

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE NAPA COUNTY FAIR ASSOCIATION  
THURSDAY, JANUARY 12, 2017**

**STAFF PRESENT:** CEO Carlene Moore; Assisting CEO Susie Clark

1. WELCOME

Chairperson Beck welcomed the new board members: Kelly Barrett Coudert, Jeff Hoelksen, Ricky Hurtado, Nancy Levenberg, and Gary Heitz (absent).

2. CALL TO ORDER

A regular meeting of the Board of Directors of the Napa County Fair Association was held Thursday, January 12, 2017, in the Tucker Room at the fairgrounds with the following directors present: Chairperson Bob Beck, Directors Kelly Barrett Coudert, Dana Cole, Bob Fiddaman, Jeff Hoelksen, Ricky Hurtado, Nancy Levenber, Karan Schlegel, and Anne Steinhauer. Directors absent: Woran Deckard and Gary Heitz. The meeting was called to order at 6:00 PM by Chairperson Beck.

Prior to moving into closed session, Chairperson Beck announced the

3. CLOSED SESSION: Pursuant to Section 54957(b) of the Government Code

- a. Public Employee Performance Evaluation  
Title: Chief Executive Officer

The board reconvened from closed session at 6:51 pm.

**Chairperson Beck reported that no action was taken.**

4. PUBLIC COMMENT

Ira Warm. Cindy Yant

5. CONSENT CALENDAR

- a. Minutes of the regular meeting held on November 10, 2016
- b. Minutes of the Executive Committee meeting held on December 7, 2016
- c. Financial Report of November and December 2016
- d. Correspondence
- e. Annual Resolutions
  - i. Local Agency Investment Fund Signature Authorization. CEO Carlene Moore, Chairperson, and Treasurer are authorized to sign on the Fair's savings account with LAIF effective January 1, 2017 through December 31, 2017.
  - ii. Bank of the West Signature Authorization. CEO Carlene Moore, Chairperson, and Treasurer are authorized to sign and endorse checks, drafts, and other negotiable instruments, and to make deposits and withdrawals from authorized accounts effective January 1, 2017 through December 31, 2017. However, individual withdrawals in excess of \$10,000 require the signature of two of the persons authorized to sign checks.

- iii. Volunteer Workers' Compensation Insurance. Members of the Board of Directors and volunteers are covered by the Napa County Fair Association's workers' compensation insurance while performing their volunteer work.
- iv. Contract Delegation Authority. CEO Carlene Moore is authorized to execute rental agreements, service agreements, and agreements for judging for the Napa County Fair Association which do not exceed \$15,000 without further authorization from the Board of Directors effective January 1, 2017 through December 31, 2017.
- v. Visa Credit Card Purchases. CEO is authorized to make single purchases up to \$10,000 on Association's Visa credit card and may not exceed the monthly credit limit total. Purchases in excess of \$10,000 require the written approval of the Chairperson or Treasurer.
- f. 2017 Calendar of Board Meetings: Approve 2017 regular meeting calendar
- g. Write-off Outstanding Checks: Approve write-off of Operating checks from 2015

**Items a and b were removed from Consent Calendar at the request of Chairperson Beck and item d was removed at the request of Director Cole. Motion by Steinhauer, second by Levenberg to approve the remaining consent items c, e-g as presented. Motion passed unanimously, 9-0-0.**

6. DISCUSSION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

- a. Minutes of the regular meeting held on November 10, 2016
- b. Minutes of the Executive Committee meeting held on December 7, 2016

**Motion by Steinhauer, second by Fiddaman to approve minutes as presented. Motion passed unanimously, 5-0-4 with Beck, Cole, Fiddaman, Schlegel, Steinhauer voting yes/ Barrett Coudert, Hoelksen, Hurtado, Levenberg abstaining.**

d. Correspondence

Board discussion: Cole, Steinhauer.

**No action necessary as there was no correspondence to review.**

7. STRATEGIC GOALS

*To create a unique, relevant, annual fair that is owned with pride by the community as "our county fair."*

*To create a master plan of the facility and programs that strategically develops our business enterprises.*

*To develop a top-ranked RV Park destination that delivers the Napa Valley experience.*

*To perform as, and be recognized as, the community's number one event center and ranked in the North Bay Area's top ten.*

8. ADMINISTRATIVE ITEMS

- a. Committee Reports
  - i. Leadership Development – December 12, 2016
    - 1. Officer Appointment: Approve Anne Steinhauer as 2017 chairperson

Director report: Schlegel.

