



***CHARTER
OF THE
CITY OF PASADENA
AMENDED***

January 29, 1901

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ARTICLE I - NAME AND BOUNDARIES

Section 101 - NAME

The City of Pasadena shall continue to be a municipal corporation under its present name, "City of Pasadena."

Section 102 - BOUNDARIES

The boundaries of the City shall be the boundaries as established when this Charter takes effect, or as they may be changed thereafter in the manner authorized by law.

ARTICLE II - SUCCESSION

Section 201 - RIGHTS AND LIABILITIES OF THE CITY

The City of Pasadena shall continue to own, possess, and control all rights and property of every kind and nature, owned, possessed or controlled by it when this Charter takes effect and shall be subject to all its debts, obligations, liabilities, and duties.

Section 202 - RIGHTS OF OFFICERS AND EMPLOYEES

Nothing in this Charter, except as specifically provided, shall affect or impair the tenure, pension, retirement rights, or privileges of officers and employees of the City, or of any office, department, or agency thereof, existing when this Charter takes effect.

Section 203 - CONTINUATION OF ORDINANCES

All ordinances, resolutions, rules, and regulations, or portions thereof, in force when this Charter takes effect, and not in conflict herewith, hereby are continued in force until amended, repealed or superseded.

Section 204 - CONTINUATION OF PRESENT OFFICERS AND EMPLOYEES

All officers and employees in office or employed when this Charter takes effect shall continue to hold office and exercise their respective duties under the terms of this Charter.

Section 205 - CONTINUANCE OF CONTRACTS, PUBLIC IMPROVEMENTS, AND PROCEEDINGS

All rights, claims, actions, orders, contracts, public improvements, and legal or administrative proceedings shall continue except as modified pursuant to the provisions of this Charter and in each case shall be maintained, carried on, or dealt with by the city department, office, or agency appropriate under this Charter.

Section 206 - EFFECTIVE DATE OF CHARTER

This Charter shall take effect when the resolution of the Legislature approving this Charter is filed with the Secretary of State.

ARTICLE III - POWERS OF THE CITY

Section 301 - GENERAL POWERS

The City shall have the power to make and enforce all laws and regulations in respect to municipal affairs, subject only to the restrictions and limitations provided in this Charter and in the Constitution of the State of California. It shall have the power to exercise any and all rights, powers, and privileges heretofore or hereafter granted or prescribed by general laws of the State, or by other lawful authority, or which a municipal corporation might or could exercise under the Constitution of the State of California.

Section 302 - LICENSING POWER

The City shall have the power to license for the purpose of revenue or regulation, or both, every kind of lawful business transacted in the City and fix the license tax therefor.

Section 303 - JOINT POWERS

The City shall have the power to contract with any governmental entity or regulated public utility, both inside and outside the city limits, to perform such services or to acquire, construct, or administer jointly such public works, public utilities, or other facilities as are beneficial to its citizens or the consumers of its utilities.

Section 304 - PROCEDURES

The City shall have the power and may act pursuant to any procedure established by the general laws of the State, unless a different procedure is established by ordinance.

Section 305 - LIMITATION ON POWER

The enumeration of powers in this Charter shall not be held to be exclusive of or any limitation upon the general powers stated in Section 301 of this Charter.

ARTICLE IV - THE CITY COUNCIL

Section 401 - NUMBER AND TERM

There shall be a City Council consisting of a Mayor and seven Councilmembers. The seven Councilmembers shall be nominated and elected by district as provided in this Charter. The term of office of the Mayor or Councilmembers shall be four years, beginning at 12 o'clock noon on the first Monday in May next following their election and until their respective successors are elected and qualify.

(Sec. 401 amended by vote of the people 11-3-1998; Sec. 401 amended by vote of the people 3-9-1993; Sec. 401 amended by vote of the people 11-4-1980, effective January 1, 1981.)

Section 402 - ELIGIBILITY

The Mayor and each Councilmember shall be a qualified elector of the City. Each Councilmember shall be a resident of the district from which the Member is elected or appointed.

(Sec. 402 amended by vote of the people 11-3-1998; Sec. 402 amended by vote of the people 3-9-1993; Sec. 402 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 403 - VACANCY DEFINED

If the Mayor shall cease to be a resident of the City or if any Councilmember shall cease to be a resident of the district, respectively, from which elected or appointed, or if either the Mayor or any Councilmember shall be absent without permission of the City Council from all regular City Council meetings within a period of 60 consecutive days from the last regular meeting attended, shall resign, shall be adjudged legally incompetent or shall be otherwise barred from holding office by reason of state or federal law, that office shall thereupon be declared vacant by a majority vote of the City Council.

(Sec. 403 amended by vote of the people 11-3-1998; Sec. 403 amended by vote of the people 3-9-1993; Sec. 403 amended by vote of the people 11-4-1980, effective January 1, 1981.)

Section 404 - VACANCY—APPOINTMENT

If a vacancy occurs in the office of Mayor, the Vice Mayor shall assume the duties of the office of Mayor until the office shall be filled at the next general municipal election. The assumption of the duties of the Mayor shall not require that the Vice Mayor relinquish his or her seat as a Councilmember elected or appointed from a district. If a vacancy occurs among any other members of the City Council, the remaining members shall within 75 days after such occurrence appoint a qualified resident voter of the

unrepresented district who shall hold office until the office is filled at the next general municipal election. If the City Council cannot agree on one person to fill the vacancy, the replacement shall be chosen by lot.

Nothing herein provided shall limit the power of the City Council to provide by ordinance for the continuity of the City Government in the event of war, enemy-caused disaster or common accident in which a majority of the members of the City Council are killed, missing or injured so as to be unable to perform their duties.

(Sec. 404 amended by vote of the people 11-3-1998; Sec. 404 amended by vote of the people 3-9-1993.)

Section 405 - COMPENSATION

Pursuant to an ordinance adopted by the City Council authorizing the formation of a Committee on City Councilmembers' Compensation ("the Committee"), each member of the City Council shall nominate one person to the Committee, subject to the approval of the City Council. The duties of the Committee shall be to study, take public input, and make recommendations regarding the compensation paid to members of the City Council and benefits to which the members of the City Council are entitled including, but not limited to, insurance, expense allowances and reimbursement.

Each member of the Committee shall be an elector of the City. In making their nominations, City Councilmembers shall consider persons recommended by representatives of the fields of higher education, labor, business, and organizations reflecting the diversity of the City. No person shall be eligible for membership on the Committee who is, or within five years prior to his or her appointment was, an officer or employee of the City; or who has, within five years prior to his or her appointment, had any personal or business-related contractual relation with the City.

The nominee of the Mayor shall act as temporary chair of the Committee, with the power to fix the time and place of the Committee's first meeting. At such meeting, the Committee shall elect a Chair and a Vice-Chair, and shall adopt such rules as it deems necessary to conduct its business. The provisions of the Ralph M. Brown Act shall govern the conduct of meetings of the Committee. Records of the Committee shall be maintained as public records as provided by State law. The Committee shall gather such information as it deems necessary to complete its duties, and prior to making its recommendation, shall hold at least one duly-noticed public hearing for the purpose of seeking public input. The City Manager shall provide office space, staff assistance and supplies for the work of the Committee. Committee members shall serve without compensation, other than reimbursement for reasonable expenses pursuant to City ordinance.

Not later than October 1 of the year the Committee is appointed, the Committee shall submit to the City Council a report adopted by a majority of the members of the Committee recommending either that no change be made in the compensation paid to members of the City Council, or that change, either an increase or a decrease, be made and the amount thereof. If such report is not timely submitted, or is not adopted by a majority of the members of the Committee, the Committee's recommendation shall be deemed to be a recommendation for no change. The Committee shall cease to exist thirty (30) days after its report is submitted to the City Council.

The City Council may take no action on the recommendation, or it may, by ordinance, adjust the compensation paid to members of the City Council by an amount not to exceed the recommendations of the Committee. No action which increases the compensation of City Council in excess of the level recommended by the Committee may be taken without a vote of the people. Any ordinance adopted pursuant to a recommendation of the Committee shall be adopted by a 2/3 majority vote and shall be subject to referendum as provided in this Charter. Once compensation has been initially established as provided in this section, no increase in the annual compensation shall be greater than five percent for each calendar year following the operative date of the most recent change for the compensation. No more than one ordinance establishing the compensation of City Council members may be adopted in any two calendar year period. Any compensation and benefits fixed as a result of this Section shall constitute full compensation for the services of the City Council member and the maximum benefits provided to the City Council member by the City.

Until such time as the City Council adopts an ordinance as provided herein, Councilmembers shall continue to receive the compensation in effect as of the effective date of the Section.

(Sec. 405 amended by vote of the people 11-3-1998; Sec. 405 amended by vote of the people 3-9-1993; Sec. 405 amended by vote of the people 11-4-1980, effective May 4, 1981.)

Section 406 - THE MAYOR

The Mayor shall be nominated and elected by the voters of the City at large for a term of four years beginning with the municipal elections to be conducted in 1999. The Mayor shall be a voting member of the City Council and shall preside at meetings of the City Council. The Mayor shall act as chief executive of the City in performing all acts required to be performed under the laws of the State of California and this Charter. The Mayor shall be recognized as the official head of the City for all ceremonial purposes, by the Courts for the purpose of serving civil process and by the Governor of the State for military purposes. The Mayor shall have a voice and vote in all proceedings of the City Council and shall perform such other duties as may be prescribed by this Charter or as may be imposed by the City Council consistent with his or her office.

(Sec. 406 amended by vote of the people 11-3-1998; Sec. 406 amended by vote of the people 3-9-1993.)

Section 407 - THE VICE MAYOR

At its organizational meeting, the City Council shall elect from among the Councilmembers a Vice Mayor who shall exercise the powers and perform the duties of the Mayor during the latter's absence or disability.

(Sec. 407 amended by vote of the people 11-3-1998; Sec. 407 amended by vote of the people 3-9-1993.)

Section 408 - POWERS VESTED IN THE CITY COUNCIL

All powers of the City shall be vested in the City Council subject to the provisions of this Charter and to the Constitution of the State of California. The City Council is empowered to carry into effect the provisions of this Charter, to execute the powers vested in the City, and to perform all duties and obligations imposed upon the City by State law.

(Sec. 408 amended by vote of the people 3-9-1993.)

Section 409 - OFFICERS APPOINTED BY CITY COUNCIL

The City Council shall appoint and may remove the City Manager, City Attorney, City Prosecutor, and City Clerk.

The City Prosecutor shall prosecute misdemeanor offenses arising out of violations of the law of the State and ordinances of the City.

(Sec. 409 amended by vote of the people 3-9-1993.)

Section 410 - ORGANIZATION OF CITY OPERATIONS AND ACTIVITIES

The City Council shall, by ordinance, provide for the organization of all city operations and activities into functional units and may modify and change the organization from time to time. This organization shall be accomplished through the creation and establishment, by ordinance, of city departments, offices and agencies, advisory boards, commissions and committees. In establishing departments, offices, agencies, boards, commissions and committees, the Council shall provide for the functions, powers and duties of each such department, office, agency, board, commission or committee created.

The City Council may, by ordinance, abolish, consolidate, modify or separate any department, office, agency, board, commission or committee, and may assign, reassign, or modify any functions, powers or duties.

(Sec. 410 amended by vote of the people 3-9-1993; Sec. 410 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 411 - PROHIBITIONS

- (A) Neither the Mayor nor any City Council member shall be eligible to hold any paid office created by the City Council while a member thereof and until one year after the expiration of the term for which he or she was elected.
- (B) Except for purposes of inquiry, the Mayor, the City Council and its members shall deal with the administrative service under the City Manager solely through the City Manager, and neither the Mayor, the City Council nor its members shall attempt to influence or to direct any subordinates of the City Manager.

(Sec. 411 amended by vote of the people 11-3-1998: Sec. 411 amended by vote of the people 3-9-1993.)

Section 412 - OFFICIAL BONDS

The City Council may, by ordinance, require any city officer or employee to give and execute to the City an official bonds for the faithful performance of official duties. The Premium therefor shall be paid by the City.

(Sec. 412 amended by vote of the people 3-9-1993.)

ARTICLE V - LEGISLATION

Section 501 - MEETINGS

The City Council shall hold meetings at such time, place, and manner as it shall fix by ordinance. All meetings shall be open to the public, except as otherwise provided by law.

(Sec. 501 amended by vote of the people 3-9-1993.)

Section 502 - QUORUM

A quorum of the City Council shall consist of five of the eight members thereof, but a lesser number may adjourn from time to time or compel the attendance of other members in such manner and under such penalties as the City Council may prescribe.

(Sec. 502 amended by vote of the people 11-3-1998: Sec. 502 amended by vote of the people 3-9-1993.)

Section 503 - PROCEEDINGS

Rules for the conduct of the City Council proceedings shall be established by ordinance.

(Sec. 503 amended by vote of the people 3-9-1993.)

Section 504 - OATHS AND SUBPOENAS

Each member of the City Council shall have the power to administer oaths and affirmations in any investigation or proceeding pending before the City Council. The City Council shall have the power to compel the attendance of witnesses, to examine them under oath, and to compel the production of evidence.

(Sec. 504 amended by vote of the people 3-9-1993.)

Section 505 - ORDINANCES, RESOLUTIONS AND MOTIONS

Action shall be taken by the City Council by means of ordinances, resolutions and motions. Ordinances and resolutions shall be introduced in writing. No ordinance shall be adopted by the City Council on the day of its introduction. Oral motions require only to be duly adopted by the City Council and spread upon the minutes.

(Sec. 505 amended by vote of the people 3-9-1993.)

Section 506 - ACTION BY CITY COUNCIL

No action of the City Council, including the adoption of ordinances, resolutions and motions, shall be valid unless it receives the affirmative vote of five members.

(Sec. 506 amended by vote of the people 11-3-1998: Sec. 506 amended by vote of the people 3-9-1993.)

Section 507 - ENACTING CLAUSE

The enacting clause of all ordinances shall be "The People of the City of Pasadena ordain as follows."

