

~~3104.3 Prior to Disciplinary Action – Depending on the nature of the conduct or the performance deficiency, the District will generally give an employee an oral warning, which is corrective and is non-disciplinary in nature, prior to taking formal disciplinary action. An oral warning is encouraged but is not required before issuing formal disciplinary action.~~

~~An oral warning is a communication to an employee that his or her performance or behavior must be improved and failure to do so may result in discipline. An employee’s supervisor or the Administrator may note the date, time, and content of oral warning, but no record of an oral~~



## Policy Manual

### SECTION 3100 – Employment Practices

~~warning shall be placed in the employee's personnel file unless subsequent disciplinary action is taken.~~

3104.4 Types of Disciplinary Action. ~~Disciplinary action includes written warning, suspension, reduction in salary, demotion, or termination of employment.~~ The District will develop procedures for responding to violations of District Policy based on two Tiers of Violations.

~~3104.4.1 Written Warning: a formal written notice to an employee that further disciplinary action will be taken unless his or her performance or behavior improves. A copy of the written reprimand is given to the employee and the original is placed in the employee's personnel file. The employee must acknowledge receipt of the written warning by signing the letter at the time of presentation; this signature signifies only the receipt of the document; it does not signify the employee's agreement with the allegations.~~

~~3104.4.2 Suspension: the temporary removal of an employee from his or her duties without pay for disciplinary purposes for up to thirty (30) working days. Employees suspended from his or her employment with the District forfeit all rights, privileges, and salary with the exception of group health and life insurance benefits.~~

~~3104.4.3 Reduction in Salary: a decrease in salary paid to an employee for a specified period of time for disciplinary purposes.~~

~~3104.4.4 Demotion: the removal of an employee from a position to another position carrying a lower maximum rate of pay as a result of a disciplinary action.~~

~~3104.4.5 Discharge: the removal of an employee from District services, as provided for in these Guidelines.~~

3104.4.1 Tier 1: Standard Disciplinary Actions will be taken for low-level or first-time policy or procedure violations, depending on their severity, impact on District operations, or liability.

3104.4.2 Tier 2: Immediate Disciplinary Actions will be taken for high-level policy or procedure violations based on severity, impact on District operations, or liability. These include, but are not limited to, those listed in Policy 3104.2. All disciplinary action procedures must adhere to federal and state labor laws, including but not limited to: Just Cause, Due Process, Skelly Rights, Weingarten Rights, and Appeals.

#### 3104.5 Disciplinary ~~Notice Action/~~Appeal Procedure

~~This Section does not apply to at-will, probationary, temporary, or seasonal employees.~~



## Policy Manual

### SECTION 3100 – Employment Practices

#### 3104.5.1 Written Notice of Proposed Action

In the event the District imposes ~~3104.3104~~ a suspension, reduction in salary, demotion, or discharge, the employee will be given a notice of the disciplinary action and an opportunity to respond. ~~The Disciplinary Notices and Appeals process will be outlined in the District's Standard Operating Procedure (SOP) Manual and must adhere to the following mandates:~~

- Government Code sections 3504.5 and 3505
- Cal. Code Regs. Tit. 15, § 3392.8 - Skelly Hearing
- Weingarten Rights for Union-Represented Employees

~~A. Notice of Disciplinary Action. Whenever a suspension, reduction in salary, demotion, or discharge is to be taken against an employee, the employee shall be notified in writing of the proposed disciplinary action to be taken. The notice may be served upon the employee, either personally or by certified mail (if the employee is not at the work location), and shall contain the following information:~~

- ~~1. A statement of the proposed disciplinary action to be taken.~~
- ~~2. The specific policy, rule, or regulation which the employee is alleged to have violated and the factual basis for the violation.~~
- ~~3. The reasons for the disciplinary action.~~
- ~~4. A summary of the facts upon which the charges in the disciplinary are based.~~
- ~~5. Copies of all documents and materials upon which the disciplinary action is based.~~
- ~~6. Notice that the employee will have an opportunity to respond to the proposed disciplinary action in writing and/or have an opportunity to meet with a Skelly Officer, a neutral third party selected by the District (usually a manager or Department Head in department separate from the employee), to present the employee's point of view. Such response or request for a meeting shall be submitted to the identified Skelly Officer within five (5) working days from the date the notice of the proposed disciplinary action is received.~~
- ~~7. Notice that if there is a Skelly meeting, the employee is entitled to be represented by a person of his or her choice.~~
- ~~8. Notice that if the employee fails to provide a written response or request a Skelly meeting within five (5) working days then the employee shall be deemed to have waived all rights to respond to the proposed disciplinary action and the proposed disciplinary action shall become final.~~

#### ~~3104.5.2 Skelly Meeting (if requested)~~



## Policy Manual

### SECTION 3100 – Employment Practices

~~The appointed Skelly Officer shall meet with the employee and his or her representative no more than ten (10) working days after the request for a meeting has been submitted by the employee. During the meeting, the employee will have the opportunity to refute the charges against him or her included in the proposed disciplinary action and/or present mitigating factors which the employee believes should have been considered by the supervisor when issuing the proposed disciplinary action. The employee shall not be entitled to call witnesses or take testimony during the meeting.~~

~~Within ten (10) working days of the receipt of the employee's written response or from the date of the meeting with the employee, the Skelly Officer shall issue a final decision regarding whether to uphold, reduce, or overturn the proposed disciplinary action. This decision shall be provided to the employee and the employee's supervisor. A copy of the decision will also be provided to the District's Administrator.~~

#### 3104.5.3— Post-Skelly Final Notice

~~Within five (5) days after the Skelly Hearing, the supervisor shall: 1) dismiss the notice and take no disciplinary action against the employee; 2) issue disciplinary action that is less severe than the proposed disciplinary action; or 3) prepare and serve upon the employee a final notice of disciplinary action.~~

~~The final notice of disciplinary action shall include the following:~~

- ~~1. The disciplinary action taken.~~
- ~~2. The effective date of the disciplinary action taken.~~
- ~~3. Specific charges upon which the action is based.~~
- ~~4. A summary of the facts upon which the charges are based.~~
- ~~5. The written materials, reports and documents upon which the disciplinary action is based.~~
- ~~6. The employee's right to appeal.~~

~~If an employee fails to respond to the notice for a Skelly Hearing, the supervisor shall notify the employee in writing that his or her time to respond has expired and that the discipline shall be imposed.~~

~~3104.5.2 Disciplinary action other than a suspension, reduction in pay, demotion, or termination shall not be subject to appeal. Disciplinary action consisting of a suspension, reduction in pay, demotion, or termination may be appealed by regular employees pursuant to section 3104.4.4 as outlined in the District's SOP Manual.~~

#### 3104.5. 34 Appeals of Disciplinary Action

Any regular employee shall have the right to appeal to the Administrator/**Director of Finance** from any disciplinary action taken by his or her supervisor following a Skelly hearing. Such appeal shall be in writing and must be filed with the Administrator/**Director of Finance** within ten (10) business days after receipt of written



## Policy Manual

### SECTION 3100 – Employment Practices

notice of such disciplinary action. Failure to file an appeal within such period constitutes a waiver of right to appeal.

~~The Administrator shall conduct a hearing as provided in Section 3104.5.6 below. Neither the provisions of this section or this Chapter shall apply to layoffs, reductions in force or reductions in pay, which are part of a general plan to reduce or adjust salaries and wages. However, any reduction in pay is subject to the meet and confer process pursuant to Government Code sections 3504.5 and 3505.~~

~~In the event the Administrator institutes the disciplinary action against an employee, he or she shall be disqualified from presiding at the appeal hearing. In such case, the hearing officer will be appointed by mutual agreement of the parties.~~

#### ~~3104.5.5— Selection of Hearing officer for Appeal of Disciplinary Action~~

~~If the Administrator is disqualified, the appeal shall be heard by a hearing officer provided to the District by a non-profit organization or governmental agency with whom the District has contracted to conduct hearing pursuant to these Guidelines. No hearing officer shall be compensated or evaluated, directly or indirectly, based upon the outcome of any hearing.~~

#### ~~3104.5.6— Appeal Hearing~~

~~The Administrator, or the appointed hearing officer, shall conduct an appeal within thirty (30) days of receipt of employee's request for appeal. The Administrator, or the appointed hearing officer, may continue the hearing either for the convenience of the District or for good cause upon written application of the appellant or District, for a period not to exceed an additional thirty (30) days from the receipt of the appeal. Written notice of the time and place of the hearing shall be conducted in accordance with the provisions of section 11509 of the Government Code of the State of California, except that the appellant and other persons may be examined as provided in section 19580 of said Government Code, and the parties may submit all proper and competent evidence against, or in support of the causes.~~

#### ~~3104.4.7— Representation at Appeal~~

~~Any District employee, other than those appointed to supervisory, management, and confidential classifications, shall be permitted to represent another District employee or group of District employees at the hearing of the appeal. The appellant may appear in person or be represented by counsel (at the appellant's cost).~~

#### ~~3104.4.8— Notices to Witnesses: Cost~~

~~The Administrator shall issue notice for the appearances of witnesses for the appellant upon his written request and at his cost. The Administrator may require such cost to be prepaid.~~

#### ~~3104.4.9— Failure of Employee to Appear at Appeal Hearing~~



## Policy Manual

### SECTION 3100 – Employment Practices

~~Failure of the appellant to appear at the hearing, without the prior written approval of the hearing officer, shall be deemed a withdrawal of his or her appeal and the action of the Administrator or supervisor shall be final.~~

#### ~~3104.4.10 Decision on the Appeal~~

~~The Administrator or appointed hearing officer shall render a written decision within thirty (30) days after concluding the hearing unless an extension is mutually agreed to by the parties. The Administrator or hearing officer's decision shall be final. A copy of such decision shall be forwarded to the appellant and to the supervisor. If the disciplinary action taken against the employee is reversed or modified by the Administrator or an appointed hearing officer, the employee will be compensated for the time lost, if any, that resulted from the reversed disciplinary action.~~



## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:**            **Disciplinary Action**

**POLICY NUMBER:**       **3104**

**REVISION DATE:**       **JANUARY 27, 2026**

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3104.1 The District expects all of its employees to act in the best interest of the District and its customers and residents. It is the responsibility of all employees to observe all rules, guidelines, and operating procedures of the District. The District further expects that each of its employees will act in a polite and professional manner when dealing with members of the public and other employees. These General Rules of Conduct, along with the “Examples of Unacceptable Conduct” listed below, are not meant to be all-inclusive, but rather to provide illustrations of acceptable conduct versus problematic conduct.

3104.2 Examples of Unacceptable Conduct. The following list presents examples of some of the types of unacceptable conduct that may result in immediate disciplinary action, up to and including immediate termination. This list is not an exhaustive list of what conduct may result in discipline, but is merely meant to be illustrations of unacceptable conduct:

- 3104.2.1     Discourteous treatment of the public or fellow employees.
- 3104.2.2     Use, possession, or being under the influence of alcohol or illegal drugs (including marijuana) while on duty or on District premises.
- 3104.2.3     Habitual absence or tardiness.
- 3104.2.4     Abuse of sick leave.
- 3104.2.5     Disorderly conduct.
- 3104.2.6     Incompetence or inefficiency.
- 3104.2.7     Being wasteful of material, property, or working time.
- 3104.2.8     Violation of any lawful or reasonable regulation or order made and given by an employee's supervisor.
- 3104.2.9     Neglect of duty.
- 3104.2.10    Dishonesty or fraud.



## Policy Manual

### SECTION 3100 – Employment Practices

- 3104.2.11 Misuse of District property.
- 3104.2.12 Willful disobedience or Insubordination.
- 3104.2.13 Conduct unbecoming a District employee.
- 3104.2.14 Violation of the District's Unlawful Harassment Policy.
- 3104.2.15 Possession of firearms or dangerous weapons on District property.
- 3104.2.16 Theft.
- 3104.2.17 Falsifying records
- 3104.2.18 Any act or failure to act during or outside of work hours, which is detrimental to the best interest of the District as determined by the Administrator or the Board.

The District also reserves the right to discipline an employee for unsatisfactory job performance including incompetence and/or inefficiency, permanent or chronic physical or mental ailment (including impairment from alcohol or drugs) or other condition which renders the employee unable to perform the essential duties of his or her job, or failure to satisfactorily perform job tasks or responsibilities.

3104.3 Vehicle-related accidents and violations expose the district to increased liability whether they occur on or off duty. The District shall participate in the Department of Motor Vehicles (DMV) Employer Pull Notice Program (a.k.a.: "Pull Program"). Records for anyone operating vehicles on District business shall be requested from DMV: (a) every six months; and, (b) immediately in the event of new activity (e.g., moving violation, accident, address change, etc.). Employees who have terminated employment will be deleted from the program. Violations resulting from the Employer Pull Notice Program may be subject to disciplinary action.

3104.4 Types of Disciplinary Action. The District will develop procedures for responding to violations of District Policy based on two Tiers of Violations.

3104.4.1 Tier 1: Standard Disciplinary Actions will be taken for low-level or first-time policy or procedure violations, depending on their severity, impact on District operations, or liability.

3104.4.2 Tier 2: Immediate Disciplinary Actions will be taken for high-level policy or procedure violations based on severity, impact on District operations, or liability. These include, but are not limited to, those listed in Policy 3104.2. All disciplinary action



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### SECTION 3100 – Employment Practices

procedures must adhere to federal and state labor laws, including but not limited to: Just Cause, Due Process, Skelly Rights, Weingarten Rights, and Appeals.

#### 3104.5 Disciplinary Action/Appeal

##### 3104.5.1 Written Notice of Proposed Action

In the event the District imposes a suspension, reduction in salary, demotion, or discharge, the employee will be given a notice of the disciplinary action and an opportunity to respond. The Disciplinary Notices and Appeals process will be outlined in the District's Standard Operating Procedure (SOP) Manual and must adhere to the following mandates:

- Government Code sections 3504.5 and 3505
- Cal. Code Regs. Tit. 15, § 3392.8 - Skelly Hearing
- Weingarten Rights for Union-Represented Employees

3104.5.2 Disciplinary action other than a suspension, reduction in pay, demotion, or termination shall not be subject to appeal. Disciplinary action consisting of a suspension, reduction in pay, demotion, or termination may be appealed by regular employees as outlined in the District's SOP Manual.

##### 3104.5.3 Appeals of Disciplinary Action

Any regular employee shall have the right to appeal to the Administrator/Director of Finance from any disciplinary action taken by his or her supervisor following a Skelly hearing. Such appeal shall be in writing and must be filed with the Administrator/Director of Finance within ten (10) business days after receipt of written notice of such disciplinary action. Failure to file an appeal within such period constitutes a waiver of right to appeal.



## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:** Training and Record Review

**POLICY NUMBER:** 3106

**REVISION DATE:** JANUARY 27, 2026

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**3106.1** Purpose and Scope. Proper training and review is essential to patient care and adherence to federal, state, and local laws. This policy applies to all regular, part-time, temporary District Employees, Volunteers, and Directors.

**3106.2** A District Training Manual will be distributed to all new field employees. This manual is updated by the Operations Manager and should cover all aspects of an employee's position. The District training manual will include County Operations and Policies that are not decided by the District. The Training Manual should evaluate employees on both knowledge and skill performance.

**3106.3** All District employees and Board Members are expected to go through ongoing training based on State, Federal, OSHA, County, or District requirements. Training should be assigned, and employees should be notified with a minimum of a two-week completion deadline. Employees who fail to complete required training will be subject to disciplinary action.

**3106.4** Field employees displaying discrepancies in skills may be subject to training or remediation through the Disciplinary Action procedure as outlined in the District's Employee Standard Operating Procedure Manual, Article VI. The District will establish and maintain a Quality Improvement/Quality Assurance Program that is submitted to the local Emergency Medical Services Authority (EMSA) per SLO County EMSA Policies 100 and 101.

**3106.5** All District employees must maintain all required certificates/licenses in a current/valid status. Any District employee who works with a required certification that expired is subject to immediate disciplinary action up to and including termination.

All District employees are expected to provide their required certifications three (3) days prior to the expiration date. This allows time for coverage to be found if the employee is not certified to perform their job duties. Failure to provide certification or notify a supervisor three (3) days prior to pending expiration will result in removal from the schedule and suspension without pay until the required certification is updated. The employee will also be subject to disciplinary action.

**3106.6** Vehicle-related accidents and violations expose the District to increased liability whether they occur on or off duty. The District shall participate in the Department of Motor Vehicles (DMV) Employer Pull Notice Program (a.k.a.: "Pull Program"). Records for anyone



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### SECTION 3100 – Employment Practices

operating vehicles on District business shall be requested from DMV: (a) every six months; and, (b) immediately in the event of new activity (e.g., moving violation, accident, address change, etc.). Employees who have terminated employment will be deleted from the program. Directors are encouraged to provide their license information but cannot be required to do so in accordance with State law.

**3106.7** Defensive Driver Training. All drivers shall attend an approved defensive driver-training course at least once every four years or more often as needed. Directors are encouraged to attend courses, but cannot be required to do so in accordance with State law.



## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:** Training and Record Review

**POLICY NUMBER:** 3106

**REVISION DATE:** JANUARY 27, 2026

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### SECTION 3100 – Employment Practices

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## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:** Grievances **Procedure**

**POLICY NUMBER:** 3120

**REVISION DATE:** **JANUARY 27, 2026**

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**3120.1** This policy shall apply to all regular employees in all classifications.

**3120.2** The purpose of this policy is to provide **a procedure-conditions** by which an employee may formally claim that he or she has been affected by a violation, misapplication, or misinterpretation of a law, District policy, rule, regulation, or instruction.

**3120.3** Specifically excluded from the grievance procedure are subjects involving the amendment of state or federal law, resolutions adopted by the District's Board of Directors, ordinances or minute orders, including decisions regarding wages, hours, and terms and conditions of employment, and claims or complaints of alleged discrimination or harassment (as there is an alternate procedure for those complaints).

**3120.4** Grievance Procedure **Levels Steps.**

**3120.4.1** Level I, Preliminary Informal Resolution. Any employee who believes he or she has a grievance shall present the evidence thereof in writing to his or her Operations Manager within thirty (30) calendar days after the employee knew, or reasonably should have known, of the circumstances which form the basis for the alleged grievance. The Operations Manager shall hold discussions with the employee within five (5) working days and attempt to resolve the matter within ten (10) working days after the discussions. The Operations Manager shall provide a written decision to the employee either denying or granting the employee's grievance. It is the intent of this informal meeting that at least one (1) personal conference be held between the employee and the Operations Manager. If the grievance is against the employee's Operations Manager, the employee may skip Level I and advance to Level II, provided that he or she complies with all applicable time limits and other requirements for Level I (i.e., the employee must still file the initial grievance within 30 calendar days).

**3120.4.2** Level II, Administrator/**Director of Finance**. If the grievance has not been resolved at Level I, the grievant may appeal his or her grievance in writing on a form provided by the District (attached hereto as Appendix "A") to the Administrator/**Director of Finance** within ten (10) working days after the Operations Manager has issued his or her written decision.



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### SECTION 3100 – Employment Practices

~~3120.4.2.1 The statement shall include the following:~~

- ~~a) — A concise statement of the grievance including specific reference to any law, policy, rule, regulation, and/or instruction deemed to be violated, misapplied or misinterpreted;~~
- ~~b) — The circumstances involved;~~
- ~~c) — The decision rendered by the immediate supervisor at Level I, if any;~~
- ~~d) — The dates when: (i) the grievance was first discussed with the immediate supervisor; (ii) the Level I response was issued, and (iii) the employee submitted the grievance to Level II; and~~
- ~~e) — The specific remedy sought.~~

~~3120.4.2.2 The Administrator shall communicate his or her decision within ten (10) calendar days after receiving the grievance. Decisions will be in writing setting forth the decision and the reasons therefore and will be transmitted promptly to all parties in interest. If the Administrator does not respond within the time limits, the grievant may appeal to the next level. Time limits for appeal shall begin the day following receipt of the Administrator's written decision. Within the above time limits, either party may request a personal conference with the other. If a personal conference is requested, the Administrator shall have ten (10) calendar days from the date of the conference to issue his or her decision.~~

**3120.4.3** Level III, Board of Directors' Executive Committee. In the event the grievant is not satisfied with the Administrator's/**Director of Finance's** decision at Level II, the grievant may appeal the decision in writing on a form provided by the District (attached hereto as Appendix "A") to the District Board of Directors' standing Executive Committee within **five (5) ten (10) working** days. The statement shall include a copy of the original grievance; a copy of the written decision by the Administrator/**Director of Finance**; and a clear, concise statement of the reasons for the appeal to Level III.

**3120.4.3.1** The Executive Committee shall, as soon as possible, schedule a hearing in closed session to formally receive the written grievance and the answers thereto at each step and to hear evidence regarding the issue or issues. The Committee's decision shall be announced in open session immediately after the closed session in which it was made, unless the employee request the grievance be kept confidential.

#### **3120.5** Basic Rules.

**3120.5.1** If an employee does not present the grievance, or does not appeal the decision rendered regarding the grievance within the time limits specified above, the grievance shall be considered resolved and no further appeal will be allowed.



## Policy Manual

### SECTION 3100 – Employment Practices

**3120.5.2** By agreement in writing, the parties may extend any and all time limitations specified above.

**3120.5.3** The Administrator may temporarily suspend the grievance processing on a District-wide basis in an emergency situation. Employees covered by this policy may appeal this decision to the Board of Directors.