Opened for public comment: Cindy Yant.

Closed public comment.

Board discussion.

**Motion by Levenberg, second by Steinhauer to accept the Leadership Development report as presented.**

**Motion passed unanimously, 9-0-0.**

**Motion by Cole, second by Fiddaman to approve Anne Steinhauer as 2017 chairperson as recommended.**

**Motion passed unanimously, 9-0-0.**

b. CEO Report

i. 2017 Operating Budget

Assisting CEO Clark reported that the 2017 Operating Budget must be revised from its original presentation in order to remove the expectation of the NASCAR race as the promoter opted to not move forward with the race in 2017. Estimated impact of \$30,000-\$40,000.

ii. IAFE conference review

CEO Moore attended the IAFE conference just before her injury and has information that she is looking forward to sharing it with the board at a future meeting.

iii. Annual meeting award recipients

Staff is recommending honoring Dick Engelhard for his contribution to the golf course program, including carrying on the organization of volunteers and maintenance and product applications of the course in the absence of CEO Moore and staff.

Opened for public comment.

Closed public comment.

Board discussion: Steinhauer offered Mary Ellen Hester for consideration, too.

9. ADJOURNMENT

**Motion by Barrett Coudert, second by Hurtado to adjourn at 7:14 pm. Motion passed unanimously, 9-0-0.**

Certified to be a true and correct copy.

\_\_\_\_\_  
Susan L. Clark                                  Date  
Assisting Chief Executive Officer

\_\_\_\_\_  
Bob Beck    Date  
Chairperson

## 2017 Budget Notes – Board revised

### Overall assumptions:

- 5% increase to all expenses
- Minimum wage increase to \$11/hr effects all employees
- Board’s vision of excellence – Need human resources to deliver excellent service, continuing facility and program improvements where feasible/needed
- Administrative staffing to free up CEO time for pursuit of grants, donations, sponsorships, and partnership developments for Fair – Lofty goals to raise funds in 2017 and apply for grants in 2017
- Increased reliance on Speedway operations: risk in weather, risk in maintaining year-over-year (dependent on racing association’s interest in returning each year)

### Staffing recommendations:

- 5% increase for all regular FT and PT staff wages
- Changes
  - Maintain 1 of 2 FT facilities positions, add 2 PT regular – janitor, handyman
  - New PT position: Turf Specialist – Apr-Oct golf course
  - Restructure bilingual programs coordinator to primary RV Park and Events Center
  - Restructure PT Volunteer Coordinator/Graphic Designer to just Graphic Designer
  - New PT position: Administrative Assistant
  - Discontinue Pro Shop Supervisor position
  - \$28,000 total (salary + tax + benefits) increase to payroll (2016 budget)
- Professional Services
  - PR/Marketing firm retainer \$12,000 annually
  - Audit year (increases from \$5,000 to \$11,000)
- Budget for full event staffing at all events – ENGAGE, 4<sup>th</sup>, Fiesta, Christmas – savings if volunteers, but not dependent for budget success

### State Training & Development Funds

- Optional training registration and hotel for 3 board members @ \$450 each = \$1350
- 3 staff members to WFA convention
- Balance toward other staff trainings

### Contingency Fund Plan

- State Allocation – gets us to a positive budget

### Rates:

- Golf: maintain discounted rates through March; extend annual passes through June then offer 6 month pass
- Events Center: no change
- Fair: no change
- RV Park: no change
- Speedway: 5% contractual increase
- Maintain all-inclusive fee for 4<sup>th</sup> of July and Fiesta Mexicana

### Administration

- Revenues
  - 2015 included \$25,000 recognition of deferred income for master plan
  - Maintain donations level
  - Parks & Rec continuing through April (no guarantee beyond that)
- Expenses
  - See staffing above:
  - Professional Services reduced by master plan, bookkeeper
  - Purchase a leaf vacuum (spent \$13,000 in green waste in 2016): eliminate green waste bins through burning trees, vacuuming leaves
  - Maintenance & Repairs Contingency: amount equal to state allocation for expense to facility repairs – Identify project (possibly Tubbs restrooms for early 2017 renovation)
  - Equipment: standup desks