Section 508 - PUBLICATION OF ORDINANCES

All ordinances adopted under this Charter shall be published by the City Clerk at least once in a newspaper of general circulation in the City, and until such publication no ordinance shall take effect. Land use zones may be established (a) by legal description; (b) by reference to a map or plat referred to in such ordinance and published as part thereof, or (c) by reference to a map or plat on file with the City Clerk provided the ordinance designates the area in relation to the names of the public streets within the area depicted and incorporates such map or plat by reference. As an alternative to publications as specified herein, after adoption, the title and summary, as approved by the City Council, may be published in a newspaper of general circulation in the City.

(Sec. 508 amended by vote of the people 3-9-1993.)

Section 509 - SIGNATURE AND CERTIFICATION

Every ordinance adopted by the City Council shall be signed by the Mayor or, in his or her absence, by the Vice Mayor, or shall be signed by five members of the City Council and shall be certified by the City Clerk.

(Sec. 509 amended by vote of the people 11-3-1998: Sec. 509 amended by vote of the people 3-9-1993.)

Section 510 - EFFECTIVE DATE OF ORDINANCES

Ordinances shall take effect upon publication, except the following, which shall not take effect until the expiration of 30 days from publication.

- (A) Ordinances granting franchises.
- (B) General penal ordinances, except an ordinance required for the immediate preservation of the public peace, health or safety which declares the existence and nature of the emergency and which is adopted by an affirmative vote of at least six of the eight members of the City Council.

(Sec. 510 amended by vote of the people 11-3-1998: Sec. 510 amended by vote of the people 3-9-1993.)

Section 511 - CODIFICATION AND ADOPTION OF CODES

The City Council may cause to be classified and codified under appropriate headings the ordinances of the City. Notwithstanding any other provisions of this Article, the City Council may adopt and thereafter amend a code of laws, rules or regulations by reference, in the manner prescribed by the Government Code as now or hereafter amended.

(Sec. 511 amended by vote of the people 3-9-1993.)

Section 512 - VIOLATION OF ORDINANCES; PENALTIES

The violation of any penal ordinance of the City shall be a misdemeanor unless by ordinance the violation is made an infraction or by ordinance the prosecutor is authorized, in the prosecutor's discretion, to file a complaint charging the violation as an infraction. The maximum fine or penalty, or both, for any such violation shall be established by ordinance. Such fine or penalty, or both, shall not exceed the fine or penalty prescribed in the California Penal Code for violation of a comparable state law.

(Sec. 512 amended by vote of the people 6-5-84, effective 7-9-84; Sec. 512 amended by vote of the people 6-8-1976, effective August 1, 1976.)

ARTICLE VI - THE CITY MANAGER

Section 601 - CITY MANAGER

There shall be a City Manager who shall be the chief administrative officer and head of the administrative branch of city government.

Section 602 - APPOINTMENT OF THE CITY MANAGER

The City Manager shall be selected on the basis of his or her executive and administrative qualifications, and shall be appointed at a regular meeting of the City Council upon the affirmative vote of not less than five members thereof. Neither the Mayor nor any other member of the City Council shall receive such an appointment during the term for which he or she has been elected nor within two years after the expiration of his or her term.

(Sec. 602 amended by vote of the people 11-3-1998; Sec. 602 amended by vote of the people 3-9-1993; Sec. 602 amended by Stats November, 1986.)

Section 603 - REMOVAL OR RESIGNATION OF THE CITY MANAGER

The affirmative vote of not less than five members of the City Council shall be required to remove the City Manager from office. The City Manager may resign by giving the City Council at least thirty days' written notice of his or her intention to resign, stating the reasons therefor.

(Sec. 603 amended by vote of the people 11-3-98; Sec. 603 amended by vote of the people 3-9-1993; Sec. 603 amended by Stats November, 1986.)

Section 604 - POWERS AND DUTIES OF CITY MANAGER

The administrative and executive functions, powers, and duties provided in this Section, in addition to others specified in this Charter, hereby are delegated to and vested in the City Manager. He or she shall have the power and it shall be his or her duty:

- (A) To supervise, coordinate and administer the various functions of the City;
- (B) To see that the provisions of this Charter and all laws and ordinances of the City are enforced;
- (C) To appoint, promote, discipline and terminate the employment of all officers and employees of the City in accordance with the personnel system created pursuant to this Charter except those officers appointed by the City Council, which officers shall have the power to appoint their respective staffs;
- (D) To exercise supervision and control over all departments, divisions, and offices of the City except the City Attorney, City Prosecutor, and City Clerk, and their respective staffs;
- (E) Except when his or her removal is under discussion, to attend all meetings of the City Council, but he or she shall have no power to vote as a member thereof;
- (F) To recommend to the City Council for adoption such measures and ordinances as he or she shall deem necessary or expedient;
- (G) To see that all terms and conditions imposed in favor of the City or its inhabitants in any contract or in any franchise are faithfully kept and performed, and upon knowledge of any violation thereof to call the same to the attention of the City Attorney, whose duty it shall be to take such steps as are necessary to protect and enforce such terms and conditions;
- (H) To prepare and submit to the City Council the annual budget;

- (I) To keep the City Council at all times fully advised as to the financial condition and needs of the City; and
- (J) It shall be competent for the City Council to instruct the City Manager in all matters of policy, and any action, determination or omission of the City Manager shall be subject to review by the City Council, but no such action, determination or omission shall be overruled or modified by a vote of less than five members thereof, nor shall any otherwise valid contract previously made by the City Manager be subject to review.

(Sec. 604 amended by vote of the people 11-3-1998; Sec. 604 amended by vote of the people 3-9-1993; Sec. 604 amended by Stats November, 1986; Sec. 604 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 605 - ACTING CITY MANAGER

The City Council shall provide, by ordinance, for the designation and powers and duties of an acting City Manager who shall act as City Manager when the City Manager is absent or disabled.

(Sec. 605 amended by vote of the people 3-9-1993; Sec. 605 amended by vote of the people 6-3-1980.)

Section 606 - ACTING CITY MANAGER

(Repealed by vote of the people 6-3-1980.)

ARTICLE VII - BOARD OF EDUCATION

Section 701 - ESTABLISHMENT OF A BOARD OF EDUCATION

The control, management, and administration of the public elementary and secondary schools of the City of Pasadena and such territory that is now or may hereafter be annexed thereto for school purposes, in accordance with the Constitution and general laws of the State of California, is hereby vested in a Board of Education consisting of seven members nominated and elected by geographic sub-district as provided in this Charter. The Board of Education is hereby vested with all the powers and charged with all the duties provided under state law for city boards of education.

(Sec. 701 amended by vote of the people 11-7-2000; Sec. 701 amended by vote of the people 6-8-1976, effective August 1, 1976; Sec. 701 amended by vote of the people 6-5-2012.)

Section 702 - TERM OF OFFICE

The members of the Board of Education shall hold office for a term of four years, and until their successors are elected and have duly qualified.

Section 703 - ELECTION

Elections shall be primary nominating and general. Members of the Board of Education shall be elected on the third Tuesday in April in odd-numbered years, unless elected by a majority of votes at the primary nominating election. Candidates to be voted on at the general election shall be residents and qualified voters of the geographic sub-district in which the election is held, and shall be nominated at a primary nominating election, held on the sixth Tuesday preceding the date fixed for the Board of Education general election. Only voters who live in the geographic sub-district shall be eligible to vote in the elections for Board Member from that geographic sub-district. No names shall be printed upon the ballot in the general election for a member or members of the Board of Education other than those selected in the manner hereinafter prescribed.

So far as possible, the same officers of election shall be appointed for the primary nominating election and for the general election, utilizing, so far as possible, the same polling places. The officers of the elections shall be compensated for their services as provided by the general laws of the State governing school elections; such compensation and any other expense incurred in the conduct of said

elections shall be a charge upon the school district and not upon the City. (Sec. 703 amended by vote of the people 6-5-2012.)

Section 704 - NOMINATING PETITION

Any person desiring to become a candidate for the Board of Education to be filled at such election shall file, or have filed, with the City Clerk, acting in the capacity of Assistant Secretary to the Board of Education during Board of Education elections, in the form and in the period prior to the primary nominating election prescribed by the California Elections Code, nominating papers signed by him/her specifying for which geographic sub-district he/she is a candidate, signed by not less than twenty five (25) qualified voters from the geographic sub-district in which the election is held, requesting such candidacy, and accompanied by a filing fee of \$25.00. The names of voters not residents of the geographic sub-district for which the candidate is being nominated shall not be counted by the County Registrar of Voters in determining the sufficiency of such petition.

(Sec. 704 amended by vote of the people 3-4-1997; Sec. 704 amended by vote of the people 6-5-2012.)

Section 705 - ELIGIBILITY

Each Board Member shall be a qualified elector of the geographic sub-district in which the election is held. Each Board Member shall be a resident of the geographic sub-district from which the Member is elected or appointed. (Sec. 705 added by vote of the people 6-5-2012.)

Section 706 - ELECTION AT THE PRIMARY AND BALLOTS FOR GENERAL ELECTION

The two candidates for each of the geographic sub-districts of the Board of Education receiving the highest number of votes at the primary nominating election shall be the candidates and the only candidates for such office whose names shall be printed on the ballots to be used at the general election; provided that any candidate who at a primary nominating election shall receive a majority of all the votes cast for candidates for said office shall be elected to said office. The ballots at such general election shall be in the same general form as for such primary nominating election, so far as applicable. In the case of a tie vote, the Board of Education shall summon the candidates affected to appear at a time and place designated by the said Board and shall at that time and place determine the tie by lot. (Sec. 706 amended by vote of the people 6-5-2012.)

Section 707 - CANVASS OF RETURNS

On the second Tuesday after the primary nominating election and at their usual time and place of meeting, the Board of Education shall meet to approve the canvass of returns submitted by the City Clerk acting in her capacity as Assistant Secretary to the Board of Education during consolidated Board of Education and City Council elections and declare the results.

(Sec. 707 amended by vote of the people 3-7-1995.)

Section 708 - STATE LAW APPLICABLE; ERRORS OR IRREGULARITIES

In all other matters, the election for members of the Board of Education shall, as to the primary nominating and as to the general election, be governed by the applicable general laws of the State relating to city boards of education.

No election, whether primary nominating or general, shall be set aside for any error, irregularity or defect in the proceedings leading up to or in said election, when the provisions of law governing the same are substantially complied with and where a fair expression of the will of the electorate is secured.

Section 709 - MEETINGS OF BOARD OF EDUCATION

The members of the Board of Education shall enter upon the discharge of their duties on the first Monday in May after their election, and the Board of Education shall meet upon said day and annually thereafter and organize by electing one of their number President, whose term of office shall be one year. The Board of Education shall determine the rules of its proceedings. Any vacancy occurring on the Board

of Education shall be filled by the remaining members of the said Board, and if there be no members, then by the City Board of Directors.

(Sec. 709 amended by vote of the people 6-3-1980.)

Section 710 - ANNUAL ADDRESS BY PRESIDENT OF THE BOARD OF EDUCATION

In September of each year, the President of the Board of Education shall address the public on the state of the Pasadena Unified School District to articulate its goals and objectives for the school year and to report to the people on the progress of the District in achieving its prior goals and objectives, including the financial state of the schools.

(Sec. 710 approved by vote of the people 11-7-2000.)

Section 711 - GENERAL LAW APPLICABLE

In all matters not specifically provided for in this Article, the Board of Education shall be governed by the provisions of the general law relating to such matters.

Section 712 - ELECTION COSTS

The Board of Education shall reimburse the City out of school district funds for the costs of any election conducted by the City arising out of a request by the Board of Education including an amendment to this Charter.

Section 713 - GEOGRAPHIC SUB-DISTRICTS

- A. Initial elections for geographic sub-district for seats 1, 3, 5, and 7 shall occur in 2013. Initial elections for geographic sub-district for seats 2, 4, and 6 shall occur in 2015. Notwithstanding the other provisions of Section 713, the Board of Education shall establish, by resolution, the initial geographic sub-districts for use in elections held prior to redistricting under the provisions of 713.B.
- B. Geographic sub-districts for the Board of Education shall be established by resolution of the Pasadena Board of Education after the decennial census year or whenever the Board determines by at least a two-thirds vote that a sufficient change in population has occurred that makes it desirable in the opinion of the Board to adjust the boundaries of the geographic sub-districts. Geographic sub-districts shall be as nearly equal in population as practicable and such redistricting shall be in compliance with applicable laws.
- C. At least twenty two (22) months prior to the second general election day following the day of the decennial census, the Board of Education shall establish, by resolution, a Redistricting Commission to recommend to the Board the configuration of geographic sub-districts for the area served by the Pasadena Unified School District. The Redistricting Commission shall consist of nine members, as follows:
 1. Three residents of the City of Pasadena appointed by the Pasadena City Council;
 2. Three residents of the area served by the Pasadena Unified School District appointed by the Pasadena Board of Education who are not then members of the Board of Education;
 3. Two residents of the Altadena unincorporated area of Los Angeles County served by the Pasadena Unified School District appointed by the County Supervisor(s) representing such area;
 4. One resident of the City of Sierra Madre to be appointed by the City Council of the City of Sierra Madre;
- D. The Redistricting Commission shall hold at least one public hearing on any proposal to adjust the boundaries of a district prior to a public hearing at which the Redistricting Commission votes to recommend the proposal to the Board of Education. The Redistricting Commission shall provide its recommendation to the Board of Education at least sixteen (16) months prior to the second general election day following the day of the decennial census.

- E. The geographic sub-districts recommended by the Redistricting Commission shall be adopted by the Board, unless amended by a two-thirds majority of the Board. If the Board fails to act within 60 calendar days of the submission of the Commission's final report and recommended plan to the Superintendent, the Commission's recommended geographic sub-districts shall be deemed adopted.
- F. No change in the boundary or location of any district by redistricting shall abolish or terminate the term of office of any member of the Board prior to expiration of the term of office for which the member was elected, notwithstanding any other provision of this Section. Each incumbent member of the Board of Education will, during the duration of the member's current term, represent the area by which the member was elected.
- G. At the time of, or after, any annexation of territory to the District, the Board of Education shall designate, by resolution, the geographic sub-district of which the annexed territory shall be a part. (Sec. 713 added by vote of the people 6-5-2012.)

ARTICLE VIII - THE PERSONNEL SYSTEM

Section 801 - PERSONNEL SYSTEM

The City Council shall establish a personnel system.

(Sec. 801 amended by vote of the people 3-9-1993.)