**3120.5.4** A copy of all formal grievance decisions shall be placed in the employee's permanent personnel file.

**3120.6** Expungement of Written Reprimands: A written reprimand may be expunged upon sustained corrective behavior, as determined by the Administrator, after a period of three (3) years from the date of the reprimand. It is the responsibility of the employee to request that his or her personnel file be purged of the written reprimand.

**3120.6.1** The Administrator will consider the following factors in making his or her decision to expunge a written reprimand:

- a) whether the employee received further discipline of any kind;
- b) employee's performance evaluation reviews are at least satisfactory in all categories; and
- c) that only one (1) expungement can occur during their employment with the District.



**Policy Manual**  
**SECTION 3100 – Employment Practices**

**Appendix "A"**

**EMPLOYEE GRIEVANCE AND GRIEVANCE APPEAL FORM**

Cambria Community Healthcare District

**Employee's Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**TYPE:** GRIEVANCE: \_\_\_\_\_ GRIEVANCE APPEAL: \_\_\_\_\_

**GRIEVANCES:** Any employee may formally claim that he or she has been affected by a violation, misapplication, or misinterpretation of a law, District policy, rule, regulation, or instruction. Any employee who believes he or she has a grievance, shall present the evidence thereof in writing to his or her Operations Manager within thirty (30) calendar days after the employee knew, or reasonably should have known, of the circumstances which form the basis for the alleged grievance.

**APPEALS:** If the grievance has not been resolved, the grievant may appeal his or her grievance to the next level within ten (10) working days after a written decision has been issued. For appeals, please submit a copy of the written decision.

**Statement of Grievance:** (Including specific reference to any law, policy, rule, regulation and/or instruction deemed to be violated, misapplied or misinterpreted):

**Circumstances involved:**



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**SECTION 3100 – Employment Practices**

**Decision rendered by the informal conference (If Applicable):**

**Specific remedy sought:**

**Reason for Appeal (If Applicable):**

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Employee Signature

Date



## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:** Grievances

**POLICY NUMBER:** 3120

**REVISION DATE:** JANUARY 27, 2026

---

**3120.1** This policy shall apply to all regular employees in all classifications.

**3120.2** The purpose of this policy is to provide conditions by which an employee may formally claim that he or she has been affected by a violation, misapplication, or misinterpretation of a law, District policy, rule, regulation, or instruction.

**3120.3** Specifically excluded from the grievance procedure are subjects involving the amendment of state or federal law, resolutions adopted by the District's Board of Directors, ordinances or minute orders, including decisions regarding wages, hours, and terms and conditions of employment, and claims or complaints of alleged discrimination or harassment (as there is an alternate procedure for those complaints).

**3120.4** Grievance Procedure Levels.

**3120.4.1** Level I, Preliminary Informal Resolution. Any employee who believes he or she has a grievance shall present the evidence thereof in writing to his or her Operations Manager within thirty (30) calendar days after the employee knew, or reasonably should have known, of the circumstances which form the basis for the alleged grievance. The Operations Manager shall hold discussions with the employee within five (5) working days and attempt to resolve the matter within ten (10) working days after the discussions. The Operations Manager shall provide a written decision to the employee either denying or granting the employee's grievance. It is the intent of this informal meeting that at least one (1) personal conference be held between the employee and the Operations Manager. If the grievance is against the employee's Operations Manager, the employee may skip Level I and advance to Level II, provided that he or she complies with all applicable time limits and other requirements for Level I (i.e., the employee must still file the initial grievance within 30 calendar days).

**3120.4.2** Level II, Administrator/Director of Finance. If the grievance has not been resolved at Level I, the grievant may appeal his or her grievance in writing on a form provided by the District (attached hereto as Appendix "A") to the Administrator/Director of Finance within ten (10) working days after the Operations Manager has issued his or her written decision.



## Policy Manual

### SECTION 3100 – Employment Practices

**3120.4.3** Level III, Board of Directors’ Executive Committee. In the event the grievant is not satisfied with the Administrator/Director of Finance’s decision at Level II, the grievant may appeal the decision in writing on a form provided by the District (attached hereto as Appendix "A") to the District Board of Directors’ standing Executive Committee within ten (10) working days. The statement shall include a copy of the original grievance; a copy of the written decision by the Administrator/Director of Finance; and a clear, concise statement of the reasons for the appeal to Level III.

**3120.4.3.1** The Executive Committee shall, as soon as possible, schedule a hearing in closed session to formally receive the written grievance and the answers thereto at each step and to hear evidence regarding the issue or issues. The Committee’s decision shall be announced in open session immediately after the closed session in which it was made, unless the employee request the grievance be kept confidential.

#### **3120.5** Basic Rules.

**3120.5.1** If an employee does not present the grievance, or does not appeal the decision rendered regarding the grievance within the time limits specified above, the grievance shall be considered resolved and no further appeal will be allowed.

**3120.5.2** By agreement in writing, the parties may extend any and all time limitations specified above.

**3120.5.3** The Administrator may temporarily suspend the grievance processing on a District-wide basis in an emergency situation. Employees covered by this policy may appeal this decision to the Board of Directors.

**3120.5.4** A copy of all formal grievance decisions shall be placed in the employee's permanent personnel file.

**3120.6** Expungement of Written Reprimands: A written reprimand may be expunged upon sustained corrective behavior, as determined by the Administrator, after a period of three (3) years from the date of the reprimand. It is the responsibility of the employee to request that his or her personnel file be purged of the written reprimand.

**3120.6.1** The Administrator will consider the following factors in making his or her decision to expunge a written reprimand:

- a) whether the employee received further discipline of any kind;
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- c) that only one (1) expungement can occur during their employment with the District.



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**SECTION 3100 – Employment Practices**

**Appendix "A"**

**EMPLOYEE GRIEVANCE AND GRIEVANCE APPEAL FORM**

Cambria Community Healthcare District

**Employee Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**TYPE:** GRIEVANCE: \_\_\_\_\_ GRIEVANCE APPEAL: \_\_\_\_\_

**GRIEVANCES:** Any employee may formally claim that he or she has been affected by a violation, misapplication, or misinterpretation of a law, District policy, rule, regulation, or instruction. Any employee who believes he or she has a grievance, shall present the evidence thereof in writing to his or her Operations Manager within thirty (30) calendar days after the employee knew, or reasonably should have known, of the circumstances which form the basis for the alleged grievance.

**APPEALS:** If the grievance has not been resolved, the grievant may appeal his or her grievance to the next level within ten (10) working days after a written decision has been issued. For appeals, please submit a copy of the written decision.

**Statement of Grievance:** (Including specific reference to any law, policy, rule, regulation and/or instruction deemed to be violated, misapplied or misinterpreted):

**Circumstances involved:**



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**Decision rendered by the informal conference (If Applicable):**

**Specific remedy sought:**

**Reason for Appeal (If Applicable):**

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Employee Signature

Date



## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:** Hours of Work and Overtime

**POLICY NUMBER:** 3122

**REVISION DATE:** JANUARY 27, 2026

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**3122.1** This policy shall apply to all non-exempt employees.

**3122.2** The regular hours of work each day shall be consecutive except for interruptions for meal periods and breaks, or as otherwise approved by the Administrator/Director of Finance in writing.

**3122.3** A work week is defined to consist of seven (7) consecutive calendar days, Sunday through Saturday, and, except as otherwise provided herein, a basic work week is defined to consist of five (5) consecutive work days of eight (8) hours each, Monday through Friday. The regular work hours shall be 8:00 a.m. to 5:00 p.m. with one (1) hour off for lunch. An employee may request a change of regular work hours with the written consent of the Administrator/Director of Finance, so that the regular work hours may be revised to accommodate needs of the public, such as 7:00 a.m. to 4:00 p.m. with one (1) hour off for lunch.

Regular work hours may be modified as outlined in an applicable Memorandum of Understanding between the District and a District-recognized bargaining unit.

**3122.4** Overtime is defined as: Time worked in excess of forty (40) hours in a work week.

**3122.5** It is the general policy of the District to avoid the necessity for overtime work whenever possible. Overtime shall be held to a minimum consistent with efficient operation and shall only be used to cover emergencies or where working employees overtime is more economical. All overtime work shall be authorized in advance by the employee's supervisor, the Administrator, or his or her designee. Employees working overtime without prior approval by the appropriate individual may be subject to discipline.

Non-exempt employees shall be paid overtime at one-and-one-half (1½) times the employee's regular rate of pay. Holidays, administrative leave, vacation, authorized compensatory time off, and sick leave do not count toward an employee's overtime calculation.

**3122.6** A work schedule for EMS Operations will be maintained by the Operations Manager and approved by the Administrator/Director of Finance. Both the Operations Manager and Administrator/Director of Finance reserve the right to make changes to the schedule based on operational need.



## Policy Manual

### SECTION 3100 – Employment Practices

**3122.7** There will be Field Supervision at all times provided by the Operations Manager and Operations Supervisors. The Operations Manager and Supervisors who are on duty will be responsible for all urgent field matters. On occasion, there may be a need for “on-call” field supervision. On-Call supervisors must be available by phone and have a supervisor radio with them at all times. If an employee is “on-call” and he or she is called back to work, the employee will receive two (2) hours of call-back pay regardless of whether the employee works less than two (2) hours. The Employee shall also receive hourly call-back pay for every hour worked beyond two (2) hours.

**3122.8** Regular Full-Time paramedics may be trained for field supervision during periods of extended leave of Supervisory field employees. Selection of interim field supervision will be decided by the Board of Directors with the recommendation of Management. Pay rate will be negotiated and adjusted as necessary.



## Policy Manual

### SECTION 3100 – Employment Practices

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## Policy Manual

### SECTION 3100 – Employment Practices

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## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:** Performance Evaluation

**POLICY NUMBER:** 3130

**REVISION DATE:** JANUARY 27, 2026

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**3130.1** This policy shall apply to all employees.

**3130.2** In order to provide employees with information concerning their employment progress and to identify areas to improve job performance, the employee's supervisor and Administrator/Director of Finance will conduct formal written employee evaluations at least once per year, preferably using the employee's hire date anniversary is desired for an annual evaluation.

Generally, employee evaluations may be performed at three (3) months and/or six (6) months after date of hire and shall be performed near the end of the twelve (12) month probationary period. At the end of the 12-month probationary period, the District may extend the probationary employee's probation period in order to provide the employee additional time to improve his or her job performance and/or to provide the District additional time to observe the probationary employee's work performance.

In the event than an employee's supervisor or the Administrator/Director of Finance determines that a regular part-time or regular full-time employee's job performance has not improved after receiving a written performance evaluation, the supervisor or the Administrator/Director of Finance may elect to establish a performance improvement plan ("PIP"), also known as a performance action plan to provide an employee the opportunity to succeed while still being held accountable for past performance. A PIP shall be used to address either failure to meet specific job performance-related or behavior-related issues. ~~A PIP format and content shall conform to the guidelines provided in Exhibit "A" attached to this Policy Manual.~~

**3130.3** Ratings: Performance evaluations shall be in writing on forms prescribed by the Administrator or his or her designee. The evaluation shall provide recognition for effective performance and also identify areas that need improvement in areas outlined in the employee's Job Description. All evaluations will have an overall evaluation of Unsatisfactory, Improvement Needed, Meets Expectations, or Exceeds Expectations. ~~Satisfactory, Above Satisfactory, or Outstanding.~~

- Unsatisfactory: -Work is well below the standard expected of a competent worker in that job position, a majority of the time. Unsatisfactory ratings must be substantiated in a written statement by the evaluator.
- Improvement Needed: ~~p~~Performance is frequently less than the standard expected of a competent worker in that job position, and improvable with additional training, experience, or effort.



## Policy Manual

### SECTION 3100 – Employment Practices

- ~~Satisfactory Work Meets Expectations:~~ Performance consistently meets the standard expected of a competent worker in that job position.
- ~~Above Satisfactory Work performance is generally above the standard expected of a competent worker in that job position, a majority of the time.~~
- ~~Outstanding Work performance Exceeds Expectations:~~ Performance is consistently and distinctly well above the standard expected of a competent worker in that job position; performance is superior. Outstanding ratings must be substantiated in a written statement by the evaluator

**3130.4** Evaluation Procedure: The performance evaluation must be signed by the evaluator, as well as the employee, and discussed with the employee. Unscheduled performance evaluations may be made at the discretion of the Administrator/Director of Finance or his or her designee. An employee may respond to a performance evaluation in writing, which shall be attached to the performance evaluation. An employee shall speak with his or her evaluator regarding a performance evaluation in which he or she disagrees. If the employee is dissatisfied with his or her supervisor's response to a written response to a performance evaluation, the Employee may discuss the performance evaluation rating to the Administrator/Director of Finance. The Administrator/Director of Finance may only modify employee evaluations if there is a compelling reason to do so.



## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:** Performance Evaluation

**POLICY NUMBER:** 3130

**REVISION DATE:** JANUARY 27, 2026

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**3130.1** This policy shall apply to all employees.

**3130.2** In order to provide employees with information concerning their employment progress and to identify areas to improve job performance, the employee's supervisor and Administrator/Director of Finance will conduct formal written employee evaluations at least once per year, preferably using the employee's hire date anniversary is desired for an annual evaluation.

Generally, employee evaluations may be performed at three (3) months and/or six (6) months after date of hire and shall be performed near the end of the twelve (12) month probationary period. At the end of the 12-month probationary period, the District may extend the probationary employee's probation period in order to provide the employee additional time to improve his or her job performance and/or to provide the District additional time to observe the probationary employee's work performance.

In the event than an employee's supervisor or the Administrator/Director of Finance determines that a regular part-time or regular full-time employee's job performance has not improved after receiving a written performance evaluation, the supervisor or the Administrator/Director of Finance may elect to establish a performance improvement plan ("PIP"), also known as a performance action plan to provide an employee the opportunity to succeed while still being held accountable for past performance. A PIP shall be used to address either failure to meet specific job performance-related or behavior-related issues.

**3130.3** Ratings: Performance evaluations shall be in writing on forms prescribed by the Administrator or his or her designee. The evaluation shall provide recognition for effective performance and also identify areas that need improvement in areas outlined in the employee's Job Description. All evaluations will have an overall evaluation of Unsatisfactory, Improvement Needed, Meets Expectations, or Exceeds Expectations.

- *Unsatisfactory:* Work is well below the standard expected of a competent worker in that job position, a majority of the time. Unsatisfactory ratings must be substantiated in a written statement by the evaluator.
- *Improvement Needed:* Performance is frequently less than the standard expected of a competent worker in that job position, and improvable with additional training, experience, or effort.



## Policy Manual

### SECTION 3100 – Employment Practices

- *Meets Expectations:* Performance consistently meets the standard expected of a competent worker in that job position.
- *Exceeds Expectations:* Performance is consistently and distinctly well above the standard expected of a competent worker in that job position; performance is superior. Outstanding ratings must be substantiated in a written statement by the evaluator

**3130.4** Evaluation Procedure: The performance evaluation must be signed by the evaluator, as well as the employee, and discussed with the employee. Unscheduled performance evaluations may be made at the discretion of the Administrator/Director of Finance or his or her designee. An employee may respond to a performance evaluation in writing, which shall be attached to the performance evaluation. An employee shall speak with his or her evaluator regarding a performance evaluation in which he or she disagrees. If the employee is dissatisfied with his or her supervisor's response to a written response to a performance evaluation, the Employee may discuss the performance evaluation rating to the Administrator/Director of Finance. The Administrator/Director of Finance may only modify employee evaluations if there is a compelling reason to do so.



## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:** Recruitment and Hiring

**POLICY NUMBER:** 3134

**REVISION DATE:** JANUARY 27, 2026

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#### **Recruitment:**

**3134.1** Announcement: All recruitments for classification vacancies within the District shall be publicized by such methods as the Administrator deems appropriate, consistent with District standards. Recruitment for promotional positions may be internal, external, or both. Special recruiting shall be conducted, if necessary, to ensure that all segments of the community are aware of the forthcoming examination(s). Announcements shall specify the title and compensation of the classification; the nature of the work to be performed delineating the essential and marginal functions of the job; the minimum qualifications for the classification; the manner of making application; the examination components; and other pertinent information.

**3134.2** Applications: Every new applicant for examination shall file a formal, signed District employment application. Other methods of acceptable application due to an applicant's disability will be considered. Application forms shall require information covering Education, Training, Experience, and other pertinent information as required by the Administrator. ~~The Administrator may also require applicants to submit additional job-related information. Internal candidates may not require an application in lieu of a Letter of Interest or any other additional job-related information.~~

**3134.3** Examinations: Examinations for the establishment of eligibility lists and open positions shall be competitive and by such character shall test and determine the qualifications, fitness, and ability of applicants to perform the essential functions of the classifications for which they seek appointment.

The examination may include an investigation of character, personality, education, experience, criminal history, credit bureau, drug & alcohol and any tests of intelligence, capacity, technical knowledge, manual skill, or job-related physical fitness that the Administrator/Director of Finance deems appropriate.

The Administrator/Director of Finance shall designate the procedure, time, place, and type of examination, the conditions under which it may be conducted, and the individual or competent agency who will conduct the examination. The District will make every reasonable effort to accommodate disabled applicants in the administration of employment tests in accordance with applicable law. ~~Examinations may be promotional, open, or continuous as directed by the Administrator. In making a decision regarding the type of examination, the Administrator will~~



## Policy Manual

### SECTION 3100 – Employment Practices

~~consider the availability of qualified interested personnel in the District workforce, the possible Affirmative Action implications, and the need for expediency in filling the position.~~

~~3134.3.1— Open/Promotional Examinations: Any person who meets the requirements set forth in the open/promotional examination announcement may compete in open/promotional examinations. The Administrator may adopt and implement objective standards to initially screen applications in order to reduce the number of applicants to a manageable size.~~

~~3134.3.2 Promotional Examinations: Regular and non-regular employees, except temporary employees, who meet the requirements set forth in the promotional examination announcement may compete in a promotional examination announcement.~~

~~3132.3.3 Continuous Examinations. Continuous examinations may be administered periodically for a single classification. Names shall be placed on eligibility lists and shall remain on such lists as prescribed in Section 3134.4~~

#### 3134.4 Eligibility Lists

**3134.4.1 Establishment:** As soon as possible after the completion of an examination, the Administrator/Director of Finance shall prepare and maintain an eligibility list consisting of the names of the applicants or employees who qualified in the examination. The names on the list shall be in order based on each applicant's competitive score for the examination process, with the highest score being first on the list. Each applicant or employee shall be given notice of the results of his or her examination and ranking on the eligibility list.

Applicants on the eligibility list for a particular classification may be certified by the Administrator/Director of Finance for consideration to hire for a classification in an equal or lower salary range in the event that an eligibility list for that classification does not exist, provided that the applicant is qualified. This may be done only with the approval of the Administrator/Director of Finance. Applicants will not be removed from the eligibility list pursuant to Section 3134.4.3 -if they refuse to accept employment in the lower classification.

**3134.4.2 Duration of Lists:** All eligibility lists shall remain in effect until exhausted or abolished by the Administrator for due cause. As a general policy, eligibility lists shall remain in effect for not more than one (1) year. Eligibility lists may remain in effect for more than one (1) year at the Administrator's discretion. The Administrator/Director of Finance may abolish eligibility lists with three (3) names or less before the one (1) year expires.



## Policy Manual

### SECTION 3100 – Employment Practices

**3134.4.3** Removal of Names from Eligibility Lists: The Administrator/Director of Finance may remove a name of any eligible candidate appearing on an eligibility list if:

- The eligible candidate requests that his or her name be removed;
- The eligible candidate fails to provide notification of a change in address;
- The eligible candidate fails to attend a scheduled interview;
- The eligible candidate declined an interview on two (2) occasions;
- The eligible candidate declined an offer of employment;
- The eligible candidate was on an eligibility list as a result of a promotional examination and has subsequently left District employment; or
- The eligible candidate was on a list for a specialized classification within one department of the District and was determined to be unsuitable by the department head.

**3134.4.4** Disqualification: At any point in the recruitment and selection process, the Administrator/Director of Finance may refuse to declare an applicant an eligible candidate, or may withhold or withdraw from certification, prior to appointment by the Administrator/Director of Finance, anyone who:

- Has failed to provide proof for any of the requirements established in the announcement for the classification for which he or she applied;
- Has been convicted of a felony of such a nature as to have an adverse effect on the candidate's ability to perform the duties of the position;
- Has a history of dismissal from any position in public or private service for any cause which would be a cause for dismissal from District employment;
- Has practiced or attempted to practice any deception or fraud in his or her application, examination, or in securing eligibility; or
- Is otherwise not qualified for employment with the District.

#### Hiring:

**3134.5** Decisions regarding employment are based upon an individual's qualifications for the applicable position as described below.

**3134.5.1** Vacancies: Employees of the District are encouraged to apply for any vacant positions for which they are qualified. The District awards vacant positions to the applicants who are best suited to meet the needs of the District, regardless of whether the applicant is a current District employee or not.

~~If a vacancy is awarded to a current regular employee, that employee shall serve a three (3) month probationary period in that position with continued benefits for health care, sick leave, vacation and comp time-off. Within three (3) months of the move to the vacant position, the employee may return to their previous position with written notice to and approval by the Administrator, so long as the position has not been filled.~~



## Policy Manual

### SECTION 3100 – Employment Practices

**3134.5.2** Selection of employees. All persons considered for employment with the District shall be qualified to perform the duties of the position for which they are employed. Before reporting for their first day of work, employees may be required to undergo a medical examination and drug/alcohol testing, which confirms their ability to perform the essential functions of the job.

- a) **Citizenship Verification:** All employees must provide necessary documentation to prove identity and their right to work in the United States in accordance with Federal and State Immigration and Naturalization laws. Failure to provide such documentation will result in disqualification from selection or immediate termination.

