



City Council

Goal Setting Workshop Agenda

<i>Mark Turner</i>	-	<i>Mayor</i>
<i>Marilyn Librers</i>	-	<i>Mayor Pro Tem</i>
<i>Soraida Iwanaga</i>	-	<i>Council Member</i>
<i>Yvonne Martínez Beltrán</i>	-	<i>Council Member</i>
<i>Miriam Vega</i>	-	<i>Council Member</i>

Friday, Febraury 6, 2026 9:00 a.m.
Saturday, February 7, 2026 9:00 a.m.

Council Chamber Building
17555 Peak Avenue, Morgan Hill, CA 95037

PUBLIC COMMENT

Public comment may be offered verbally at the meeting or in writing before the meeting. Public comment is limited to three minutes, but the Mayor may adjust time limits for individual or total comments to ensure all viewpoints are heard, to encourage speakers to avoid repetition, and to allow a designated spokesperson for organized support or opposition to present longer if needed.

Written public comment may be submitted to the City Clerk:

- In person at the City Council Meeting;
- Via email to ccpubliccomment@morganhill.ca.gov; or
- Hand-delivered or mailed to the City Clerk at 17575 Peak Avenue, Morgan Hill, CA 95037

Please email your comments to the City Clerk no later than 3:00 p.m. on Thursday (the day before the City Council meeting) so that your comments can be submitted to the members of the City Council with sufficient time to review them.

Written comments WILL NOT be read aloud during the City Council Meeting. Please note that written comments are posted on the City's website. It is recommended that you do not include any personal information that you do not want to be posted on the web. Please be advised that communications directed to the City Council are public

records and are subject to disclosure pursuant to the California Public Records Act and Brown Act unless exempt from disclosure under the applicable law. Communications will NOT be edited for redactions and will be printed/posted as submitted.

AMERICANS WITH DISABILITIES ACT (ADA)

In compliance with the Americans with Disabilities Act, if you are a disabled person and need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (408)779-7259 or by email at cityclerk@morganhill.ca.gov. Requests must be made as early as possible, at least two full business days before the start of the meeting.

CALL TO ORDER

ROLL CALL ATTENDANCE

DECLARATION OF POSTING AGENDA

WORKSHOP

CITY COUNCIL GOAL SETTING WORKSHOP

1. Review and discuss:
 - Financial and Investments Reports – December 31, 2025
 - Budget Update and Outlook
 - 2026-2027 Workplan
 - Sustainable Morgan Hill
 - Rules for the Conduct of City Council Meetings (City Council Policy (CP) 97-01) – Public Comment Procedures
 - City Council Assignments to Outside Agencies (CP 94-01)
 - City Council Meeting Schedule Policy (CP 06-02)
 - Prohibition of Harassment and Discrimination in the Workplace Policy (VI007)
 - Economic Development and Housing

2. Hold Mandated AB 1234 Ethics Training.

ADJOURNMENT

NOTICE

Any documents produced by the City and distributed to the majority of the City Council less than 72 hours prior to an open meeting, will be made available for public inspection at the City Clerk's Counter at City Hall located at 17575 Peak Avenue, Morgan Hill, CA, 95037 and at the Morgan Hill Public Library located at 660 West Main Avenue, Morgan Hill, California, 95037 during normal business hours. (Pursuant to Government Code 54957.5)

PUBLIC COMMENT

Members of the Public are entitled to directly address the City Council concerning any item described in the notice of this meeting during consideration of that item. If you wish to address the Council on any item on this agenda, please complete a speaker request card located in the foyer of the Council Chambers and deliver it to the Minutes Clerk before the City Council discussion on the item. You are not required to give your name on the speaker card to speak to the Council, but it is very helpful. When you are called, proceed to the podium, and the Mayor will recognize you. If you wish to address the City Council on any other item of interest to the public, you may do so during the public comment portion of the meeting following the same procedure described above. Please limit your comments to three (3) minutes or less.

Please submit written correspondence to the Minutes Clerk, who will distribute correspondence to the City Council.

Persons interested in proposing an item for the City Council agenda should contact a member of the City Council who may request an item on the agenda for a future City Council meeting. Council discussion or action may not be taken until your item appears on an agenda. This procedure is in compliance with the California Public Meeting Law (Brown Act) Government Code §54950.

City Council Policies and Procedures (CP 03-01) outlines the procedure for the conduct of public hearings. Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to the Public Hearing on these matters.

The time within which judicial review must be sought of the action by the City Council, which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

For a copy of City Council Policies and Procedures CP 97-01, please contact the City Clerk's office (408) 779-7259, (408) 779-3117 (fax) or by email cityclerk@morganhill.ca.gov.