Section 802 - MERIT PRINCIPLE

All appointments and promotions of city officers and employees shall be made on the basis of merit, with due regard for equal opportunity in employment, and fitness shall be demonstrated by appropriate examination or other evidence of competence.

(Sec. 802 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 803 - EMPLOYMENT RULES AND COMPENSATION

A manual of the rules, practices and procedures necessary to the administration of the City personnel system shall be established by the City Manager.

The City Council shall establish by resolution the maximum number of officers and employees, the classes of employment and the compensation therefor, and other employee benefits.

(Sec. 803 amended by vote of the people 3-9-1993: Sec. 803 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 804 - PUBLIC EMPLOYEES' RETIREMENT SYSTEM

The City Council may establish a retirement system pursuant to the Public Employees' Retirement Law or the County Employees Retirement Law of 1937, as they are now enacted or hereafter amended, for such persons in the employ of the City as it shall determine, other than those who are members of the Fire and Police Retirement System established by this Charter. Obligations of the City under such systems shall be paid from the General Fund, the Light and Power Fund, and the Water Fund, in accordance with the respective obligations of said funds.

(Sec. 804 amended by vote of the people 3-9-1993: Sec. 804 amended by vote of the people 6-8-1976, effective August 1, 1976.)

ARTICLE IX - FISCAL ADMINISTRATION

Section 901 - FISCAL YEAR

The fiscal year of the City shall begin on the first day of July of each year and end on the thirtieth day of June following. The City Council may, by ordinance, provide for a system of thirteen equal accounting periods.

(Sec. 901 amended by vote of the people 3-9-1993: Sec. 901 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 902 - PREPARATION OF BUDGET

No later than January of each year, the Mayor shall present a thematic budget message for the upcoming fiscal year to the City Council. The City Council shall establish procedures whereby public suggestions and comments on the Mayor's budget proposals may be received and considered prior to the preparation and submission of budget estimates by the Departments to the City Manager.

On or before the third Monday in May of each year, the City Manager shall submit to the City Council a preliminary budget of probable expenditures and revenues of the City for the succeeding fiscal year, giving the amounts required to meet the interest and sinking funds for all outstanding funded debts, the amounts required for salaries and the needs of all departments and programs of the municipal government in detail, showing specifically the amount necessary to be apportioned to each fund in the treasury, and giving the estimated income and revenue to be obtained from all sources, indicating the revenue separately for each source.

(Sec. 902 amended by vote of the people 11-3-1998: Sec. 902 amended by vote of the people 3-9-1993: Sec. 902 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 903 - PUBLIC HEARING ON BUDGET

The City Council shall hold a public hearing on the proposed budget not earlier than two weeks after publication of a notice stating:

- (A) The times and places where copies of the budget are available for inspection by the public; and
- (B) The time and place for the public hearing.

(Sec. 903 amended by vote of the people 3-9-1993.)

Section 904 - ADOPTION OF THE BUDGET AFTER HEARING

After the conclusion of the public hearing, the City Council shall consider the proposed budget and make any revisions that it may deem advisable. The City Council shall annually, on or before the thirtieth day of June, adopt a budget of the amounts estimated to be required to pay the expenses of conducting the public business of the City for the fiscal year. The budget shall be prepared in such detail as to the aggregate sum and the items or programs thereof allowed to each department, office, agency, board, commission or committee as the City Council may determine. The budget may include an "unappropriated balance" which shall be appropriated during the fiscal year to meet contingencies and needs as they arise. A copy of the budget, certified by the City Clerk as having been adopted by the City Council, shall be placed on file in the office of the City Clerk and shall be available for public inspection. Another copy, likewise certified, shall be filed with the Director of Finance. Copies of the budget shall be made available for the use of each department, office, agency, board, commission and committee of the City.

(Sec. 904 amended by vote of the people 3-9-1993: Sec. 904 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 905 - TAX RATE

On or before the first Monday of September in each year, the City Council shall, by ordinance, fix the tax rate, and shall, by ordinance, establish procedures for tax collection and enforcement. The City Council shall fix a tax rate which will raise sufficient monies, when added to all other estimated income and revenue, to meet the adopted budget requirements.

(Sec. 905 amended by vote of the people 3-9-1993.)

Section 906 - BUDGET RESERVE

A sufficient amount may be included in the budget each year to pay the necessary current expenses of the City government until the receipt of tax moneys the following year.

Section 907 - BUDGET APPROPRIATIONS

The adoption of the budget shall constitute an appropriation to the several offices, programs, departments, boards and commissions for the respective objects and purposes named therein.

(Sec. 907 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 907.5 - ANNUAL FINANCIAL REPORT

Within four months after the close of each fiscal year, the Director of Finance shall compile and deliver a financial report to the City Council which shall be available to the public.

The intent of this section is to provide the City Council, citizens and other interested parties with information on the financial position of the City and its various agencies and funds, in sufficient detail to allow reasonable analysis by diligent study.

The report shall contain, but shall not be limited to, the following information for each fund of the City and of each agency it has created:

- (A) A description of developments occurring during the fiscal year which have affected the financial position;
- (B) A statement of financial position as of the beginning and end of the fiscal year;
- (C) A summary of revenues and expenditures for the fiscal year, compared to the adopted and the final amended budget and to corresponding information for the preceding year;
- (D) The amount paid during the year to each retirement system, compared to similar information for the preceding year;
- (E) A tabulation of unfunded obligations, including retirement obligations, as of the beginning and the end of the fiscal year, which will require commitment of resources in future years; and
- (F) Available reports by the independent auditors, with a notice of the place and the expected time at which auditors' reports not yet available can be examined.

(Sec. 907.5 amended by vote of the people 3-9-1993; Sec. 907.5 approved by the people 6-8-1976, effective August 1, 1976.)

Section 908 - TAX SYSTEM

The City may use, for the purpose of ad valorem municipal taxation of property, the County assessment and tax-collection services.

(Sec. 908 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 909 - BONDED DEBT OR TAX LEVY

Whenever the City Council shall determine that the public interest requires the construction or acquisition or completion of any public improvement or utility, the cost of which, in addition to the other expenditures of the City, will exceed the income and revenue provided for in any one year, it may, by

ordinance, submit a proposition to incur a general obligation bonded indebtedness and specifying the maximum interest rate thereof, or levy a special tax for such purpose, and proceed therein as provided in Section Eighteen of Article Sixteen of the Constitution of this State and general law or laws thereof, and that the bond issue therefor shall be sold to the highest bidder, after advertising for sealed proposals; provided that the City Council may reject any and all bids.

(Sec. 909 amended by vote of the people 3-9-1993: Sec. 909 amended by Stats 1971.)

Section 910 - BONDED DEBT LIMIT

The City shall not incur an indebtedness evidenced by general obligation bonds which shall in the aggregate exceed 15 per cent of the assessed value of all the real and personal property in the City subject to assessment for taxation for municipal purposes.

Section 911 - PAYMENT OF BONDS

The Director of Finance shall draw and issue a warrant without approval of any body or officer for payment of the principal of interest on bonds issued by the City, in accordance with the State Constitution, laws and ordinances authorizing the issuance of said bonds.

(Sec. 911 approved by vote of the people 6-8-1976, effective August 1, 1976.)

Section 912 - INDEPENDENT AUDIT

At the beginning of each fiscal year, the City Council shall employ a certified public accountant who shall, at such times as may be specified by the City Council, examine the records, books, inventories, and reports of all officers and employees who receive, handle, or disburse City money, and the books, records, inventories, and reports of such officers, employees, or departments as the City Council may direct. The accountant shall make such periodic reports to the City Council as it may direct, and as soon as practicable following the close of the fiscal year, the accountant shall make a final audit and report in writing to the city council.

(Sec. 912 amended by vote of the people 3-9-1993: Sec. 912 approved by vote of the people 6-8-1976, effective August 1, 1976.)

Section 913 - CAPITAL PROJECT FUND

There is created a special fund known as the "Capital Project Fund" which shall be used to account for financial resources which are to be expended only for the acquisition, construction, replacement or repair of municipal improvements, as defined in California Government Code 43601 as of July 1, 1971, or for payments of principal and interest on funds borrowed for such purposes. The Capital Project Fund shall receive monies as designated by the Charter or City Council from time to time. Expenditures and transfers from the fund, other than for specific municipal improvements projects as defined above, shall be authorized only upon a majority vote of the people.

(Sec. 913 amended by vote of the people 3-9-1993: Sec. 913 amended by vote of the people 6-5-84, effective 7-9-84)

ARTICLE X - CONTRACTS, PURCHASES AND CLAIMS

Section 1001 - CONTRACTS

All contracts shall be in writing, and shall be executed in the name of the City of Pasadena by an officer or officers authorized to sign the same. All contracts shall be approved as to form by the City Attorney before the execution thereof.

All contracts shall be approved by the City Council except contracts under \$75,000 or such lower limit as may be established by ordinance.

(Sec. 1001 amended by vote of the people 3-9-1993; Sec. 1001 amended by vote of the people 6-5-84, effective 7-9-84; Sec. 1001 amended by vote of the people 6-3-1980.)

Section 1002 - CONTRACTS REQUIRING COMPETITIVE BIDS

Except as otherwise provided in this Charter, no contract for supplies, material, labor, or other valuable consideration, to be furnished to the City shall be authorized by the City Council except with the lowest and best bidder after competitive bidding. The City Council may reject any and all bids.

Competitive bidding shall not be required under this Charter for:

- (A) Labor or services rendered by any City officer or employee.
- (B) Labor, material, supplies or services furnished by one City department to another City department.
- (C) Contracts for labor, material, supplies, or services available from only one vendor.
- (D) Contracts for labor, material, supplies, or services under \$75,000 or less.
- (E) Contracts relating to the acquisition of real property.
- (F) Contracts for professional or unique services.
- (G) Contracts for labor, material, or supplies for actual emergency work.
- (H) Contracts with other governmental entities or their contractors for labor, material, supplies, or services.

(Sec. 1002 amended by vote of the people 3-9-1993; amended by vote of the people 6-3-1980; Sec. 1002 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 1003 - BIDDING PROCEDURE

The City Council shall prescribe by ordinance a system of competitive bidding including such definitions, publication requirements, conditions, terms, rules and regulations and with such exceptions as the City Council shall prescribe not inconsistent with this Article.

(Sec. 1003 amended by vote of the people 3-9-1993.)

Section 1004 - SMALL PURCHASE AND UTILITY SERVICES

The audit requirement as such term is used in Section 1010 shall not apply to demands arising out of purchases under \$500.00 or to any of the following services: telephone, gas, water, electric light and power. Such demands may be paid without prior audit, under procedures prescribed by ordinance.

(Amended by vote of the people 6-8-1976, effective August 1, 1976; Sec. 1004 amended by vote of the people 6-6-1972.)

Section 1005 - SALE OF PROPERTY

The City Council shall provide, by ordinance, for uniform methods for the sale or exchange of real and personal property not needed by the City.

(Sec. 1005 amended by vote of the people 3-9-1993; Sec. 1005 amended by vote of the people 6-3-1980.)

Section 1006 - CONTRACTS FOR PUBLIC UTILITIES

The respective officers in charge of water and power utilities operated by the City may contract for the sale of the products, commodities, and services of their departments in accordance with forms and regulations approved by the City Manager and City Attorney, and at rates fixed by the City Council.

(Sec. 1006 amended by vote of the people 3-9-1993.)

Section 1007 - ILLEGAL INTEREST IN CONTRACTS

No officer or employee of the City shall have an interest in any contract to which the City is a party, except to the extent permitted by state law as now or hereafter provided.

Section 1008 - FEDERAL AND STATE FUNDS

Whenever the City shall have received any money from the Federal Government or from the State of California, or from any agency of either, it may in the expenditure of such money conform to all applicable requirements of Federal or State laws, and of regulations and orders issued under the authority thereof, with respect to the awarding of contracts, hours of labor, employment preferences, and other such matters covered thereby, notwithstanding any provisions of this Charter inconsistent therewith, and any such inconsistent provisions shall yield and be subordinate thereto with respect to such expenditure.

Section 1009 - PAYMENT OF BONDS

(Sec. 1009 was amended and renumbered Sec. 911 by vote of the people 6-8-1976, effective August 1, 1976.)

Section 1010 - DEMANDS

All demands against the City must be in writing, must specify the date, nature, and amount of each item included therein and may be in the form of a bill, invoice, payroll, or formal demand. Each such demand shall be presented to the Director of Finance, who shall examine and audit the same. If the amount is legally due and there remains on his or her books an unexpended balance of an appropriation against which it may properly be charged, he or she shall approve such demand and cause the same to be paid from the City treasury, charging the proper fund. Otherwise, he or she shall reject it. The City Council may overrule such rejection and order the demand paid. If funds are insufficient, the demand shall be registered, and all registered demands shall be paid in the order of their registration when funds therefor become available.

(Sec. 1010 amended by vote of the people 3-9-1993; Sec. 1010 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 1011 - CLAIMS AGAINST THE CITY

- (A) To the extent that the laws of the State of California set forth a procedure applicable to claims specified therein against local public entities and public officers and employees thereof, such State laws shall, from and after January 14, 1963, govern such claims to the exclusion of the provisions of this Charter and all ordinances of this City.
- (B) Subject to the provisions of subsection (A) of this Section, and except in those cases where a different period of time is otherwise specified by law, all claims or demands which are based on a cause of action accruing from and after January 14, 1963, against the City, or any board or department thereof, or any officer or employee thereof for an act or omission during the course of his or her service or employment, shall be presented within one year after the accrual of the cause of action.
- (C) For the purpose of computing the time limit prescribed by this Section, the date of the accrual of a cause of action to which a claim relates is the date upon which the cause of action accrued within the meaning of the applicable statute of limitations.
- (D) Any claim rejected in whole or in part by any officer of the City whose approval may be required, may be presented to the City Council within thirty days after such rejection, and must be so presented before the bringing of any suit against said City or any officer, employee, board or department thereof in his or her or its official capacity, and suit on any claims shall be brought within six months after the rejection of such claim in whole or in part by such City Council. When any claim is in part allowed and in part rejected by said City Council, the claimant may refuse to accept such partial allowance and bring suit for the entire amount of such claim, but if any such partial allowance is accepted, no suit shall be brought or maintained upon such claim.

(Sec. 1011 amended by vote of the people 3-9-1993.)