### Fair

- Assumptions
  - ENGAGE Art Fair – 3 days
  - 4<sup>th</sup> of July – 1 day
  - Fiesta Mexicana – 1 day
  - Christmas Faire – 1 day
  - NVOOC – 1 day – develop ag education program, apply 2017 grant
- Revenues:
  - Grants: TID for art fair; donations/grants for Hispanic event; addition of CCF
  - Admissions: ENGAGE opening gala
- Expenses: Carnival unknown at this time
  - Professional Services: eliminate event director's
  - Purchase pipe & drape (\$12,000 vs \$4,000 annual rental: offset by obtaining grant)

### Speedway

- Continue promoter relationship
- Adjusted for 6 nights of racing, not including NASCAR
- Revenues:
  - 6 nights of racing (gave additional approval for June 24<sup>th</sup>): WCC (1), AMA (1), LVC (2), WOO (2); no rainouts in 2017 due to timing of events;
  - overflow camping on Great Lawn for LVC and WOO;
- Expenses:
  - Budgeting for full schedule worth of expense
  - Portable fencing (alcohol management plan)

Golf Course

- Revenues:
  - Overall:
    - Greens Fees: ultra-conservative; recommend keeping weekday rates at mitigation through March 31<sup>st</sup> and offer discounted weekend rate, then return to normal based on course conditions; assume rain and limited new business; extend 2016 Annual Pass through June 30, offer \$400 6-month pass July 1-December 31
    - Services: every tee sign, bench, and guide booklet sold @ \$250 each
    - Concessions: increase due to return of annual pass holders play
  - Donations: Raise \$10,000 for course maintenance
- Expenses:
  - See staffing above: seasonal greenskeeper, Apr-Oct (\$20,000 payroll increase); conservative budget for 365 days of operation (assuming no rain)
  - Marketing: Mud City Weekender 12 months; Calistoga Chamber Community Guide ¼ page; VisitCalistoga.com “Things to Do” 40K impressions; print rack cards and golf guides
  - Professional Services: Pond maintenance \$200/mo 6 months; tully removal \$4,200
  - Rental Equipment: already leasing 1 rough mower, REMOVED 1 fairway mower lease (all course equipment maintenance & repairs costs 2010-2016 = \$40,000); (Fairway mower has cost \$9,000 during 2012-2016, repairs needed now are \$2,000 + labor) – *expenses do not include our staff labor time*
  - Supplies and Expense: more Pro Shop sales due to increased play by pass holders
  - Course Equipment: aerator repair \$2,000

RV Park

- Revenues:
  - Continued growth
  - Flush Station significant revenue improvement since installing locking paid station
- Expenses:
  - Continue annual improvements
  - See staffing above: FT bilingual PC split between EC & RV
  - Marketing: ad in Big Rigs Best Bets (\$1400)
  - Professional Services: REMOVED tree service (paid not trade to reduce risk)
  - Paint office exterior, covered area, restroom fascia boards and doors; landscape materials around covered eating area
  - 2016 purchased lawnmower for lawns, also used for smaller areas in Events Center

**Events Center**

- Revenues:
  - Unsure if will have Ragnar Relay opportunity in 2017
  - Other Indoor was library in 2015 and 2016
  - AT&T expects break ground in 2 months, so 6 months rent budgeted
  - Verizon starts in 6 months
  - Grant: UVWMA for recycle dumpster lids and forklift rotator (SWPPP compliance)
- Expenses:
  - Marketing: Visit Calistoga guide
  - Professional Services: bookkeeping/contracts combined into PT staffing AA
  - Plumbing: repair faucets in Tubbs, Butler, Tucker