SUSTAINABLE MORGAN HILL



Vision

To sustain a safe, inclusive, socially responsible, environmentally conscious, and economically sound community.

Choose Morgan Hill

The City of Morgan Hill is the best community for people to live, work, visit, and operate their businesses.

Strategic Priorities 2024-2025

- Fiscal Sustainability
- Affordable Housing and Homelessness
- Community Engagement
- Economic Development and Tourism
- Transportation
- Healthy Community

City Council Ongoing Priorities

- Enhancing Public Safety and Quality of Life
- Protecting the Environment and Preserving Open Space and Agricultural Land
- Maintaining and Enhancing Infrastructure
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advocating for Local, Regional, and State Legislative Initiatives



City Council Goal Setting Workshop

FRIDAY, FEBRUARY 6, 2026

ATTACHED MATERIALS:

- 1) 2025 Accomplishments
- 2) Financial Update and Investment Reports – December 31, 2025
- 3) 2024-2025 Sustainable Morgan Hill
- 4) 2026-2027 Workplan
- 5) Morgan Hill’s Approach to Public Service
- 6) Council Policy 97-01 Rules for the Conduct of City Council Meetings
- 7) Council Policy 94-01 Assignments to Outside Agencies
- 8) Prohibition of Harassment and Discrimination in the Workplace Policy
- 9) Council Policy 06-02 City Council Meeting Schedule
- 10) PowerPoint Presentation

Time	Topic	Presenter
9:00 AM-9:15 AM	1. Welcome	
	1.1 Welcome	Mayor & Christina Turner
	1.2 Introductions	All
	1.3 Purpose of Goal Setting Workshop, Preview Agenda, and Format	Christina Turner
9:15 AM-10:15 AM	2. Financial Update	
	2.1 Financial and Investment Reports	Dat Nguyen
	2.2 Budget Update and Outlook	Christina Turner
10:15 AM-10:30 AM	Break	

10:30 AM-12:30 PM	3. Sustainable Morgan Hill	
	3.1 Introduction of Draft 2026-2027 Workplan	Christina Turner
	3.2 Review and Discussion of 2026-2027 Sustainable Morgan Hill	Jacob Green & Associates
	3.3 Public Comment	Mayor Turner
12:30 PM-1:30 PM Lunch Break		
1:30 PM-2:30 PM	4. Council Policies, Procedures, and Protocols	
	4.1 Rules for the Conduct of City Council Meetings (CP-97-01) – Public Comment Procedures	Christina Turner
	4.2 City Council Assignments to Outside Agencies (CP-94-01)	Christina Turner
	4.3 Prohibition of Harassment and Discrimination in the Workplace Policy	Christina Turner
	4.4 City Council Meeting Schedule (CP 06-02)	Christina Turner
	4.5 Public Comment	Mayor Turner
2:30 PM-3:00 PM Break		
3:00 PM-5:00 PM	5. Mandated AB 1234 Ethics Training (required every 2 years)	Don Larkin
SATURDAY, FEBRUARY 7, 2026		
9:00 AM-9:30 AM	6 City Council Goal Setting Day 1	
	6.1 Recap of 2026-2027 Sustainable Morgan Hill	Mayor & Christina Turner
	6.2 Public Comment	Mayor Turner
9:30 AM-10:15 AM	7 Economic Development	
	7.1 Economic Development Update	Edith Ramirez & Matt Mahood
10:15-10:30 AM Break		
10:30 AM-11:30 PM	8 Housing	
	8.1 Housing Discussion	Edith Ramirez & Jennifer Carman
	8.2 Public Comment	Mayor Turner
11:30 AM-12:00 PM	9 Closing Remarks	Mayor & Christina Turner



ACCOMPLISHMENTS JANUARY – DECEMBER 2025

ADMINISTRATIVE SERVICES

Council Services and Records Management

- Implemented Sentio live language interpretation for City Council and Planning Commission meetings, expanding real-time language access for public participation.
 - Available to community members attending meetings in person or remotely via Zoom.
 - Deployed City-provided tablets at meetings to allow residents to access live translation
 - Enabled interpretation services for any meeting attendee, supporting equitable access to public decision-making.
- Supported City Council operations throughout the year, ensuring meetings were legally compliant, accessible, and well-run, including continued best practices for hybrid meetings.
- Oversaw the near-completion of the Council Chamber audio-visual upgrade, significantly improving sound quality, accessibility, reliability, and the experience for in-person and remote participants.
- Managed the preparation, posting, and retention of agendas, staff reports, minutes, and official records in compliance with the Brown Act and the California Public Records Act.
- Coordinated and managed City Council travel, including booking, logistics, policy compliance, and reimbursement support, ensuring efficient planning and proper use of public resources.
- Provided ongoing guidance to elected officials and departments on Brown Act and Public Records Act requirements, supporting consistent Citywide compliance.