Section 1012 - ACTIONS AGAINST THE CITY

No suit shall be brought upon any claim for money or damages, against the City, or any officer, employee, board or department thereof, until a claim or demand for the same has been presented as provided herein or in any ordinance herein authorized.

Section 1013 - INDEPENDENT AUDIT

(Sec. 1013 was renumbered Sec. 912 by vote of the people 6-8-1976, effective August 1, 1976.)

ARTICLE XI - FRANCHISES

Section 1101 - GRANTING OF FRANCHISES

The City Council may grant a franchise to any person, partnership, corporation or other legal entity capable of exercising the privilege conferred, whether operating under an existing franchise or not, and may prescribe the terms, conditions and limitations of such grant, including the compensation to be paid to the City. The City Council may, by the affirmative vote of six members, prescribe by ordinance the method for granting franchises, together with additional terms and conditions for making such grants. In the absence of such provision, the method provided by the general laws of the State of California shall apply.

(Sec. 1101 amended by vote of the people 11-3-1998: Sec. 1101 amended by vote of the people 3-9-1993.)

Section 1102 - TERM OF FRANCHISE

No franchise shall be granted for a longer period than twenty years, unless there be reserved to the City the right to take over at any time the works, plant, and property constructed under the grant at their physical valuation and without compensation for franchise or good will.

Section 1103 - EMINENT DOMAIN

No franchise or grant of a franchise shall in any way or to any extent impair or affect the right of the City to acquire the property of the possessor thereof by purchase or condemnation, and nothing therein contained shall be construed to contract away or to modify or abridge, either for a term or in perpetuity, the City's right of eminent domain with respect to the property of the possessor of any franchise. Every franchise granted by the City is granted upon the condition, whether expressed in the grant or not, that such franchise shall not be given any value before any court or other public authority in any proceeding of any character in excess of any amount actually paid by the grantee to the City at the time of the grant.

Section 1104 - PROCEDURE FOR GRANTING FRANCHISE

Before granting any franchise, the City Council shall adopt a resolution declaring its intention to grant a franchise and stating the name of the proposed grantee, the character of the proposed franchise, and a general summary of the terms and conditions upon which it is proposed to be granted. Such resolution shall set forth the day, hour, and place when and where any person having an interest in or objecting to the granting of such franchise may appear before the City Council and be heard. Said resolution shall be published at least once, not less than ten days prior to said hearing in a newspaper of general circulation in the City. After hearing all persons desiring to be heard, the City Council may, by ordinance, grant the franchise. No ordinance granting a franchise shall be adopted as an emergency measure, but shall be subject to the referendary power reserved to the people.

(Sec. 1104 amended by vote of the people 3-9-1993.)

ARTICLE XII - ELECTIONS

Section 1201 - DISTRICTS

The City Council shall, by ordinance, establish seven districts which shall be used for all elections of Councilmembers. Said districts shall be as nearly equal in population as practicable and such redistricting shall be in compliance with applicable laws.

(Sec. 1201 amended by vote of the people 3-9-1993; Sec. 1201 amended by vote of the people 6-8-1976, effective August 1, 1976.)

Section 1202 - PRIMARY ELECTIONS

On the sixth Tuesday preceding the general municipal election, a primary election shall be held in those districts of the City wherein the terms of office of Councilmembers expire in that year or on a City wide basis when the term of office of the Mayor expires in such year, for the purpose of nominating candidates to be voted on at the general municipal election and for such other purposes as the City Council may prescribe.

(Sec. 1202 amended by vote of the people 11-3-1998; Sec. 1202 amended by vote of the people 3-9-1993.)

Section 1203 - NOMINATING PETITION

Any voter residing in a district who desires to become a candidate for the office of member of the City Council from that district to be filled at such general election, or any qualified resident of the City who desires to become a candidate for Mayor when that office is to be filled at such general election, shall file with the City Clerk, in the period prescribed by the California Elections Code prior to the primary election, nominating papers signed by not less than 25 qualified voters of such district, or, for the office of Mayor, a petition signed by not less than 50 qualified voters of the City, and accompanied by a filing fee of \$25.00.

(Sec. 1203 amended by vote of the people 11-3-1998; Sec. 1203 amended by vote of the people 3-7-1995; Sec. 1203 amended by vote of the people 3-9-1993.)

Section 1204 - CANDIDATES

The two persons receiving the highest number of votes at the primary election for the candidates for office of Mayor or Councilmember from a district shall be the candidates for election and only their names shall be printed upon the ballot to be used in the general municipal election. Any person who, at the primary election, shall receive a majority of the total vote cast for candidates for said office shall be elected to such office.

(Sec. 1204 amended by vote of the people 11-3-1998; Sec. 1204 amended by vote of the people 3-9-1993; amended by vote of the people 11-4-1980, effective January 1, 1981; Sec. 1204 amended by vote of the people 6-6-72.)

Section 1205 - GENERAL MUNICIPAL ELECTION

For the election of the Mayor and Councilmembers under this Charter, and for such other purposes as the City Council may prescribe, a general municipal election shall be held biannually throughout the City on the third Tuesday in April of every odd-numbered year.

(Sec. 1205 amended by vote of the people 11-3-1998; Sec. 1205 amended by vote of the people 3-9-1993.)

Section 1206 - SPECIAL ELECTIONS

Any other municipal election that may be held by authority of this Charter, the Constitution of the State of California, or any law under which the City may act shall be known as a special municipal election. A special election may be called by the City Council by ordinance or resolution.

(Sec. 1206 amended by vote of the people 3-9-1993.)

Section 1207 - CANVASS OF ELECTIONS

The City Council shall meet to approve the canvass submitted by the City Clerk on the second Monday after the election and at their usual time and place of meeting, whether regular or special, unless otherwise provided for in the ordinance or resolution calling the election.

(Sec. 1207 amended by vote of the people 3-7-1995; Sec. 1207 amended by vote of the people 3-9-1993.)

Section 1208 - PROCEDURES FOR CONDUCTING ELECTIONS

Unless otherwise provided by ordinance, all municipal elections shall be held in accordance with the provisions of the Elections Code of the State of California, as the same now exists or may hereafter be amended, governing municipal elections. The conduct of all City elections shall be under the control of the City Council, and the City Council shall, by ordinance or resolution, provide for the holding of each City election.

(Sec. 1208 amended by vote of the people 3-9-93.)

ARTICLE XIII - INITIATIVE, REFERENDUM AND RECALL

Section 1301 - POWERS RESERVED TO THE PEOPLE

The powers of the initiative and referendum and the recall of elected City officers are hereby reserved to the electors of the City. The provisions of the Elections Code of the State of California, as the same now exists or may hereafter be amended or superseded, governing the exercise of the powers of initiative and referendum in cities, and governing the exercise of the power of recall of municipal officers, shall apply to the exercise of those powers in the City in so far as such provisions are not in conflict with the provisions of this Charter.

ARTICLE XIV - WATER AND POWER UTILITY OPERATIONS

Section 1401 - OPERATION OF UTILITIES

The City may operate water and power utilities through a department or departments or through such other form of organization as the City Council may approve by ordinance. The City shall not sell any such utility unless such sale is first submitted to the voters of the City and approved by a majority of those voting on the question.

(Sec. 1401 amended by vote of the people 11-3-1998.)

Section 1402 - BOOKS OF ACCOUNT AND BUSINESS REPORTS

The books of account of the water utility and of the power utility shall be kept separately from the accounts of all other City departments and of each other, and in such manner as to show the value of the property of each utility, its earnings, and expenses in accordance with accepted accredited uniform system of accounts. Reports of each utility shall be published annually in printed pamphlet form for distribution within 150 days after the close of each fiscal year, showing the value of the properties, the financial status, including cash on hand and invested funds, the bonded debt and other obligations, the earnings for the year, the cost of production and distribution, the cost of equipment and the depreciation thereof, and a statement of all assets and liabilities.

Section 1403 - SERVICE RATES

The charges to be made for water and electrical energy shall be prescribed by ordinance.

Section 1404 - SEPARATION OF FUNDS

All money and property received by the City in payment for water or electrical energy and for any service rendered in connection therewith, or from the sale, lease, or other disposition of any property acquired with funds or property of either of said utilities; from the proceeds of any bonds issued for the purpose of either of said utilities; or from any special taxes at any time authorized for the purposes of either of said utilities shall be exclusively devoted to and appropriated for the purposes of said utilities as in this Section required. However, nothing herein shall be deemed to prevent uses of such property for purposes not inconsistent with the purpose for which such property is held. Funds of each utility shall be kept separate and shall be limited to the use of that utility. The funds of the water and the power utilities shall be known and designated as "Water Fund" and "Light and Power Fund," respectively. No transfer of real property, nor of any personal property exceeding in value \$10,000.00, shall be made from either of said utilities to the other or to any other department of the City in any manner other than by ordinance or resolution of the City Council.

(Sec. 1404 amended by vote of the people 3-9-1993.)

Section 1405 - THE USE OF FUNDS

The funds derived from the water utility and the power utility shall be used only for the following purposes:

- (1) The necessary or proper expenses of conducting each utility; the operation and maintenance of its works, plants, and distributing systems; the acquisition and improvement of facilities; and the publishing of reports.
- (2) The payment of interest and principal on bonds issued for the purposes of said utility.
- (3) The formation of surplus or reserves for future needs of the said utility and for unforeseen emergencies.
- (4) Repayment of advances made from other funds of the City.

Section 1406 - INVESTMENT OF FUNDS

On authorization of the City Council, any surplus utility funds may be invested in any bonds issued by the City of Pasadena, or any bonds issued by any school district situated in whole or in part in the City, or any bonds or certificates of indebtedness issued by the State of California or the United States, or in banks in interest-bearing accounts, and any such securities may be sold and the proceeds of such sale may be invested in other such securities. Interest earned from such funds shall go to the credit of the respective utility interest expense account. In authorizing the investment of any such surplus funds, preference over other securities shall be given by the City Council to the bonds of the City issued for the purposes of either utility. No officer shall be personally liable for any loss to the City arising out of any such investment, unless such loss shall be the loss of the securities themselves due to the negligence or malfeasance of such officer.

(Sec. 1406 amended by vote of the people 3-9-1993.)

Section 1407 - ANNUAL CONTRIBUTION FOR MUNICIPAL IMPROVEMENTS AND BOND REDEMPTION

Each fiscal year the City Council shall transfer from the Light and Power Fund an amount equal to eight percent (8%) of the gross income of the electric works received during the immediately preceding fiscal year from the sale of electric energy at rates and charges fixed by ordinance. The sum so determined shall not exceed one-half of the net income of the electric works as shown by the books of account of the power utility, after payment of the maintenance and operating expenses of such works, the expense of conducting the power utility, depreciation, and the principal, interest and premiums, if any, upon the redemption thereof, of electric works revenue bonds. Said sum shall be transferred to the General Fund of the City by resolution not earlier than the receipt of the report by an independent certified public accountant on the examination of such books of account nor later than the first day of June next succeeding the date of determination of the amount to be transferred. Nothing herein contained shall

prohibit an advance of not to exceed seventy-five percent (75%) of the estimated amount prior to the receipt of the said report.

Notwithstanding anything herein contained, if the City Council at the time of or before the adoption of the budget shall determine that the transfer of such amount from the Light and Power Fund would be detrimental to the proper functioning and administration of the utility during the budget year under consideration, the City Council may so declare by resolution. In this event no transfer of such amount shall be made thereafter within that fiscal year. If, however, it shall determine that the transfer of an amount less than the eight percent (8%) would not be detrimental to the proper functioning and administration of said utility during the budget year under consideration, the City Council may so declare by resolution and shall transfer the smaller amount.

The sum thus transferred in any fiscal year shall be expended only for the following purposes and shall be applied first to the payment of interest and principal on any bonds of the City which are or shall become wholly payable that fiscal year out of monies received from general taxes of the City, and second to municipal improvements included in the budget of City for that fiscal year. For the purposes of this section "municipal improvements" are those items included in Section 43601 of the Government Code as of July 1, 1971.

(Sec. 1407 amended by vote of the people 3-9-1993; amended by vote of the people 6-8-1976, effective August 1, 1976; Sec. 1407 amended by vote of the people 6-6-1972.)

Section 1408 - ANNUAL CONTRIBUTION FOR ANY MUNICIPAL PURPOSE

Each fiscal year the City Council shall transfer from the Light and Power Fund an amount equal to eight percent (8%) of the gross income of the electric works received during the immediately preceding fiscal year from the sale of electric energy at rates and charges fixed by ordinance, and from the Water Fund an amount equal to six percent (6%) of the gross income of the water works received during said preceding fiscal year from the sale of water at rates and charges fixed by ordinance. Said amounts shall be in addition to the amount authorized to be transferred by Section 1407, and shall be transferred at the same time and in the same manner as the amount provided in Section 1407. The amounts thus transferred may be expended for any municipal purpose.

The amount to be so transferred from the Light and Power Fund shall not exceed one-half of the net income of the electric works as said net income is defined in the first paragraph of Section 1407. The amount to be so transferred from the Water Fund shall not exceed the net income of said Fund as shown on the books of account of the water utility after payment of the maintenance and operating expenses of the water works, the expenses of conducting the water utility, depreciation, and the principal, interest and premiums, if any, upon the redemption thereof, of water works revenue bonds.

Notwithstanding anything herein contained, if the City Council at the time of or before the adoption of the budget shall determine that the transfer of such amount from the Light and Power Fund or from the Water Fund would be detrimental to the proper functioning and administration of the two utilities during the budget year under consideration, the City Council may so find by resolution, and, in such event, no transfer of such amount shall be made within that fiscal year. If the City Council shall determine that the transfer of an amount less than eight percent (8%) from the Light and Power Fund or of an amount less than six percent (6%) from the Water Fund would not be detrimental to the proper functioning and administration of these utilities during the budget year under consideration, the City Council may so declare by resolution, and shall transfer a smaller amount.

(Sec. 1408 amended by vote of the people 3-9-1993; Sec. 1408 amended by vote of the people 6-6-1972.)

Section 1409 - OTHER APPROPRIATIONS

Whenever the City Council determines that the surplus or reserve in the Light and Power Fund is in excess of reasonable future needs of the power utility, such excess may be appropriated for other municipal purposes, provided that such appropriation be made by an ordinance stating its purpose, and

further provided that such ordinance shall not be effective until submitted to the people and approved by two-thirds of the qualified electors voting.

