

Number AR 511

Responsible Department City Manager's Office

Established/Effective Date August 30, 2023

Latest Revision Date August 30, 2023

Next Review & Reauthorization Date August 30, 2025

#### **SUBJECT: Ticket Distribution and Disclosure Policy**

1. <u>Purpose:</u> The City recognizes the receipt of all Tickets (whether discounted, donated, or purchased) are public resources. This AR is supplemental to Resolution No. 2013-23 to establish a policy and standard operating procedure to ensure that all Tickets the City purchases and/or receives from third party sources, both public and private, are distributed in furtherance of governmental and/or public purposes; and that the City is compliant with FPPC regulation.

#### 2. Authority:

- 2.1. By the authority of the powers granted to the City Manager under Sections 401 of the City Charter.
- 2.2. Resolution No. 2013-23 Ticket Distribution Policy
- 2.3. California Code of Regulations Section <u>18944.1</u> and all other applicable FPPC regulations of the Political Reform Act, as they exist now or thereafter amended.
  - 2.3.1. Section 18944.1 provides that such Tickets or passes are *not* gifts to public Officials (which must be disclosed on the Official's Statement of Economic Interest Form 700), if the City distributes them in accordance with a duly adopted written policy pursuant to Section 18944.1(b)(2).
  - 2.3.2. A Ticket or pass provided by a source other than the City to an Official for an Event at which the Official performs a ceremonial role or function on behalf of the City is not a gift to the Official. These Tickets are subject to the disclosure or reporting requirements, pursuant to FPPC regulations 18942 and 18944.1.
  - 2.3.3. The provisions of Section 18944.1(b) apply only to the benefits the Official receives by the admission, and are not applicable to any other benefits the Official may receive that are not included with the admission, such as food or beverages, or any other item presented to the Official at the Event.
  - 2.3.4. Section 18944.1(e) recognizes the discretion of the City Council to determine whether the distribution of a Ticket or pass serves a public purpose of the City, provided the determination is consistent with state law.

#### 3. Definitions:



Unless otherwise expressly provided herein, words and terms used in this Policy shall have the same meaning as that ascribed to such words and terms in the California Political Reform Act of 1974. (Government Code Sections 81000, et seq., as the same may from time to time be amended) and the Fair Political Practices Commission ("FPPC") Regulations (Title 2, Division 6 of the California Code of Regulations, Sections 181 10 et seq., as the same may from time to time be amended).

- 3.1 "City" or "City of Huntington Beach" shall mean and include the City of Huntington Beach, and/or any other affiliated agency created or activated by the Huntington Beach City Council, and any departments, Boards and Commissions thereof.
- 3.2 "City Official" shall mean and refer to the City's "public Officials," as that term is defined by Government Code Section 82048 and FPPC Regulation 18701. Such term shall include, without limitation, any City Councilmember, elected Charter Officers, City Board, Commission, or Committee member or other appointed Official or employee required to file an annual Statement of Economic Interests (FPPC Form 700).
- 3.3 "FPPC" shall mean and refer to the California Fair Political Practices Commission.
- 3.4 "Immediate family" shall mean and refer to the spouse and dependent children.
- 3.5 **"Policy"** shall mean and refer to the Ticket Distribution Policy outlined in the Resolution No. 2013-23 and AR 212.
- 3.6 "Ticket" shall mean and refer to a "ticket or pass" as that term is defined in FPPC Regulation 18944.1, as amended from time to time, as a "ticket or pass" as admission privilege to a facility, Event, show or performance for an entertainment, amusement, recreational, or similar purpose.
- 3.7 **"Event":** Any facility, event, show or other performance for entertainment, amusement, recreational or similar purpose (i) pursuant to the terms of a permit for use of public property, (ii) because the City controls the event, or (iii) events outside of the City's jurisdiction in which representation by City Official is in the City's best interest.