Finance/Budget/Utility Billing

- Launched Balancing Act Budget Simulation, an interactive tool that helps illustrate the financial challenges facing our General Fund.
- Successfully closed out Federal Emergency Management Agency (FEMA) and State grants for the reimbursement of City resources expended in response to the early winter 2023 storm.

Human Resources

- Completed recruitments for 21 regular benefited positions and onboarded 13 benefited and 86 part-time temporary teammates.
- Provided Harassment Prevention Training to City teammates.
- Prepared and completed Open Enrollment 2026.
- Conducted a citywide health fair event with various vendors.
- Organized and hosted Teammate Service Awards.
- Hosted and participated in the Santa Clara County Leadership Academy.



CITY OF MORGAN HILL

ACCOMPLISHMENTS JANUARY – DECEMBER 2025

- Human Resources Director represented the City of Morgan Hill as the 2025 CALPELRA Conference Chair for the 50th anniversary.
- Hosted Liebert Cassidy Whitmore labor education workshops available to surrounding agencies and City of Morgan Hill teammates.

CITY ATTORNEY

- Advised and assisted the City Manager and Council with labor negotiations with all three bargaining groups.
- With Human Resources, provided training on the prevention of harassment, discrimination, and retaliation to City supervisors and public officials.
- Assisted the City Clerk’s Office with responding to over 290+ California Public Records Act (CPRA) requests, the highest number in recent years, and ensuring the City is in compliance with the CPRA.
- Assisted the Morgan Hill Police Department (MHPD) with prosecuting and shutting down over 12 illicit massage businesses in the City, including working with the Santa Clara County District Attorney’s Bureau of Investigation taskforce to shut down a multi-million-dollar sex trafficking ring.
- Drafted, reviewed, and advised upon several ordinances, including an updated version of the Massage Ordinance (#2366), and updated Building Code with 2025 State Guidelines.
- Attended and supported the MHPD and Housing Department at the quarterly meetings with property managers in collaboration with our County partners and assisted with outreach efforts into the Community regarding the Smokefree Ordinance passed in September 2024.

CITY MANAGER

- Onboarded two new City Council Members.
- Served as the City of Morgan Hill’s Director of Emergency Services.
- Participated in regular meetings with Santa Clara County City Managers Association (SCCCMA), Morgan Hill Unified School District (MHUSD), Santa Clara Valley Transportation Agency (VTA), Chamber of Commerce, Gilroy, and South County Youth Task Force (SCYTF).
- Attended the League of California Cities Mayors and Council Members Academy, City Managers Conference, and Annual Conference and presented “Financial Responsibilities, City Revenues Workshop.”
- Attended the International City/County Management Association (ICMA) conference and presented, “The Disappearing Workforce: Reimagining the Future of Work in the Public Sector.”
- Delivered Budget and Finance 101 presentations to the Santa Clara County Leadership Academy and Los Altos Hills Leadership Academy.



ACCOMPLISHMENTS JANUARY – DECEMBER 2025

- Presented to the Youth Leadership Morgan Hill Academy on *Overcoming Barriers in Leadership and Public Speaking Techniques*.
- Attended the California Public Employers Labor Relations Association (CALPELRA) conference.
- Served on the NextGen of Silicon Valley Committee and promoted the Emerging Leaders Talent Development Program.
- Served as a member of the League’s Audit Committee and the California Cooperative Liquid Assets Securities System, a Joint Powers Authority offering a pooled local investment program for public agencies.
- Supported the City Council through Governance Training.
- Provided support throughout the City Attorney recruitment process.
- Served on the Fire District Reorganization Advisory Panel and supported the transition associated with the dissolution of the South Santa Clara County Fire District.
- Supported a joint community meeting with Valley Water focused on water resources, drought resiliency, and fire preparedness.
- Contributed to the development of a strategy to address the City’s General Fund deficit and long-term unfunded needs, including fiscal analysis, cost-containment evaluations, revenue enhancement options, and community engagement initiatives.

COMMUNICATIONS AND ENGAGEMENT

- **Community Engagement:** Continued to strengthen relationships and foster trust by representing the City at community events and engagement opportunities throughout the year, building on established partnerships and expanding outreach across neighborhoods and community groups.
- **Community Budget Engagement – Balancing Act:** Led communications, outreach, and support for community budget meetings tied to the Balancing Act budget tool, helping residents understand how the City’s budget works and providing meaningful opportunities to share feedback on service priorities.
- **Healthy Neighborhoods for All – Communications and Outreach Support:** Provided significant communications and engagement support for the *Healthy Neighborhoods for All* initiative by attending community outreach meetings, delivering translation and interpretation services, and designing bilingual handouts and flyers to support inclusive participation and informed feedback.
- **National Night Out 2025:** Successfully led coordination of the City’s annual community safety and engagement event, bringing together residents, City departments, and community partners for a welcoming and well-attended evening that reinforced public trust and connection.
- **Social Media and Digital Engagement:** Maintained steady growth and engagement across City social media platforms through timely messaging, video storytelling, and accessible content designed to inform and connect with residents.