(Sec. 1409 amended by vote of the people 3-9-1993.)

Section 1410 - EMERGENCY USE OF FUNDS

Any surplus or reserve in the Water Fund or the Light and Power Fund may temporarily be used for other municipal purposes in case there shall be insufficient funds in the City Treasury to pay the current expenses of the general government of the City before the collection of taxes levied in any fiscal year. In case moneys from either of said funds are used pending the receipt of taxes, the amount so used shall be repaid not later than February 15 of the same fiscal year.

Section 1411 - REVENUE BOND PURPOSES

Revenue bonds for the purpose of providing moneys for the acquisition and construction of additions to, extensions, improvements, or repairs of the water works and electric works of the City, or the purchase for intertie purposes of undivided joint interests or rights of use in other generation or transmission facilities, constructed either by governmental agencies or investor-owned companies may be issued only as provided in this Article. Such revenue bonds shall not constitute an indebtedness of the City but shall constitute obligations which shall be payable principal and interest and any premiums upon the redemption of any thereof prior to maturity only from the fund derived from the public utility involved (the "Water Fund" established in this Article in the case of revenue bonds issued for waterworks purposes and the "Light and Power Fund" established in this Article in the case of revenue bonds issued for electric works purposes; and each of said funds may hereinafter in this Article be referred to as a "Revenue Fund"); provided, however, that this shall not preclude the payment thereof from the proceeds of bonds issued to refund said revenue bonds. Refunding bonds issued under this Article may be issued only as provided in this Article and shall be payable only from the fund from which the revenue bonds to be refunded are payable. No restrictions or limitations upon, or procedure for, the issuance of bonds in other articles of this Charter shall apply to such revenue bonds (including refunding revenue bonds) and this Article shall constitute complete authority for the issuance of such revenue bonds (including such refunding revenue bonds), and no action or proceeding not required by this Article shall be necessary for the valid authorization and issuance of such revenue bonds.

Section 1412 - REVENUE BOND ORDINANCE

Whenever the City Council proposes the issue revenue bonds pursuant to this Article, it shall adopt an ordinance authorizing the issuance of such bonds which shall recite the objects and purposes for which the bonds are to be issued, the principal amount of the bonds, the maximum rate of interest to be paid, the date of issue of said bonds, the maturity dates thereof, and the fund from which the bonds and the interest thereon and premiums upon the redemption of any thereof are to be payable and such provisions authorized by Section 1413 of this Article as the City Council deems desirable. Said bonds shall be negotiable. The recitals of regularity of proceedings in any revenue bond issued and sold under this Article shall be conclusive evidence of compliance with the provisions of this Article and of the validity of such bond.

(Sec. 1412 amended by vote of the people 3-9-1993.)

Section 1413 - REVENUE BONDS: TERMS AND CONDITIONS

In the ordinance authorizing the issuance of said bonds, the City Council may also fix additional terms and conditions thereof and may in any article, section or clause thereof make such provision as it may deem necessary or desirable to facilitate the issuance and sale of the bonds or for the protection or security of the holders thereof, including, without affecting the generality of the foregoing, provision for any or all of the following:

- (A) The denomination or denominations of the bonds, the medium payment thereof, the place or places of payment thereof, which may be within or without the State of California, the form of said bonds (including recitals of regularity) and of interest coupons pertaining thereto, the form,

denomination, and conditions of any temporary bonds or interim certificates, and the manual and facsimile signatures to be affixed to said bonds or certificates (one signature upon which must be manual) and the manual or facsimile signature to be affixed to interest coupons.

- (B) The terms and conditions under which said bonds may be issued, sold, paid, redeemed before maturity (including the premiums, if any, to be payable upon bonds redeemed prior to maturity), exchanged, registered, transferred, and negotiated.
- (C) Rates to be charged for services furnished by the public utility added to, extended, improved, or repaired with the proceeds of said bonds (or in the case of refunding bond, with the proceeds of the bonds to be refunded), such rates to provide revenue at least sufficient to pay, as the same become due, principal and interest of such bonds, and all other obligations payable from the Revenue Fund of such works (or from any fund derived therefrom) and the necessary expenses of maintaining and operating such works, and the extent to which such services may be furnished or rendered to the City or to any public corporation or body, free or at lower rates than otherwise charged.
- (D) The Revenue Fund from which said bonds and the interest thereon shall be paid; the collection, deposit, and safekeeping of the revenue; the permissible uses thereof, including restrictions upon or prohibitions against any contributions provided for in this Article; provided, however, that nothing in this Article or in any ordinance authorizing the issuance of revenue bonds hereunder or in any resolution or order in the revenue bond proceeding shall prevent, restrict, or prohibit the payment from the revenues of the necessary or proper expenses of maintenance and operation and conduct of the utility prior to the payment of principal and interest of the revenue bonds or the setting aside in the bond service, sinking, redemption, reserve, or other fund, monthly or otherwise, of funds therefor; the special fund or funds to be pledged and kept for the payment of principal and interest of the bonds, including reserve, sinking, bond service, redemption, and trust funds, and any revenue bond payable from the Revenue Fund of a public utility may be paid from any such special fund set up therefor; the permissible investments for monies in said funds or any thereof; the accounts and records to be kept, audits thereof and examination thereof by bondholders and others.
- (E) The carrying of insurance upon such public utility or any part thereof against any or all risks, and in case of loss the application of the insurance proceeds.
- (F) Prohibitions against or limitations upon the sale, lease, or other disposition of such public utility.
- (G) Prohibitions or limitations upon the issuance of any additional bonds payable from the revenues of the public utility so added to, extended, improved, or repaired with the proceeds of said bonds, but no bonds shall be issued pursuant to this Article or under any other provision of this Charter or any other law having any priority in payment of principal or interest out of such revenues over revenue bonds theretofore or thereafter issued and payable out of said revenues.
- (H) Provisions whereby the consent or agreement of a stated percentage or number of the holders of the bonds may bind all holders to modifications of the provisions of any ordinance, resolution, or order authorizing or providing for the issuance of such bonds, or to a refunding of said bonds and to calls or exchanges in connection with such refunding.
- (I) For the issuance of a duplicate in the manner and upon such terms and conditions as the City Council may determine, in the event any bond, temporary bond, coupon or interim certificate of any such issue is lost, stolen, destroyed, or mutilated.
- (J) Any other provision valid under the Constitutions of the State of California and the United States of America which the City Council deems necessary or desirable to facilitate the issuance and sale of said bonds or for the protection of holders thereof.

Such ordinance shall be subject to referendum in the manner that other ordinances of the City are subject to referendum. The ordinance authorizing the issuance of said bonds and all other ordinances,

resolutions or orders in the proceeding for the issuance of said bonds shall constitute a contract with the holders of the bonds, and such contract may be enforced by any holder by mandamus, injunction, or any applicable legal action, suit, proceeding, or other remedy.

(Sec. 1413 amended by vote of the people 3-9-1993.)

Section 1414 - REVENUE BONDS: LIMITATIONS

The following limitations shall apply to the issuance of bonds under this Article:

- (A) Said bonds shall be payable within not more than forty years from the date of issue thereof, and not less than one-fortieth part of the whole of any issue of bonds shall be payable annually beginning not later than ten years from the date of such issue.
- (B) Said bonds shall be designated "Revenue Bonds" and such bond shall state on its face that it does not constitute an indebtedness of the City of Pasadena but is an obligation payable, principal and interest, only from the Revenue Fund of the utility for which the proceeds of the bonds will be used.
- (C) Said bonds shall be sold only at public sale following such notice as the City Council by resolution or order may prescribe; provided, however, that if no satisfactory bid is received pursuant to such notice the City Council may reject all bids received, if any, and thereafter sell said bonds at public or private sale: provided, further, that the provisions of this subsection shall not apply to the exchange of any refunding bonds. Any such revenue bonds may be sold at a fixed rate of interest or the bidders may be invited to state the rate or rates of interest at which they will purchase said bonds, but no rate on any of the bonds shall exceed the maximum rate stated in the ordinance authorizing the issuance of such bonds. If the bidders are invited to state the interest rate or rates, then upon the acceptance of a bid the City Council shall by resolution or order, which shall not be subject to referendum, fix such interest rate or rates as have been bid by the successful bidder as the rate or rates of interest on the bonds.
- (D) Said bonds shall be sold for not less than par and accrued interest to date of delivery. The proceeds from the sale (except premium and accrued interest which shall be paid into the Bond Service or other fund designated or established for the payment of principal and interest of the bonds) shall be paid into the construction fund designated by the ordinance authorizing the issuance of such bonds, and not into the "Water Fund" or the "Light and Power Fund," and shall be applied exclusively to the objects and purposes set forth in such ordinance; provided, however, (1) that the Revenue Fund from which the bonds are payable may be reimbursed from such proceeds for expenditures for purposes for which the bonds were issued made from such Revenue Fund after the ordinance authorizing the issuance of such bonds became effective, (2) that said proceeds may be used for the payment of interest on said bonds during the period of acquisition and construction and for the first six months thereafter, and (3) that when the objects and purposes for which the bonds were issued have been accomplished any remaining unexpended funds derived from the sale of said bonds shall be used for the payment of the principal and interest of said bonds.

(Sec. 1414 amended by vote of the people 3-9-1993.)

Section 1415 - REFUNDING BONDS

Refunding bonds may be issued for the purpose of refunding any revenue bonds issued pursuant to this Article, and such refunding bonds may be issued in principal amount sufficient to refund the outstanding bonds proposed to be refunded thereby, including payments of accrued interest and of any premiums thereon. Refunding bonds shall be authorized, issued, and sold in the manner provided for the sale of other revenue bonds hereunder, or may be exchanged for the outstanding bonds to be refunded upon such terms and conditions as may be stated in the ordinance authorizing such refunding bonds.

Section 1416 - REVENUE BOND PROCEEDINGS: EFFECT OF

To the extent that any provision of an ordinance authorizing the issuance of bonds pursuant to this Article or any provision of any ordinance, resolution or order pertaining to such bonds adopted pursuant to the authority of this Article is inconsistent with any of the provisions of any other Article of this Charter, the provisions of such ordinance, resolution, or order shall control so long as any of the bonds and interest coupons to which the same pertain are outstanding and unpaid. No bond shall be deemed to be outstanding and unpaid within the meaning of this Article if moneys for the purpose of paying the same or redeeming the same prior to maturity and sufficient therefor have been irrevocably set aside in a Bond Service Fund, sinking fund, redemption fund, or other trust fund created to insure the payment or redemption thereof.

ARTICLE XV - THE FIRE AND POLICE RETIREMENT SYSTEM

Section 1501 - RETIREMENT SYSTEM

In order to continue in force, with such modifications as are set forth in this Article, provisions already existing for retirement and death benefits for members of the Fire and Police Departments of the City, the Pasadena Fire and Police Retirement System, hereinafter referred to as the Retirement System or the System, is hereby established. The legislative body of the city may exclude from membership in the Retirement System persons employed on a temporary or part-time basis, but for the purpose of Retirement System, persons serving a probationary period requisite to appointment to a regular position shall not be considered as on a temporary basis. The legislative body by a vote of not less than six of its members, is hereby empowered to enact any and all ordinances necessary to carry into effect the provisions of this Article provided that the said legislative body, through the Retirement Board, shall secure an actuarial report of the cost and effect of any proposed change in the benefits under the Retirement System, before the adoption of an ordinance to submit any proposed Charter amendment providing for such change.

(Sec. 1501 amended by vote of the people 11-3-1998.)

Section 1502 - RETIREMENT BOARD

The Retirement System shall be managed by a Retirement Board hereby created, which shall be the successor to and have the powers and duties of the Fire and Police Pension Board of the City of Pasadena, heretofore created and effective and now by this Article superseded by the Retirement Board. The Retirement Board shall consist of one member of the legislative body of the city to be selected by and to serve at the pleasure of the said legislative body, two qualified electors of the City of Pasadena not connected with the government thereof, to be appointed by the legislative body, and two members elected under the supervision of the Retirement Board from the active or retired members of the Retirement System. One of such two members shall be a member or retiree of the Fire Department and one a member or retiree of the Police Department, and the election of each of such two members shall be confined to the group from which the member must be chosen. The term of office of the four members, other than the member appointed from the legislative body of the City, shall be four years, one term expiring each year, provided that immediately after the election of the two members from the Fire and Police Departments, they shall draw lots for terms of one, two, three and four years respectively. The members of the Retirement Board shall serve without compensation. The Retirement Board shall appoint a secretary to hold office at its pleasure, and when necessary employ a consulting actuary.

The Retirement Board shall have the sole power and authority under such general ordinances as may be adopted by the legislative body to hear and determine all facts pertaining to applications for and awards of any benefits under the Retirement System, or any matters pertaining to the administration thereof. Said Retirement Board shall have exclusive control of the administration and investment of such fund or funds as may be established and all investments shall be subject to the same terms, limitations

and restrictions as are imposed by the Constitution and laws of the State upon the investment of the Public Employees' Retirement System Funds, as now enacted or hereafter amended.

Disbursement of retirement funds shall be made upon demands duly audited in the manner prescribed in this Charter for disbursement of public funds. The City Treasurer shall be the custodian of any such retirement funds, subject to the control of the Retirement Board as to the administration and investment of said funds.

(Sec. 1502 amended by vote of the people 11-7-2000.)

Section 1503 - ACTUARIAL TABLES, RATES AND VALUATIONS

The mortality, service and other tables and rates of contributions for members as recommended from time to time by the actuary and the valuations determined by him from time to time and approved by the Retirement Board shall be final and conclusive and the contributions of the City and members to the Retirement System shall be based thereon. The same actuarial tables, rates, valuations and assumptions, including but not limited to assumptions concerning future investment return and salary inflation, shall be used in calculating member contributions pursuant to Section 1509.9 hereof as are used in calculating city contributions pursuant to Section 1509.92 hereof.

The actuary shall, in valuing the system for any purpose hereunder, reflect as an asset all moneys in the unallocated interest earnings in excess of 2 percent of total assets excluding unallocated interest earnings.

(Amended by vote of the people 11-4-1980, effective January 1, 1981; Sec. 1503 amended by vote of the people 4-17-73, effective July 1, 1973.)