**Capital Improvements budget – hold off until JPA conversations are done**

For the period of January 1, 2017 to December 31, 2017	SUMMARY					
	Actual	Actual	Budgeted	Budgeted	Estimated	Proposed
	2014	2015	2015	2016	2016	2017
<b>TOTAL NET RESOURCES, January 1</b>						
Unrestricted net resources	\$58,905	\$61,893	\$102,299	\$521,886	\$12,881.96	(\$144,245)
Temporarily Restricted	\$0	\$0			\$9,069	
Restricted resources	0	0	0	0	0	0
Investment in Capital Assets, Net of Related Debt	906,624	1,334,048	1,330,331	1,272,169	1,295,356	1,342,174
Prior Year Audit Adjustment(s)	477,356	(259)				
Subtotal (Total Net Resources)	1,442,885	1,395,682	1,432,630	1,794,055	1,317,306	1,197,930
<b>RESOURCES ACQUIRED:</b>						
Administration	(21,783)	57,352	7,100	53,200	55,257	63,744
Fair	335,413	346,612	436,615	405,761	389,465	428,400
Speedway	137,343	113,732	132,663	70,444	79,804	150,781
Golf Course	198,797	185,847	203,648	119,490	113,010	131,719
RV Park	379,211	437,597	450,805	432,250	471,243	465,050
Events Center	148,633	179,071	153,931	126,801	134,528	151,127
Emergency Response	0	127,260	0	0	0	0
<b>Operating Revenues</b>	<b>1,177,613</b>	<b>1,447,470</b>	<b>1,384,763</b>	<b>1,207,946</b>	<b>1,243,308</b>	<b>1,390,820</b>
State (Local/Base) Allocations:	30,000	30,000	30,000	38,190	38,190	38,190
Other (Flex Capital, Perf Rating)	50,000			2,419	2,419	2,419
<b>TOTAL RESOURCES AVAILABLE</b>	<b>2,700,498</b>	<b>2,873,152</b>	<b>2,847,393</b>	<b>3,042,609</b>	<b>2,601,223</b>	<b>2,629,359</b>
<b>RESOURCES APPLIED:</b>						
Administration	290,589	329,254	276,361	327,092	355,046	332,693
Fair	363,332	419,662	456,616	436,075	426,856	458,850
Speedway	85,495	67,981	79,671	67,084	51,207	89,441
Golf Course	200,776	204,669	229,855	198,526	191,342	240,868
RV Park	140,363	129,521	190,038	164,917	153,088	163,782
Events Center	111,651	174,830	151,693	107,986	107,874	133,323
Emergency Response	0	118,191	0	0	149	0
<b>Operating Expenses</b>	<b>1,192,205</b>	<b>1,444,108</b>	<b>1,384,234</b>	<b>1,301,681</b>	<b>1,285,562</b>	<b>1,418,956</b>
Depreciation Expense	112,199	111,738	116,789	116,789	117,731	121,741
<b>TOTAL RESOURCES APPLIED</b>	<b>1,304,404</b>	<b>1,555,845</b>	<b>1,501,023</b>	<b>1,418,471</b>	<b>1,403,293</b>	<b>1,540,697</b>
<b>TOTAL NET RESOURCES, DECEMBER 31:</b>	\$1,396,094	\$1,317,306	\$1,346,370	\$1,682,397	\$1,197,930	\$1,088,662
Unrestricted Net Resources Available for Operations	489,470	21,950	469,657	398,140	(144,245)	(273,671)
Restricted Net Resources	0	0	0	38,190	0	38,190
Investment in Capital Assets (From Schedule 7)	906,624	1,295,356	876,713	1,246,068	1,342,174	1,324,143
Subtotal (Total Net Res Check Figure - should equal #29100)	\$1,396,094	\$1,317,306	\$1,346,370	\$1,682,397	\$1,197,930	\$1,088,662
Reserve Percentage	41.1%	1.5%	33.9%	33.5%	-11.2%	-16.6%
<b>NET PROFIT</b>						
Administration	(312,372)	(271,902)	(269,261)	(273,892)	(299,790)	(268,949)
Fair	(27,919)	(73,050)	(20,000)	(30,314)	(37,391)	(30,450)
Speedway	51,848	45,751	52,992	3,360	28,597	61,340
Golf Course	(1,980)	(18,822)	(26,207)	(79,036)	(78,332)	(109,149)
RV Park	238,848	308,076	260,767	267,333	318,155	301,268
Events Center	36,982	4,241	2,239	18,815	26,654	17,804
Emergency Response	0	9,069	0	0	(149)	0
<b>TOTAL NET PROFIT (less State Alloc)</b>	<b>(14,592)</b>	<b>3,362</b>	<b>529</b>	<b>(93,736)</b>	<b>(42,254)</b>	<b>(28,136)</b>
<b>OTHER</b>						
State (Local/Base) Allocations:	30,000	30,000	30,000	38,190	38,190	38,190
Other (Flex Capital, Perf Rating)	50,000	-	-	2,419	2,419	2,419
<b>NET PROFIT (after State Alloc.)</b>	\$ 65,408	\$ 33,362	\$ 30,529	\$ (53,127)	\$ (1,645)	\$ 12,473