ACCOMPLISHMENTS JANUARY – DECEMBER 2025

- **Morgan Hill at Work Video Series:** Evolved the Meet Morgan Hill Teammates series into *Morgan Hill at Work*, expanding the focus to highlight City teams, facilities, and the behind-the-scenes work that supports daily City services.
- **Departmental Support:** Continued close collaboration with departments Citywide to support communications, outreach, and marketing for key initiatives, including budget development, economic mobility efforts, City events, infrastructure projects, and policy initiatives.
- **Translation and Interpretation:** Provided ongoing translation and interpretation support across departments, with continued emphasis on Spanish-language access to City programs, services, meetings, and outreach materials.
- **Media and Visual Services:** Delivered professional photo and video services in support of City departments, leadership communications, and public-facing initiatives, creating a strong visual record that reflects Morgan Hill’s people, programs, and values.
 - Produced 30+ videos totaling more than 100 minutes of informational content, increasing public understanding of City services and initiatives.
 - Recorded and livestreamed the annual State of the City, ensuring broad public access and ondemand viewing of the Mayor’s address and City updates.

PUBLIC SERVICES

Environmental Services

- Supported water conservation through conducting Non-Functional Turf outreach to Commercial, Industrial, and Institutional (CII) properties throughout 2025, which led to 166,190 square feet being converted to drought tolerant landscaping and more than 50% of CII properties identified coming into compliance with the City’s ordinance.
- Onboarded and launched the Aquatrax water data tracking and customer engagement software within the City, replacing the former WaterSmart platform.
- Successfully submitted the Urban Water Use Objective report to the State Water Board for the Water Conservation as a Way of Life Regulation mandated by the State.
- Through the Private Sewer Lateral (PSL) program, in 2025, there were 246 lateral line inspections, which resulted in the repair/replacement of damaged lines identified, which reduced infiltration into the City’s Wastewater System. A portion of the repairs conducted were completed under 23 PSL Grants awarded by the City.
- Initiated the Private Sanitary Sewer Collection System (PSSCS) inspection program for large developments. Inspections have begun within developments that have a PSSCS.
- Finalized the PSL Inspection Reporting Platform in CityWorks which will allow a streamlined inspection process. Stakeholder training and the launch of the platform are taking place in January-February 2026.



ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

- Continued implementation of stormwater inspection program which resulted in inspection of 17 active construction sites and 293 stormwater treatment measure inspections for post-construction facilities, reducing sediment and/or bacteria load discharges into our local waterbodies.
- Supported the Maintenance and Engineering Divisions in the planning and installation of full trash capture devices, reducing trash load discharges into our local waterbodies and complying with State requirements.
- Ensured that the City meets its mandated reporting for Storm Water Pollution Prevention through increasing State reporting requirements.
- In the City's role in managing Countywide Solid Waste Services (CSWS), completed a Santa Clara County Recycling and Waste Reduction Commission (Commission) funded multimedia survey project that successfully solicited data from over 600 residents countywide on key recycling and waste reduction information that included, behaviors, perceptions, and awareness insights related to household hazardous waste, SB 1383, and general solid waste outreach. Results from the project are currently serving as a key resource for jurisdictions to utilize when developing outreach collateral and strategizing targeted outreach to residents on solid waste messaging.
- Supported Countywide Solid Waste Services (CSWS) in conjunction with the County of Santa Clara in its capacity as the Fiscal Agent to successfully develop an integrated Commission budget display that provides a user-friendly overview of how the Commission's revenues, expenditures, and overall cashflow are administered by two agencies jointly managing the budget in the roles of Fiscal and Contracting Agent.

Engineering

- Provided plan review for 238 private development projects, ensuring public improvements and storm water pollution prevention facilities met all City and State mandated requirements.
- Continued multi-year construction of a new water reservoir on East Dunne Avenue that will provide improved resiliency and enhanced fire protection, scheduled for completion in 2026.
- Oversaw the substantial completion and opening of the City's newest Fire Station on Butterfield Boulevard.
- Successfully completed the 2025 Pavement Rehabilitation Project rehabilitating significant roadways across the City, including Woodland Acres roadways that had not been repaved in over 40 years and Main Avenue near Live Oak High School, where the City was able to widen the roadway and add a new bike line.
- Supported the ongoing construction of Valley Water's Upper Llagas Creek Flood Protection Project, which reached a major milestone in 2025 with flood protection now occurring in the southern reaches of the City. Completion of the project is anticipated in 2026, which will ultimately result in flood protection for thousands of Morgan Hill residents.