Section 1504 - DEFINITIONS

- (a) "Compensation", as distinguished from benefits under the Workmen's Compensation laws of the State of California, shall mean the remuneration prescribed by the City in cash, without deduction except for absence from duty, for time during which the member, as herein defined, receiving such remuneration is in the employ of the City. Compensation based on overtime put in by a member shall be excluded from all computations in which compensation is a factor.
- (b) "Service" shall mean time during which a member is employed by City for compensation excluding compensated time prior to becoming a member. Absence from duty without compensation due to any cause other than disability retirement as hereinafter provided, shall not be deemed service for the City. The legislative body, however, may fix the number of months per year to be required for a year of service and proportionate parts thereof, but not more than one year shall be credited for all service in any year.
- (c) "Compensation earnable" shall mean the compensation as determined by the Retirement Board, which would have been earned had the member received compensation without interruption throughout the period under consideration and at the rates attached to the ranks or position held by a member during such period. The computation for any absence of a member shall be based on the compensation earnable in the rank or position held by the member at the beginning of the absence and that for the time prior to becoming a member of the Fire or Police Department, shall be based on the compensation earnable by the member in the rank or position first held by the member in such Department.
- (d) "Retirement allowance", "death allowance", or "allowance" shall mean equal monthly payments for life unless a different term of payment is provided by the context, provided that any person to whom or on whose account benefits are payable, may elect to have the actuarial equivalent of the portion of such benefits which is not continued automatically to the member's surviving spouse or children, paid in different form, all subject to such restrictions, regulations and conditions as may be prescribed by the legislative body, but the action of the legislative body shall not prevent such benefits when elected by a member, from taking the form of cash refund annuities, as applied to the

member's accumulated contributions only, or reversionary annuities, these terms to have the meaning commonly accepted in standard life insurance practice.

- (e) "Annuity" shall mean equal monthly payments for life, unless a different term of payment is provided by the context, derived from contributions made by the member.
- (f) "Final compensation" shall mean the highest average monthly compensation earnable by a member during any period of 12 consecutive months. In the calculation of "final compensation", periods of service separated by breaks in service may be aggregated to constitute a period of 12 consecutive months, if the periods of service are consecutive except for such breaks. If a break in service did not exceed 6 months in duration, time included in the break and compensation earnable during such time shall be included in the computation of final compensation. If a break in service exceeded 6 months in duration, only the first 6 months thereof and the compensation earnable during those 6 months shall be included in the computation of final compensation. For the purposes of this paragraph, absence from duty without compensation, because of disability retirement, is not a break in service.
- (g) "Employee" shall mean "officer or employee".
- (h) "Member" shall mean a member of the Retirement System unless clearly indicated otherwise.
- (i) "Interest" shall mean interest at the rate adopted by the Retirement Board.
- (j) The disability referred to herein as a basis for retirement shall mean disability of permanent duration, except disabilities determined by the Retirement Board, predicated upon best medical opinion, to be of an extended and indefinite duration.
- (k) For the purposes of the Retirement System, ages of members used in the calculation of allowances shall be taken to the next lower completed quarter year.
- (l) Any fire or police service performed outside the limits of the City by a member of the Retirement System under the orders of a superior officer of any such member, shall be considered as performed within the scope of a member's employment, and any disability or death incurred therein shall be covered under the provisions of the Retirement System.
- (m) For the purposes of the Retirement System, "member of the Fire Department" or "member of the Police Department", shall include any officer or employee of either of such departments whose principal duties are to prevent and extinguish fire or to preserve the peace, prevent injury to life and property, or to suppress crime or disorder, and shall exclude persons whose principal duties are those of civilian personnel such as, but not limited to, administrative analyst, training coordinator, technical specialist, housing inspector, telephone operator, clerk or stenographer, machinist or mechanic, or other similar duties clearly not falling within the foregoing regular fire or police duties, even though such persons may be called upon occasionally to perform such regular fire or police duties; provided that the foregoing exclusions shall not apply to members of the System who are reassigned to perform any of the excluded duties or transferred to another City department. After the effective date hereof, the maximum age at which any person, except a person employed as Chief of the Fire Department or Chief of the Police Department may become or reenter as a member of either the Fire or Police Department, shall be thirty-four years notwithstanding any of the other provisions of this Charter.
- (n) "Spouse" shall mean a male or female person legally married to a member and otherwise entitled to benefits as further provided herein.
- (o) "Handicapped dependent child" shall mean an unmarried natural child or an unmarried legally adopted child of a member who is physically or mentally handicapped as determined by standards established by ordinance, and who prior to reaching 21 years of age was so handicapped. Provided, that in order to be eligible for any benefits herein, an adopted handicapped dependent child must have been legally adopted by the member not less than 12 months preceding the retirement of the

member or be legally adopted by the member at the time of his or her death occurring prior to retirement.

(Sec. 1504 amended by vote of the people 4-17-1973, effective July 1, 1973.)

Section 1505 - AGE EXCEPTION FOR TEMPORARY OR PART-TIME EMPLOYEES

As an exception to the maximum age requirement of the preceding section, if the City Manager finds that persons under thirty-five years of age are not available for membership in either of said departments because of conditions brought about by war, he may employ a person over thirty-four years of age in either of said departments on a temporary or part-time basis and such person shall not be entitled to membership in the Retirement System. Authority given to the City Manager under this Section shall terminate after the expiration of one year after the end of the war on a date to be determined by the legislative body of the City.

Section 1506 - POST RETIREMENT SERVICE WITHOUT LOSS OF BENEFITS OR REINSTATEMENT

A retired person may serve without reinstatement from retirement or loss or interruption of benefits provided by this system as follows:

- (A) As a member of the Fire and Police Retirement Board; or
- (B) Upon employment by the City to a position of a limited duration and requiring specialized skills or during an emergency to prevent stoppage of public business. Such an appointment shall not exceed a total of 960 hours in any calendar year; or
- (C) Upon appointment to a volunteer position as a member of a City commission, board or committee, or election to a City office.

(Sec. 1506 amended by vote of the people 11-7-2000.)

Section 1507 - REDUCTION OF BENEFITS

That portion of any allowance or other benefit which is provided by contributions of the City, payable by the Retirement System because of the death or retirement of any member shall be reduced, in the manner fixed by the legislative body, by the amount of any pension, except social security payments or pensions paid on account of service in the military or naval forces of the United States, paid to or on account of the death of such member from funds of the United States, State of California or any political subdivision thereof, on account of, or on the basis of service credited under the Retirement System.

(Sec. 1507 amended by vote of the people 4-17-73, effective July 1, 1973.)

Section 1507.1 - CONFORMITY WITH THE UNITED STATES INTERNAL REVENUE CODE

Notwithstanding any other provision of law, the benefits payable to any person who became a member prior to January 1, 1990 shall be subject to the greater of the following limitations as provided in Section 415(b)(10) of the Internal Revenue Code:

- (a) The limitations set forth in Section 415 of the Internal Revenue Code.
- (b) The accrued benefit of a member under this system, determined without regard to any amendment to the system made after October 14, 1987.
- (c) Notwithstanding any other provision of this Article, the benefits payable to any person who for the first time becomes a member on or after January 1, 1990 shall be subject to the limitations set forth in Section 415 of the Internal Revenue Code.

(Sec. 1507.1 approved by vote of the people 3-5-91, effective June 5, 1991.)

Section 1508 - EXISTING ALLOWANCES

- (a) Retirement or death allowances existing in favor of or on account of members of the Fire or Police Departments at the time of the effective date of this Article, shall be continued in force, including a remarried widow during any period of time when she is unmarried by reason of the death of,

annulment or divorce from a succeeding husband, and shall be paid by the Retirement System. Allowances which were effective, because of a member's retirement or death before retirement, after November 5, 1968, and prior to the effective date hereof, shall be adjusted to the new basis of all benefits provided in this Article XV upon the election by the member or surviving wife to accept the modifications provided in this amendment.

- (b) Every retirement or death allowance presently payable pursuant to the 1935 System as heretofore modified for time, to or on account of a person who died as a member or retired on or after July 1, 1935, and prior to the effective date of this section, shall from and after the effective date hereof and upon the election by the member or his surviving wife within 180 days of the effective date of this amendment, be adjusted annually in accordance with Section 1509.8 hereof. Such annual adjustments shall not be retroactive but shall only be from and after the effective date hereof.
- (c) The provisions of these subparagraphs (a) and (b) do not apply to persons receiving benefits pursuant to Charter provisions in effect prior to July 1, 1935, nor to any widow of a member who had remarried on or before November 5, 1968, and whom the member's contributions had been paid.

Section 1509 - BENEFIT AND CONTRIBUTION REQUIREMENTS

Persons who shall be members of the Fire and Police Retirement System on the effective date hereof shall remain members of the System upon such date and shall retain all rights under the System theretofore in effect. All persons who shall become members of the Fire or Police Departments after the effective date hereof, shall become members of the Retirement System forthwith and all members of the System who elect to take the new benefits and pay the contributions required from the effective date of the amendment shall be subject to the provisions of this Article XV, as modified by this amendment.

Section 1509.1 - SERVICE RETIREMENT; 15 YEARS SERVICE; AGE 50

Members may retire upon or after attaining age 50 provided that a member shall at the effective date of election to retire have rendered at least 15 years of service.

Section 1509.12 - SERVICE RETIREMENT; 25 YEARS SERVICE

Notwithstanding any other provision of this Charter, members may exercise their option to retire provided they shall at the effective date of election to retire have rendered at least 25 years of service.

Section 1509.13 - SERVICE RETIREMENT; COMPULSORY AT AGE 60

(Repealed by vote of the people on 11-7-2000.)

Section 1509.14 - SERVICE RETIREMENT; DISMISSAL

Dismissal of a member from service for any cause after the member has qualified as to age and service for service retirement shall not deprive such member of the right to retire for service.

Section 1509.15 - SERVICE RETIREMENT: RETIREMENT ALLOWANCE

- (A) Members have the optional right to retire for service as set forth herein upon electing the right to so retire and upon retirement for service shall receive a service retirement allowance equal to 1/50 of the member's final compensation, times the member's number of years of service, times an actuarial equivalent at his or her actual retirement age as set forth in the following table, provided that in no event shall the initial service retirement allowance exceed seventy-five percent (75%) of the member's final compensation:

Age At Retirement	Actuarial Equivalent
46	.8226
47	.8678
48	.9085

49	.9522
50	1.0000
51 and over	1.0516

(B) The following table of age at retirement and actuarial equivalents shall be operative in whole or in part to the calculations set forth in subsection (A) of this Section when the cost to the City as contributions for current and past service, including benefits added by modification of the System from time to time, excluding contributions of City concerning charter provisions in effect prior to July 1, 1935, does not exceed 15.50 percent of members' compensation paid during the said year the following table becomes operative. If, as the result of a periodical actuarial valuation and investigation taking into consideration reductions in prior service obligations of City and the earnings of the Fund, the foregoing conditions are met, the City Council shall, by ordinance or resolution, establish the effective date of the new retirement rates, which date shall be within 90 days of the filing of the said actuarial report.

Said equivalents shall be applicable only to those members retiring after said valuation, investigation and determination by the said City Council and subject to the formula and limitations of subsection (A) of this Section:

Age At Retirement	Actuarial Equivalent
52	1.1078
53	1.1692
54	1.2336
55 and over	1.3099

(Sec. 1509.15 amended by vote of the people 3-9-1993; Sec. 1509.15 amended by vote of the people 4-17-1973, effective July 1, 1973.)

Section 1509.3 - SERVICE CONNECTED DISABILITY RETIREMENT

Members shall be retired for disability, regardless of age or amount of service, if incapacitated for the performance of duty as the result of injury or illness incurred in the performance of duty. A member may accept a transfer or reassignment to another City department. Such transfer or reassignment shall not prejudice the member's right to such disability retirement upon his subsequent separation from service with the City. In event of reassignment, the member shall retain the classification held at time of reassignment and shall receive the salary attached to that classification.

(Sec. 1509.3 amended by vote of the people 4-17-1973, effective July 1, 1973.)

Section 1509.31 - SERVICE CONNECTED DISABILITY RETIREMENT; ALLOWANCE

Upon retirement for disability resulting from injury or illness incurred in performance of duty, members shall receive a disability retirement allowance of 50 percentum of the member's final compensation. Provided, if such member might otherwise elect to retire for service at a greater retirement allowance pursuant to the provisions hereof, and should said member elect to receive a disability allowance, then the disability retirement allowance payable to the member shall be in an amount not less than that sum the member would have received had an election been made to receive a retirement for service allowance. Such election shall be irrevocable by the member thereafter.

(Sec. 1509.31 amended by vote of the people 4-17-1973, effective July 1, 1973.)

Section 1509.32 - NON-SERVICE CONNECTED DISABILITY RETIREMENT

Members shall be retired regardless of age but only after ten years of service to the city in either or both the Fire and Police Departments if incapacitated for the performance of duty as the result of an injury or illness not incurred in the performance of duty. A member may accept a transfer or reassignment to another City department. Such transfer or reassignment shall not prejudice the member's right to such disability retirement upon his subsequent separation from service with the City. In event of reassignment, the member shall retain the classification held at time of reassignment and shall receive the salary attached to that classification.

(Sec. 1509.32 amended by vote of the people 4-17-1973, effective July 1, 1973.)

Section 1509.33 - NON-SERVICE CONNECTED DISABILITY RETIREMENT; ALLOWANCE

Upon retirement for disability resulting from injury or illness not incurred in the performance of duty, a member shall receive a disability retirement allowance of 1-½ percentum of the member's final compensation, multiplied by the number of years of service credited to the member if such allowance exceeds ¼ of the member's final compensation; otherwise, 1-½ percentum of the member's final compensation, multiplied by the number of years which would be creditable to the member were the member's service to continue until the member's attainment of the age of 55 years, but such allowance shall not exceed ¼ of the member's final compensation. If such member might otherwise elect to retire for service at a greater retirement allowance pursuant to the provisions hereof, he shall elect either the higher service retirement allowance or the disability retirement. Such election shall be irrevocable by the member thereafter.

(Sec. 1509.33 amended by vote of the people 4-17-1973, effective July 1, 1973.)