~~3134.5.3— Probationary Period. The purpose of the probationary period is to give the District and the new employee the opportunity to determine whether employment relationship suits both parties. New employees may be eligible for health benefits under the Affordable Care Act after ninety (90) days of employment, if not enrolled in the District’s health care coverage. During the probationary period, the District evaluates the employee’s job performance, and it is expected that the employee will use this time period to determine whether the District employment is satisfactory to him or her. Generally, employee evaluations may be performed at three (3) months and/or six (6) months after the date of hire and shall be performed at the end of the twelve (12) month probationary period. The employee’s supervisor will conduct a written performance evaluation to ascertain the advisability of continued employment on a regular basis. However, written evaluations may be done at any time during the probationary period if determined to be necessary by the Operations Manager or the Administrator.~~

~~\_\_\_\_\_ b) Regardless of whether the supervisor completes a written performance evaluation, pProbationary and reserve employees are at-will and the District retains the right to terminate employment with or without cause, during the probationary period, in accordance with California law. Similarly, the probationary employee can end his or her employment at any time with at least two (2) weeks’ written notice.~~

~~New employees hired for regular positions serve a probationary period of twelve (12) months, commencing with their first day of employment. The Administrator, in conjunction with the employee’s supervisor, may extend the probationary period one or more times if it is determined that such an extension is appropriate. The status of regular employment following the probationary period shall only occur after a successful evaluation has taken place, and only if confirmed in writing by the District.~~



## Policy Manual

### SECTION 3100 – Employment Practices

**POLICY TITLE:** Recruitment and Hiring

**POLICY NUMBER:** 3134

**REVISION DATE:** JANUARY 27, 2026

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#### **Recruitment:**

**3134.1** Announcement: All recruitments for classification vacancies within the District shall be publicized by such methods as the Administrator deems appropriate, consistent with District standards. Recruitment for promotional positions may be internal, external, or both. Special recruiting shall be conducted, if necessary, to ensure that all segments of the community are aware of the forthcoming examination(s). Announcements shall specify the title and compensation of the classification; the nature of the work to be performed delineating the essential and marginal functions of the job; the minimum qualifications for the classification; the manner of making application; the examination components; and other pertinent information.

**3134.2** Applications: Every new applicant for examination shall file a formal, signed District employment application. Other methods of acceptable application due to an applicant's disability will be considered. Application forms shall require information covering Education, Training, Experience, and other pertinent information as required by the Administrator. Internal candidates may not require an application in lieu of a Letter of Interest or any other additional job-related information.

**3134.3** Examinations: Examinations for the establishment of eligibility lists and open positions shall be competitive and by such character shall test and determine the qualifications, fitness, and ability of applicants to perform the essential functions of the classifications for which they seek appointment.

The examination may include an investigation of character, personality, education, experience, criminal history, credit bureau, drug & alcohol and any tests of intelligence, capacity, technical knowledge, manual skill, or job-related physical fitness that the Administrator/Director of Finance deems appropriate.

The Administrator/Director of Finance shall designate the procedure, time, place, and type of examination, the conditions under which it may be conducted, and the individual or competent agency who will conduct the examination. The District will make every reasonable effort to accommodate disabled applicants in the administration of employment tests in accordance with applicable law.



## Policy Manual

### SECTION 3100 – Employment Practices

#### 3134.4 Eligibility Lists

**3134.4.1 Establishment:** As soon as possible after the completion of an examination, the Administrator/Director of Finance shall prepare and maintain an eligibility list consisting of the names of the applicants or employees who qualified in the examination. The names on the list shall be in order based on each applicant's competitive score for the examination process, with the highest score being first on the list. Each applicant or employee shall be given notice of the results of his or her examination and ranking on the eligibility list.

Applicants on the eligibility list for a particular classification may be certified by the Administrator/Director of Finance for consideration to hire for a classification in an equal or lower salary range in the event that an eligibility list for that classification does not exist, provided that the applicant is qualified. This may be done only with the approval of the Administrator/Director of Finance. Applicants will not be removed from the eligibility list pursuant to Section 3134.4.3 if they refuse to accept employment in the lower classification.

**3134.4.2 Duration of Lists:** All eligibility lists shall remain in effect until exhausted or abolished by the Administrator for due cause. As a general policy, eligibility lists shall remain in effect for not more than one (1) year. Eligibility lists may remain in effect for more than one (1) year at the Administrator's discretion. The Administrator/Director of Finance may abolish eligibility lists with three (3) names or less before the one (1) year expires.

**3134.4.3 Removal of Names from Eligibility Lists:** The Administrator/Director of Finance may remove a name of any eligible candidate appearing on an eligibility list if:

- The eligible candidate requests that his or her name be removed;
- The eligible candidate fails to provide notification of a change in address;
- The eligible candidate fails to attend a scheduled interview;
- The eligible candidate declined an interview on two (2) occasions;
- The eligible candidate declined an offer of employment;
- The eligible candidate was on an eligibility list as a result of a promotional examination and has subsequently left District employment; or
- The eligible candidate was on a list for a specialized classification within one department of the District and was determined to be unsuitable by the department head.

**3134.4.4 Disqualification:** At any point in the recruitment and selection process, the Administrator/Director of Finance may refuse to declare an applicant an eligible candidate, or may withhold or withdraw from certification, prior to appointment by the Administrator/Director of Finance, anyone who:



## Policy Manual

### SECTION 3100 – Employment Practices

- Has failed to provide proof for any of the requirements established in the announcement for the classification for which he or she applied;
- Has been convicted of a felony of such a nature as to have an adverse effect on the candidate's ability to perform the duties of the position;
- Has a history of dismissal from any position in public or private service for any cause which would be a cause for dismissal from District employment;
- Has practiced or attempted to practice any deception or fraud in his or her application, examination, or in securing eligibility; or
- Is otherwise not qualified for employment with the District.

#### Hiring:

**3134.5** Decisions regarding employment are based upon an individual's qualifications for the applicable position as described below.

**3134.5.1** Vacancies: Employees of the District are encouraged to apply for any vacant positions for which they are qualified. The District awards vacant positions to the applicants who are best suited to meet the needs of the District, regardless of whether the applicant is a current District employee or not.

**3134.5.2** Selection of employees. All persons considered for employment with the District shall be qualified to perform the duties of the position for which they are employed. Before reporting for their first day of work, employees may be required to undergo a medical examination and drug/alcohol testing, which confirms their ability to perform the essential functions of the job.

- a) **Citizenship Verification:** All employees must provide necessary documentation to prove identity and their right to work in the United States in accordance with Federal and State Immigration and Naturalization laws. Failure to provide such documentation will result in disqualification from selection or immediate termination.
- b) Probationary and reserve employees are at-will and the District retains the right to terminate employment with or without cause, during the probationary period, in accordance with California law. Similarly, the probationary employee can end his or her employment at any time with at least two (2) weeks' written notice.



**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**

**BOARD AGENDA STAFF REPORT – 03**

**TO:** Board of Directors

**FROM:** Igor Fedoroff, Finance Chairman  
Linda Hendy, Administrator/Director of Finance

**DATE:** January 27, 2026

**DESCRIPTION:** Proposed Increase to Ambulance Service Rate Schedule; Resolution 58-26

**RECOMMENDATION**

Staff recommends updating the 2023 Ambulance Service Rate Schedule with a proposed increase.

**FISCAL IMPACT**

Increase to Income Account – Ambulance Revenue

**DISCUSSION**

The Cambria Community Healthcare District provides ambulance services to the Northern Area of San Luis Obispo County, as authorized by statute and by the San Luis Obispo County Public Health Department through the Emergency Medical Services Agency.

The Cambria Community Healthcare District manages the ambulance rate structure to maintain financial stability. Due to current inflation and the costs associated with providing these services, it was concluded that the existing ambulance rates do not adequately cover the District's reasonable expenses.

The proposed increase in the rate schedule will primarily affect traditional commercial insurance reimbursement, which accounts for approximately 14% of the number of claims billed. Approximately 86% of the District's billed claims have established reimbursement rates, such as those from Medicare.

A review of the District's service provider agreement with San Luis Obispo County confirmed that the rate schedule is not to exceed the published rate schedule for Monterey County.

**EVALUATION**

Below are comparatives used in the fee evaluation.

1. Cost Comparisons with Monterey County Ambulance, San Luis Ambulance Services, and Santa Barbara County published rates.

<b>ALS Base Rate Comparisons</b>	<b>25%</b>	<b>30%</b>	<b>34%</b>
<b>CCHD Proposed Rate</b>	<b>\$ 4,000.00</b>	<b>\$ 4,160.00</b>	<b>\$ 4,288.00</b>
<b>Monterey County</b>	\$ 4,310.15	\$ 4,310.15	\$ 4,310.15
<b>San Luis Ambulance</b>	\$ 3,381.24	\$ 3,381.24	\$ 3,381.24
<b>Santa Barbara County</b>	\$ 4,606.19	\$ 4,606.19	\$ 4,606.19

- Comparison of the Districts' prior-year rate schedules for 2017, 2019, and 2023, and the proposed fee increase.

<b>Service/Procedure</b>	<b>2017</b>	<b>2019</b>	<b>2023 Current</b>	<b>Proposed Fees</b>	<b>Percentage Increase</b>
<b>ALS Base Rate</b>	\$ 2,260	\$ 2,900	\$ 3,200	\$ 4,160	30%
<b>Mileage Rate</b>	47.00	60.00	75.00	90.00	20%
<b>Non-Resident Charge</b>	210.00	350.00	385.00	410.00	6%
<b>Oxygen</b>	79.00	98.00	120.00	220.00	83%
<b>Disposables</b>	21.00	25.00	30.00	40.00	33%
<b>Standby</b>	163.00	210.00	250.00	275.00	10%
<b>BLS Treat and Release</b>	210.00	275.00	Discontinue	N/A	N/A
<b>ALS Treat and Release</b>	525.00	625.00	700.00	700.00	0%
<b>Special Event</b>	TBD	TBD	TBD	TBD	N/A
<b>HIPAA Release</b>	N/A	15.00	25.00	25.00	0%
<b>Copy Request</b>	N/A	0.20	0.20	0.20	0%

**ATTACHMENT(S)**

- Resolution 58-26, Adopting the 2026 Ambulance Rate Schedule

**BOARD ACTION**

Motion to approve Resolution 58-26, adoption of the 2026 Ambulance Rate Schedule.



BOARD OF DIRECTORS OF  
CAMBRIA COMMUNITY HEALTHCARE DISTRICT  
COUNTY OF SAN LUIS OBISPO  
STATE OF CALIFORNIA

CAMBRIA, CALIFORNIA

JANUARY 27, 2026

**RESOLUTION 58-26  
ADOPTING OF 2026 AMBULANCE RATE SCHEDULE**

**WHEREAS**, the Board of Directors of the Cambria Community Healthcare District, provides ambulance services to the Northern Area of San Luis Obispo County as authorized by statute and by the San Luis Obispo County Public Health Department through the Emergency Medical Services Agency; and

**WHEREAS**, the Cambria Community Healthcare District manages the ambulance rate structure to maintain financial stability. Due to current inflation and the costs associated with providing these services, it was concluded that the existing ambulance rates do not adequately cover the District's reasonable expenses; and

**WHEREAS**, the Cambria Community Healthcare District Board of Directors is responsible for setting the ambulance rate structure to properly manage the financial stability of the District; and

**WHEREAS**, the Board of Directors held a duly noticed public hearing on January 27, 2026, at which the 2026 Ambulance Rate Schedule was adopted.

**THEREFORE, BE IT RESOLVED** as follows: The Board of Directors hereby adopts the 2026 Ambulance Rate Schedule set forth as Attachment 1 to be effective on February 1, 2026.

The foregoing Resolution was introduced at a regular meeting of the Board of Directors of the Cambria Community Healthcare District held on the twenty-seventh day of January 2026, by Board Member \_\_\_\_\_, who moved its adoption, which motion was duly seconded by Board Member \_\_\_\_\_, and it was upon roll-call carried and the Resolution adopted by the following vote:

AYES: \_\_\_\_\_ NOES: \_\_\_\_\_ ABSENT: \_\_\_\_\_ ABSTAIN: \_\_\_\_\_

**THE FOREGOING RESOLUTION** is hereby adopted.

\_\_\_\_\_  
Cecilia Montalvo, President

Attest: \_\_\_\_\_  
Iggly Fedoroff, Secretary

**ATTACHMENT 1**

**ADOPTING OF 2026 AMBULANCE RATE SCHEDULE**

<b>Service or Procedure</b>	<b>Description</b>	<b>Rate February 1, 2026</b>
<b>ALS Base Rate</b>	Applies to all Advanced Life Saving transports	\$4,160.00
<b>Mileage Rate</b>	Applies to all mileage during transports	\$90.00
<b>Non-Resident Charge</b>	Applies to all non-resident transports only	\$410.00
<b>Oxygen</b>	Administering and providing oxygen during transport	\$220.00
<b>Disposables</b>	Provided supplies during a transport	\$40.00
<b>Standby</b>	Hourly rate for a committed standby request	\$275.00
<b>ALS Treat and Release</b>	Treatment of a patient with advanced life support care with no transport	\$700.00
<b>Special Event</b>	Standby coverage at a community special event Administrator approval required	TBD
<b>HIPAA Release</b>	Requested records	\$25.00
<b>Copies</b>	Copied public record request; per page	\$0.20



## CAMBRIA COMMUNITY HEALTHCARE DISTRICT

### BOARD AGENDA STAFF REPORT – 04

**TO:** Board of Directors

**FROM:** Linda Hendy, Administrator/Director of Finance  
Jennifer Harley, Office Manager

**DATE:** January 27, 2026

**DESCRIPTION:** California Brown Act Updates for 2026

---

#### **RECOMMENDATION**

Receive and file.

#### **FISCAL IMPACT**

None at this time.

#### **DISCUSSION**

California's 2026 Brown Act updates, primarily driven by Senate Bill 707, focus on enhanced accessibility, making hybrid meetings standard for larger bodies, adding language translation for agendas, and creating permanent "just cause" remote participation for members, all aimed at balancing transparency with participation. Key changes took effect on January 1, 2026, and July 1, 2026, for "eligible" agencies.

Board Directors are provided with Attachment 1, the 2026 Brown Act handout, noting the highlighted changes effective January 1, 2026, including the key changes listed below.

#### **Key Changes Effective January 1, 2026:**

- **Permanent Remote Access Framework:** Replaces sunseting AB 2449, allowing members to participate remotely under specific "just cause" conditions (e.g., medical, caregiving, military).
- **ADA Accommodations:** Establishes a permanent path for members with qualifying disabilities to participate remotely as a reasonable accommodation, counting toward quorum.
- **Key Social Media Changes (Effective January 1, 2026)**
  - **End of Sunset:** Temporary rules from 2021 are now permanent, allowing online communication by officials on public matters.
  - **Majority Rule:** A majority of a legislative body *cannot* use a social media platform to discuss business among themselves (deliberate).
  - **No Direct Interaction:** Board members cannot react to, reply to, "like," or "dislike" other members' posts on social media.
  - **Public Engagement:** Officials can post and interact with the public, but their collective online actions must not constitute a majority deliberation.

- **Agency Responsibilities:** All agencies need to update procedures for member remote participation and potentially for public access.

These changes aim to modernize meeting access while ensuring continuity and compliance with SB 707, creating a new framework lasting until January 1, 2030, for many of the remote participation rules.

**ATTACHMENT(S)**

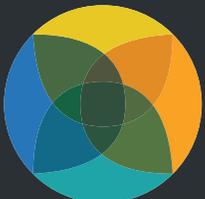
1. 2026 Brown Act Handout

**BOARD ACTION**

No action needed.

# 2026 BROWN ACT

If you would like to receive additional copies of this handout or would like more information on BBK Brown Act trainings, please contact [marketing@bbklaw.com](mailto:marketing@bbklaw.com).



**BBK**  
BEST BEST & KRIEGER LLP  
ATTORNEYS AT LAW

*Disclaimer: This handout is not intended as legal advice. Additional facts, facts specific to your situation or future developments may affect subjects contained herein. Seek the advice of an attorney before acting or relying upon any information herein.*



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**2026 – THE BROWN ACT<sup>1</sup>**

(As amended by Senate Bill 707)  
 (New language highlighted; repealed language removed)

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<sup>1</sup> This Publication only contains sections of the Ralph M. Brown Act that are operative as of January 1, 2026.



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**2026 THE RALPH M. BROWN ACT**  
(Government Code Sections 54950 - 54963)

**POLICY STATEMENT**

**§54950. Declaration, Intent; Sovereignty**

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

The people of this State do not yield their sovereignty to the agencies which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.

**COVERAGE OF THE BROWN ACT**

**§ 54950.5. Title of Act**

This chapter shall be known as the Ralph M. Brown Act.

**§ 54951. Local Agency, Definition**

As used in this chapter, “local agency” means a county, city, whether general law or chartered, city and county, town, school district, municipal corporation, district, political subdivision, or any board, commission or agency thereof, or other local public agency.

**§ 54952. Legislative Body, Definition**

As used in this chapter, “legislative body” means:

- (a) The governing body of a local agency or any other local body created by state or federal statute.
  
- (b) A commission, committee, board, or other body of a local agency, whether permanent or temporary, decision-making or advisory, created by charter, 2 ordinance,

resolution, or formal action of a legislative body. However, advisory committees, composed solely of the members of the legislative body that are less than a quorum of the legislative body are not legislative bodies, except that standing committees of a legislative body, irrespective of their composition, which have a continuing subject matter jurisdiction, or a meeting schedule fixed by charter, ordinance, resolution, or formal action of a legislative body are legislative bodies for purposes of this chapter.

(c) (1) A board, commission, committee, or other multimember body that governs a private corporation, limited liability company, or other entity that either:

(A) Is created by the elected legislative body in order to exercise authority that may lawfully be delegated by the elected governing body to a private corporation, limited liability company, or other entity.

(B) Receives funds from a local agency and the membership of whose governing body includes a member of the legislative body of the local agency appointed to that governing body as a full voting member by the legislative body of the local agency.

(2) Notwithstanding subparagraph (B) of paragraph (1), no board, commission, committee, or other multimember body that governs a private corporation, limited liability company, or other entity that receives funds from a local agency and, as of February 9, 1996, has a member of the legislative body of the local agency as a full voting member of the governing body of that private corporation, limited liability company, or other entity shall be relieved from the public meeting requirements of this chapter by virtue of a change in status of the full voting member to a nonvoting member.

(d) The lessee of any hospital the whole or part of which is first leased pursuant to subdivision (p) of Section 32121 of the Health and Safety Code after January 1, 1994, where the lessee exercises any material authority of a legislative body of a local agency delegated to it by that legislative body whether the lessee is organized and operated by the local agency or by a delegated authority.

### **§ 54952.1. Newly Elected Members**

Any person elected to serve as a member of a legislative body who has not yet assumed the duties of office shall conform his or her conduct to the requirements of 3 this chapter and shall be treated for purposes of enforcement of this chapter as if he or she has already assumed office.

### **§ 54952.2. Meeting, Definition**

(a) As used in this chapter, “meeting” means any congregation of a majority of the members of a legislative body at the same time and location, including teleconference location as permitted by Section 54953, to hear, discuss, deliberate, or take action on any item that is within the subject matter jurisdiction of the legislative body.

(b) (1) A majority of the members of a legislative body shall not, outside a meeting authorized by this chapter, use a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body.

(2) Paragraph (1) shall not be construed as preventing an employee or official of a local agency, from engaging in separate conversations or communications outside of a meeting authorized by this chapter with members of a legislative body in order to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of the local agency, if that person does not communicate to members of the legislative body the comments or position of any other member or members of the legislative body.

(3) (A) Paragraph (1) shall not be construed as preventing a member of the legislative body from engaging in separate conversations or communications on an internet-based social media platform to answer questions, provide information to the public, or to solicit information from the public regarding a matter that is within the subject matter jurisdiction of the legislative body provided that a majority of the members of the legislative body do not use the internet-based social media platform to discuss among themselves business of a specific nature that is within the subject matter jurisdiction of

the legislative body. A member of the legislative body shall not respond directly to any communication on an internet-based social media platform regarding a matter that is within the subject matter jurisdiction of the legislative body that is made, posted, or shared by any other member of the legislative body.

(B) For purposes of this paragraph, all of the following definitions shall apply:

(i) “Discuss among themselves” means communications made, posted, or shared on an internet-based social media platform between members of a legislative body, including comments or use of digital icons that express reactions to communications made by other members of the legislative body.

(ii) “Internet-based social media platform” means an online service that is open and accessible to the public.

(iii) “Open and accessible to the public” means that members of the general public have the ability to access and participate, free of charge, in the social media platform without the approval by the social media platform or a person or entity other than the social media platform, including any forum and chatroom, and cannot be blocked from doing so, except when the internet-based social media platform determines that an individual violated its protocols or rules.

(c) Nothing in this section shall impose the requirements of this chapter upon any of the following:

(1) Individual contacts or conversations between a member of a legislative body and any other person that do not violate subdivision (b).

(2) The attendance of a majority of the members of a legislative body at a conference or similar gathering open to the public that involves a discussion of issues of general interest to the public or to public agencies of the type represented by the legislative body, provided that a majority of the members do not discuss among themselves, other than as part of the scheduled program, business of a specified nature

that is within the subject matter jurisdiction of the local agency. Nothing in this paragraph is intended to allow members of the public free admission to a conference or similar gathering at which the organizers have required other participants or registrants to pay fees or charges as a condition of attendance.