#### 4. General Provisions

- 4.1 This policy governs the distribution of complimentary Tickets received by the City that are either:
  - 4.1.1 Gratuitously provided to the City by an outside source;
  - 4.1.2 Acquired by the City by purchase for fair value;
  - 4.1.3 Acquired by the City as consideration pursuant to the terms of a contract for the use of a City venue or because the City controls the Event;
  - 4.1.4 Acquired and distributed by the City in any other manner.



- 4.2 **No Right to Tickets**: The use of complimentary Tickets is a privilege extended by the City and not the right of any person to which the privilege may from time to time be extended.
- 4.3 Limitation on Transfer of Tickets: Tickets distributed to a City Official pursuant to this Policy shall not be transferred to any other person, except to members of such City Official's immediate family solely for their personal use. The Official or any member of the Official's immediate family may, however, return any Ticket or pass unused to the City for redistribution pursuant to this Policy.
- 4.4 **Prohibition Against Sale of or Receiving Reimbursement for Tickets**: No person who receives a Ticket pursuant to this policy shall sell or receive reimbursement for the value of such Ticket.
- 4.5 *Implementation of Policy*: The City Manager shall have the authority, in his or her sole discretion, to establish procedures for the distribution of Tickets in accordance with this Policy. All requests for Tickets, which fall within the scope of this Policy, shall be made in accordance with the procedures established by the City Manager.
  - 4.5.1. The City delegates authority to distribute any complimentary and/or purchased Tickets to City Official pursuant to this Policy to the City Manager or designee.
  - 4.5.2. Per Charter Section 305, the Mayor shall be the Official head of the City for all ceremonial purposes; thus the complimentary Tickets shall be provided to the Mayor and the Mayor Pro Tempore in priority order. If both the Mayor and the Mayor Pro Tem cannot attend and/or the number of Tickets are limited, City Manager shall determine, in his or her sole discretion, which City Official may use the complimentary Ticket or pass for one or more public purposes as set forth below.
  - 4.5.3. The disproportionate use of Tickets or passes by a member of the City Council, Boards, Commissions, and Committees, City Manager, or Department Head is prohibited.
  - 4.5.4. Upon request of City Officials, the City Manager shall determine, in his or her sole discretion, whether the City should purchase Tickets to Events for one or more public purposes as set forth below if costs are reasonable and within the budget.
  - 4.5.5. The City Manager may revoke or suspend the privileges of any person who violates any provision of this Policy or the procedures established.
- 4.4. **Designation of Agency Head**: The City Manager or his/her designee shall be the "Agency Head" for purposes of implementing the provisions of this Policy and completing and posting the FPPC California Form 802.
- 4.5. **No Earmarking of Ticket to City**: No Ticket gratuitously provided to the City by an outside source and distributed to, or at the behest of, a City Official pursuant to this Policy shall be earmarked by the original source for provision to a particular City Official.



#### 5. Conditions Under Which Tickets May be Distributed

Subject to the provisions of this Policy, complimentary and/or purchased Tickets may be distributed to City Officials under the following conditions:

- 5.1. The City Official reimburses the City for the face value of the Ticket(s) within 30 days of receipt.
- 5.2. The City Official treats the Ticket(s) as income consistent with applicable federal and state income tax laws.
- 5.3. The distribution of the Ticket(s) to, or at the behest of, the City Official accomplishes a governmental and/or public purpose. The following list of governmental and/or public purposes the City may accomplish through the distribution of Tickets is illustrative rather than exhaustive:
  - a) Facilitating the performance of a ceremonial role or function by a City Official on behalf of the City at an Event.
  - b) Facilitating the attendance of a City Official at an Event where the job duties of the City Official require his or her attendance at the Event.
  - c) Promotion of intergovernmental relations and/or cooperation and coordination of resources with other governmental agencies, including, but not limited to, attendance at an Event with or by elected or appointed public Officials from other jurisdictions, their staff members and their guests.
  - d) Promotion of City resources and/or facilities available to Huntington Beach residents.
  - e) Promotion of City-run, sponsored or supported community programs or Events.
  - f) Promoting, supporting and/or showing appreciation for programs or services rendered by charitable and non-profit organizations benefiting Huntington Beach residents.
  - g) Promotion of business activity, development, and/or redevelopment within the City.
  - h) Promotion of City-owned businesses.
  - i) Promotion of City tourism on a local, state, national or worldwide scale.
  - j) Promotion of City recognition, visibility, and/or profile on a local, state, national or worldwide scale.
  - k) Promotion of open government by City Official appearances, participation and/or availability at business and/or community Events.
  - I) Increasing public exposure to, and awareness of, the various recreational, cultural, and educational venues and facilities available to the public within the City.
  - m) Attracting or rewarding volunteer public service.
  - n) Encouraging or rewarding significant academic, athletic, or public service achievements by Huntington Beach students, residents or businesses.
  - o) Attracting and retaining highly qualified employees in the City service.
  - p) Recognizing or rewarding meritorious service by a City employee.
  - q) Promoting enhanced City employee performance or morale.
  - r) Recognizing contributions made to the City by former City Council Members or City employees.



#### 6. <u>Disclosure Requirements</u>

- 6.1. This Policy shall be posted on the City website in a prominent fashion.
- 6.2. Tickets distributed by the City to any City Official either i) which the City Official treats as income pursuant to Section 5.2. above, or ii) for one or more public purposes described in Section 5.3 above, shall be posted on the City website in a prominent fashion, within thirty (30) days after distribution (not 30 days of the Event). Such posting shall incorporate the use of FPPC California Form 802, attached to and incorporated in this Policy as Exhibit A, or such alternative forms as may from time to time be designated by the FPPC.
  - 6.2.1. The City Clerk's Office shall be responsible for preparing, posting, and maintaining the Form 802 as a public record in coordination with the City Manager's Office.
  - 6.2.2. The City Manager's Office shall be responsible for collecting and maintain a list of all Tickets purchased or donated by non-City entities and providing required disclosure information to the City Clerk's Office.
  - 6.2.3. Each Department Head shall be responsible for providing complimentary and purchased Tickets to the City Manager's Office for the timely and proper distribution and disclosure purposes.
- 6.3. Tickets distributed by the City for which the City receives reimbursement from the City Official as provided under Section 5.1 above shall not be subject to the disclosure provision of Section 6.2.

Exhibit A: FPPC California Form 802

#### Distribution:

All employees may access the Administrative Regulations via the <u>SurfNet</u> or <u>www.huntingtonbeachca.gov/AR</u>

Assistant City Manager City Manager's Office

Al Zelinka City Manager

Approved as to Form



REVIEW DATE	DEPT. HEAD INITIAL	CITY MANAGER SIGNATURE	

#### Agency Report of: Ceremonial Role Events and Ticket/Pass Distributions

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I. Agency Name							Date Stamp	California Form 802				
	Division, Department, or Region	(if applicable)		For Official Use Only								
	Designated Agency Contact (Nar	me,Title)										
	Area Code/Phone Number   E-	mail		Amendment (Must Provide Explanation in Part 3.)								
							Date of Original Filing:	(month, day, year)				
2.	Function or Event Informa	ition										
	Does the agency have a ticket	policy?	Yes	No	Face	Value of	Each Ticket/Pass \$ _					
	Event Description:				Date	(s)	//_					
	Ticket(s)/Pass(es) provided by	Provide Title/	<i>Explan</i> <b>Yes</b>	nation No	If no							
				INO		If no:						
	Was ticket distribution made at	the behest	Yes	No	If yes	s:	Official's Name (Last, First)					
	of agency official?											
3.	Recipients											
	Use Section A to identify the agency's	department or ur	nit. • l	Jse Section B		fy an individu	ual. Use Section C to identi	fy an outside organization.				
	A. Name of Agency, Departm				the public purpose made pursuant to the agency's policy							
								_				
	B. Name of Individu (Last, First)	ual		Number of Ticket(s Passes			Identify one of the	following:				
							nonial Role Other king "Ceremonial Role" or "Other" de	Income escribe below:				
							nonial Role Other king "Ceremonial Role" or "Other" de	Income escribe below:				
	C. Name of Outside Organ (include address and de			Number of Ticket(s Passes		Describe th	ne public purpose made pu	rsuant to the agency's policy				
4.	Verification											
	I have read and understand FPPC with the requirements.	Regulations 1	8944.	.1 and 1894	12. I ha	ve verified	that the distribution set f	orth above, is in accordance				
	Signature of Agency Head or Designee		Pr	int Name			Title	(month, day, year)				
	Comment:											