Section 1509.34 - DISABILITY; REINSTATEMENT

If the disability for which a member was retired shall cease to the extent necessary to enable him to perform the duties of the rank or position he held at the time of retirement, the member's allowance shall cease at the option of the Retirement Board, and the member shall be reinstated at the rank and in a position of the same grade as the member occupied at the time of retirement. The member's individual account shall be credited with an amount which is the actuarial equivalent of the member's annuity at the time as based on a disabled life, but not exceed the amount of the member's accumulated contributions at the time of the member's retirement for disability. The amount so credited to the member's individual account shall be administered as contributions deducted from the member's compensation. Upon retirement at any time thereafter, the member shall receive service credit for the time during which the member was retired for disability, but the member shall not be required to make contributions for such time. If, following reinstatement, the member does not enter upon the duties of the member's position, and is not qualified for service retirement, the member shall be subject to the provisions of Section 1509.4 hereof. This Section shall not apply to any member who shall have been qualified for and who shall have elected previously service retirement rather than disability retirement.

Section 1509.4 - DEFERRED RETIREMENT

Should any member be separated from service of the City through any cause other than death or retirement, then all of the member's contributions, with interest, shall be refunded to the member, provided that if such member is entitled to be credited with at least ten years of service, the member shall have the right to elect within ninety days after said termination of service, whether to allow the member's accumulated contributions to remain in the Retirement Fund. Such election shall become void upon such person's employment in a position requisite for membership in this System, and may be revoked by such person at any time prior thereto. Upon such revocation, the member's accumulated contributions shall be refunded to the member. Failure to make an election during the said 90-day period shall be deemed an irrevocable election to withdraw the member's accumulated contributions.

A member whose membership continues under this section is subject to the same age requirement as applies to other members for service retirement, but is not subject to a minimum service requirement. After the qualification of such member for retirement by reason of age for service retirement and only then, the member shall be entitled to receive a retirement allowance based upon the amount of the member's accumulated contributions and service standing to the member's credit at the time of retirement and on the employer contributions held for the member and calculated in the same manner as for other members.

Section 1509.41 - REENTRY; ADJUSTMENT OF CONTRIBUTION RATE

If a member who has separated from service and who has elected to continue his membership pursuant to Section 1509.4 shall again become an employee of either the Fire Department or the Police Department, on reentry the member's rate of contributions for the future shall be adjusted by the actuary as necessary, by adding to his original age for contribution purposes the number of years said member was out of service in either the Fire Department or the Police Department.

Section 1509.5 - REFUND OF CONTRIBUTIONS

Member's contributions made under Sections 1509.81 and 1509.9 hereof, shall be credited to the individual account of the member from whose compensation they were deducted, and no amendment to this Charter or repeal thereof shall prevent the payment to the member or member's beneficiary, of such contributions made prior to the effective date of such amendment or repeal, with interest, upon separation from service of the City, for reason by other than retirement, as provided herein, or the application of such contributions, with interest, toward providing the member's retirement or death allowance, as the case may be.

Section 1509.6 - RETIREMENT ALLOWANCE; DEPENDENT CONTINUATION OF AT DEATH OF MEMBER

- (a) Upon the death of any member receiving a retirement allowance pursuant to the provisions of Sections 1509.1, 1509.12, 1509.15, 1509.33 or 1509.4 hereof, 60% of the member's retirement allowance shall, if not modified in accordance with one of the optional settlements now or hereafter specified by ordinance, be continued throughout the life of the surviving spouse.
- (b) Upon the death of any member receiving a service connected disability retirement allowance pursuant to the provisions of Sections 1509.3 and 1509.31 hereof, 100% of the member's retirement allowance shall be continued throughout the life of the surviving spouse.
- (c) If there be no surviving spouse, then the allowance which would otherwise be paid to the surviving spouse had he or she qualified and lived and not remarried, shall be paid to such child or children under said age of 21 years, collectively, to continue until every such child dies or attains age 21 or marries provided that no child shall receive any allowance after marrying or attaining the age of 21 years. No allowance shall be paid under this Section to a surviving spouse unless the surviving spouse was married to the member at least one year prior to said member's date of retirement.

(Sec. 1509.6 amended by vote of the people 3-4-03)

Section 1509.61 - REFUND OF DEPENDENT CONTRIBUTIONS; TO DEPENDENT

If the payment of the allowance for surviving spouse or child or children of a member as set forth in Section 1509.6 hereof terminates by death of the spouse and because of the death, attainment of age 21 by or marriage of every child or children before the sum of the monthly payments made shall equal the sum of the member's dependent contributions, with interest thereon, as it was at the member's retirement, then an amount equal to the difference between said sums shall be paid in one amount to the surviving children of the deceased member, share and share alike.

(Sec. 1509.6 amended by vote of the people 4-17-1973, effective July 1, 1973.)

Section 1509.62 - REFUND OF DEPENDENT CONTRIBUTIONS; TO MEMBER

If at the date of retirement for service or disability, service connected or non-service connected, a member has no spouse or child or children qualifying under this Article XV for dependent continuation allowance, the dependent contributions made by the member, with accumulated interest thereon, shall be paid to the member upon said date.

(Sec. 1509.62 amended by vote of the people 4-17-1973, effective July 1, 1973.)

Section 1509.7 - DEATH OF MEMBER PRIOR TO RETIREMENT; DEATH BENEFIT

Upon the death of a member, before retirement, the Retirement System shall be liable for and shall pay a death benefit consisting of either or both of the following:

- (a) The member's accumulated contributions, with interest thereon, to be paid to the member's estate or to such person having an insurable interest in the life of the member if the member shall nominate by written designation duly executed and filed with the Retirement Board.
- (b) An amount of money equal to the member's compensation earnable during the 6 months immediately preceding the death of the member to be paid only to the member's surviving spouse, child or children or dependent father or mother.

The foregoing death benefits shall be paid in monthly installments in accordance with Sections 1509.71 and 1509.72 hereof, except where a lump sum is specified.

Section 1509.71 - SERVICE CONNECTED DEATH; PRIOR TO RETIREMENT

If, in the opinion of the Retirement Board, the death of a member, prior to retirement be the result of injury or illness, incurred in the performance of duty, the Retirement System shall be liable for and shall pay as follows:

- (a) An amount sufficient, when added to the amounts provided in Section 1509.7 (a) and (b), but excluding the member's accumulated additional contributions, to provide when applied according to the tables and rates recommended by the actuary and approved by the Retirement Board, a monthly death benefit allowance equal to 1/2 of the member's final compensation, to be paid to the surviving spouse to whom said member was married at the time of sustaining the said injury or illness, to continue throughout his or her life or until he or she remarries; or if there be no surviving spouse, or if he or she dies or remarries before every unmarried child of such deceased member shall have attained the age of 21 years, then to such child or children under said age collectively, to continue until every such child dies, attains said age, or marries, or unless the subsequent marriage of the spouse is terminated by the death of, annulment or divorce from the succeeding husband or wife; provided that no child shall receive any allowance after attaining the age of 21 years or marriage. If payment of the allowance be stopped because of the death of the surviving spouse and attainment of the age of 21 years by or marriage of a child before the sum of the monthly payments shall equal the sum of the amounts provided in Section 1509.7 (a) and (b), then an amount equal to the difference between said sum shall be paid in one amount to the surviving children of the deceased member share and share alike.

The remarried spouse shall have the right to receive a continuation of his or her monthly allowance during any period of time in the future when he or she is unmarried by reason of the death of, annulment or divorce from a succeeding husband or wife. The spouse shall have no right to withdraw the said remaining balance, if any, of Section 1509.7 (a) and (b).

(Sec. 1509.71 amended by vote of the people 4-17-73, effective July 1, 1973.)

Section 1509.72 - NON-SERVICE CONNECTED DEATH; PRIOR TO RETIREMENT

- (a) If, in the opinion of the Retirement Board, the death of a member, prior to retirement hereunder, be not the result of injury or illness incurred in the performance of duty, and if said member be qualified at the date of death for retirement for service, pursuant to this Article XV, then, the Retirement System shall be liable for and shall pay an amount sufficient, when added to the amounts provided in

Section 1509.7 (a) and (b) hereof, to provide an allowance to be paid to the surviving spouse to whom said member was married at least one (1) year prior to his or her death, to be equal in amount to the allowance which would have been payable to the spouse if the said member had retired for service at the time of said member's death and had died instantly thereafter, and to continue throughout the spouse's life or until remarriage, or if there be no surviving spouse, or if he or she dies or remarries before every unmarried child of such deceased member shall have attained the age of 21 years, then to such child or children under said age collectively, to continue until every child dies, attains said age, or marries, or unless the subsequent marriage of the spouse is terminated by the death of, annulment or divorce from a succeeding husband or wife; provided that no child shall receive any allowance after attaining the age of 21 years or by marriage. If payment of the allowance be stopped because of death of the spouse and attainment of the age of 21 years or by marriage of every child before the sum of the monthly payments shall equal the sum of the amounts provided in Section 1509.7 (a) and (b), then an amount equal to the difference between said sum shall be paid in one amount to the surviving children of the deceased member, share and share alike.

The remarried spouse shall have the right to receive a continuation of his or her monthly allowance during any period of time in the future when he or she is unmarried by reason of the death of, annulment or divorce from a succeeding husband or wife. The spouse shall have no right to withdraw the said remaining balance, if any, of Section 1509.7 (a) and (b).

- (b) If, in the opinion of the Retirement Board, the death of a member prior to retirement hereunder be not the result of injury or illness incurred in the performance of duty, and if said member has prior to death made an unrevoked election to continue membership in the System in accordance with Section 1509.4 hereof, the Retirement System shall be liable for and shall pay in a lump sum a death benefit according to and equal to Section 1509.7 (a).
- (c) If, in the opinion of the Retirement Board, the death of a member prior to retirement hereunder be not the result of injury or illness incurred in the performance of duty and said member was an employee at the date of death and if Sections 1509.71 and 1509.72 (a) or (b) hereof do not apply, the Retirement System shall be liable for and shall pay in a lump sum a death benefit consisting of the benefits referred to in Section 1509.7 (a) and (b).

(Sec. 1509.72 amended by vote of the people 4-17-1973, effective July 1, 1973.)

Section 1509.73 - CONTINUATION OR EXTENSION OF BENEFITS TO HANDICAPPED DEPENDENT CHILDREN

Notwithstanding anything to the contrary herein, benefits payable herein to an unmarried child under the age of 21 years shall not terminate or otherwise be withheld or denied regardless of age, if such person shall be a handicapped dependent child as defined in Section 1504. Should said child be determined to be a handicapped dependent child then benefits otherwise payable to an unmarried child under the age of 21 years shall continue or be initiated regardless of age, for so long as said child remains an unmarried handicapped dependent child. The City Council shall establish, by ordinance, standards and procedures for the determination and termination of eligibility for benefits payable herein to handicapped dependent children. The Retirement Board shall determine eligibility for benefits payable to a handicapped dependent child in accordance with the aforesaid ordinance standards and procedures.

(Sec. 1509.73 amended by vote of the people 3-9-1993; Sec. 1509.73 approved by vote of the people 4-17-1973, effective July 1, 1973.)

Section 1509.8 - COST OF LIVING INDEX

The Retirement Board shall, before April 1970, and before April of each year thereafter, determine whether there has been an increase or decrease in the cost of living as provided by this Section. Every retirement allowance, death allowance or allowance payable monthly to or on account of any member who has elected to take the modified system, and who retires or dies or who has retired or died shall be increased or decreased as of July 1 of each year, commencing July 1, 1970, by a percentage of the total

allowance then being received found by the Board to approximate the nearest one per cent of the percentage of annual increase or decrease in the cost of living as of January 1 of that year as shown by the then current Bureau of Labor Statistics Consumers Price Index for the Los Angeles-Long Beach Metropolitan Area.

Section 1509.81 - COST OF LIVING BENEFITS; FUNDING OF

For the purpose of paying increased benefits according to Section 1509.8 hereof, the City and members shall, for the 10 consecutive years ending June 30, 1987, each contribute to the Retirement Fund an amount equal to 2.5% of the member's compensation and thereafter, the City and members shall each contribute to said Retirement Fund either an amount equal to 2.5% of the member's compensation or an amount equal to that percentage of the member's compensation as determined by and based upon an actuarial reserve basis pursuant to the then current actuarial studies at the discretion of the City Council for such period of time as the said City Council shall determine. The required contributions of members shall be required as a deduction from the compensation of each member.

(Sec. 1509.81 amended by vote of the people 3-9-1993; Sec. 1509.81 amended by vote of the people 4-19-1977, effective July 1, 1977.)

Section 1509.9 - NORMAL EMPLOYEE CONTRIBUTIONS

The normal rates of contributions by members to the Retirement System shall be such as will provide an average annuity at age 50 equal to 1/100 of the final compensation of members according to the tables adopted by the Retirement Board and modified from time to time pursuant to this Article, for each year of service rendered after entering the System, and shall be required as a deduction from the compensation of each member throughout the member's membership.

Section 1509.91 - COSTS OF SYSTEM

All costs of administering the System shall be charged to the System and not to the City, including administration, investment costs, and actuarial reports.

Section 1509.92 - CITY CONTRIBUTIONS

City contributions for service retirement benefits, including those for members retiring for disability at age 50 and over, shall be determined on the basis of a normal contribution rate which shall be computed as a level percentage of compensation which, when applied to the future compensation of the average new member entering the system, together with the required member contributions, will be sufficient to provide for the payment of all prospective benefits of such member. The portion of liability not provided by the normal contributions shall be amortized over a 30-year period ending June 30, 2007. This method is commonly referred to as the Entry Age Normal Cost Funding Method.

City contributions for death and disability, excluding retirement for disability age 50 and over, shall be equal to the amounts actually disbursed for such deaths or disabilities during the year not provided by member contributions.

(Sec. 1509.92 amended by vote of the people 4-19-1977, effective July 1, 1977.)

Section 1509.93 - PERIODIC ACTUARIAL INVESTIGATION

Periodically, at periods fixed by the legislative body, the Retirement Board shall make an actuarial investigation into the mortality, service and other experience under the System, and, further, shall make an actuarial valuation of the assets and liabilities of the System, and upon the basis of such investigation and valuation as interpreted by the actuary, any necessary revision of the tables and rates being used under the System shall be made by the Retirement Board. No adjustment will be included in members' new rates of contribution resulting from said periodical investigation, Charter or ordinance amendments, or other cause, for time prior to the effective date of such new rates.