(3) The attendance of a majority of the members of a legislative body at an open and publicized meeting organized to address a topic of local community concern by a person or organization other than the local agency, provided that a majority of the members do not discuss among themselves, other than as part of the scheduled 5 program, business of a specific nature that is within the subject matter jurisdiction of the legislative body of the local agency.

(4) The attendance of a majority of the members of a legislative body at an open and noticed meeting of another body of the local agency, or at an open and noticed meeting of a legislative body of another local agency, provided that a majority of the members do not discuss among themselves, other than as part of the scheduled meeting, business of a specific nature that is within the subject matter jurisdiction of the legislative body of the local agency.

(5) The attendance of a majority of the members of a legislative body at a purely social or ceremonial occasion, provided that a majority of the members do not discuss among themselves business of a specific nature that is within the subject matter jurisdiction of the legislative body of the local agency.

(6) The attendance of a majority of the members of a legislative body at an open and noticed meeting of a standing committee of that body, provided that the members of the legislative body who are not members of the standing committee attend only as observers.

### **§ 54952.3. Meetings; Simultaneous**

(a) A legislative body that has convened a meeting and whose membership constitutes a quorum of any other legislative body may convene a meeting of that other legislative body, simultaneously or in serial order, only if a clerk or a member of the

convened legislative body verbally announces, prior to convening any simultaneous or serial order meeting of that subsequent legislative body, the amount of compensation or stipend, if any, that each member will be entitled to receive as a result of convening the simultaneous or serial meeting of the subsequent legislative body and identifies that the compensation or stipend shall be provided as a result of convening a meeting for which each member is entitled to collect compensation or a stipend. However, the clerk or member of the legislative body shall not be required to announce the amount of 6 compensation if the amount of compensation is prescribed in statute and no additional compensation has been authorized by a local agency.

(b) For purposes of this section, compensation and stipend shall not include amounts reimbursed for actual and necessary expenses incurred by a member in the performance of the member's official duties, including, but not limited to, reimbursement of expenses relating to travel, meals, and lodging.

#### **§ 54952.6. Action Taken, Definition**

As used in this chapter, "action taken" means a collective decision made by a majority of the members of a legislative body, a collective commitment or promise by a majority of the members of a legislative body to make a positive or a negative decision, or an actual vote by a majority of the members of a legislative body when sitting as a body or entity, upon a motion, proposal, resolution, order or ordinance.

#### **§ 54952.7. Copies of Chapter to Members of Legislative Body of Local Agencies**

A local agency shall provide a copy of this chapter to any person elected or appointed to serve as a member of a legislative body of the local agency.

### **OPEN MEETINGS AND RELATED REQUIREMENTS – AGENDAS AND PUBLIC HEARINGS**

#### **§ 54953. Meetings to be Open and Public; Attendance**

(a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. If the legislative body of a local agency elects to use teleconferencing, the legislative body of a local agency shall comply with all of the following:

(A) All votes taken during a teleconferenced meeting shall be by rollcall.

(B) The teleconferenced meetings shall be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency.

(C) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(D) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as expressly provided in this chapter.

(4) The teleconferencing requirements of this subdivision shall not apply to remote participation described in subdivision (c).

(c) (1) Nothing in this chapter shall be construed to prohibit a member of a legislative body with a disability from participating in any meeting of the legislative body by remote participation as a reasonable accommodation pursuant to any applicable law.

(2) A member of a legislative body participating in a meeting by remote participation pursuant to this subdivision shall do both of the following:

(A) The member shall participate through both audio and visual technology, except that any member with a disability, as defined in Section 12102 of Title 42 of the United States Code, may participate only through audio technology if a physical condition related to their disability results in a need to participate off camera.

(B) The member shall disclose at the meeting before any action is taken, whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member's relationship with any of those individuals.

(3) Remote participation under this subdivision shall be treated as in-person attendance at the physical meeting location for all purposes, including any requirement that a quorum of the legislative body participate from any particular location. The provisions of subdivision (b) and Sections 54953.8 to 54953.8.7, inclusive, shall not apply to remote participation under this subdivision.

(d) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) (A) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or

compensation paid in the form of fringe benefits of either of the following during the open meeting in which the final action is to be taken:

(i) A local agency executive, as defined in subdivision (d) of Section 3511.1.

(ii) A department head or other similar administrative officer of the local agency.

(B) This paragraph shall not affect the public's right under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(e) For purposes of this section, both of the following definitions apply:

(1) "Disability" means a physical disability or a mental disability as those terms are defined in Section 12926 and used in Section 12926.1, or a disability as defined in Section 12102 of Title 42 of the United States Code.

(2) (A) "Teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both.

(B) Notwithstanding subparagraph (A), "teleconference" does not include one or more members watching or listening to a meeting via webcasting or any other similar electronic medium that does not permit members to interactively speak, discuss, or deliberate on matters.

(3) "Remote participation" means participation in a meeting by teleconference at a location other than any physical meeting location designated in the notice of the meeting.

### **§ 54953.1. Testimony of Members Before Grand Jury**

The provisions of this chapter shall not be construed to prohibit the members of the legislative body of a local agency from giving testimony in private before a grand jury, either as individuals or as a body.

### **§ 54953.2. Protections and Prohibitions Under the Americans with Disabilities Act of 1990**

All meetings of a legislative body of a local agency that are open and public shall meet the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

### **§ 54953.3. Conditions to Attendance**

A member of the public shall not be required, as a condition to attendance at a meeting of a legislative body of a local agency, to register his or her name, to provide other information, to complete a questionnaire, or otherwise to fulfill any condition precedent to his or her attendance.

If an attendance list, register, questionnaire, or other similar document is posted at or near the entrance to the room where the meeting is to be held, or is circulated to the persons present during the meeting, it shall state clearly that the signing, registering, or completion of the document is voluntary, and that all persons may attend the meeting regardless of whether a person signs, registers, or completes the document.

### **§ 54953.4. Public Access; Legislative Findings and Declarations; Opportunities for Public To Attend Via Two-Way Telephonic Service or Two-Way Audiovisual Platform; Translation and Interpretation; Public Outreach**

54953.4. (a) The Legislature finds and declares that public access, including through translation of agendas as required by this section, is necessary for an informed populace. The Legislature encourages local agencies to adopt public access requirements that exceed the requirements of this chapter by translating additional languages, employing human translators, and conducting additional outreach.

(b) (1) In addition to any other applicable requirements of this chapter, a meeting held by a eligible legislative body pursuant to this chapter shall comply with both of the following requirements:

(A) (i) (I) (ia) All open and public meetings shall include an opportunity for members of the public to attend via a two-way telephonic service or a two-way audiovisual platform, except if adequate telephonic or internet service is not operational at the meeting location. If adequate telephonic or internet service is operational at the meeting location during only a portion of the meeting, the legislative body shall include an opportunity for members of the public to attend via a two-way telephonic service or a two-way audiovisual platform during that portion of the meeting.

(ib) (Ia) On or before July 1, 2026, an eligible legislative body shall approve at a noticed public meeting in open session, not on the consent calendar, a policy regarding disruption of telephonic or internet service occurring during meetings subject to this sub-subclause. The policy shall address the procedures for recessing and reconvening a meeting in the event of disruption and the efforts that the eligible legislative body shall make to attempt to restore the service.

(Ib) If a disruption of telephonic or internet service that prevents members of the public from attending or observing the meeting via the two-way telephonic service or two-way audiovisual platform occurs during the meeting, the eligible legislative body shall recess the open session of the meeting for at least one hour and make a good faith attempt to restore the service. The eligible legislative body may meet in closed session during this period. The eligible legislative body shall not reconvene the open session of the meeting until at least one hour following the disruption, or until telephonic or internet service is restored, whichever is earlier.

(Ic) Upon reconvening the open session, if telephonic or internet service has not been restored, the eligible legislative body shall adopt a finding by rollcall vote that good faith efforts to restore the telephonic or internet service have been made in accordance with the policy adopted pursuant to sub-sub-subclause (Ia) and that the public interest in continuing the meeting outweighs the public interest in remote public access.

(II) Subclause (I) does not apply to a meeting that is held to do any of the following: (ia) Attend a judicial or administrative proceeding to which the local agency is a party.

(ib) Inspect real or personal property provided that the topic of the meeting is limited to items directly related to the real or personal property.

(ic) Meet with elected or appointed officials of the United States or the State of California, solely to discuss a legislative or regulatory issue affecting the local agency and over which the federal or state officials have jurisdiction.

(id) Meet in or nearby a facility owned by the agency, provided that the topic of the meeting is limited to items directly related to the facility.

(ie) Meet in an emergency situation pursuant to Section 54956.5.

(ii) If an eligible legislative body elects to provide a two-way audiovisual platform, the eligible legislative body shall publicly post and provide a call-in option, and activate any automatic captioning function during the meeting if an automatic captioning function is included with the two-way audiovisual platform. If an eligible legislative body does not elect to provide a two-way audiovisual platform, the eligible legislative body shall provide a two-way telephonic service for the public to participate in the meeting, pursuant to subclause (I).

(B) (i) All open and public meetings for which attendance via a two-way telephonic service or a two-way audiovisual platform is provided in accordance with paragraph (1) shall provide the public with an opportunity to provide public comment in accordance with Section 54954.3 via the two-way telephonic or two-way audiovisual platform, and ensure the opportunity for the members of the public participating via a two-way telephonic or two-way audiovisual platform to provide public comment with the same time allotment as a person attending a meeting in person.

(2) (A) An eligible legislative body shall reasonably assist members of the public who wish to translate a public meeting into any language or wish to receive interpretation provided by another member of the public, so long as the interpretation is not disrupting to the meeting, as defined in Section 54957.95. The eligible legislative body

shall publicize instructions on how to request assistance under this subdivision. Assistance may include any of the following, as determined by the eligible legislative body:

(i) Arranging space for one or more interpreters at the meeting location.

(ii) Allowing extra time during the meeting for interpretation to occur.

(iii) Ensuring participants may utilize their personal equipment or reasonably access facilities for participants to access commercially available interpretation services.

(B) This section does not require an eligible legislative body to provide interpretation of any public meeting, however, an eligible legislative body may elect to provide interpretation of any public meeting.

(C) The eligible legislative body is not responsible for the content or accuracy of any interpretation facilitated, assisted with, or provided under this subdivision. An action shall not be commenced or maintained against the eligible legislative body arising from the content or accuracy of any interpretation facilitated, assisted with, or provided under this subdivision.

(3) An eligible legislative body shall take the following actions to encourage residents, including those in underrepresented communities and non-English-speaking communities, to participate in public meetings:

(A) Have in place a system for electronically accepting and fulfilling requests for meeting agendas and documents pursuant to Section 54954.1 through email or through an integrated agenda management platform. Information about how to make a request using this system shall be accessible through a prominent direct link posted on the primary internet website home page of the eligible legislative body.

(B) (i) Create and maintain an accessible internet webpage dedicated to public meetings that includes, or provides a link to, all of the following information:

(I) A general explanation of the public meeting process for the eligible legislative body.

(II) An explanation of the procedures for a member of the public to provide in-person or remote oral public comment during a public meeting or to submit written public comment.

(III) A calendar of all public meeting dates with calendar listings that include the date, time, and location of each public meeting.

(IV) The agenda posted online pursuant to paragraph (2) of subdivision (a) of Section 54954.2.

(i) The eligible legislative body shall include a link to the webpage required by subparagraph (A) on the home page of the eligible legislative body's internet website.

(C) (i) Make reasonable efforts, as determined by the legislative body, to invite groups that do not traditionally participate in public meetings to attend those meetings, which may include, but are not limited to, all the following:

(I) Media organizations that provide news coverage in the jurisdiction of the eligible legislative body, including media organizations that serve non-English-speaking communities.

(II) Good government, civil rights, civic engagement, neighborhood, and community group organizations, or similar organizations that are active in the jurisdiction of the eligible legislative body, including organizations active in non-English-speaking communities.

(ii) Legislative bodies shall have broad discretion in the choice of reasonable efforts they make under this subparagraph. No action shall be commenced or maintained against an eligible legislative body arising from failing to provide public meeting information to any specific group pursuant to this subparagraph.

(c) (1) (A) The agenda for each meeting of an eligible legislative body shall be translated into all applicable languages, and each translation shall be posted in accordance with Section 54954.2. Each translation shall include instructions in the applicable language describing how to join the meeting by the telephonic or internet-based service option, including any requirements for registration for public comment.

(B) The accessible internet webpage provided under subparagraph (B) of paragraph (3) of subdivision (b) shall be translated into all applicable languages, and each translation shall be accessible through a prominent direct link posted on the primary internet website home page of the eligible legislative body.

(2) A translation made using a digital translation service shall satisfy the requirements of paragraph (1).

(3) The eligible legislative body shall make available a physical location that is freely accessible to the public in reasonable proximity to the physical location in which the agenda and translations are posted as described in paragraph (1), and shall allow members of the public to post additional translations of the agenda in that location.

(4) The eligible legislative body is not responsible for the content or accuracy of any translation provided pursuant to this subdivision. No action shall be commenced or maintained against an eligible legislative body arising from the content, accuracy, posting, or removal of any translation provided by the eligible legislative body or posted by any person pursuant to this subdivision.

(5) For the purposes of this section, the agenda does not include the entire agenda packet.

(d) This section shall not be construed to affect or supersede any other applicable civil rights, nondiscrimination, or public access laws.

(e) For purposes of this section, all of the following definitions apply:

(1) (A) “Applicable languages” means languages, according to data from the most recent American Community Survey, spoken jointly by 20 percent or more of the applicable population, provided that 20 percent or more of the population that speaks that language in that city or county speaks English less than “very well.”

(A) For the purposes of subparagraph (A), the applicable population shall be determined as follows:

(i) For an eligible legislative body that is a city council or county board of supervisors, the applicable population shall be the population of the city or county.

(ii) For an eligible legislative body of a special district, the applicable population shall be either of the following, at the discretion of the board of directors of the special district:

(I) The population of the county with the greatest population within the boundaries of the special district.

(II) The population of the service area of the special district, if the special district has the data to determine what languages spoken by the population within its service area meet the requirements of paragraph (A).

(C) If more than three languages meet the criteria set forth in subparagraph (A), “applicable languages” shall mean the three languages described in subparagraph (A) that are spoken by the largest percentage of the population.

(D) An eligible legislative body may elect to determine the applicable languages based upon a source other than the most recent American Community Survey if it makes a finding, based upon substantial evidence, that the other source provides equally or more reliable data for the territory over which the eligible legislative body exercises jurisdiction.

(2) “Eligible legislative body” means any of the following:

(A) A city council of a city with a population of 30,000 or more.

(B) A county board of supervisors of a county, or city and county, with a population of 30,000 or more.

(C) A city council of a city located in a county with a population of 600,000 or more.

(D) The board of directors of a special district that has an internet website and meets any of the following conditions:

(i) The boundaries of the special district include the entirety of a county with a population of 600,000 or more, and the special district has over 200 full-time equivalent employees.

(ii) The special district has over 1,000 full-time equivalent employees.

(iii) The special district has annual revenues, based on the most recent Financial Transaction Report data published by the California State Controller, that exceed four hundred million dollars (\$400,000,000), adjusted annually for inflation commencing January 1, 2027, as measured by the percentage change in the California Consumer Price Index from January 1 of the prior year to January 1 of the current year, and the special district employs over 200 full-time equivalent employees.

(3) “Two-way audiovisual platform” means an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic service.

(4) “Two-way telephonic service” means a telephone service that does not require internet access and allows participants to dial a telephone number to listen and verbally participate.

(f) This section shall become operative on July 1, 2026.

(g) This section shall remain in effect only until January 1, 2030, and as of that date is repealed.

#### **§ 54953.5. Right to Record Proceedings; Retention of Recordings**

(a) Any person attending an open and public meeting of a legislative body of a local agency shall have the right to record the proceedings in the absence of a reasonable finding by the legislative body of the local agency that the recording cannot continue without noise, illumination, or obstruction of view that constitutes, or would constitute, a persistent disruption of the proceedings.

(b) Any recording of an open and public meeting made for whatever purpose by or at the direction of the local agency shall be subject to inspection pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1), but, notwithstanding Section 34090, may be erased or destroyed 30 days after the recording. Any inspection of an audio or video recording shall be provided without charge on equipment made available by the local agency.

#### **§ 54953.6. Right to Broadcast Proceedings**

No legislative body of a local agency shall prohibit or otherwise restrict the broadcast of its open and public meetings in the absence of a reasonable finding that the broadcast cannot be accomplished without noise, illumination, or obstruction of view that would constitute a persistent disruption of the proceedings.

#### **§ 54953.7. Access to Meetings Beyond Minimal Standards**

Notwithstanding any other provision of law, legislative bodies of local agencies may impose requirements upon themselves which allow greater access to their meetings than prescribed by the minimal standards set forth in this chapter. In addition thereto, an elected legislative body of a local agency may impose **those** requirements on appointed legislative bodies of the local agency.

#### **§ 54953.8. Legislative Body of Local Agency; Use of Alternative Teleconferencing Provisions for Notice and Public Participation**

(a) The legislative body of a local agency may use teleconferencing as authorized by subdivision (b) of Section 54953 without complying with the requirements

of paragraph (3) of subdivision (b) of Section 54953 in any of the circumstances described in Sections 54953.8.1 to 54953.8.7, inclusive.

(b) A legislative body that holds a teleconference meeting pursuant to this section shall, in addition to any other applicable requirements of this chapter, comply with all of the following:

(1) The legislative body shall provide at least one of the following as a means by which the public may remotely hear and visually observe the meeting, and remotely address the legislative body:

(A) A two-way audiovisual platform.

(B) A two-way telephonic service and a live webcasting of the meeting.

(2) In each instance in which notice of the time of the teleconference meeting held pursuant to this section is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option.

(3) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(4) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.

(5) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(6) (A) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to paragraph (5), to provide public comment until that timed public comment period has elapsed.

(B) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to paragraph (5), or otherwise be recognized for the purpose of providing public comment.

(C) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to paragraph (5), until the timed general public comment period has elapsed.

(7) Any member of the legislative body who participates in a teleconference meeting from a remote location pursuant to this section and the specific provision of law that the member relied upon to permit their participation by teleconferencing shall be listed in the minutes of the meeting.

(8) The legislative body shall have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42

U.S.C. Sec. 12132), and resolving any doubt in favor of accessibility. In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the procedure for receiving and resolving requests for accommodation.

(9) The legislative body shall conduct meetings subject to this chapter consistent with applicable civil rights and nondiscrimination laws.

(c) A local agency shall identify and make available to legislative bodies a list of one or more meeting locations that may be available for use by the legislative bodies to conduct their meetings.

(d) (1) Nothing in this section shall prohibit a legislative body from providing the public with additional teleconference locations.

(2) Nothing in this section shall prohibit a legislative body from providing the public with additional physical locations in which the public may observe and address the legislative body by electronic means.

(e) A member of a legislative body who participates in a teleconference meeting from a remote location pursuant to this section shall publicly disclose at the meeting before any action is taken whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member's relationship with those individuals.

(f) The teleconferencing provisions described in Section 54953 and Sections 54953.8.1 to 54953.8.7, inclusive, are cumulative. A legislative body may elect to use any teleconferencing provisions that are applicable to a meeting, regardless of whether any other teleconferencing provisions would also be applicable to that meeting.

(g) For purposes of this section, the following definitions apply:

(1) "Remote location" means a location from which a member of a legislative body participates in a meeting pursuant to paragraph (7) of subdivision (b),

other than any physical meeting location designated in the notice of the meeting. Remote locations need not be accessible to the public.

(2) “Teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both.

(3) “Two-way audiovisual platform” means an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic service. A two-way audiovisual platform may be structured to disable the use of video for the public participants.

(4) “Two-way telephonic service” means a telephone service that does not require internet access and allows participants to dial a telephone number to listen and verbally participate.

(5) “Webcasting” means a streaming video broadcast online or on television, using streaming media technology to distribute a single content source to many simultaneous listeners and viewers.

#### **54953.8.1. Health Authority; Use of Teleconferencing**

(a) A health authority may conduct a teleconference meeting pursuant to Section 54953.8, provided that it complies with the requirements of that section.

(b) Nothing in this section or Section 54953.8 shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority.

(c) For purposes of this section, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code,

and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

#### **54953.8.2. State of Emergency or Local Emergency; Use of Teleconferencing**

(a) A legislative body of a local agency may conduct a teleconference meeting pursuant to Section 54953.8 during a proclaimed state of emergency or local emergency, provided that it complies with the requirements of that section and the teleconferencing is used in either of the following circumstances:

(1) For the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) After a determination described in paragraph (1) is made that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(b) If the state of emergency or local emergency remains active, in order to continue to teleconference pursuant to this section, the legislative body shall, no later than 45 days after teleconferencing for the first time pursuant to this section, and every 45 days thereafter, make the following findings by majority vote:

(1) The legislative body has reconsidered the circumstances of the state of emergency or local emergency.

(2) The state of emergency or local emergency continues to directly impact the ability of the members to meet safely in person.

(c) This section shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(d) Notwithstanding paragraph (1) of subdivision (b) of Section 54953.8, a legislative body conducting a teleconference meeting pursuant to this section may elect to use a two-way telephonic service without a live webcasting of the meeting.

(e) For purposes of this section, the following definitions apply:

(1) “Local emergency” means a condition of extreme peril to persons or property proclaimed by the governing body of the local agency affected, in accordance with Section 8630 of the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), as defined in Section 8680.9, or a local health emergency declared pursuant to Section 101080 of the Health and Safety Code. Local emergency, as used in this section, refers only to local emergencies in the boundaries of the territory over which the local agency exercises jurisdiction.