### Agency Report of: Ceremonial Role Events and Ticket/Pass Distributions



This form is for use by all state and local government agencies. The form identifies persons that receive admission tickets and passes and describes the public purpose for the distribution. This form was prepared by the Fair Political Practices Commission (FPPC) and is available at www.fppc.ca.gov.

#### **General Information**

FPPC Regulation 18944.1 sets out the circumstances under which an agency's distribution of tickets to entertainment events, sporting events, and like occasions would not result in a gift to individuals that attend the function. In general, the agency must adopt a policy which identifies the public purpose served in distributing the admissions. The Form 802 serves to detail each event and the public purpose of each ticket distribution. FPPC Regulation 18942 lists exceptions to reportable gifts, including ceremonial events, when listed on this form.

When the regulation procedures are followed, persons, organizations, or agencies who receive admissions are listed on a Form 802. Agency officials do not report the admissions on the official's Statement of Economic Interests, Form 700, and the value of the admission is not subject to the gift limit.

The Form 802 also informs the public as to whether the admissions were made at the behest of an agency official and whether the behested tickets were provided to an organization or to specific individuals.

#### **Exception**

FPPC This form is not required for admission provided to a school or university district official, coach, athletic director, or employee to attend an amateur event performed by students of that school or university.

#### **Reporting and Public Posting**

**Ticket Distribution Policies:** An agency must post its ticket policy on its website within 30 days of adoption or amendment and e-mail a link of the website location to FPPC at form802@fppc.ca.gov.

**Form 802:** The use of the ticket or pass under the policy must be reported on Form 802 and posted on the agency's website within 45 days of distribution. A link to the website location of the forms must be e-mailed to FPPC at form802@fppc.ca.gov.

The FPPC will post on its website the link to each agency's policy and completed forms. It is not necessary to send an e-mail each time a new Form 802 is posted. It is only necessary to submit the link if the posting location changes.

This form must be maintained as a public document.

#### **Privacy Information Notice**

Information requested by the FPPC is used to administer and enforce the Political Reform Act. Failure to provide information may be a violation subject to administrative, criminal, or civil penalties. All reports are public records available for inspection and reproduction. Direct questions to FPPC's General Counsel.

#### Instructions

#### Part 1. Agency Identification:

List the agency's name. Provide a designated agency contact person, their phone number, and e-mail address. Mark the amendment box if changing any information on a previously filed form and include the date of the original filing.

#### **Part 2.** Function or Event Information:

Confirm that your agency has a policy for ticket distribution. Unless the ceremonial role or income box in Part 3, Section B, is marked, this form is only applicable if your agency has a policy.

Complete all of the other required fields that identify the ticket value, description of event, date(s) and whether the ticket was provided by the agency or an outside source. If an agency official behests the tickets, the official's name is also required. Use the comment field or an attachment to explain in full.

#### Part 3. Ticket Recipients:

This part identifies who uses the tickets. The identification requirements vary depending upon who received the tickets and are categorized into three sections. Each section must list the number of tickets received. Use the comment field or an attachment to explain in full.