<i>Expense Summary by Major Category</i>						
For the period of January 1, 2017 to December 31, 2017	Actual	Actual	Budgeted	Budgeted	Estimated	Proposed
	2014	2015	2015	2016	2016	2017
<b>TOTAL OPERATING REVENUE</b>	1,177,613		1,384,763	1,207,946	1,243,308	1,390,820
<b>OPERATING EXPENSES</b>						
Salaries & Wages - Full-Time Regular	187,701	-	239,054	177,187	216,102	181,896
Salaries & Wages - Part-Time Regular	101,074	-	104,487	133,655	92,156	182,909
Salaries & Wages - Special Event Temp	14,015	-	35,177	49,537	13,240	49,996
Employee Benefits	77,756	-	106,775	67,828	58,761	70,879
Compensated Absences	1,245	-	272	(1,777)	2,813	285
Payroll Taxes	13,631	-	28,972	25,624	14,798	31,732
Worker's Compensation Insurance	17,644	-	22,723	19,676	14,263	24,888
<b>TOTAL LABOR EXPENSE</b>	<b>413,065</b>	<b>-</b>	<b>537,459</b>	<b>471,729</b>	<b>412,133</b>	<b>542,584</b>
Advertising	5,756	-	-	1,000	247	1,050
<i>Radio</i>	19,600	-	19,870	21,006	18,365	19,950
<i>Print</i>	4,698	-	10,065	17,400	13,130	22,961
<i>Television</i>	-	-	-	2,510	5,470	5,775
<i>Yellow Pages</i>	24	-	1,848	2,033	2,186	2,134
<i>Website</i>	3,100	-	-	-	1,232	578
<i>Internet</i>	256	-	8,956	11,500	400	7,875
<i>Social Media</i>	-	-	2,300	7,800	6,600	6,825
Promotional Expense	500	-	1,625	-	7,077	2,100
<i>Brochures, rack cards</i>	-	-	3,730	1,550	88	2,520
<i>Posters</i>	-	-	1,930	100	427	1,155
<i>Banners, date changes</i>	-	-	500	-	-	-
<i>Direct Mail</i>	-	-	-	-	-	-
<b>TOTAL MARKETING EXPENSE</b>	<b>33,934</b>	<b>-</b>	<b>50,823</b>	<b>64,899</b>	<b>55,222</b>	<b>72,923</b>
Bank Charges	934	-	574	-	1,598	-
Credit Card Charges	15,397	-	15,355	16,338	18,371	20,895
Service & Finance Charges	1,839	-	1,575	4,300	7,106	6,510
Dues & Subscriptions	1,957	-	255	1,760	2,329	1,906
<i>Chambers</i>	1,836	-	2,113	1,950	1,908	2,048
<i>Website/email</i>	2,780	-	2,918	2,115	2,689	2,667
<i>Software</i>	1,155	-	1,605	2,030	4,343	3,034
<i>Industry</i>	1,660	-	4,243	3,620	4,057	4,543
<i>Service Group</i>	307	-	1,250	200	-	263
Employee Development	-	-	-	-	-	-
<i>Travel, Meals, Mileage</i>	17,761	-	12,553	17,131	23,664	20,816
<i>Training</i>	3,328	-	6,630	3,764	2,435	2,871
Office Expenses	-	-	-	-	-	-
<i>Internet</i>	2,822	-	2,748	2,891	3,043	3,334
<i>Telephone</i>	6,409	-	7,305	5,220	4,773	4,788
<i>Postage</i>	4,881	-	4,788	2,300	3,352	3,255
<i>Satellite Television</i>	1,375	-	1,411	1,464	1,514	1,600
Licenses/Permits	11,293	-	7,065	9,842	11,088	11,788
Miscellaneous	5,031	-	1,679	25,467	582	-
Over/Under	403	-	-	-	(920)	-
Prior Year Expense Adjustment	100	-	-	-	7,209	-