(2) “State of emergency” means state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2).

**54953.8.3. Remote Participation by Member of Legislative Body; In Person Quorum Requirement; Just Cause**

(a) A legislative body of a local agency may conduct a teleconference meeting pursuant to Section 54953.8 if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda, which location shall be open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, provided that the legislative body complies with the requirements of Section 54953.8 and all of the following additional requirements:

(1) A member of the legislative body notifies the legislative body at the earliest opportunity possible, including at the start of a regular meeting, of their need to participate remotely for just cause, including a general description of the circumstances relating to their need to appear remotely at the given meeting.

(2) The member shall participate through both audio and visual technology.

(3) (A) The provisions of this subdivision shall not serve as a means for any member of a legislative body to participate in meetings of the legislative body solely by teleconference from a remote location for just cause for more than the following number of meetings, as applicable:

(i) Two meetings per year, if the legislative body regularly meets once per month or less.

(ii) Five meetings per year, if the legislative body regularly meets twice per month.

(iii) Seven meetings per year, if the legislative body regularly meets three or more times per month.

(B) For the purpose of counting meetings attended by teleconference under this paragraph, a “meeting” shall be defined as any number of meetings of the legislative body of a local agency that begin on the same calendar day.

(b) The minutes for the meeting shall identify the specific provision in subdivision (c) that each member relied upon to participate remotely. This subdivision shall not be construed to require the member to disclose any medical diagnosis or disability, or any personal medical information that is otherwise exempt under existing law, including, but not limited to, the Confidentiality of Medical Information Act (Chapter 1 (commencing with Section 56) of Part 2.6 of Division 1 of the Civil Code).

(c) For purposes of this section, “just cause” means any of the following:

(1) Childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely. “Child,” “parent,” “grandparent,” “grandchild,” and “sibling” have the same meaning as those terms do in Section 12945.2.

(2) A contagious illness that prevents a member from attending in person.

(3) A need related to a physical or mental condition that is not subject to subdivision (c) of Section 54953.

(4) Travel while on official business of the legislative body or another state or local agency.

(5) An immunocompromised child, parent, grandparent, grandchild, sibling, spouse, or domestic partner of the member that requires the member to participate remotely.

(6) A physical or family medical emergency that prevents a member from attending in person.

(7) Military service obligations that result in a member being unable to attend in person because they are serving under official written orders for active duty, drill, annual training, or any other duty required as a member of the California National Guard or a United States Military Reserve organization that requires the member to be at least 50 miles outside the boundaries of the local agency.

(d) This section shall remain in effect only until January 1, 2030, and as of that date is repealed.

#### **54953.8.4. Eligible Neighborhood Council; Use of Teleconferencing**

(a) An eligible neighborhood council may conduct a teleconference meeting pursuant to Section 54953.8, provided that it complies with the requirements of that section and all of the following have occurred:

(1) (A) The city council for a city described in paragraph (2) of subdivision (b) considers whether to adopt a resolution to authorize eligible neighborhood councils to use teleconferencing as described in this section at an open and regular meeting.

(B) If the city council adopts a resolution described in subparagraph (A), an eligible neighborhood council may elect to use teleconferencing pursuant to this section if a majority of the eligible neighborhood council votes to do so. The eligible neighborhood council shall notify the city council if it elects to use teleconferencing pursuant to this section and its justification for doing so.

(C) Upon receiving notification from an eligible neighborhood council described in subparagraph (B), the city council may adopt a resolution to prohibit the eligible neighborhood council from using teleconferencing pursuant to this section.

(2) After completing the requirements of subparagraph (A) of paragraph (1), an eligible neighborhood council that holds a meeting pursuant to this subdivision shall do all of the following:

(A) At least a quorum of the members of the eligible neighborhood council shall participate from locations within the boundaries of the city in which the eligible neighborhood council is established.

(B) At least once per year, at least a quorum of the members of the eligible neighborhood council shall participate in person from a singular physical location that is open to the public and within the boundaries of the eligible neighborhood council.

(3) If the meeting is during regular business hours of the offices of the city council member that represents the area that includes the eligible neighborhood council, the eligible neighborhood council shall provide a publicly accessible physical location from which the public may attend or comment, which shall be the offices of the city council member who represents the area where the eligible neighborhood council is located, unless the eligible neighborhood council identifies an alternative location.

(4) If the meeting is outside regular business hours, the eligible neighborhood council shall make reasonable efforts to accommodate any member of the public that requests an accommodation to participate in the meeting.

(b) For purposes of this section, the following definitions apply:

(1) "Accommodation" means providing a publicly accessible physical location for the member of the public to participate from, providing access to technology necessary to participate in the meeting, or identifying locations or resources available that could provide the member of the public with an opportunity to participate in the meeting.

(2) "Eligible neighborhood council" means a neighborhood council that is an advisory body with the purpose to promote more citizen participation in government and make government more responsive to local needs that is established pursuant to the charter of a city with a population of more than 3,000,000 people that is subject to this chapter.

(c) This section shall remain in effect only until January 1, 2030, and as of that date is repealed.

#### **54953.8.5. Eligible Community College Student Organization; Use of Teleconferencing**

(a) An eligible community college student organization may conduct a teleconference meeting pursuant to Section 54953.8, provided that it complies with the requirements of that section and all of the following additional requirements:

(1) An eligible community college student organization may only use teleconferencing as described in Section 54953.8 after all the following have occurred:

(A) The board of trustees for a community college district considers whether to adopt a resolution to authorize eligible community college student organizations to use teleconferencing as described in this section at an open and regular meeting.

(B) If the board of trustees for a community college district adopts a resolution described in subparagraph (A), an eligible community college student organization may elect to use teleconferencing pursuant to this section if a majority of the eligible community college student organization votes to do so. The eligible community

college student organization shall notify the board of trustees if it elects to use teleconferencing pursuant to this section and its justification for doing so.

(C) Upon receiving notification from an eligible community college student organization as described in subparagraph (B), the board of trustees may adopt a resolution to prohibit the eligible community college student organization from using teleconferencing pursuant to this section.

(D) (i) Except as specified in clause (ii), at least a quorum of the members of the eligible community college student organization shall participate from a singular physical location that is accessible to the public and is within the community college district in which the eligible community college student organization is established.

(ii) The requirements described in clause (i) shall not apply to the California Online Community College.

(iii) Notwithstanding the requirements of clause (i), a person may count toward the establishment of a quorum pursuant to clause (i) regardless of whether the person is participating at the in-person location of the meeting or remotely if the person meets any of the following criteria:

(I) The person is under 18 years of age.

(II) The person is incarcerated.

(III) The person is unable to disclose the location that they are participating from because of either of the following circumstances:

(ia) The person has been issued a protective court order, including, but not limited to, a domestic violence restraining order.

(ib) The person is participating in a program that has to remain confidential, including, but not limited to, an independent living program.

(IV) The person provides childcare or caregiving to a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely. For purposes of this subclause, "child,"

“parent,” “grandparent,” “grandchild,” and “sibling” have the same meaning as those terms are defined in Section 12945.2.

(2) An eligible community college student organization that holds a meeting by teleconference as described in Section 54953.8 shall do the following, as applicable:

(A) (i) Except as specified in subparagraph (B), if the meeting is during regular business hours of the offices of the board of trustees of the community college district, the eligible community college student organization shall provide a publicly accessible physical location from which the public may attend or comment, which shall be the offices of the board of trustees of the community college district, unless the eligible community college student organization identifies an alternative location.

(i) Except as specified in subparagraph (B), if the meeting is outside regular business hours, the eligible community college student organization shall make reasonable efforts to accommodate any member of the public that requests an accommodation to participate in the meeting. For the purposes of this subparagraph, “accommodation” means providing a publicly accessible physical location for the member of the public to participate from, providing access to technology necessary to participate in the meeting, or identifying locations or resources available that could provide the member of the public with an opportunity to participate in the meeting.

(B) The requirements described in subparagraph (A) shall not apply to the California Online Community College.

(b) For purposes of this section, “eligible community college student organization” means a student body association organized pursuant to Section 76060 of the Education Code, or any other student-run community college organization that is required to comply with the meeting requirements of this chapter, that is in any community college recognized within the California Community Colleges system and includes the Student Senate for California Community Colleges.

(c) This section shall remain in effect only until January 1, 2030, and as of that date is repealed.

#### **54953.8.6. Eligible Subsidiary Body; Use of Teleconferencing**

(a) An eligible subsidiary body may conduct a teleconference meeting pursuant to Section 54953.8, provided that it complies with the requirements of that section and all of the following additional requirements:

(1) The eligible subsidiary body shall designate one physical meeting location within the boundaries of the legislative body that created the eligible subsidiary body where members of the subsidiary body who are not participating remotely shall be present and members of the public may physically attend, observe, hear, and participate in the meeting. At least one staff member of the eligible subsidiary body or the legislative body that created the eligible subsidiary body shall be present at the physical meeting location during the meeting. The eligible subsidiary body shall post the agenda at the physical meeting location, but need not post the agenda at a remote location.

(2) (A) A member of the eligible subsidiary body shall visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, except if the member has a physical or mental condition not subject to subdivision (c) of Section 54953 that results in a need to participate off camera.

(B) The visual appearance of a member of the eligible subsidiary body on camera may cease only when the appearance would be technologically infeasible, including, but not limited to, when the member experiences a lack of reliable broadband or internet connectivity that would be remedied by joining without video.

(C) If a member of the eligible subsidiary body does not appear on camera due to challenges with internet connectivity, the member shall announce the reason for their nonappearance prior to turning off their camera.

(3) An elected official serving as a member of an eligible subsidiary body in their official capacity shall not participate in a meeting of the eligible subsidiary body by

teleconferencing pursuant to this section unless the use of teleconferencing complies with the requirements of paragraph (3) of subdivision (b) of Section 54953.

(4) (A) In order to use teleconferencing pursuant to this section, the legislative body that established the eligible subsidiary body by charter, ordinance, resolution, or other formal action shall make the following findings by majority vote before the eligible subsidiary body uses teleconferencing pursuant to this section for the first time, and every six months thereafter:

(i) The legislative body has considered the circumstances of the eligible subsidiary body.

(ii) Teleconference meetings of the eligible subsidiary body would enhance public access to meetings of the eligible subsidiary body, and the public has been made aware of the type of remote participation, including audio-visual or telephonic, that will be made available at a regularly scheduled meeting and has been provided the opportunity to comment at an in-person meeting of the legislative body authorizing the subsidiary body to meet entirely remotely.

(iii) Teleconference meetings of the eligible subsidiary body would promote the attraction, retention, and diversity of eligible subsidiary body members.

(B) (i) An eligible subsidiary body authorized to use teleconferencing pursuant to this section may request to present any recommendations it develops to the legislative body that created it.

(ii) Upon receiving a request described in clause (i), the legislative body that created the subsidiary body shall hold a discussion at a regular meeting held within 60 days after the legislative body receives the request, or if the legislative body does not have another regular meeting scheduled within 60 days after the legislative body receives the request, at the next regular meeting after the request is received.

(iii) The discussion required by clause (ii) shall not be placed on a consent calendar, but may be combined with the legislative body's subsequent consideration of the findings described in subparagraph (A) for the following 12 months.

(iv) The legislative body shall not take any action on any recommendations included in the report of a subsidiary body until the next regular meeting of the legislative body following the discussion described in clause (ii).

(C) After the legislative body makes the findings described in subparagraph (A), the eligible subsidiary body shall approve the use of teleconferencing by majority vote before using teleconference pursuant to this section.

(D) The legislative body that created the eligible subsidiary body may elect to prohibit the eligible subsidiary body from using teleconferencing pursuant to this section at any time.

(b) (1) For purposes of this section, "eligible subsidiary body" means a legislative body that meets all of the following:

(A) Is described in subdivision (b) of Section 54952.

(B) Serves exclusively in an advisory capacity.

(C) Is not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements, grants, or allocations of funds.

(D) Does not have primary subject matter jurisdiction, as defined by the charter, an ordinance, a resolution, or any formal action of the legislative body that created the subsidiary body, that focuses on elections, budgets, police oversight, privacy, removing from, or restricting access to, materials available in public libraries, or taxes or related spending proposals.

(2) An eligible subsidiary body may include members who are elected officials, members who are not elected officials, or any combination thereof.

(c) This section shall remain in effect only until January 1, 2030, and as of that date is repealed.

#### **54953.8.7. Eligible Multijurisdictional Body; Use of Teleconferencing**

(a) An eligible multijurisdictional body may conduct a teleconference meeting pursuant to Section 54953.8, provided that it complies with the requirements of that section and all of the following additional requirements:

(1) The eligible multijurisdictional body has adopted a resolution that authorizes the eligible multijurisdictional body to use teleconferencing pursuant to this section at a regular meeting in open session.

(2) At least a quorum of the members of the eligible multijurisdictional body shall participate from one or more physical locations that are open to the public and within the boundaries of the territory over which the local agency exercises jurisdiction.

(3) A member of the eligible multijurisdictional body who receives compensation for their service on the eligible multijurisdictional body shall participate from a physical location that is open to the public. For purposes of this paragraph, "compensation" does not include reimbursement for actual and necessary expenses.

(4) A member of the eligible multijurisdictional body may participate from a remote location provided that:

(A) The eligible multijurisdictional body identifies each member of the eligible multijurisdictional body who plans to participate remotely in the agenda.

(B) The member shall participate through both audio and visual technology.

(5) A member of the eligible multijurisdictional body shall not participate in a meeting remotely pursuant to this section, unless the location from which the member participates is more than 20 miles each way from any physical location of the meeting described in paragraph (2).

(6) The provisions of this section shall not serve as a means for any member of a legislative body to participate in meetings of the legislative body solely by teleconference from a remote location for more than the following number of meetings, as applicable:

(A) Two meetings per year, if the legislative body regularly meets once per month or less.

(B) Five meetings per year, if the legislative body regularly meets twice per month.

(C) Seven meetings per year, if the legislative body regularly meets three or more times per month.

(D) For the purpose of counting meetings attended by teleconference under this paragraph, a “meeting” shall be defined as any number of meetings of the legislative body of a local agency that begin on the same calendar day.

(b) For the purposes of this section, both of the following definitions apply:

(1) “Eligible multijurisdictional body” means a multijurisdictional board, commission, or advisory body of a multijurisdictional, cross-county agency, the membership of which board, commission, or advisory body is appointed, and the board, commission, or advisory body is otherwise subject to this chapter.

(2) “Multijurisdictional” means either of the following:

(A) A legislative body that includes representatives from more than one county, city, city and county, or special district.

(B) A legislative body of a joint powers entity formed pursuant to an agreement entered into in accordance with Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1.

(c) This section shall remain in effect only until January 1, 2030, and as of that date is repealed.

**§ 54954. Rules for Conduct of Business; Time and Place for Holding Regular Meetings**

(a) Each legislative body of a local agency, except for advisory committees or standing committees, shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place for holding regular meetings. Meetings of advisory committees or standing committees, for which an agenda is posted at least 72 hours in advance of the meeting pursuant to subdivision (a) of Section 54954.2, shall be considered for purposes of this chapter as regular meetings of the legislative body.

(b) Regular and special meetings of the legislative body shall be held within the boundaries of the territory over which the local agency exercises jurisdiction, except to do any of the following:

(1) Comply with state or federal law or court order, or attend a judicial or administrative proceeding to which the local agency is a party.

(2) Inspect real or personal property which cannot be conveniently brought within the boundaries of the territory over which the local agency exercises jurisdiction provided that the topic of the meeting is limited to items directly related to the real or personal property.

(3) Participate in meetings or discussions of multiagency significance that are outside the boundaries of a local agency's jurisdiction. However, any meeting or discussion held pursuant to this subdivision shall take place within the jurisdiction of one of the participating local agencies and be noticed by all participating agencies as provided for in this chapter.

(4) Meet in the closest meeting facility if the local agency has no meeting facility within the boundaries of the territory over which the local agency exercises

jurisdiction, or at the principal office of the local agency if that office is located outside the territory over which the agency exercises jurisdiction.

(5) Meet outside their immediate jurisdiction with elected or appointed officials of the United States or the State of California when a local meeting would be impractical, solely to discuss a legislative or regulatory issue affecting the local agency and over which the federal or state officials have jurisdiction.

(6) Meet outside their immediate jurisdiction if the meeting takes place in or nearby a facility owned by the agency, provided that the topic of the meeting is limited to items directly related to the facility.

(7) Visit the office of the local agency's legal counsel for a closed session on pending litigation held pursuant to Section 54956.9, when to do so would reduce legal fees or costs.

(c) Meetings of the governing board of a school district shall be held within the district, except under the circumstances enumerated in subdivision (b), or to do any of the following:

(1) Attend a conference on non-adversarial collective bargaining techniques.

(2) Interview members of the public residing in another district with reference to the trustees' potential employment of an applicant for the position of the superintendent of the district.

(3) Interview a potential employee from another district.

(d) Meetings of a joint powers authority shall occur within the territory of at least one of its member agencies, or as provided in subdivision (b). However, a joint powers authority which has members throughout the state may meet at any facility in the state which complies with the requirements of Section 54961.

(e) If, by reason of fire, flood, earthquake, or other emergency, it shall be unsafe to meet in the place designated, the meetings shall be held for the duration of the emergency at the place designated by the presiding officer of the legislative body or his or her designee in a notice to the local media that have requested notice pursuant to Section 54956, by the most rapid means of communication available at the time.

**§ 54954.1. Mailed Notice of Meetings, On Request Therefor: Charge**

Any person may request that a copy of the agenda, or a copy of all the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. If requested, the agenda and documents in the agenda packet shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Upon receipt of the written request, the legislative body or its designee shall cause the requested materials to be mailed at the time the agenda is posted pursuant to Section 54954.2 and 54956 or upon distribution to all, or a majority of all, of the members of a legislative body, whichever occurs first. Any request for mailed copies of agendas or agenda packets shall be valid for the calendar year in which it is filed, and must be renewed following January 1 of each year. The legislative body may establish a fee for mailing the agenda or agenda packet, which fee shall not exceed the cost of providing the service. Failure of the requesting person to receive the agenda or agenda packet pursuant to this section shall not constitute grounds for invalidation of the actions of the legislative body taken at the meeting for which the agenda or agenda packet was not received.

**§ 54954.2. Agenda; Posting; Action or Discussion on Other Matters**

(a) (1) At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda that meets all of the following requirements:

(A) The agenda shall contain a brief general description of each item of business to be transacted or discussed at the meeting, including items to be

discussed in closed session. A brief general description of an item generally need not exceed 20 words.

(B) The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public and on the local agency's internet website, if the local agency has one.

(C) (i) If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

(ii) The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting.

(2) For a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site, the following provisions shall apply:

(A) An online posting of an agenda shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state that is accessible through a prominent, direct link to the current agenda. The direct link to the agenda shall not be in a contextual menu; however, a link in addition to the direct link to the agenda may be accessible through a contextual menu.

(B) An online posting of an agenda including, but not limited to, an agenda posted in an integrated agenda management platform, shall be posted in an open format that meets all of the following requirements:

(i) Retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications.

(ii) Platform independent and machine readable.

(iii) Available to the public free of charge and without any restriction that would impede the reuse or redistribution of the agenda.

(C) A legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site and an integrated agenda management platform shall not be required to comply with subparagraph (A) if all of the following are met:

(i) A direct link to the integrated agenda management platform shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state. The direct link to the integrated agenda management platform shall not be in a contextual menu. When a person clicks on the direct link to the integrated agenda management platform, the direct link shall take the person directly to an Internet Web site with the agendas of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state.

(ii) The integrated agenda management platform may contain the prior agendas of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state for all meetings occurring on or after January 1, 2019.

(iii) The current agenda of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state shall be the first agenda available at the top of the integrated agenda management platform.

(iv) All agendas posted in the integrated agenda management platform shall comply with the requirements in clauses (i), (ii), and (iii) of subparagraph (B).

(D) The provisions of this paragraph shall not apply to a political subdivision of a local agency that was established by the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state.

(E) For purposes of this paragraph, both of the following definitions apply:

(i) “Integrated agenda management platform” means an Internet Web site of a city, county, city and county, special district, school district, or political subdivision established by the state dedicated to providing the entirety of the agenda information for the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state to the public.

(ii) “Legislative body” means a legislative body that meets the definition of subdivision (a) of Section 54952.

(3) No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of a legislative body, or the body itself, subject to rules or procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

(b) Notwithstanding subdivision (a), the legislative body may take action on items of business not appearing on the posted agenda under any of the conditions 26 stated below. Prior to discussing any item pursuant to this subdivision, the legislative body shall publicly identify the item.

(1) Upon a determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5.

(2) Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

(3) The item was posted pursuant to subdivision (a) for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(c) This section is necessary to implement and reasonably within the scope of paragraph (1) of subdivision (b) of Section 3 of Article I of the California Constitution.

(d) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

### **§ 54954.3. Opportunity for Public to Address Legislative Body; Regulations**

(a) (1) Every agenda for regular meetings shall provide an opportunity for members of the public to directly address the legislative body on any item of interest to the public, before or during the legislative body's consideration of the item, that is within the subject matter jurisdiction of the legislative body, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of Section 54954.2.

(2) (A) Notwithstanding paragraph (1), the agenda need not provide an opportunity for members of the public to address the legislative body on any item that has already been considered by a committee, composed exclusively of members of the legislative body, at a public meeting wherein all interested members of the public were afforded the opportunity to address the committee on the item, before or during the committee's consideration of the item.