**Section A.** Report tickets distributed to agency staff, other than an elected official or governing board member, pursuant to the agency's policy. It is not necessary to list each employee's name, but identify the unit/department for which the employee works. The agency must describe the public purpose associated with the ticket distribution. A reference to the policy is permissible.

**Section B.** Report: 1) any agency official who performs a ceremonial role; 2) any agency official who reports the value as income; or 3) tickets used by elected officials and governing board members (including those distributed pursuant to the agency's policy).

**Section C.** Report tickets provided to an organization. The organization's name, an address (website url is permissible), and a brief description of the public purpose are required.

#### Agency Report of: Ceremonial Role Events and Ticket/Pass Distributions Continuation Sheet



**Agency Name** 

Recipients

3.

A.	Name of Agency, Department or Unit	Number of Ticket(s)/ Passes	Describe the public purpose made pursuant to the agency's policy

• Use Section A to identify the agency's department or unit. • Use Section B to identify an individual. Use Section C to identify an outside organization.

В.	Name of Individual (Last, First)	Number of Ticket(s)/ Passes	Identify one of the following:
			Ceremonial Role Other Income If checking "Ceremonial Role" or "Other" describe below:
			Ceremonial Role Other Income If checking "Ceremonial Role" or "Other" describe below:
			Ceremonial Role Other Income If checking "Ceremonial Role" or "Other" describe below:
			Ceremonial Role Other Income  If checking "Ceremonial Role" or "Other" describe below:
<b>C</b> .	Name of Outside Organization (include address and description)	Number of Ticket(s)/ Passes	Describe the public purpose made pursuant to the agency's policy
		1	

# FAQ information found on California Fair Political Practices Commission (FPPC) <a href="https://www.fppc.ca.gov/learn/public-officials-and-employees-rules-/reporting-ceremonial-role-events-and-ticket-admission.html">https://www.fppc.ca.gov/learn/public-officials-and-employees-rules-/reporting-ceremonial-role-events-and-ticket-admission.html</a> (Accessed and obtained in September 2023). Example

The City of Sandy Beach received 24 tickets from California Cycle Association, an organization sponsoring a major bicycling event. The tickets are for seats at the awards ceremony on March 15 and are valued at \$50 each. The City Manager distributed the tickets as follows: two tickets to the employees in the Parks and Recreation Division; 10 tickets to the Boy Scouts Club; 10 tickets to the Girl Scouts Club; and two tickets to an elected official who will present the winner's trophy on behalf of the agency.