Professional Services (Contractual)	141,116	-	126,100	144,523	211,567	179,241
Rental Equipment	1,271	-	1,040	3,300	1,985	315
<i>Copier</i>	3,487	-	2,158	3,931	3,967	3,288
<i>Postage Meter</i>	521	-	723	694	701	729
<i>Scissor Lift</i>	-	-	1,000	216	-	227
<i>Forklift</i>	-	-	1,000	-	3,500	-
<i>Skid Steer</i>	-	-	1,000	1,500	-	1,575
<i>Kitchen</i>	-	-	2,771	-	1,379	-
<i>Porta-Potties</i>	-	-	1,500	-	2,270	4,549
<i>Generators</i>	-	-	-	1,274	818	5,154
<i>Light Towers</i>	7,542	-	14,502	14,126	10,165	9,582
Signs	(248)	-	15,275	4,700	4,173	5,985
Supplies and Expense	73,751	-	77,615	46,014	49,116	58,958
Utility Fees	-	-	-	-	-	-
<i>Electric</i>	65,977	-	59,169	65,900	75,337	72,975
<i>Water</i>	19,030	-	20,632	24,500	22,863	21,000
<i>Sewer</i>	26,456	-	29,198	37,500	37,911	26,250
<i>Trash Removal</i>	33,902	-	30,609	25,000	35,646	21,000
Facility Expense	16,592	-	4,200	4,600	9,743	5,775
<i>Landscaping</i>	2,198	-	2,624	2,500	2,574	5,250
<i>Paint</i>	973	-	850	600	2,001	2,730
<i>Plumbing</i>	15,069	-	6,777	4,500	1,920	9,345
<i>Electrical</i>	488	-	611	4,000	4,417	4,463
<i>Irrigation</i>	6,211	-	4,600	2,500	2,976	3,150
<i>Tree Service</i>	-	-	-	-	-	-
Equipment Expense	6,346	-	1,430	1,400	6,545	2,415
<i>Office Equipment</i>	3,594	-	300	1,500	3,259	2,520
<i>Miscellaneous Tools &amp; Repairs</i>	3,477	-	2,000	2,100	1,884	3,518
<i>Fuel</i>	18,203	-	24,404	13,000	8,994	15,120
<i>Propane</i>	1,016	-	968	-	948	1,050
<b>TOTAL OPERATIONS EXPENSE</b>	<b>528,236</b>	<b>-</b>	<b>507,124</b>	<b>510,270</b>	<b>605,800</b>	<b>556,480</b>
Equipment Expense/Entertainment/Board De	8,452	-	4,074	4,720	15,521	4,128
<i>Floor Scrubber/Center Stage/Insurance</i>	27,600	-	38,900	33,600	25,770	29,820
<i>Portable Stage/The Grove/General Liabilit</i>	24,485	-	39,630	29,798	27,455	35,176
<i>Chairs/Strolling Acts/Property/Trash &amp; Re</i>	16,612	-	20,764	14,150	9,220	12,338
<i>Tables/Grounds Acts/Unemployment/Offi</i>	5,419	-	6,808	1,000	3,100	1,575
<i>Racks/Demonstrations/Vehicle</i>	2,769	-	4,060	800	-	840
<i>Ford F150/Grandstand</i>	1,500	-	3,125	2,500	15,000	19,534
<i>Forklift/Fireworks</i>	40,194	-	35,837	33,300	32,724	45,866
<i>Rental Equipment/Rides &amp; Attractions/Equ</i>	57,098	-	62,968	71,930	50,109	55,125
Projects/Awards/Ford F150/Recycling Corrals	1,987	-	1,500	1,750	-	-
<i>Cash Prizes/Privacy Panels/JD850</i>	8,478	-	7,746	6,500	5,134	7,389
<i>Prizes/Leaf Vacuum/Grinder/Picnic Tables</i>	2,275	-	6,413	13,050	2,881	6,038
<i>Ribbons/Photovoltaic System Interest/We</i>	7,971	-	11,918	4,575	8,663	3,572
Decorations/Ice machine/Golf Clubs	1,437	-	16,033	3,250	5,297	5,775
Insurance/Plaques & Awards/SaniStar/JD1620	5,725	-	7,053	2,861	4,088	5,618
Projects/JD1620-2	2,671	-	2,000	-	4,159	-
<i>Website Development/JD2500B</i>	869	-	500	1,000	474	525
<i>Restaurant Reimbursement/JD2500A</i>	210	-	18,000	15,500	314	13,125
<i>JD3235B Fairway Mower</i>	1,220	-	500	500	2,351	-
<i>Sprayer</i>	-	-	500	500	-	525

<i>Hand mower, edgers</i>	-	-	500	13,500	-	-
<b>TOTAL PROGRAM EXPENSE</b>	<b>216,970</b>	<b>-</b>	<b>288,827</b>	<b>254,783</b>	<b>212,259</b>	<b>246,968</b>
<b>TOTAL EXPENSES</b>	<b>1,192,205</b>	<b>-</b>	<b>1,384,234</b>	<b>1,301,681</b>	<b>1,285,413</b>	<b>1,418,956</b>
<b>NET PROFIT(LOSS) FROM OPERATIONS</b>	<b>(14,592)</b>	<b>-</b>	<b>529</b>	<b>(93,736)</b>	<b>(42,105)</b>	<b>(28,136)</b>