(B) Subparagraph (A) shall not apply if any of the following conditions are met:

(i) The item has been substantially changed since the committee heard the item, as determined by the legislative body.

(ii) When considering the item, a quorum of the committee members did not participate from a singular physical location, that was clearly identified on the agenda, open to the public, and situated within the boundaries of the territory over which the local agency exercises jurisdiction.

(iii) The committee has primary subject matter jurisdiction, as defined by the charter, an ordinance, a resolution, or any formal action of the legislative body that created the subsidiary body, that focuses on elections, budgets, police oversight, privacy, removing from, or restricting access to, materials available in public libraries, or taxes or related spending proposals. This clause shall not apply to an item if the local agency has adopted a law applicable to the meeting of the committee at which

the item that was considered prohibits the committee from placing a limit on the total amount of time for public comment on the item.

(3) Every notice for a special meeting shall provide an opportunity for members of the public to directly address the legislative body concerning any item that has been described in the notice for the meeting before or during consideration of that item.

(b) (1) The legislative body of a local agency may adopt reasonable regulations to ensure that the intent of subdivision (a) is carried out, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker.

(2) Notwithstanding paragraph (1), when the legislative body of a local agency limits time for public comment, the legislative body of a local agency shall provide at least twice the allotted time to a member of the public who utilizes a translator to ensure that non-English speakers receive the same opportunity to directly address the legislative body of a local agency.

(3) Paragraph (2) shall not apply if the legislative body of a local agency utilizes simultaneous translation equipment in a manner that allows the legislative body of a local agency to hear the translated public testimony simultaneously.

(c) The legislative body of a local agency shall not prohibit public criticism of the policies, procedures, programs, or services of the agency, or of the acts or omissions of the legislative body. Nothing in this subdivision shall confer any privilege or protection for expression beyond that otherwise provided by law.

#### **§ 54954.4. Reimbursement for Costs**

(a) The Legislature hereby finds and declares that Section 12 of Chapter 641 of the Statutes of 1986, authorizing reimbursement to local agencies and school districts for costs mandated by the state pursuant to that act, shall be interpreted strictly. The intent of the Legislature is to provide reimbursement for only those costs which are clearly and

unequivocally incurred as the direct and necessary result of compliance with Chapter 641 of the Statutes of 1986.

(b) In this regard, the Legislature directs all state employees and officials involved in reviewing or authorizing claims for reimbursement, or otherwise participating in the reimbursement process, to rigorously review each claim and authorize only those claims, or parts thereof, which represent costs which are clearly and unequivocally incurred as the direct and necessary result of compliance with Chapter 641 of the Statutes of 1986 and for which complete documentation exists. For purposes of Section 54954.2, costs eligible for reimbursement shall only include the actual cost to post a single agenda for any one meeting.

(c) The Legislature hereby finds and declares that complete, faithful, and uninterrupted compliance with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code) is a matter of overriding public importance. Unless specifically stated, no future Budget Act, or related budget enactments, shall, in any manner, be interpreted to suspend, eliminate, or otherwise modify the legal obligation and duty of local agencies to fully comply with Chapter 641 of the Statutes of 1986 in a complete, faithful, and uninterrupted manner.

#### **§ 54954.5. Closed Session Item Descriptions**

For purposes of describing closed session items pursuant to Section 54954.2, the agenda may describe closed sessions as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items were described in substantial compliance with this section. Substantial compliance is satisfied by including the information provided below, irrespective of its format.

(a) With respect to a closed session held pursuant to Section 54956.7: LICENSE/PERMIT DETERMINATION Applicant(s): (Specify number of applicants)

(b) With respect to every item of business to be discussed in closed session pursuant to Section 54956.8:

## **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Property: (Specify street address, or if no street address, the parcel number or other unique reference, of the real property under negotiation)

Agency negotiator: (Specify names of negotiators attending the closed session) (If circumstances necessitate the absence of a specified negotiator, an agent or designee may participate in place of the absent negotiator so long as the name of the agent or designee is announced at an open session held prior to the closed session.)

Negotiating parties: (Specify name of party (not agent))

Under negotiation: (Specify whether instruction to negotiator will concern price, terms of payment, or both)

(c) With respect to every item of business to be discussed in closed session pursuant to Section 54956.9:

## **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**

(Paragraph (1) of subdivision (d) of Section 54956.9)

Name of case: (Specify by reference to claimant's name, names of parties, case or claim numbers) or Case name unspecified: (Specify whether disclosure would jeopardize service of process or existing settlement negotiations)

## **CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: (Specify number of potential cases)

*(In addition to the information noticed above, the agency may be required to provide additional information on the agenda or in an oral statement prior to the closed session pursuant to paragraphs (2) to (5), inclusive, of subdivision (e) of Section 54956.9.)*

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (Specify number of potential cases)

(d) With respect to every item of business to be discussed in closed session pursuant to Section 54956.95:

**LIABILITY CLAIMS**

Claimant: (Specify name unless unspecified pursuant to Section 54961)

Agency claimed against: (Specify name)

(e) With respect to every item of business to be discussed in closed session pursuant to Section 54957:

**THREAT TO PUBLIC SERVICES OR FACILITIES**

Consultation with: (Specify name of law enforcement agency and title of officer, or name of applicable agency representative and title)

**PUBLIC EMPLOYEE APPOINTMENT**

Title: (Specify description of position to be filled)

**PUBLIC EMPLOYMENT**

Title: (Specify description of position to be filled)

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Title: (Specify position title of employee being reviewed)

**PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE**

(No additional information is required in connection with a closed session to consider discipline, dismissal, or release of a public employee. Discipline includes potential reduction of compensation.)

(f) With respect to every item of business to be discussed in closed session pursuant to Section 54957.6:

## **CONFERENCE WITH LABOR NEGOTIATORS**

Agency designated representatives: (Specify names of designated representatives attending the closed session) (If circumstances necessitate the absence of a specified designated representative, an agent or designee may participate in place of the absent representative so long as the name of the agent or designee is announced at an open session held prior to the closed session.)

Employee organization: (Specify name of organization representing employee or employees in question)

OR

Unrepresented employee: (Specify position title of unrepresented employee who is the subject of the negotiations)

(g) With respect to closed sessions called pursuant to Section 54957.8:

## **CASE REVIEW/PLANNING**

(No additional information is required in connection with a closed session to consider case review or planning.)

(h) With respect to every item of business to be discussed in closed session pursuant to Sections 1461, 32106, and 32155 of the Health and Safety Code or Sections 37606 and 37624.3 of the Government Code:

## **REPORT INVOLVING TRADE SECRET**

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility)

Estimated date of public disclosure: (Specify month and year)

## **HEARINGS**

Subject matter: (Specify whether testimony/deliberation will concern staff privileges, report of medical audit committee, or report of quality assurance committee)

(i) With respect to every item of business to be discussed in closed session pursuant to Section 54956.86:

**CHARGE OR COMPLAINT INVOLVING INFORMATION PROTECTED BY FEDERAL LAW**

(No additional information is required in connection with a closed session to discuss a charge or complaint pursuant to Section 54956.86.)

(j) With respect to every item of business to be discussed in closed session pursuant to Section 54956.96:

**CONFERENCE INVOLVING A JOINT POWERS AGENCY (Specify by name)**

Discussion will concern: (Specify closed session description used by the joint powers agency)

Name of local agency representative on joint powers agency board: (Specify name)

(Additional information listing the names of agencies or titles of representatives attending the closed session as consultants or other representatives.)

(k) With respect to every item of business to be discussed in closed session pursuant to Section 54956.75:

**AUDIT BY CALIFORNIA STATE AUDITOR'S OFFICE**

**§ 54954.6. Public Hearing Required Prior to Adoption of New Or Increased Taxes Or Assessments**

(a) (1) Before adopting any new or increased general tax or any new or increased assessment, the legislative body of a local agency shall conduct at least one public meeting at which local officials shall allow public testimony regarding the proposed new or increased general tax or new or increased assessment in addition to the noticed public hearing at which the legislative body proposes to enact or increase the general tax or assessment.

For purposes of this section, the term “new or increased assessment” does not include any of the following:

(A) A fee that does not exceed the reasonable cost of providing the services, facilities, or regulatory activity for which the fee is charged.

(B) A service charge, rate, or charge, unless a special district’s principal act requires the service charge, rate, or charge to conform to the requirements of this section.

(C) An ongoing annual assessment if it is imposed at the same or lower amount as any previous year.

(D) An assessment that does not exceed an assessment formula or range of assessments previously specified in the notice given to the public pursuant to subparagraph (G) of paragraph (2) of subdivision (c) and that was previously adopted by the agency or approved by the voters in the area where the assessment is imposed.

(E) Standby or immediate availability charges.

(2) The legislative body shall provide at least 45 days’ public notice of the public hearing at which the legislative body proposes to enact or increase the general tax or assessment. The legislative body shall provide notice for the public meeting at the same time and in the same document as the notice for the public hearing, but the meeting shall occur prior to the hearing.

(b) (1) The joint notice of both the public meeting and the public hearing required by subdivision (a) with respect to a proposal for a new or increased general tax shall be accomplished by placing a display advertisement of at least one-eighth page in a newspaper of general circulation for three weeks pursuant to Section 6063 and by a first-class mailing to those interested parties who have filed a written request with the local agency for mailed notice of public meetings or hearings on new or increased general taxes. The public meeting pursuant to subdivision (a) shall take place no earlier than 10 days after the first publication of the joint notice pursuant to this subdivision. The public

hearing shall take place no earlier than seven days after the public meeting pursuant to this subdivision. Notwithstanding paragraph (2) of subdivision (a), the joint notice need not include notice of the public meeting after the meeting has taken place. The public hearing pursuant to subdivision (a) shall take place no earlier than 45 days after the first publication of the joint notice pursuant to this subdivision. Any written request for mailed notices shall be effective for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for mailed notices shall be filed on or before April 1 of each year. The legislative body may establish a reasonable annual charge for sending notices based on the estimated cost of providing the service.

(2) The notice required by paragraph (1) of this subdivision shall include, but not be limited to, the following:

(A) The amount or rate of the tax. If the tax is proposed to be increased from any previous year, the joint notice shall separately state both the existing tax rate and the proposed tax rate increase.

(B) The activity to be taxed.

(C) The estimated amount of revenue to be raised by the tax annually.

(D) The method and frequency for collecting the tax.

(E) The dates, times, and locations of the public meeting and hearing described in subdivision (a).

(F) The telephone number and address of an individual, office, or organization that interested persons may contact to receive additional information about the tax.

(c) (1) The joint notice of both the public meeting and the public hearing required by subdivision (a) with respect to a proposal for a new or increased assessment on real property or businesses shall be accomplished through a mailing, postage prepaid,

in the United States mail and shall be deemed given when so deposited. The public meeting pursuant to subdivision (a) shall take place no earlier than 10 days after the joint mailing pursuant to this subdivision. The public hearing shall take place no earlier than seven days after the public meeting pursuant to this subdivision. The envelope or the cover of the mailing shall include the name of the local agency and the return address of the sender. This mailed notice shall be in at least 10-point type and shall be given to all property owners or business owners proposed to be subject to the new or increased assessment by a mailing by name to those persons whose names and addresses appear on the last equalized county assessment roll, the State Board of Equalization assessment roll, or the local agency's records pertaining to business ownership, as the case may be.

(2) The joint notice required by paragraph (1) of this subdivision shall include, but not be limited to, the following:

(A) In the case of an assessment proposed to be levied on property, the estimated amount of the assessment per parcel. In the case of an assessment proposed to be levied on businesses, the proposed method and basis of levying the assessment in sufficient detail to allow each business owner to calculate the amount of assessment to be levied against each business. If the assessment is proposed to be increased from any previous year, the joint notice shall separately state both the amount of the existing assessment and the proposed assessment increase.

(B) A general description of the purpose or improvements that the assessment will fund.

(C) The address to which property owners may mail a protest against the assessment.

(D) The telephone number and address of an individual, office, or organization that interested persons may contact to receive additional information about the assessment.

(E) A statement that a majority protest will cause the assessment to be abandoned if the assessment act used to levy the assessment so provides. Notice shall also state the percentage of protests required to trigger an election, if applicable.

(F) The dates, times, and locations of the public meeting and hearing described in subdivision (a).

(G) A proposed assessment formula or range as described in subparagraph (D) of paragraph (1) of subdivision (a) if applicable and that is noticed pursuant to this section.

(3) Notwithstanding paragraph (1), in the case of an assessment that is proposed exclusively for operation and maintenance expenses imposed throughout the entire local agency, or exclusively for operation and maintenance assessments proposed to be levied on 50,000 parcels or more, notice may be provided pursuant to this subdivision or pursuant to paragraph (1) of subdivision (b) and shall include the estimated amount of the assessment of various types, amounts, or uses of property and the information required by subparagraphs (B) to (G), inclusive, of paragraph (2) of subdivision (c).

(4) Notwithstanding paragraph (1), in the case of an assessment proposed to be levied pursuant to Part 2 (commencing with Section 22500) of Division 2 of the Streets and Highways Code by a regional park district, regional park and open-space district, or regional open-space district formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of, or pursuant to Division 26 (commencing with Section 35100) of, the Public Resources Code, notice may be provided pursuant to paragraph (1) of subdivision (b).

(d) The notice requirements imposed by this section shall be construed as additional to, and not to supersede, existing provisions of law, and shall be applied concurrently with the existing provisions so as to not delay or prolong the governmental decision-making process.

(e) This section shall not apply to any new or increased general tax or any new or increased assessment that requires an election of either of the following:

(1) The property owners subject to the assessment.

(2) The voters within the local agency imposing the tax or assessment.

(f) Nothing in this section shall prohibit a local agency from holding a consolidated meeting or hearing at which the legislative body discusses multiple tax or assessment proposals.

(g) The local agency may recover the reasonable costs of public meetings, public hearings, and notice required by this section from the proceeds of the tax or assessment. The costs recovered for these purposes, whether recovered pursuant to this subdivision or any other provision of law, shall not exceed the reasonable costs of the public meetings, public hearings, and notice.

(h) Any new or increased assessment that is subject to the notice and hearing provisions of Article XIII C or XIII D of the California Constitution is not subject to the notice and hearing requirements of this section.

#### **§ 54955. Adjournment of Meetings**

The legislative body of a local agency may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting the clerk or secretary of the legislative body may declare the meeting adjourned to a stated time and place and he shall cause a written notice of the adjournment to be given in the same manner as provided in Section 54956 for special meetings, unless such notice is waived as provided for special meetings. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held within 24 hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the

resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings by ordinance, resolution, bylaw, or other rule.

#### **§ 54955.1. Continuance of Meeting to Subsequent Meeting**

Any hearing being held, or noticed or ordered to be held, by a legislative body of a local agency at any meeting may by order or notice of continuance be continued or re-continued to any subsequent meeting of the legislative body in the same manner and to the same extent set forth in Section 54955 for the adjournment of meetings; provided, that if the hearing is continued to a time less than 24 hours after the time specified in the order or notice of hearing, a copy of the order or notice of continuance of hearing shall be posted immediately following the meeting at which the order or declaration of continuance was adopted or made.

#### **§ 54956. Special Meetings; Call; Notice**

(a) (1) A special meeting may be called at any time by the presiding officer of the legislative body of a local agency, or by a majority of the members of the legislative body, by delivering written notice to each member of the legislative body and to each local newspaper of general circulation and radio or television station requesting notice in writing and posting a notice on the local agency's internet website, if the local agency has one. The notice shall be delivered personally or by any other means and shall be received at least 24 hours before the time of the meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings by the legislative body. The written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the clerk or secretary of the legislative body a written waiver of notice. The waiver may be given by telephone or electronic mail. The written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

(1) The call and notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.

(b) Notwithstanding any other law, a legislative body shall not call a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of **the legislative body or of** a local agency executive, as defined in subdivision (d) of Section 3511.1. However, this subdivision does not apply to a local agency calling a special meeting to discuss the local agency's budget.

(c) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

#### **§ 54956.5. Emergency Meetings in Emergency Situations**

(a) For purposes of this section, "emergency situation" means both of the following: (1) An emergency, which shall be defined as a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both, as determined by a majority of the members of the legislative body.

(2) A dire emergency, which shall be defined as a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that requiring a legislative body to provide one-hour notice before holding an emergency meeting under this section may endanger the public health, safety, or both, as determined by a majority of the members of the legislative body.

(b) (1) Subject to paragraph (2), in the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, a legislative body may hold an emergency meeting without complying with either the 24-hour notice requirement or the 24-hour posting requirement of Section 54956 or both of the notice and posting requirements.

(2) Each local newspaper of general circulation and radio or television station that has requested notice of special meetings pursuant to Section 54956 shall be notified by the presiding officer of the legislative body, or designee thereof, one hour prior to the emergency meeting, or, in the case of a dire emergency, at or near the time that the presiding officer or designee notifies the members of the legislative body of the emergency meeting.

(A) Except as provided in subparagraph (B), the notice required by this paragraph shall be given by telephone and all telephone numbers provided in the most recent request of a newspaper or station for notification of special meetings shall be exhausted. In the event that telephone services are not **functioning, the** notice requirements of this paragraph shall be deemed waived, and the legislative body, or designee of the legislative body, shall notify those newspapers, radio stations, or television stations of the fact of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible.

(B) For an emergency meeting held pursuant to this section, the presiding officer of the **legislative body**, or designee thereof, may send the notifications required by this paragraph by email instead of by telephone, as provided in subparagraph (A), to all local newspapers of general circulation, and radio or television stations, that have requested those notifications by email, and all email addresses provided by representatives of those newspapers or stations shall be exhausted. In the event that internet services and telephone services are not functioning, the notice requirements of this paragraph shall be deemed waived, and the **legislative body**, or designee of the **legislative body**, shall notify those newspapers, radio stations, or television stations of the

fact of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible.

(c) During a meeting held pursuant to this section, the legislative body may meet in closed session pursuant to Section 54957 if agreed to by a two-thirds vote of the members of the legislative body present, or, if less than two-thirds of the members are present, by a unanimous vote of the members present.

(d) All special meeting requirements, as prescribed in Section 54956 shall be applicable to a meeting called pursuant to this section, with the exception of the 24-hour notice requirement.

(e) The minutes of a meeting called pursuant to this section, a list of persons who the presiding officer of the legislative body, or designee of the legislative body, notified or attempted to notify, a copy of the rollcall vote, and any actions taken at the meeting shall be posted for a minimum of 10 days in a public place as soon after the meeting as possible.

#### **§ 54956.6. Fees**

No fees may be charged by the legislative body of a local agency for carrying out any provision of this chapter, except as specifically authorized by this chapter.

### **EXCEPTIONS TO THE OPEN MEETING REQUIREMENT - TOPICS FOR CLOSED SESSION**

#### **§ 54956.7. Closed Sessions, License Applications; Rehabilitated Criminals**

Whenever a legislative body of a local agency determines that it is necessary to discuss and determine whether an applicant for a license or license renewal, who has a criminal record, is sufficiently rehabilitated to obtain the license, the legislative body may hold a closed session with the applicant and the applicant's attorney, if any, for the purpose of holding the discussion and making the determination. If the legislative body determines, as a result of the closed session, that the issuance or renewal of the license should be denied, the applicant shall be offered the opportunity to withdraw the application. If the applicant withdraws the application, no record shall be kept of the

discussions or decisions made at the closed session and all matters relating to the closed session shall be confidential. If the applicant does not withdraw the application, the legislative body shall take action at the public meeting during which the closed session is held or at its next public meeting denying the application for the license but all matters relating to the closed session are confidential and shall not be disclosed without the consent of the applicant, except in an action by an applicant who has been denied a license challenging the denial of the license.

**§ 54956.75. Audit by the State Auditor’s Office; Closed Meeting to Discuss Response**

(a) Nothing contained in this chapter shall be construed to prevent the legislative body of a local agency that has received a confidential final draft audit report from the Bureau of State Audits from holding closed sessions to discuss its response to that report.

(b) After the public release of an audit report by the Bureau of State Audits, if a legislative body of a local agency meets to discuss the audit report, it shall do so in an open session unless exempted from that requirement by some other provision of law.

**§ 54956.8. Real Property Transactions; Closed Meeting With Negotiator**

Notwithstanding any other provision of this chapter, a legislative body of a local agency may hold a closed session with its negotiator prior to the purchase, sale, exchange, or lease of real property by or for the local agency to grant authority to its negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease.

However, prior to the closed session, the legislative body of the local agency shall hold an open and public session in which it identifies its negotiators, the real property or real properties which the negotiations may concern, and the person or persons with whom its negotiators may negotiate.

For purposes of this section, negotiators may be members of the legislative body of the local agency.

For purposes of this section, “lease” includes renewal or renegotiation of a lease.

Nothing in this section shall preclude a local agency from holding a closed session for discussions regarding eminent domain proceedings pursuant to Section 54956.9.

**§ 54956.81. Closed Sessions; Specific Pension Fund Investments**

Notwithstanding any other provision of this chapter, a legislative body of a local agency that invests pension funds may hold a closed session to consider the purchase or sale of particular, specific pension fund investments. All investment transaction decisions made during the closed session shall be made by rollcall vote entered into the minutes of the closed session as provided in subdivision (a) of Section 54957.2.

**§ 54956.86. Closed Sessions, Legislative Body of Private Corporations; Federally Protected Information**

Notwithstanding any other provision of this chapter, a legislative body of a local agency which provides services pursuant to Section 14087.3 of the Welfare and Institutions Code may hold a closed session to hear a charge or complaint from a member 42 enrolled in its health plan if the member does not wish to have his or her name, medical status, or other information that is protected by federal law publicly disclosed. Prior to holding a closed session pursuant to this section, the legislative body shall inform the member, in writing, of his or her right to have the charge or complaint heard in an open session rather than a closed session.