CITY OF MORGAN HILL

ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

- Permitted and oversaw work for 311 encroachment permits within the City, including permits that assisted broadband providers in expanding internet access and PG&E in providing improved power service to residents.
- Construction of the new Butterfield Park has begun, which is scheduled for completion in the first half of 2026.
- Completed rehabilitation of aging and failing water lines in and near the shopping center located at Hale and Main Avenue.
- Supported development of the grant funded Comprehensive Safety Action Plan for the City, which is scheduled for final review and adoption in early 2026.
- Substantially initiated and completed construction of a Citywide Solar Project at 7 City locations, with final completion anticipated for April 2026.

Maintenance

- Maintenance Division team members responded to resident requests for maintenance completing over 2,600 work orders on City roads, parks, trails and buildings.
- Abated graffiti at 166 locations and picked up 218 illegal dumps across the City, supporting a safe and clean community.
- Repaired 5,596 square feet of sidewalk and upgraded 12 curb ramps.
- Coordinated the re-roofing of the Council Chambers Building.
- Completed numerous Heating Ventilation and Cooling Upgrades (HVAC) that will improve efficiency and long-term cost savings, including upgraded HVAC controls at City Hall and the Centennial Recreation Center (CRC) and the replacement of aging HVAC components at the Police Department, CRC, Community and Cultural Center (CCC), City Hall, and the Aquatics Center.
- Coordinated the CCC Madrone Room carpet replacement.
- Coordinated the installation and maintenance of 120 Small Trash Capture devices as required by the State to meet Storm Water Pollution Prevention requirements.
- Removed Civic Center non-functional turf and installed over 100 new drought tolerant plants, including the relocation of 5 mature trees to this area in conjunction with the installation of the Civic Center Solar Project.
- Upgraded the Galvan Park ballfield lights to LED, replacing a 20+ year old system with cost effective and efficient lighting.
- Installed new drinking fountain at Community Park near the Pickleball Courts utilizing State Grant funding.
- Set up a trial dog park in Downtown, with support from the Parks and Recreation Commission to gauge Community interest and measure usage.



CITY OF MORGAN HILL

ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

- Worked with a volunteer group to install new shade sails outside of the Pickleball Courts
- Supported the Civic Center office improvements to increase workspace for staffing within the facilities.

Recreation and Community Services

- Centennial Recreation Center (CRC) Memberships: Continued to rise with highest membership units reaching 4,276 in July 2025. Currently 85.2% of our peak numbers before COVID; only 741 members below our peak.
- Provided financial assistance for program participation and membership and recreation programming, serving over 1,500 residents in need.
- Collaborated with the Morgan Hill Outdoor Sports Center (MHOSC) on the organization's operations of the Outdoor Sports Center (OSC), with the organization contributing \$92,452 to the facility's replacement fund for FY24/25, which supports long term field sustainability.
- Partnered with Bay Area Panthers for third year in a row to provide rental space and CRC membership access.
- Yearly use of membership facilities at the CRC and Aquatics Center (AC) exceeded 377,000 in 2025- that's an average of 1,032 visitors a day.
- Over 8,000 participants took part in recreation classes and camps throughout City parks and facilities.
- Continued to exceed rental revenue budget at the Community and Cultural Center with a total of 38,000 rentable hours booked.
- Partnered with Catholic Charities and the South County Youth Task Force to offer Late Night Gym Activities in the Teen Center.
- Supported an average attendance of over 135 visits a day at the Senior Center, including partnering with the YMCA of Silicon Valley to support the Senior Nutrition program which provided an average of over 90 lunches per day, Monday-Friday.
- Supported hundreds of teens in the CRC Teen Center through partnership with the YMCA and other organizations with estimated visitation of over 14 teens per day.
- Hosted over 25 regional events at the Outdoor Sports Center and Aquatics Center supporting overnight stays and regional sports tourism.
- Supported transportation management for older adult via staff at the Senior Center by coordinating with VTA Outreach, Sourcewise, and the Ryde Program (City volunteer supported).
- Coordinated collaborative partnerships with numerous community organizations to provide support to youth, seniors and all members of our Community, including Living Under the Influence (LATI) programming, Senior Legal Assistance, Alzheimer's Association, Berghoff Foundation, OnLok Services, Santa Clara County for Matter of Balance Classes through Santa Clara Valley Medical Center, Sourcewise Health Insurance Counseling, AARP Tax Assistance, California Highway Patrol Driving Classes, HomeInstead – Be a Santa to a Senior, and Veteran's Affairs Services.