Reset Page

#### **Print Form**

## Agency Report of: Ceremonial Role Events and Ticket/Pass Distributions

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C	eremoniai Kole Even	is and the	Kel/Pass	Distributions		A Public Document			
1.	Agency Name				Date Stamp	California 802			
	City of Sandy Beach								
	Division, Department, or Reg	ion (If Applicable	1	For Official Use Only					
	Designated Agency Contact	(Name, Title)	1						
	Charlotte Mason, City Mana	ager	<u> </u>						
	Area Code/Phone Number	E-mail			Amendment (Must p	rovide explanation in Part 3.)			
	310-555-1234	cmason@sa	andybeach.g	ov	Date of Original Filing:(Month, Day, Year)				
2.	Function or Event Infor	mation				(			
	Does the agency have a ticke	t policy?	Yes 🛛 No	Face Value o	of Each Ticket/Pass \$ <u>5</u>	50			
	Event Description CA Cycle	awards cerem			, 15 , XX				
	Event Description CA Cycle	Provide Title/Expl	lanation	Date(s)					
	Ticket(s)/Pass(es) provided b	y agency?	Yes ☐ No	If no: CA Cy	cle Association				
		, , ,	100 🗖 110	_	Name of So	urce			
	Was ticket distribution made a of agency official?	at the behest	No 🛛 Yes	☐ If yes:	Official's Name (I	Last First)			
					Official's (Valle (I	Last, Titoly			
3.	Recipients  Use Section A to identify the agency's department or unit. Use Section B to identify an individual. Use Section C to identify an outside organization								
			Number of						
	A. Name of Agency, Departme	ent or Unit	Ticket(s)/ Pass(es)	Describe the pub	escribe the public purpose made pursuant to the agency's policy				
	Parks and Recreation	Parks and Recreation			on Number 16				
		2							
			Normhan af						
	B. Name of Individual (Last, First)	al	Number of Ticket(s)/ Pass(es)		Identify one of the follow	ing:			
			Fass(es)	Ceremonial Role	Other	Income			
	Linn, Sandra				ial Role" or "Other" describe below:				
			2	Present trophy at b	icycling event				
				Ceremonial Role	Other I ial Role" or "Other" describe below:	Income			
			2						
	C Name of Outside Organ	Name of Outside Organization			blic purpose made pursuant to the agency's policy				
	(include address and des	scription)	Ticket(s)/ Pass(es)	Describe the pub	nic purpose made pursuant	to the agency 3 policy			
	Boy Scouts Club		10	Ticket Policy Section	on Number 14				
	www.boyscouts.org		10						
	Girl Scouts Club	40	Ticket Policy Section	on Number 14					
	www.girlscouts.org		10						
4.	Verification								
	I have read and understand FPPC Regu	ılations 18944.1 and	d 18942. I have ve	erified that the distribution set fo	orth above, is in accordance wi	th the requirements.			
			Charlotte N	/lason	City Manager	3/15/XX			
	Signature of Agency Head or Designed	•	Print Nam	ne	Title	(Month, Day, Year)			
	Comment:								

The image shows that the agency named "City of Sandy Beach" had a function or event which had a ticket policy costing \$50/ ticket on 3/15. Tickets were not provided by the agency, but by CA cycle association. Tickets were not made at the behest of the agency. Recipients included 2 tickets for Parks and Recreation (because of the Ticket Policy Section Number 16), 2 tickets for Sandra Linn (who presented a trophy at a bicycling event), 10 tickets for the Boy Scouts Club (because of the Ticket Policy Section Number 14), and finally 10 tickets for the Girl Scouts Club (because of the Ticket Policy Section Number 14). Charlotte Mason, the City Manager, signed the verification portion on 3/15.

# Frequently Asked Questions about Completing the Form 802

- **Q.** If an agency's elected official takes a staff member to a ceremonial event, does the staff member's name need to be disclosed on the Form 802?
  - **A.** No. The staff member's name is not required. The official's name is required in Part 3, Section B, and two tickets would be listed.
- **Q.** An organization gives 10 concert tickets to an agency. The agency distributes the tickets to its employees. The agency does not have a ticket policy. Does this need to be disclosed on the Form 802?
  - **A.** No. Since the agency does not have a ticket policy, the individuals receiving the tickets would report the value of the tickets on their Form 700 if the organization is a reportable source and the value of the ticket(s) to each individual is \$50 or more. In order for tickets not to result in reportable gifts to its employees, the agency must adopt a policy identifying the public purpose of distributing tickets.
- **Q.** An agency adopts a ticket policy. A local minor league baseball team donates 10 tickets to the city and the city distributes the tickets in accordance with the agency's ticket policy to employees in its parks department. Does this need to be disclosed on the Form 802?
  - **A.** Yes. In Part 3, Section A, the department must be listed, but the individuals' names are not required.
- **Q.** Our agency has provided FPPC a link to our ticket policy and to our posted 802 forms. Are we required to notify you each time we post new forms?
  - **A.** No. You are only required to notify FPPC if the location on your website where the forms are posted changes. If this happens, send an e-mail to <a href="mailto:form802@fppc.ca.gov">form802@fppc.ca.gov</a> to provide the new location.
- **Q.** The county fair board members received tickets to the county fair. Does the agency complete Part 3, Section A or Section B?
  - **A.** Section B. When tickets are used by governing board members, the individuals' names must be listed.