**§ 54956.87. Records of Certain Health Plans; Meetings on Health Plan Trade Secrets**

(a) Notwithstanding any other provision of this chapter, the records of a health plan that is licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code) and that is governed by a county board of supervisors, whether paper records, records maintained in the management information system, or records in any other form, that relate to provider rate or payment determinations, allocation or distribution methodologies for provider payments, formulas or calculations for these payments, and contract negotiations with providers of health care for alternative rates are exempt from

disclosure for a period of three years after the contract is fully executed. The transmission of the records, or the information contained therein in an alternative form, to the board of supervisors shall not constitute a waiver of exemption from disclosure, and the records and information once transmitted to the board of supervisors shall be subject to this same exemption.

(b) Notwithstanding any other provision of law, the governing board of a health plan that is licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code) and that is governed by a county board of supervisors may order that a meeting held solely for the purpose of discussion or taking action on health plan trade secrets, as defined in subdivision (f), shall be held in closed session. The requirements of making a public report of action taken in closed session, and the vote or abstention of every member present, may be limited to a brief general description without the information constituting the trade secret.

(c) Notwithstanding any other provision of law, the governing board of a health plan may meet in closed session to consider and take action on matters pertaining to contracts and contract negotiations by the health plan with providers of health care services concerning all matters related to rates of payment. The governing board may delete the portion or portions containing trade secrets from any documents that were finally approved in the closed session held pursuant to subdivision (b) that are provided to persons who have made the timely or standing request.

(d) Nothing in this section shall be construed as preventing the governing board from meeting in closed session as otherwise provided by law.

(e) The provisions of this section shall not prevent access to any records by the Joint Legislative Audit Committee in the exercise of its powers pursuant to Article 1 (commencing with Section 10500) of Chapter 4 of Part 2 of Division 2 of Title 2. The provisions of this section also shall not prevent access to any records by the Department of Managed Health Care in the exercise of its powers pursuant to Article 1 (commencing with Section 1340) of Chapter 2.2 of Division 2 of the Health and Safety Code.

(f) For purposes of this section, “health plan trade secret” means a trade secret, as defined in subdivision (d) of Section 3426.1 of the Civil Code, that also meets both of the following criteria:

(1) The secrecy of the information is necessary for the health plan to initiate a new service, program, marketing strategy, business plan, or technology, or to add a benefit or product.

(2) Premature disclosure of the trade secret would create a substantial probability of depriving the health plan of a substantial economic benefit or opportunity.

**§ 54956.9. Pending Litigation; Closed Session; Abrogation of Privilege**

(a) Nothing in this chapter shall be construed to prevent a legislative body of a local agency, based on advice of its legal counsel, from holding a closed session to confer with, or receive advice from, its legal counsel regarding pending litigation when discussion in open session concerning those matters would prejudice the position of the local agency in the litigation.

(b) For purposes of this chapter, all expressions of the lawyer-client privilege other than those provided in this section are hereby abrogated. This section is the exclusive expression of the lawyer-client privilege for purposes of conducting closed-session meetings pursuant to this chapter.

(c) For purposes of this section, “litigation” includes any adjudicatory proceeding, including eminent domain, before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator.

(d) For purposes of this section, litigation shall be considered pending when any of the following circumstances exist:

(1) Litigation, to which the local agency is a party, has been initiated formally.

(2) A point has been reached where, in the opinion of the legislative body of the local agency on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the local agency.

(3) Based on existing facts and circumstances, the legislative body of the local agency is meeting only to decide whether a closed session is authorized pursuant to paragraph (2).

(4) Based on existing facts and circumstances, the legislative body of the local agency has decided to initiate or is deciding whether to initiate litigation.

(e) For purposes of paragraphs (2) and (3) of subdivision (d), “existing facts and circumstances” shall consist only of one of the following:

(1) Facts and circumstances that might result in litigation against the local agency but which the local agency believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed.

(2) Facts and circumstances, including, but not limited to, an accident, disaster, incident, or transactional occurrence that might result in litigation against the agency and that are known to a potential plaintiff or plaintiffs, which facts or circumstances shall be publicly stated on the agenda or announced.

(3) The receipt of a claim pursuant to the Government Claims Act (Division 3.6 (commencing with Section 810) of Title 1 of the Government Code) or some 45 other written communication from a potential plaintiff threatening litigation, which claim or communication shall be available for public inspection pursuant to Section 54957.5.

(4) A statement made by a person in an open and public meeting threatening litigation on a specific matter within the responsibility of the legislative body.

(5) A statement threatening litigation made by a person outside an open and public meeting on a specific matter within the responsibility of the legislative body so long as the official or employee of the local agency receiving knowledge of the threat

makes a contemporaneous or other record of the statement prior to the meeting, which record shall be available for public inspection pursuant to Section 54957.5. The records so created need not identify the alleged victim of unlawful or tortious sexual conduct or anyone making the threat on their behalf, or identify a public employee who is the alleged perpetrator of any unlawful or tortious conduct upon which a threat of litigation is based, unless the identity of the person has been publicly disclosed.

(f) Nothing in this section shall require disclosure of written communications that are privileged and not subject to disclosure pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1).

(g) Prior to holding a closed session pursuant to this section, the legislative body of the local agency shall state on the agenda or publicly announce the paragraph of subdivision (d) that authorizes the closed session. If the session is closed pursuant to paragraph (1) of subdivision (d), the body shall state the title of or otherwise specifically identify the litigation to be discussed, unless the body states that to do so would jeopardize the agency's ability to effectuate service of process upon one or more unserved parties, or that to do so would jeopardize its ability to conclude existing settlement negotiations to its advantage.

(h) A local agency shall be considered to be a "party" or to have a "significant exposure to litigation" if an officer or employee of the local agency is a party or has significant exposure to litigation concerning prior or prospective activities or alleged activities during the course and scope of that office or employment, including litigation in which it is an issue whether an activity is outside the course and scope of the office or employment.

#### **§ 54956.95. Closed Sessions; Joint Powers Insurance Authorities**

(a) Nothing in this chapter shall be construed to prevent a joint powers agency formed pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1, for purposes of insurance pooling, or a local agency member of the joint powers agency, from holding a closed session to discuss a claim for the payment of tort liability

losses, public liability losses, or workers' compensation liability incurred by the joint powers agency or a local agency member of the joint powers agency.

(b) Nothing in this chapter shall be construed to prevent the Local Agency Self-Insurance Authority formed pursuant to Chapter 5.5 (commencing with Section 6599.01) of Division 7 of Title 1, or a local agency member of the authority, from holding a closed session to discuss a claim for the payment of tort liability losses, public liability losses, or workers' compensation liability incurred by the authority or a local agency member of the authority.

(c) Nothing in this section shall be construed to affect Section 54956.9 with respect to any other local agency.

**§ 54956.96. Closed Session; Joint Powers Agencies**

(a) Nothing in this chapter shall be construed to prevent the legislative body of a joint powers agency formed pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1, from adopting a policy or a bylaw or including in its joint powers agreement provisions that authorize either or both of the following:

(1) All information received by the legislative body of the local agency member in a closed session related to the information presented to the joint powers agency in closed session shall be confidential. However, a member of the legislative body of a member local agency may disclose information obtained in a closed session that has direct financial or liability implications for that local agency to the following individuals:

(A) Legal counsel of that member local agency for purposes of obtaining advice on whether the matter has direct financial or liability implications for that member local agency.

(B) Other members of the legislative body of the local agency present in a closed session of that member local agency.

(2) Any designated alternate member of the legislative body of the joint powers agency who is also a member of the legislative body of a local agency member

and who is attending a properly noticed meeting of the joint powers agency in lieu of a local agency member's regularly appointed member to attend closed sessions of the joint powers agency.

(b) (1) In addition to the authority described in subdivision (a), the Clean Power Alliance of Southern California, or its successor entity, may adopt a policy or a bylaw or include in its joint powers agreement a provision that authorizes both of the following:

(A) A designated alternate member of the legislative body of the Clean Power Alliance of Southern California, or its successor entity, who is not a member of the legislative body of a local agency member and who is attending a properly noticed meeting of the Clean Power Alliance of Southern California, or its successor entity, in lieu of a local agency member's regularly appointed member, to attend closed sessions of the Clean Power Alliance of Southern California, or its successor entity.

(B) All information that is received by a designated alternate member of the legislative body of the Clean Power Alliance of Southern California, or its successor entity, who is not a member of the legislative body of a local agency member, and that is presented to the Clean Power Alliance of Southern California, or its successor entity, in closed session, shall be confidential. However, the designated alternate member may disclose information obtained in a closed session that has direct financial or liability implications for the local agency member for which the designated alternate member attended the closed session, to the following individuals:

(i) Legal counsel of that local agency member for purposes of obtaining advice on whether the matter has direct financial or liability implications for that local agency member.

(ii) Members of the legislative body of the local agency present in a closed session of that local agency member.

(2) If the Clean Power Alliance of Southern California, or its successor entity, adopts a policy or bylaw or includes in its joint powers agreement a provision authorized pursuant to paragraph (1), the Clean Power Alliance of Southern California, or

its successor entity, shall establish policies to prevent conflicts of interest and to address breaches of confidentiality that apply to a designated alternate member who is not a member of the legislative body of a local agency member who attends a closed session of the Clean Power Alliance of Southern California, or its successor entity.

(c) If the legislative body of a joint powers agency adopts a policy or a bylaw or includes provisions in its joint powers agreement pursuant to subdivision (a) or (b), then the legislative body of the local agency member, upon the advice of its legal counsel, may conduct a closed session in order to receive, discuss, and take action concerning information obtained in a closed session of the joint powers agency pursuant to paragraph (1) of subdivision (a) or paragraph (1) of subdivision (b).

(d) This section shall remain in effect only until January 1, 2025, and as of that date is repealed.

**§ 54956.97. Public Bank; Governing Board or Committee of Governing Board; Closed Session.**

Notwithstanding any provision of law, the governing board, or a committee of the governing board, of a public bank, as defined in Section 57600 of the Government Code, may meet in closed session to consider and take action on matters pertaining to all of the following:

(a) A loan or investment decision.

(b) A decision of the internal audit committee, the compliance committee, or the governance committee.

(c) A meeting with a state or federal regulator.

**§ 54956.98. Public Bank; Policy or Bylaw; Information From a Closed Session Considered Confidential**

(a) For purposes of this section, the following definitions shall apply:

(1) “Shareholder, member, or owner local agency” or “shareholder, member, or owner” means a local agency that is a shareholder of a public bank.

(2) “Public bank” has the same meaning as defined in Section 57600.

(b) The governing board of a public bank may adopt a policy or a bylaw or include in its governing documents provisions that authorize any of the following:

(1) All information received by a shareholder, member, or owner of the public bank in a closed session related to the information presented to the governing board of a public bank in closed session shall be confidential. However, a member of the governing board of a shareholder, member, or owner local agency may disclose information obtained in a closed session that has direct financial or liability implications for that local agency to the following individuals:

(A) Legal counsel of that shareholder, member, or owner local agency for purposes of obtaining advice on whether the matter has direct financial or liability implications for that shareholder local agency.

(B) Other members of the governing board of the local agency present in a closed session of that shareholder, member, or owner local agency.

(2) A designated alternate member of the governing board of the public bank who is also a member of the governing board of a shareholder, member, or owner local agency and who is attending a properly noticed meeting of the public bank governing board in lieu of a shareholder, member, or owner local agency’s regularly appointed member may attend a closed session of the public bank governing board.

(c) If the governing board of a public bank adopts a policy or a bylaw or includes provisions in its governing documents pursuant to subdivision (b), then the governing board of the shareholder, member, or owner local agency, upon the advice of its legal counsel, may conduct a closed session in order to receive, discuss, and take action concerning information obtained in a closed session of the public bank governing board pursuant to paragraph (1) of subdivision (b).

**§ 54957. Closed Sessions; Discussion of Employee/Independent Contractor; Exclusion of Witnesses**

(a) (1) This chapter does not prevent the legislative body of a local agency from holding closed sessions with the Governor, Attorney General, district attorney, agency counsel, sheriff, or chief of police, or other law enforcement or security personnel, or a security consultant or a security operations manager, on matters posing a threat to the security of public buildings, a threat to the security of essential public services, including water, drinking water, wastewater treatment, natural gas service, and electric service, a threat to the public's right of access to public services or public facilities, or a threat to critical infrastructure controls or critical infrastructure information relating to cybersecurity.

(2) For purposes of this subdivision, the following definitions apply:

(A) "Critical infrastructure controls" means networks and systems controlling assets so vital to the local agency that the incapacity or destruction of those networks, systems, or assets would have a debilitating impact on public health, safety, economic security, or any combination thereof.

(B) "Critical infrastructure information" means information not customarily in the public domain pertaining to any of the following:

(i) Actual, potential, or threatened interference with, or an attack on, compromise of, or incapacitation of critical infrastructure controls by either physical or computer-based attack or other similar conduct, including, but not limited to, the misuse of, or unauthorized access to, all types of communications and data transmission systems, that violates federal, state, or local law or harms public health, safety, or economic security, or any combination thereof.

(ii) The ability of critical infrastructure controls to resist any interference, compromise, or incapacitation, including, but not limited to, any planned or past assessment or estimate of the vulnerability of critical infrastructure.

(iii) Any planned or past operational problem or solution regarding critical infrastructure controls, including, but not limited to, repair, recovery, reconstruction, insurance, or continuity, to the extent it is related to interference, compromise, or incapacitation of critical infrastructure controls.

(b) (1) Subject to paragraph (2), this chapter does not prevent the legislative body of a local agency from holding closed sessions during a regular or special 51 meeting to consider the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee or to hear complaints or charges brought against the employee by another person or employee unless the employee requests a public session.

(1) As a condition to holding a closed session on specific complaints or charges brought against an employee by another person or employee, the employee shall be given written notice of their right to have the complaints or charges heard in an open session rather than a closed session, which notice shall be delivered to the employee personally or by mail at least 24 hours before the time for holding the session. If notice is not given, any disciplinary or other action taken by the legislative body against the employee based on the specific complaints or charges in the closed session shall be null and void.

(2) The legislative body also may exclude from the public or closed meeting, during the examination of a witness, any or all other witnesses in the matter being investigated by the legislative body.

(3) For the purposes of this subdivision, the term “employee” shall include an officer or an independent contractor who functions as an officer or an employee but shall not include any elected official, member of a legislative body or other independent contractors. This subdivision shall not limit local officials’ ability to hold closed session meetings pursuant to Sections 1461, 32106, and 32155 of the Health and Safety Code or Sections 37606 and 37624.3 of the Government Code. Closed sessions held pursuant to this subdivision shall not include discussion or action on proposed compensation except for a reduction of compensation that results from the imposition of discipline.

**§ 54957.1. Closed Sessions; Public Report of Decisions**

(a) The legislative body of any local agency shall publicly report any action taken in closed session and the vote or abstention on that action of every member present, as follows:

(1) Approval of an agreement concluding real estate negotiations pursuant to Section 54956.8 shall be reported after the agreement is final, as follows:

(A) If its own approval renders the agreement final, the body shall report that approval and the substance of the agreement in open session at the public meeting during which the closed session is held.

(B) If final approval rests with the other party to the negotiations, the local agency shall disclose the fact of that approval and the substance of the agreement upon inquiry by any person, as soon as the other party or its agent has informed the local agency of its approval.

(2) Approval given to its legal counsel to defend, or seek or refrain from seeking appellate review or relief, or to enter as an amicus curiae in any form of litigation as the result of a consultation under Section 54956.9 shall be reported in open session at the public meeting during which the closed session is held. The report shall identify, if known, the adverse party or parties and the substance of the litigation. In the case of approval given to initiate or intervene in an action, the announcement need not identify the action, the defendants, or other particulars, but shall specify that the direction to initiate or intervene in an action has been given and that the action, the defendants, and the other particulars shall, once formally commenced, be disclosed to any person upon inquiry, unless to do so would jeopardize the agency's ability to effectuate service of process on one or more unserved parties, or that to do so would jeopardize its ability to conclude existing settlement negotiations to its advantage.

(3) Approval given to its legal counsel of a settlement of pending litigation, as defined in Section 54956.9, at any stage prior to or during a judicial or quasi-judicial proceeding shall be reported after the settlement is final, as follows:

(A) If the legislative body accepts a settlement offer signed by the opposing party, the body shall report its acceptance and identify the substance of the agreement in open session at the public meeting during which the closed session is held.

(B) If final approval rests with some other party to the litigation or with the court, then as soon as the settlement becomes final, and upon inquiry by any person, the local agency shall disclose the fact of that approval, and identify the substance of the agreement.

(4) Disposition reached as to claims discussed in closed session pursuant to Section 54956.95 shall be reported as soon as reached in a manner that identifies the name of the claimant, the name of the local agency claimed against, the substance of the claim, and any monetary amount approved for payment and agreed upon by the claimant.

(5) Action taken to appoint, employ, dismiss, accept the resignation of, or otherwise affect the employment status of a public employee in closed session pursuant to Section 54957 shall be reported at the public meeting during which the closed session is held. Any report required by this paragraph shall identify the title of the position. The general requirement of this paragraph notwithstanding, the report of a dismissal or of the nonrenewal of an employment contract shall be deferred until the first public meeting following the exhaustion of administrative remedies, if any.

(6) Approval of an agreement concluding labor negotiations with represented employees pursuant to Section 54957.6 shall be reported after the agreement is final and has been accepted or ratified by the other party. The report shall identify the item approved and the other party or parties to the negotiation.

(7) Pension fund investment transaction decisions made pursuant to Section 54956.81 shall be disclosed at the first open meeting of the legislative body held after the earlier of the close of the investment transaction or the transfer of pension fund assets for the investment transaction.

(b) Reports that are required to be made pursuant to this section may be made orally or in writing. The legislative body shall provide to any person who has submitted a written request to the legislative body within 24 hours of the posting of the agenda, or to any person who has made a standing request for all documentation as part of a request for notice of meetings pursuant to Section 54954.1 or 54956, if the requester is present at the time the closed session ends, copies of any contracts, settlement agreements, or other documents that were finally approved or adopted in the closed session. If the action taken results in one or more substantive amendments to the related documents requiring retyping, the documents need not be released until the retyping is completed during normal business hours, provided that the presiding officer of the legislative body or his or her designee orally summarizes the substance of the 54 amendments for the benefit of the document requester or any other person present and requesting the information.

(c) The documentation referred to in subdivision (b) shall be available to any person on the next business day following the meeting in which the action referred to is taken or, in the case of substantial amendments, when any necessary retyping is complete.

(d) Nothing in this section shall be construed to require that the legislative body approve actions not otherwise subject to legislative body approval.

(e) No action for injury to a reputational, liberty, or other personal interest may be commenced by or on behalf of any employee or former employee with respect to whom a disclosure is made by a legislative body in an effort to comply with this section.

(f) This section is necessary to implement, and reasonably within the scope of, paragraph (1) of subdivision (b) of Section 3 of Article I of the California Constitution.

**§ 54957.2. Minute Book Record of Closed Sessions; Inspection**

(a) The legislative body of a local agency may, by ordinance or resolution, designate a clerk or other officer or employee of the local agency who shall then attend each closed session of the legislative body and keep and enter in a minute book a record of topics discussed and decisions made at the meeting. The minute book made pursuant

to this section is not a public record subject to inspection pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1), and shall be kept confidential. The minute book shall be available only to members of the legislative body or, if a violation of this chapter is alleged to have occurred at a closed session, to a court of general jurisdiction wherein the local agency lies. Such minute book may, but need not, consist of a recording of the closed session.

(b) An elected legislative body of a local agency may require that each legislative body all or a majority of whose members are appointed by or under the authority of the elected legislative body keep a minute book as prescribed under subdivision (a).

## **ENFORCEMENT REQUIREMENTS**

### **§ 54957.5. Agendas and Other Writings Distributed for Discussion or Consideration at Public Meetings; Public Records; Inspection; Closed Sessions**

(a) Agendas of public meetings are disclosable public records under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1), and shall be made available upon request without delay and in compliance with Section 54954.2 or section 54956, as applicable. However, this section shall not apply to a writing, or portion thereof, that is exempt from public disclosure.

(b) (1) If a writing is a public record related to an agenda item for an open session of a regular meeting of the legislative body of a local agency and is distributed to all, or a majority of all, of the members of a legislative body of a local agency by a person in connection with a matter subject to discussion or consideration at an open meeting of the body less than 72 hours before that meeting, the writing shall be made available for public inspection pursuant to paragraph (2) at the time the writing is distributed to all, or a majority of all, of the members of the body.

(2) (A) Except as provided in subparagraph (B), a local agency shall comply with both of the following requirements:

(i) A local agency shall make any writing described in paragraph (1) available for public inspection at a public office or location that the agency shall designate for this purpose.

(ii) A local agency shall list the address of the office or location designated pursuant to clause (i) on the agendas for all meetings of the legislative body of that agency.

(B) A local agency shall not be required to comply with the requirements of subparagraph (A) if all of the following requirements are met:

(i) An initial staff report or similar document containing an executive summary and the staff recommendation, if any, relating to that agenda item is made available for public inspection at the office or location designated pursuant to clause (i) of subparagraph (A) at least 72 hours before the meeting.

(ii) The local agency immediately posts any writing described in paragraph (1) on the local agency's internet website in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting.