# Brown Act

Govt. Code §§ 54950-54960.5

## THE BASICS

Meetings of public bodies must be “open and public,” actions may not be secret, and action taken in violation of open meetings laws may be voided. (§§ 54953(a), 54953(c), 54960.1(d))

## WHO'S COVERED

- **Local agencies**, including counties, cities, school and special districts. (§ 54951)
- **“Legislative bodies”** of each agency, the agency’s governing body, plus “covered boards,” that is, any board, commission, committee, task force or other advisory body created by the agency, whether permanent or temporary. (§ 54952(b))
- Any **standing committee** of a covered board, regardless of number of members. (§ 54952(b))
- **Governing bodies of non-profit corporations formed by a public agency** or which includes a member of a covered board and receives public money from that board. (§ 54952(c))

## WHO'S NOT COVERED

- **Ad hoc advisory committees** consisting of less than a quorum of the covered board (§54952(b))
- Most other **non-profit corporations**
- All **other government agencies**. State governmental agencies are covered by the Bagley-Keene Open Meeting Act. (Govt. Code §§ 11120-11132)

## WHAT'S COVERED

A “meeting” is any gathering of a majority of the members of a covered board to hear, discuss, or deliberate on matters within the agency’s or board’s jurisdiction. (§ 54952.2(a))

**Note:** No vote or action is required for the gathering to be a meeting, nor must the members meet face to face. (§ 54952.2)

## WHAT MUST HAPPEN

Under the Brown Act an agency must:

- **post notice and an agenda** for any regular meeting, (§§ 54954(a), 54954.2(a)); mail notice at least three days before regular meetings to those who request it, (§ 54954.1); post notice of continued meetings, (§54955.1); **deliver notice of special meetings at least one day in advance to those who request it**, (§ 54956); and deliver notice of emergency meetings at least one hour in advance to those who request it. (§§54956, 54956.5)
- **notify the media** of special or emergency meetings if requested, (§§ 54956, 54956.5); allow media to remain in meetings cleared due to public disturbance. (§54957.9)
- **hold meetings in the jurisdiction** of the agency except in limited circumstances, (§§ 54954(b)-(e)), and in places accessible to all, with no fee. (§ 54961(a))
- **not require a “sign in”** for anyone. (§54953.3)
- **allow non-disruptive recording** and broadcast of meetings, (§54953.5(a)), and let the public inspect any recording made by the agency of its open meetings. (§54953.5(b)) The agency may destroy recordings it made after 30 days. (§54954.3(b))
- **allow the public to address** the covered board at regular or committee meetings on any item in the agency’s jurisdiction not addressed by the agency at an open earlier meeting. (§54954.3(a))
- **conduct only public votes**, with no secret ballots. (§54953(c))
- **treat documents as public** “without delay,” if distributed to all or a majority of members of a board before or at the meeting, unless they are also exempt under the Public Records Act. (§54957.5)

### Local Rules

Many local jurisdictions, including San Francisco, Contra Costa County, and Oakland, have adopted local “Sunshine” ordinances that grant greater access and openness. Check for local rules. Other jurisdictions often have rules that *violate* the Brown Act. Challenge such rules or contact the agencies listed on this brochure.

## WHAT IF . . .

- a council member is on a board of a non-profit corporation—is the board covered?
  - YES, if the council both appointed him or her to the board, and funds the corporation. (§54952(b),(c)(1))
- an agency delegates authority to another entity—is the entity covered?
  - YES, if it was created by the agency’s elected body. (§§ 54952(b),(c)(1))
- a council committee meeting has less than a quorum—is it required to meet openly?
  - YES, if it is a standing committee and has either a set meeting schedule or a continuing subject matter jurisdiction. (§ 54952(b))
- members use individual contacts to collectively decide an issue—is that a violation?
  - YES, information communicated to a quorum through a series of contacts, individual phone calls (“daisy chain”), or a third person (“spoke and wheel”) to evade the public is a “meeting” (§ 54952.2(b); 63 Ops.Atty.Gen. 820 (1980); Stockton Newspapers v. Stockton Redevelopment Agy., 171 Cal.App.3d 95 (1985); Common Cause v. Stirling, 147 Cal.App.3d 518 (1983).
- agency members attend a conference called by someone else—is this covered?
  - NO, so long as they do not discuss specific business matters within their jurisdiction (§ 54952.2(c))
- a meeting is held by video/teleconference.
  - YES, if the public’s rights are protected. (§54953(b))
  - Every video/teleconference location must be accessible to the public, and at least a quorum of the members must participate from locations within the body’s jurisdiction. (§ 54953(b))

## CLOSED MEETINGS

Closed meetings are the exception and permitted only if they meet defined purposes and follow special requirements (§§ 54953(a), 54954.5, 54962).