CITY OF MORGAN HILL

ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

- Hosted a free community event at Galvan Park-Party in the Park that attracted over 200 participants, marking the first return of this event since COVID.
- Partnered with the Pickleball Club (City volunteers) to offer 6 tournaments at the courts and raise funds for various park improvements.
- Opened an indoor play space at the Community Cultural Center (with dedicated adaptive hours).
- Offered two Adult 50+ field trips (first time since COVID).
- Morgan Hill Parks and Recreation issued 29 special event permits for events in the calendar year of 2025.
- Executed successful Morgan Hill Haunt and Holiday Lights events with 57 homes participating across both events. Morgan Hill Parks and Recreation was sponsored by El Toro Tours who provided lights tours on their iconic trolley and provided \$5,000 to support Parks and Recreation in Morgan Hill.
- Supported the work of the Parks and Recreation Commission and Library, Culture and Arts Commission and numerous activities and events put on by the Commissions.
- Coordinated the volunteer management providing over 6,400 hours of work supporting social services, park and recreation activities, and maintenance activities across the City.
- Utilized grant funding to host Bike, Walk, and Roll days at 4 schools in the Morgan Hill Unified School District (MHUSD), with a total of 675 participants.
- Hosted a successful grant funded Open Streets event at the Morgan Hill Community and Cultural Center, with over 1,000 people in attendance. There were 80 participants in the bike rodeo.

Utilities

- Completed and shared the Water System's annual Consumer Confidence Report to the Community to support confidence in the water quality provided by the City to our residents.
- Successfully completed Sewer Emergency Response training for all utility crews.
- Completed yearly Water Loss Audit and successfully submitted to the State of California meeting mandatory reporting requirements.
- Incorporated hydrant guards in strategic locations in the distribution system to improve water conservation and repair time following vehicle collisions with hydrants.
- Secured a second Supervisory Control and Data Acquisition (SCADA) system integrator to assist with ensuring our utility monitoring system has redundant support in emergency situations.
- Completed and successfully submitted our Sanitary Sewer Management Plan update to the State.
- Completed the Annual Water Supply and Demand Assessment (AWSDA).
- Submitted timely to the State our annual electronic report (eAR).
- Completed the rehabilitation of the Butterfield well.



CITY OF MORGAN HILL

ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

- Supported the generator replacement projects at El Toro and East Dunne Fire Stations.
- Supported the ongoing maintenance of our utility system by completing 101 water main line repairs, 78 water service line point repairs, 564,281 linear feet of wastewater lines cleaning/flushing, 121,276 linear feet of wastewater lines video inspection, testing of 69 water meters, 565 water meters replacements, 213 water valves exercised, 43 Cla-Valves rebuilt, 420 water main dead ends flushed, and 23 sewer system point repairs.
- Supported Gilroy in the design of the renovation project for the existing joint trunk line anticipated to go out to bid in 2026.

Geographic Information Systems (GIS)

- Upgraded the Enterprise GIS system in the Test environment, paving the way for the Production environment upgrade in 2026.
- Produced 57 maps for the Planning Department’s Healthy Neighborhoods for All (Environmental Justice) Element analysis and report.
- Supported the annual Environmental Services Second Chance garage sale with an online dashboard, mobile application, and mapping.
- Continued to support the Environmental Services Private Sewer Lateral inspection program and reporting platform with GIS data and mapping.
- Developed a utility service area boundary for the sanitary sewer system for submittal to the California Water Board.
- Automated an additional portion of the quarterly parcel data process, saving staff time and increasing efficiency.
- Added new developments and updates to the address database, increasing accuracy and timeliness of addresses.
- Converted selected desktop maps to ArcGIS Pro format, continuing towards completing the migration from ArcMap to ArcGIS Pro Desktop GIS in 2026.

Public Services General

- Supported the application for over 20 grants and successfully awarded 13 grants totaling over \$3.1 million in funding.
- Completed MoGo, the City’s pilot grant-funded on-demand rideshare service operated in partnership with RideCo. MoGo provided 45,000+ passenger rides to 1,751 unique users from its September 2022 launch through February 2025 at pilot completion. MoGo averaged 80 rides per day, 47% of rides were shared, and the service received an average rating of 4.7 out of 5. While the service model was not the sustainable transit alternative that the City was hoping to achieve, the lessons learned will help prepare the City should future funding opportunities become available.



CITY OF MORGAN HILL

ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

- Hired and onboarded 72 new part-time teammates to operate the AC, CRC, and CCC, perform parks maintenance, and support environmental programs.

DEVELOPMENT SERVICES

Building

- Processed 2,628 Building Permit Applications.
- Issued 2,478 permits.
- Performed 12,064 inspections.
- Supported the issuance of Certificates of Occupancy for 23 businesses.
- Issued 172 new residential building permits.
- Launched an online permitting process for residential reroofs, repipes, and water heater replacements.
- Adopted the new 2025 California Building Standards Codes.