(iii) The local agency lists the web address of the local agency's internet website on the agendas for all meetings of the legislative body of that agency.

(iv) (I) Subject to subclause (II), the local agency makes physical copies available for public inspection, beginning the next regular business hours for the local agency, at the office or location designated pursuant to clause (i) of subparagraph (A).

(II) This clause is satisfied only if the next regular business hours of the local agency commence at least 24 hours before that meeting.

(c) Writings that are public records described in subdivision (b) and distributed during a public meeting shall be made available for public inspection at the meeting if

prepared by the local agency or a member of its legislative body, or after the meeting if prepared by some other person. These writings shall be made available in appropriate alternative formats upon request by a person with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

(d) This chapter shall not be construed to prevent the legislative body of a local agency from charging a fee or deposit for a copy of a public record pursuant to Section 7922.530 , except that a surcharge shall not be imposed on persons with disabilities in violation of Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

(e) This section shall not be construed to limit or delay the public's right to inspect or obtain a copy of any record required to be disclosed under the requirements of the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1), including, but not limited to, the ability of the public to inspect public records pursuant to Section 7922.525 and obtain copies of public records pursuant to either subdivision (b) of Section 7922.530 or Section 7922.535. ) of Division 7 of Title 1). This 57 chapter shall not be construed to require a legislative body of a local agency to place any paid advertisement or any other paid notice in any publication.

**§ 54957.6. Closed Sessions; Salaries, Legislative Body of Local Agencies; Salaries, Salary Schedules or Fringe Benefits; Mandatory Subjects**

(a) Notwithstanding any other provision of law, a legislative body of a local agency may hold closed sessions with the local agency's designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of its represented and unrepresented employees, and, for represented employees, any other matter within the statutorily provided scope of representation, **subject to all of the following conditions:**

(1) **Prior** to the closed session, the legislative body of the local agency shall hold an open and public session in which it identifies its designated representatives.

(2) **The closed session** shall be for the purpose of reviewing its position and instructing the local agency's designated representatives.

(3) **The closed session** may take place prior to and during consultations and discussions with representatives of employee organizations and unrepresented employees.

(4) **Any closed session** with the local agency's designated representative regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits may include discussion of an agency's available funds and funding priorities, but only insofar as these discussions relate to providing instructions to the local agency's designated representative.

(5) **The closed session** shall not include final action on the proposed compensation of one or more unrepresented employees.

(6) For the purposes enumerated in this section, a legislative body of a local agency may also meet with a state conciliator who has intervened in the proceedings.

(b) For the purposes of this section, the term "employee" shall include an officer or an independent contractor who functions as an officer or an employee, but shall not include any elected official, member of a legislative body, or other independent contractors.

**§ 54957.7. Closed Sessions; Statement of Reasons and Legal Authority; Scope of Coverage; Notice**

(a) Prior to holding any closed session, the legislative body of the local agency shall disclose, in an open meeting, the item or items to be discussed in the closed session. The disclosure may take the form of a reference to the item or items as they are listed by number or letter on the agenda. In the closed session, the legislative body may consider only those matters covered in its statement. Nothing in this section shall require or authorize a disclosure of information prohibited by state or federal law.

(b) After any closed session, the legislative body shall reconvene into open session prior to adjournment and shall make any disclosures required by Section 54957.1 of action taken in the closed session.

(c) The announcements required to be made in open session pursuant to this section may be made at the location announced in the agenda for the closed session, as long as the public is allowed to be present at that location for the purpose of hearing the announcements.

**§ 54957.8. Closed Sessions; Legislative Body Of Multijurisdictional Law Enforcement Agency**

(a) For purposes of this section, “multijurisdictional law enforcement agency” means a joint powers entity formed pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 that provides law enforcement services for the parties to the joint powers agreement for the purpose of investigating criminal activity involving drugs; gangs; sex crimes; firearms trafficking or felony possession of a firearm; high technology, computer, or identity theft; human trafficking; or vehicle theft.

(b) Nothing contained in this chapter shall be construed to prevent the legislative body of a multijurisdictional law enforcement agency, or an advisory body of a multijurisdictional law enforcement agency, from holding closed sessions to discuss the case records of any ongoing criminal investigation of the multijurisdictional law enforcement agency or of any party to the joint powers agreement, to hear testimony from persons involved in the investigation, and to discuss courses of action in particular cases.

**§ 54957.9. Authorization to Clear Room Where Meeting Willfully Interrupted, Etc.**

In the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of **the** meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the members of the legislative body conducting the meeting may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held

pursuant to this section. Nothing in this section shall prohibit the legislative body from establishing a procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.

**§ 54957.10. Closed Sessions; Employee Application for Early Withdrawal of Funds in Deferred Compensation Plan; Financial Hardship**

Notwithstanding any other provision of law, a legislative body of a local agency may hold closed sessions to discuss a local agency employee's application for early withdrawal of funds in a deferred compensation plan when the application is based on financial hardship arising from an unforeseeable emergency due to illness, accident, casualty, or other extraordinary event, as specified in the deferred compensation plan.

**§ 54957.95. Open Meetings: Orderly Conduct.**

(a) (1) In addition to authority exercised pursuant to Sections 54954.3 and 54957.9, the presiding member of the legislative body conducting a meeting or their designee may remove, or cause the removal of, an individual for disrupting the meeting, including any teleconferenced meeting.

(2) Prior to removing an individual, the presiding member or their designee shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The presiding member or 60 their designee may then remove the individual if they do not promptly cease their disruptive behavior. This paragraph does not apply to any behavior described in subparagraph (B) of paragraph (1) of subdivision (b).

(b) As used in this section:

(1) "Disrupting" means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, one of the following:

(A) A failure to comply with reasonable and lawful regulations adopted by a legislative body pursuant to Section 54954.3 or any other law.

(B) Engaging in behavior that constitutes use of force or a true threat of force.

(2) “True threat of force” means a threat that has sufficient indicia of intent and seriousness, that a reasonable observer would perceive it to be an actual threat to use force by the person making the threat.

**54957.96. Member of Public Participating in Meeting via Two-Way Telephonic Service or Two-Way Audiovisual Platform; Authority for Removal or Limitation of Participation**

(a) The existing authority of a legislative body or its presiding officer to remove or limit participation by persons who engage in behavior that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting, including existing limitations upon that authority, shall apply to members of the public participating in a meeting via a two-way telephonic service or a two-way audiovisual platform.

(b) For purposes of this section, the following definitions apply:

(1) “Two-way audiovisual platform” means an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic service. A two-way audiovisual platform may be structured to disable the use of video for the public participants.

(2) “Two-way telephonic service” means a telephone service that does not require internet access and allows participants to dial a telephone number to listen and verbally participate.

**§ 54958. Application of Chapter**

The provisions of this chapter shall apply to the legislative body of every local agency notwithstanding the conflicting provisions of any other state law.

**§ 54959. Criminal Penalty**

Each member of a legislative body who attends a meeting of that legislative body where action is taken in violation of any provision of this chapter, and where the member

intends to deprive the public of information to which the member knows or has reason to know the public is entitled under this chapter, is guilty of a misdemeanor.

**§ 54960. Actions to Stop or Prevent Violations or Determine Applicability of Chapter**

(a) The district attorney or any interested person may commence an action by mandamus, injunction, or declaratory relief for the purpose of stopping or preventing violations or threatened violations of this chapter by members of the legislative body of a local agency or to determine the applicability of this chapter to ongoing actions 61 or threatened future actions of the legislative body, or to determine the applicability of this chapter to past actions of the legislative body, subject to Section 54960.2, or to determine whether any rule or action by the legislative body to penalize or otherwise discourage the expression of one or more of its members is valid or invalid under the laws of this state or of the United States, or to compel the legislative body to audio record its closed sessions as hereinafter provided.

(b) The court in its discretion may, upon a judgment of a violation of Section 54956.7, 54956.8, 54956.9, 54956.95, 54957, or 54957.6, order the legislative body to audio record its closed sessions and preserve the audio recordings for the period and under the terms of security and confidentiality the court deems appropriate.

(c) (1) Each recording so kept shall be immediately labeled with the date of the closed session recorded and the title of the clerk or other officer who shall be custodian of the recording.

(2) The audio recordings shall be subject to the following discovery procedures:

(A) In any case in which discovery or disclosure of the audio recording is sought by either the district attorney or the plaintiff in a civil action pursuant to Section 54959, 54960, or 54960.1 alleging that a violation of this chapter has occurred in a closed session that has been recorded pursuant to this section, the party seeking discovery or disclosure shall file a written notice of motion with the appropriate court with

notice to the governmental agency that has custody and control of the audio recording. The notice shall be given pursuant to subdivision (b) of Section 1005 of the Code of Civil Procedure.

(B) The notice shall include, in addition to the items required by Section 1010 of the Code of Civil Procedure, all of the following:

(i) Identification of the proceeding in which discovery or disclosure is sought, the party seeking discovery or disclosure, the date and time of the meeting recorded, and the governmental agency that has custody and control of the recording.

(ii) An affidavit that contains specific facts indicating that a violation of the act occurred in the closed session.

(3) If the court, following a review of the motion, finds that there is good cause to believe that a violation has occurred, the court may review, in camera, the recording of that portion of the closed session alleged to have violated the act.

(4) If, following the in camera review, the court concludes that disclosure of a portion of the recording would be likely to materially assist in the resolution of the litigation alleging violation of this chapter, the court shall, in its discretion, make a certified transcript of the portion of the recording a public exhibit in the proceeding.

(5) This section shall not permit discovery of communications that are protected by the attorney-client privilege.

**§ 54960.1. Unlawful Action by Legislative Body; Action for Mandamus or Injunction; Prerequisites**

(a) The district attorney or any interested person may commence an action by mandamus or injunction for the purpose of obtaining a judicial determination that an action taken by a legislative body of a local agency in violation of Section 54953, 54954.2, 54954.5, 54954.6, 54956, or 54956.5 is null and void under this section. Nothing in this

chapter shall be construed to prevent a legislative body from curing or correcting an action challenged pursuant to this section.

(b) Prior to any action being commenced pursuant to subdivision (a), the district attorney or interested person shall make a demand of the legislative body to cure or correct the action alleged to have been taken in violation of Section 54953, 54954.2, 54954.5, 54954.6, 54956, or 54956.5. The demand shall be in writing and clearly describe the challenged action of the legislative body and nature of the alleged violation.

(c) (1) The written demand shall be made within 90 days from the date the action was taken unless the action was taken in an open session but in violation of Section 54954.2, in which case the written demand shall be made within 30 days from the date the action was taken.

(2) Within 30 days of receipt of the demand, the legislative body shall cure or correct the challenged action and inform the demanding party in writing of its actions to cure or correct or inform the demanding party in writing of its decision not to cure or correct the challenged action.

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(3) If the legislative body takes no action within the 30-day period, the inaction shall be deemed a decision not to cure or correct the challenged action, and the 15-day period to commence the action described in subdivision (a) shall commence to run the day after the 30-day period to cure or correct expires.

(4) Within 15 days of receipt of the written notice of the legislative body's decision to cure or correct, or not to cure or correct, or within 15 days of the expiration of the 30-day period to cure or correct, whichever is earlier, the demanding party shall be required to commence the action pursuant to subdivision (a) or thereafter be barred from commencing the action.

(d) An action taken that is alleged to have been taken in violation of Section 54953, 54954.2, 54954.5, 54954.6, 54956, or 54956.5 shall not be determined to be null and void if any of the following conditions exist:

(1) The action taken was in substantial compliance with Sections 54953, 54954.2, 54954.5, 54954.6, 54956, and 54956.5.

(2) The action taken was in connection with the sale or issuance of notes, bonds, or other evidences of indebtedness or any contract, instrument, or agreement thereto.

(3) The action taken gave rise to a contractual obligation, including a contract let by competitive bid other than compensation for services in the form of salary or fees for professional services, upon which a party has, in good faith and without notice of a challenge to the validity of the action, detrimentally relied.

(4) The action taken was in connection with the collection of any tax.

(5) Any person, city, city and county, county, district, or any agency or subdivision of the state alleging noncompliance with subdivision (a) of Section 54954.2, Section 54956, or Section 54956.5, because of any defect, error, irregularity, or omission in the notice given pursuant to those provisions, had actual notice of the item of business at least 72 hours prior to the meeting at which the action was taken, if the meeting was noticed pursuant to Section 54954.2, or 24 hours prior to the meeting at which the action was taken if the meeting was noticed pursuant to Section 54956, or prior 64 to the meeting at which the action was taken if the meeting is held pursuant to Section 54956.5.

(e) During any action seeking a judicial determination pursuant to subdivision (a) if the court determines, pursuant to a showing by the legislative body that an action alleged to have been taken in violation of Section 54953, 54954.2, 54954.5, 54954.6, 54956, or 54956.5 has been cured or corrected by a subsequent action of the legislative body, the action filed pursuant to subdivision (a) shall be dismissed with prejudice.

(f) The fact that a legislative body takes a subsequent action to cure or correct an action taken pursuant to this section shall not be construed or admissible as evidence of a violation of this chapter.

**§ 54960.2. Requirements for Filing of Actions; Cease and Desist**

(a) The district attorney or any interested person may file an action to determine the applicability of this chapter to past actions of the legislative body pursuant to subdivision (a) of Section 54960 only if all of the following conditions are met:

(1) The district attorney or interested person alleging a violation of this chapter first submits a cease and desist letter by postal mail or facsimile transmission to the clerk or secretary of the legislative body being accused of the violation, as designated in the statement pertaining to that public agency on file pursuant to Section 53051, or if the agency does not have a statement on file designating a clerk or a secretary, to the chief executive officer of that agency, clearly describing the past action of the legislative body and nature of the alleged violation.

(2) The cease and desist letter required under paragraph (1) is submitted to the legislative body within nine months of the alleged violation.

(3) The time during which the legislative body may respond to the cease and desist letter pursuant to subdivision (b) has expired and the legislative body has not provided an unconditional commitment pursuant to subdivision (c).

(4) Within 60 days of receipt of the legislative body's response to the cease and desist letter, other than an unconditional commitment pursuant to subdivision (c), or within 60 days of the expiration of the time during which the legislative 65 body may respond to the cease and desist letter pursuant to subdivision (b), whichever is earlier, the party submitting the cease and desist letter shall commence the action pursuant to subdivision (a) of Section 54960 or thereafter be barred from commencing the action.

(b) The legislative body may respond to a cease and desist letter submitted pursuant to subdivision (a) within 30 days of receiving the letter. This subdivision shall not be construed to prevent the legislative body from providing an unconditional commitment pursuant to subdivision (c) at any time after the 30-day period has expired, except that in

that event the court shall award court costs and reasonable attorney fees to the plaintiff in an action brought pursuant to this section, in accordance with Section 54960.5.

(c) (1) If the legislative body elects to respond to the cease and desist letter with an unconditional commitment to cease, desist from, and not repeat the past action that is alleged to violate this chapter, that response shall be in substantially the following form:

To:

*The [name of legislative body] has received your cease and desist letter dated [date] alleging that the following described past action of the legislative body violates the Ralph M. Brown Act:*

*[Describe alleged past action, as set forth in the cease and desist letter submitted pursuant to subdivision (a)]*

*In order to avoid unnecessary litigation and without admitting any violation of the Ralph M. Brown Act, the [name of legislative body] hereby unconditionally commits that it will cease, desist from, and not repeat the challenged past action as described above.*

*The [name of legislative body] may rescind this commitment only by a majority vote of its membership taken in open session at a regular meeting and noticed on its posted agenda as "Rescission of Brown Act Commitment." You will be provided with written notice, sent by any means or media you provide in response to this message, to whatever address or addresses you specify, of any intention to consider rescinding this commitment at least 30 days before any such regular meeting. In the event that this commitment is rescinded, you will have the right to commence legal action pursuant to subdivision (a) of Section 54960 of the Government Code. That notice will be delivered to you by the same means as this commitment, or may be mailed to an address that you have designated in writing.*

*Very truly yours,*

*[Chairperson or acting chairperson of the legislative body]*

(2) An unconditional commitment pursuant to this subdivision shall be approved by the legislative body in open session at a regular or special meeting as a separate item of business, and not on its consent agenda.

(3) An action shall not be commenced to determine the applicability of this chapter to any past action of the legislative body for which the legislative body has

provided an unconditional commitment pursuant to this subdivision. During any action seeking a judicial determination regarding the applicability of this chapter to any past action of the legislative body pursuant to subdivision (a), if the court determines that the legislative body has provided an unconditional commitment pursuant to this subdivision, the action shall be dismissed with prejudice. Nothing in this subdivision shall be construed to modify or limit the existing ability of the district attorney or any interested person to commence an action to determine the applicability of this chapter to ongoing actions or threatened future actions of the legislative body.

(4) Except as provided in subdivision (d), the fact that a legislative body provides an unconditional commitment shall not be construed or admissible as evidence of a violation of this chapter.

(d) If the legislative body provides an unconditional commitment as set forth in subdivision (c), the legislative body shall not thereafter take or engage in the challenged action described in the cease and desist letter, except as provided in subdivision (e). Violation of this subdivision shall constitute an independent violation of this chapter, without regard to whether the challenged action would otherwise violate this chapter. An action alleging past violation or threatened future violation of this subdivision may be brought pursuant to subdivision (a) of Section 54960, without regard to the procedural requirements of this section.

(e) The legislative body may resolve to rescind an unconditional commitment made pursuant to subdivision (c) by a majority vote of its membership taken in open session at a regular meeting as a separate item of business not on its consent agenda, and noticed on its posted agenda as “Rescission of Brown Act Commitment,” provided that not less than 30 days prior to such regular meeting, the legislative body provides written notice of its intent to consider the rescission to each person to whom the unconditional commitment was made, and to the district attorney. Upon rescission, the district attorney or any interested person may commence an action pursuant to subdivision (a) of Section 54960. An action under this subdivision may be brought

pursuant to subdivision (a) of Section 54960, without regard to the procedural requirements of this section.

#### **§ 54960.5. Costs and Attorney Fees**

A court may award court costs and reasonable attorney fees to the plaintiff in an action brought pursuant to Section 54960, 54960.1, or 54960.2 where it is found that a legislative body of the local agency has violated this chapter. Additionally, when an action brought pursuant to Section 54960.2 is dismissed with prejudice because a legislative body has provided an unconditional commitment pursuant to paragraph (1) of subdivision (c) of that section at any time after the 30-day period for making such a commitment has expired, the court shall award court costs and reasonable attorney fees to the plaintiff if the filing of that action caused the legislative body to issue the unconditional commitment. The costs and fees shall be paid by the local agency and shall not become a personal liability of any public officer or employee of the local agency.

A court may award court costs and reasonable attorney fees to a defendant in any action brought pursuant to Section 54960 or 54960.1 where the defendant has prevailed in a final determination of such action and the court finds that the action was clearly frivolous and totally lacking in merit.

#### **§ 54961. Meetings Places; Discriminatory Admission Policies; Accessibility**

(a) No legislative body of a local agency shall conduct any meeting in any facility that prohibits the admittance of any person, or persons, on the basis of ancestry or any characteristic listed or defined in Section 11135, or which is inaccessible to disabled persons, or where members of the public may not be present without making a payment or purchase. This section shall apply to every local agency as defined in Section 54951.

(b) No notice, agenda, announcement, or report required under this chapter need identify any victim or alleged victim of tortious sexual conduct or child abuse unless the identity of the person has been publicly disclosed.

**§ 54962. Closed Session by Legislative Body Prohibited**

Except as expressly authorized by this chapter, or by Sections 1461, 1462, 32106, and 32155 of the Health and Safety Code, or by Sections 37606, 37606.1, and 37624.3 of the Government Code as they apply to hospitals, or by any provision of the Education Code pertaining to school districts and community college districts, no closed session may be held by any legislative body of any local agency.

**§ 54963. Closed Sessions: Confidential Information**

(a) A person may not disclose confidential information that has been acquired by being present in a closed session authorized by Section 54956.7, 54956.8, 54956.86, 54956.87, 54956.9, 54957, 54957.6, 54957.8, or 54957.10 to a person not entitled to receive it, unless the legislative body authorizes disclosure of that confidential information.

(b) For purposes of this section, “confidential information” means a communication made in a closed session that is specifically related to the basis for the legislative body of a local agency to meet lawfully in closed session under this chapter.

(c) Violation of this section may be addressed by the use of such remedies as are currently available by law, including, but not limited to:

(1) Injunctive relief to prevent the disclosure of confidential information prohibited by this section.

(2) Disciplinary action against an employee who has willfully disclosed confidential information in violation of this section.

(3) Referral of a member of a legislative body who has willfully disclosed confidential information in violation of this section to the grand jury.

(d) Disciplinary action pursuant to paragraph (2) of subdivision (c) shall require that the employee in question has either received training as to the requirements of this section or otherwise has been given notice of the requirements of this section.

(e) A local agency may not take any action authorized by subdivision (c) against a person, nor shall it be deemed a violation of this section, for doing any of the following:

(1) Making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the illegality of an action taken by a legislative body of a local agency or the potential illegality of an action that has been the subject of deliberation at a closed session if that action were to be taken by a legislative body of a local agency.

(2) Expressing an opinion concerning the propriety or legality of actions taken by a legislative body of a local agency in closed session, including disclosure of the nature and extent of the illegal or potentially illegal action.

(3) Disclosing information acquired by being present in a closed session under this chapter that is not confidential information.

(f) Nothing in this section shall be construed to prohibit disclosures under the whistleblower statutes contained in Section 1102.5 of the Labor Code or Article 4.5 (commencing with Section 53296) of Chapter 2 of this code.