## EVEN AT CLOSED MEETINGS...

Special public notice and agenda requirements apply (§§ 54954, 54954.2, 54954.5, 54957.7).

All actions taken and all votes in closed session must be publicly reported orally or in writing (§ 54957.1(b)), and copies of any contracts or settlements approved must be made available promptly (§ 54957.1(b),(c)).

## CLOSED MEETINGS MAY BE HELD FOR: Personnel

Only to discuss the appointment, employment, performance evaluation, discipline, complaints about or dismissal of a specific employee or potential employee (§ 54957). The employee may request a public meeting on any charges or complaints.

But closed sessions are **NOT ALLOWED** for discussing:

- general employment
- independent contractors not functioning as employees
- salaries
- the performance of any elected official, or member of the board
- the local agency's available funds
- funding priorities or budget

## Pending Litigation

Only if open discussion "would prejudice the position of the agency in the litigation." The litigation must be named on the posted agenda or announced in open session unless doing so would jeopardize the board's ability to service process on an unserved party or conclude existing settlement negotiations to its advantage. (§4956.9)

To qualify, the agency must:

- be a party to pending litigation (§ 54956.9(a))
- or expect, based on certain specified facts, to be sued (§§ 54956.9(b)(1),(b)(2))
- or expect to file suit itself (§ 54956.9(c))

## Labor Negotiations

Only to instruct the agency's identified negotiator on compensation issues (§ 54957.6). (Note: school districts are covered by the Rodda Act, Govt. Code §§ 3540-3549.3.)

## Property Negotiations

Only to discuss, with an agency's identified bargaining agent, price or payment terms. The parcel, negotiators and the prospective seller or purchaser must be identified on the agenda. (§ 54956.8) Final price and payment terms must be disclosed when the actual lease or contract is discussed for approval. (§ 54957.1(a))

## Others

License applications for people with criminal records (§54956.7); threats to public services or facilities; (§54957) insurance pooling (§54956.95).

### WHAT TO DO IF:

#### A MEETING IS CLOSED THAT SHOULD BE OPEN

- Refuse to leave, and use this Guide to check the law, to protest, and to enforce all notice requirements.
- Leave only if ordered by law enforcement.
- Call your editor or lawyer at once.

#### AN ILLEGAL CLOSED MEETING HAS BEEN HELD

- Ask participants what happened, and get reports of actions taken and copies of contracts approved.
- Call FAP, SPJ or CFAC (phone numbers are on the cover of this Pocket Guide).
- Write a story or letter to the editor about it.
- Contact the District Attorney under § 4959, or take legal action under § 54960(a) against violations or a "gag rule" imposed on a body's members.
- A court may: (1) force the agency to make and preserve tapes of closed sessions (§ 54960(b)); (2) declare actions taken null and void (§ 54960.1(d)); (3) award costs and attorneys fees (§ 54960.5).

# A POCKET GUIDE TO OPEN MEETING LAWS IN CALIFORNIA: THE BROWN ACT

A SERVICE OF:  
**THE FIRST AMENDMENT PROJECT**  
**SOCIETY OF PROFESSIONAL**  
**JOURNALISTS (Nor. Cal.)**

## HOW TO USE THIS GUIDE

This pocket guide is intended to be a quick reference and provide general information to journalists and citizens. It addresses some common public meetings problems, but does not substitute for research or consultation with a lawyer on detailed questions. This guide current as of December 3, 2003.

## FOR MORE INFORMATION OR HELP:

FIRST AMENDMENT PROJECT.....510/208-7744  
[www.thefirstamendment.org](http://www.thefirstamendment.org)

Society of Professional Journalists,  
NORTHERN CALIFORNIA CHAPTER.....415/338-7434  
[www.spj.org/norcal](http://www.spj.org/norcal)

California First Amendment Coalition.....916/974-8888  
[www.cfac.org](http://www.cfac.org)

*Funding provided by the Sigma Delta Chi Foundation  
of the Society of Professional Journalists*