Code Compliance

- Opened 936 Code Compliance cases.
- Closed 983 Code Compliance cases.

Economic Development

- New Businesses Opened in 2025:
Grocery Outlet; Chick-fil-A; Raising Cane's; Philz Coffee; Meriwest Credit Union, Hiram and Diana; VIVI Bubble Tea; Oak Method; Blue Wave Car Wash; Beauty Within Med Spa; Prehispanic MX Cuisine; Diaz Antiques.
- 251 new business licenses issued, reflecting continued local business growth and investment.
- Supported the entitlement and building permits for Grocery Outlet, Chick-fil-A, Raising Cane's, Philz Coffee, and Tractor Supply Company.
- Supported the recruitment and application of Regency Centers to develop an 8-acre retail commercial center at Cochrane and DePaul.
- Supported and launched the Business Support Services Program in partnership with Renaissance Entrepreneurship Center and Morgan Hill Unified School District:
 - Graduated 20 Spanish-speaking entrepreneurs
 - 55 Business Support Service days delivered, including classes, workshops, and one-on-one counseling



ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

- Launched the Disability Access Improvement Reimbursement Program to assist businesses with ADA-related upgrades.
- Updated zoning regulations in the Condit Auto Park, Condit Road, and Laurel–Honda Planned Development areas, removing outdated restrictions and increasing opportunities for reinvestment that support enhanced Transient Occupancy Tax (TOT) and Sales Tax generation.
- Modernized the City’s Live Entertainment Permit, allowing live entertainment by right until 10:00 p.m. and strengthening safety and security standards for venues operating after 10:00 p.m.
- Supported the expansion of Sempera Organics, growing its manufacturing facility from 8,000 square feet to 40,000 square feet.
- Supported the leasing of Butterfield 5 Tech Park – Dakin (30k SF) and Rudolph & Sletten (50k SF).
- Continued to market Morgan Hill as a manufacturing destination through the Manufacture Morgan Hill campaign, Silicon Valley Business Journal (SVBJ) targeted advertising campaign, and the distribution of an updated Industrial Marketing Brochure.
- Marketed Morgan Hill as a retail destination through participation in two ICSC conferences, and the distribution of an updated Retail Marketing Brochure.
- Planned and hosted Manufacturing Day student tours, connecting local high school students with Morgan Hill manufacturers to promote career pathways and internship opportunities.
- Launched the annual Holiday Shopping Passport campaign to support shop-local efforts and drive seasonal retail activity. 44 businesses participated, 1,300 passports circulated, 15,878 Instagram views by 7,784 users, 1,900 Facebook views.
- Supported Downtown Morgan Hill initiatives, including Second Saturday markets, quarterly block parties, installation of center-median lighting along Monterey Road, and development of the Downtown Gateway Arch project.
- Launched and supported the first annual Guacamole Trail Contest, promoting local restaurants and culinary tourism.

Economic Mobility/Housing/Homelessness

- In 2025, the City approved entitlements for 467 units of housing with 20 units identified as affordable.
- In partnership with Community Christian Church, managed and operated a 10-bed cold weather shelter.
- Collaborated with St. Vincent De Paul to support 28 households with \$49,866 worth of rental and utility assistance payments.
- Coordinated donation and volunteer efforts to support the 2025 Point in Time (PIT) Count. The number of unhoused individuals identified in the PIT count was 69.
- Relaunched a bilingual Monthly Housing Newsletter that informs the Community of affordable housing opportunities along with information on events and programs that support fair housing.



CITY OF MORGAN HILL

ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

- In 2025, the Morgan Hill Bible Church Safe Parking program received 44 referrals and enrolled five new families. The Safe Parking program operates year-round for a total of 8 families (30 people max each night). Families are provided meals, showers, restrooms, washer and dryer, and case management by the South County Compassion Center. The program successfully housed 15 individuals into permanent housing.
- For fiscal year 2025, the Santa Clara County Office of Supportive Housing has identified 80 households that have been placed in permanent housing. Additionally, 263 VISPDAT assessments were conducted, and 174 unhoused individuals are waiting for placement in permanent housing.
- Conducted 1,267 site visits and connected with 114 households at risk of, or currently experiencing homelessness, by providing case management and supportive services through the City's Unhoused Specialist. Housed 55 households, of which 24 were homeless and 31 households were at risk of becoming homeless.
- Continued to partner with HouseKeys to provide ongoing implementation of the Inclusionary Housing Ordinance Below Market Rate (BMR) Program. 2,538 households entered into 12 housing drawings (6 Rental opportunities, and 6 ownership opportunities). Outreach efforts lead to 1,481 new potential applicants being added to the database.
- Partnered with the County of Santa Clara on the launch of the Manufactured Home Loan program that provides loan forgiveness to low-income individuals purchasing manufactured homes.
- Received a grant from the International City/County Managers Association (ICMA) totaling \$416,500 to provide funding that supports economic mobility initiatives and associated staffing for 30 months.
- Launched a 3-part educational webinar on tenant/landlord Fair Housing rights in collaboration with Project Sentinel.