Section 1510 - MILITARY LEAVE OF ABSENCE, CONTRIBUTIONS AND CREDITS

Any member on or who has been on military leave of absence from duty may make payments to the Retirement Fund of all or any part of the normal contributions which would have been deducted from the member's compensation had the member been on duty. The legislative body by ordinance shall determine how and when such payment shall be made. All such payments shall be matched by contributions of the City to the Retirement Fund, and such member shall receive credit for such payments and matching contributions of the City, and for the time during which a member is or has been on military leave of absence from duty.

Section 1511 - ELECTION TO JOIN PUBLIC EMPLOYEES' RETIREMENT SYSTEM

The legislative body of the City shall have the power to authorize any member of the Retirement System to join the Public Employees' Retirement System, provided the membership of the Retirement System has first complied with any election requirements or other conditions prescribed by the Public Employees' Retirement System Act, as now enacted or hereafter amended.

Effective July 1, 1977, all new members of the Fire Department or Police Department shall become members of the said Public Employees' Retirement System as established by contract between the City and State. Every active member of the Fire and Police Retirement System shall become a member of said State System unless the member waives the said State System. A member waiving said State System shall remain a member of the Fire and Police Retirement System. City may withdraw from the System employer and employee contributions determined by the State actuary to be required to fund prior service benefits for those members transferring into the State System.

(Sec. 1511 amended by vote of the people 419-1977, effective July 1, 1977.)

Section 1512 - EFFECTIVE DATE

This amended Article XV shall become effective and operative on the first day of July, 1969.

ARTICLE XVI - PARK PRESERVATION

Section 1601 - USE AND DISPOSITION OF PARK PROPERTY

All dedicated park land owned by the City shall be used only for park and recreational purposes, and shall not be sold, transferred or used for other purposes, except upon the approval of a majority of the voters at an election held for such purpose. The city Council shall adopt by ordinance regulations to preserve and protect such dedicated park land. For purposes of this Charter, "dedicated park land" means property now owned or hereafter acquired which has been dedicated by ordinance and used for park and recreation use.

Nothing in this Article shall supersede the provisions of Article XIV of this Charter, nor shall it prohibit or preclude the transfer between the funds or the general fund of real property paid for out of the Water or Light and Power Funds of City without a vote of the people, so long as the use is compatible with park and recreation use in the discretion of the City Council.

As used in this Article, "park and recreation use" means and includes active recreation uses such as organized and leisure athletic and sports activity and unorganized play; cultural activities such as plays, concerts, festivals, exhibitions and shows; passive recreational activities such as picnics and public gatherings; the use of existing structures by community organizations; commercial activities incidental to park and recreational activities such as the sale of food and beverages; and parking.

(Sec. 1601 amended by vote of the people 3-9-1993; Sec. 1601 approved by vote of the people 11-4-1980, effective January 1, 1981.)

Section 1602 - STREETS—OPENING AND WIDENING

The City Council may, without a vote of the people, authorize by resolution the opening and widening of streets or the installation of public utilities or sanitary sewers through dedicated park land by the City. After notice and hearing and upon a finding that the public interest requires such action, said resolution shall be adopted by vote of not less than 2/3rds of the members of the City Council. The City Council may impose terms and conditions upon the authorization consistent with this Article.

(Sec. 1602 amended by vote of the people 3-9-1993; Sec. 1602 approved by vote of the people 11-4-1980, effective January 1, 1981.)

Section 1603 - PRESERVATION OF PARK PROPERTY

When dedicated park land is sold or its use changed pursuant to the provisions of Section 1601, land of comparable area or value in the same region of the City shall be acquired or dedicated for park purposes, unless otherwise approved by the voters at said election. If replacement is impractical, the market value of such land shall be placed in a "Park Acquisition Fund" for park acquisition or development as the City Council may determine.

(Sec. 1603 amended by vote of the people 3-9-1993; Sec. 1603 approved by vote of the people 11-4-1980, effective January 1, 1981.)

ARTICLE XVII - TAXPAYER PROTECTION

Section 1701 - TITLE

This Article shall be known as the City of Pasadena Taxpayer Protection Act.

(Sec. 1701 amended by the vote of the people 11-7-2006)

Section 1702 - FINDINGS AND DECLARATIONS

- (a) The people of the City of Pasadena ("City") find that the use or disposition of public assets are often tainted by conflicts of interest among local public officials entrusted with their management and control. Such assets, including publicly owned real property, land use decisions conferring substantial private benefits, conferral of a franchise without competition, public purchases, taxation, and financing, should be arranged strictly on the merits for the benefit of the public, and irrespective of the separate personal or financial interests of involved public officials.
- (b) The people find that public decisions to sell or lease property, to confer cable, trash hauling and other franchises, to award public construction or service contracts, or to utilize or dispose of other public assets, and to grant special land use or taxation exceptions have often been made with the expectation of, and subsequent receipt of, private benefits from those so assisted to involved public "decision makers." The people further find that the sources of such corruptive influence include gifts and honoraria, future employment offers, and anticipated campaign contributions for public officials who are either elected or who later seek elective office. The trading of special favors or advantage in the management or disposal of public assets and in the making of major public purchases compromises the political process, undermines confidence in democratic institutions, deprives meritorious prospective private buyers, lessees, and sellers of fair opportunity, and deprives the public of its rightful enjoyment and effective use of public assets.
- (c) Accordingly, the people declare that there is a compelling state interest in reducing the corruptive influence of emoluments, gifts, and prospective campaign contributions on the decisions of public officials in the management of public assets and franchises, and in the disposition of public funds. The people, who compensate public officials, expect and declare that as a condition of such public

office, no gifts, promised employment, or campaign contributions shall be received from any substantial beneficiary of such a public decision for a reasonable period, as provided herein.

Section 1703 - DEFINITIONS

- (a) As used herein, the term public benefit does not include public employment in the normal course of business for services rendered, but includes a contract, benefit, or arrangement between the City and any individual, corporation, firm, partnership, association, or other person or entity to:
 - (1) provide personal services of a value in excess of \$25,000 over any 12 month period,
 - (2) sell or furnish any material, supplies or equipment to the City of a value in excess of \$25,000 over any 12 month period,
 - (3) buy or sell any real property to or from the City with a value in excess of \$25,000, or lease any real property to or from the City with a value in excess of \$25,000 over any 12 month period,
 - (4) receive an award of a franchise from the City to conduct any business activity in a territory in which no other competitor potentially is available to provide similar and competitive services, and for which gross revenue from the business activity exceeds \$50,000 in any 12 month period,
 - (5) confer a land use variance, special use permit, or other exception to a pre-existing master plan or land use ordinance pertaining to real property where such decision has a value in excess of \$25,000,
 - (6) confer a tax abatement, exception, or benefit not applicable to the public generally, of a value in excess of \$5,000 in any 12 month period,
 - (7) receive cash or specie of a net value to the recipient in excess of \$25,000 in any 12 month period.
 - (8) For purposes of this section, other than subdivision 6, no person need track public benefits of less than \$5,000 unless it is reasonably foreseeable that the amounts under \$5,000 will cumulate in excess of the thresholds set forth in Section 1703 (a)(1)-(5) and (7), in any 12 month period.
 - (9) The City shall adjust the amounts in this Section 1703(a) on July 1 every five years starting in 2010 to reflect any increase or decrease in the Consumer Price Index. Those adjustments shall be rounded to the nearest one thousand dollars (\$1,000).
- (b) Those persons or entities receiving public benefits as defined in Section 1703(a)(1)-(7) shall include the individual, corporation, firm, partnership, association, or other person or entity so benefiting, and any individual or person who, during a period where such benefit is received or accrues,
 - (1) has more than a ten percent (10%) equity, participation, or revenue interest in that entity, or
 - (2) who is a trustee, director, partner, or officer of that entity except for such persons from an organization that is exempt from income taxes under Section 501(c)(3), (4), or (6) of the Internal Revenue Code. However, this exception shall not apply to trustees, directors, partners, or officers of such organizations that are political committees or control political committees as defined by California Government Code Section 82013 or 2 U.S.C. 431(4). Any person who is exempted by this subdivision shall still be considered a public benefit recipient for the purposes of disclosure under Section 1705(b) and (c).
- (c) As used herein, the term personal or campaign advantage shall include:
 - (1) any gift, honoraria, emolument, or personal pecuniary benefit of a value in excess of \$50;
 - (2) any employment for compensation;
 - (3) any campaign contributions for any Pasadena City elective office said official may pursue or for any City ballot measure committee controlled by the official. Any Pasadena City official who

receives contributions for a campaign outside of the City from a person or entity who has obtained public benefits shall not subsequently use or transfer such contributions to any election for a Pasadena City race.

- (d) As used herein, the term public official includes any elected or appointed public official acting in an official capacity.

(Sec. 1703 amended by the vote of the people 11-7-2006)

Section 1704 - CITY PUBLIC OFFICIAL SHALL NOT RECEIVE PERSONAL OR CAMPAIGN ADVANTAGE FROM THOSE TO WHOM THEY ALLOCATE PUBLIC BENEFITS

- (a) No City public official who has exercised discretion to approve and who has approved or voted to approve a public benefit as defined in Section 1703(a) may receive a personal or campaign advantage as defined in Section 1703(c) from a person as defined in Section 1703(b) for a period beginning on the date the official approves or votes to approve the public benefit, and ending no later than:
 - (1) one year after the expiration of the term of office that the official is serving at the time the official approves or votes to approve the public benefit;
 - (2) one year after the official's departure from his or her office whether or not there is a pre-established term of office; or
 - (3) five years from the date the official approves or votes to approve the public benefit; whichever is first.
- (b) Section 1704(a) shall also apply to the exercise of discretion of any such public official serving in his or her official capacity through a redevelopment agency, or other public agency, whether within or without the territorial jurisdiction of the City either as a representative or appointee of the City. Section 1704(a) shall apply to agencies outside the City on which a City public official serves only if the outside agency voluntarily provides to the City the information in Section 1703 for those public benefits granted by the outside agency.
- (c) When the public official, other than a member of the City Council or a person appointed to a City Commission, acts in his or her capacity as an employee of the City, the time restrictions in Section 1704(a) shall apply for one year after the City employee departs from his or her office or for two years from the date the City employee approves the public benefit, whichever comes first.
- (d) No person or entity who bids on a contract with the City, or enters into a lease agreement or land sales agreement with the City, with a value in excess of \$25,000, which requires approval by the City Council, shall make any campaign contribution to any member of or candidate for the City Council, or committee controlled by the member or candidate, from the time the Request for Proposal or other bid process has been issued or from the time negotiations commence, whichever is earlier, until the negotiations have terminated. The prohibition on campaign contributions set forth in the preceding sentence shall also apply to trustees, directors, partners, officers, and 10% equity, participation, or revenue interest holders of the entity bidding on a contract with the City, but shall not apply to employees of the entity who are not trustees, directors, partners, officers, and 10% equity, participation, or revenue interest holders of the entity. When negotiations have terminated, this Article continues to apply to the public benefit recipient. This section does not apply to low bid contracts as defined by the City Charter.

(Sec. 1704 amended by the vote of the people 11-7-2006)

Section 1705 - APPLICABLE PUBLIC BENEFICIARIES SECTION. RESPONSIBILITIES OF CITY PUBLIC OFFICIALS AND ADVANTAGE RECIPIENTS

- (a) City public officials shall practice due diligence to ascertain whether or not a benefit defined under Section 1703(a) has been conferred, and to monitor personal or campaign advantages enumerated

under Section 1703(c) so that any such qualifying advantage received is returned forthwith, and no later than ten days after its receipt.

- (b) City public officials shall provide, upon inquiry by any person, the names of all entities and persons known to them who respectively qualify as public benefit recipients under the terms of Sections 1703 and 1704.
- (c) All information compiled by city offices in compliance with Section 1705(a) and (b) shall be posted on the City of Pasadena website for public access.

(Sec. 1705 amended by the vote of the people 11-7-2006)

Section 1706 - DISCLOSURE OF THE LAW

The City shall provide any person, corporation, firm, partnership, association, or other person or entity applying or competing for any benefit enumerated in Section 1703(a) with written notice of the provisions of this Article and the future limitations it imposes. Said notice shall be incorporated into requests for "proposal," bid invitations, or other existing informational disclosure documents to persons engaged in prospective business with, from, or through the City.

Section 1707 - PENALTIES AND ENFORCEMENT

- (a) In addition to all other penalties which might apply, any knowing and willful violation of this Article by a public official constitutes a criminal misdemeanor offense. The City Attorney is responsible for enforcing violations of this Article except as to violations by members of the City Council, which shall be referred to the Los Angeles County District Attorney's office for investigation and prosecution.
- (b) A civil action may be brought under this Article against a public official who receives a personal or campaign advantage in violation of Section 1704. A finding of liability shall subject the public official to the following civil remedies:
 - (1) restitution of the personal or campaign advantage received, which shall accrue to the general fund of the City;
 - (2) a civil penalty of up to five times the value of the personal or campaign advantage received;
 - (3) injunctive relief necessary to prevent present and future violations of this Article;
 - (4) disqualification from future public office or position within the jurisdiction, if violations are willful, egregious, or repeated.
- (c) A civil action under subdivision (b) of this section may be brought by any resident of the City. In the event that such an action is brought by a resident of the City and the petitioner prevails, the respondent public official shall pay reasonable attorney's fees and costs to the prevailing petitioner. Civil penalties collected in such a prosecution shall accrue 10% to the petitioner and 90% to the City's general fund.
- (d) The City Attorney and the Los Angeles County District Attorney may subpoena witnesses, compel their attendance and testimony, administer oaths and affirmations, take evidence and require by subpoena the production of any books, papers, records or other items material to the performance of his or her duties or exercise of his or her powers.
- (e) The City may adopt guidelines for implementation of this Article that are consistent with the findings and declarations set forth in Section 1702.

(Sec. 1707 amended by the vote of the people 11-7-2006)

Section 1708 - SEVERABILITY

If any provision of this Article is held invalid, such invalidity or unconstitutionality shall not affect other provisions or applications which can be given effect without the invalidated provision, and to this end the provisions of this Article are severable.