Planning

- Completed adoption of the Healthy Neighborhoods for All Element in Morgan Hill's Environmental Justice Element, fulfilling Senate Bill (SB) 1000, Planning for Healthy Communities Act, requirements.
- Completed revisions to the Open Space Element to comply with SB1425 Open-space element: updates.
- Continued exploring mitigation fee opportunities/methodologies for Vehicle Miles Traveled (VMT) with the Engineering Team.
- In coordination with Economic Development, completed updates to the Planned Development Zoning areas along Condit and Dunne.
- Entered into a Settlement Agreement with High Street Northern California regarding a Builder's Remedy project at Cochrane-DePaul.
- Created implementation guidance for the Public Art Master Plan.
- Continued exemption from SB 423 Streamlined Ministerial Approval Process (formerly SB35) based on the City's progress on Regional Housing Needs Allocation (RHNA) and Annual Progress Report filing.



CITY OF MORGAN HILL

ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

- Established guidelines for permit processing under AB130/SB131 (new streamlined CEQA exemption and shorter processing times) and SB1123 (streamlined subdivision of single family and multifamily residential zoned lands).
- Continued to implement permit processing for SB330 including utilizing updated objective criteria.
- Created new guidance documents for application processing based on new and updated housing laws.
- Continued to create and improve resources for public information regarding development activity in the City.
- Continued to monitor state housing legislation and provide informational items to the public and Council on new laws.
- Received 369 planning applications in FY 2024-25 and FY 2025-26 (as of January 14, 2026).

FIRE

- Grand opening/commencement of service at the Butterfield Fire Station, increasing capacity and reducing response times for the Morgan Hill Fire Department.
- Welcomed our new Fire Chief, Marcus Hernandez and new Assistant Chief, Nick Giampaoli.
- Responded to 4,910 calls for service.
- Received a total of \$325,900 in FY24/25 (\$267,645 CY 2025) from Santa Clara County EMS. \$262,399 from the First Responder ALS Fund and \$63,500 from the EMS Trust Fund.
- Took delivery and placed into service a new Ford F250 pickup truck to replace the Battalion 57 vehicle.

POLICE

Administrative

- Completed an Organizational Management Study in partnership with the Commission on Police Officers Standards and Training (POST).
- Recruited, hired, and trained 5 teammates: 4 Police Officers (2 Lateral Police Officers and 2 Police Officer Recruits) and 1 Multi-Service Officer.
- Completed Preplanning for Dispatch Remodel.
- Transitioned to a new Records Management System for Computer Aided Dispatchers (CAD) and Records Management System (RMS).
- Supported Information Technology Team with citywide security, projects, and leadership.
- Managed the Officer Involved Shooting Investigation and related Teammate Wellness affairs.
- Increased Downtown/special event safety with adding pan, tilt, and zoom cameras.
- Held the department's first Youth Police Summer Academy.



CITY OF MORGAN HILL

ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

Patrol Division

- Responded to 21,998 calls for service.
- Maintained response time to Priority One Calls for Service under 5 minutes.
- Investigated 2,725 police reports containing 4,288 offenses and 831 arrests.
- Applied for and received State Traffic grants totaling \$342,388.
- Arrested 139 subjects for driving under the influence.
- Purchased a Lenco Armored Rescue Vehicle to enhance officer and Community safety.
- Continued our partnership with Santa Clara County’s Mobile Crisis Response Team (MCRT) to address people in mental health crisis.
- Acclimated and deployed new explosive/apprehension K-9 and handler.
- Maintained an effective traffic enforcement citation to collision ratio reducing injury and fatal collisions.

Special Operations Division

- Maintained a clearance rate above statewide average:
 - 66% for Crimes Against Person (2024 statewide average: 43.6%)
 - 31% for Crimes Against Property (2024 statewide average: 9.8%)
- Closed 12 massage businesses in Morgan Hill that harbored illicit sexual activity after 18-month-long police operation.
- Managed the Youth Diversion Program, diverting 26 youth from the criminal justice system.
- Collaborated with the MHUSD on providing Restorative Justice Practices for our students and conducted Run, Hide, Defend trainings to students, faculty, and businesses.
- Participated in the Regional Auto Theft Task Force (RATTF).
- Apprehended a homicide suspect following the discovery of a missing woman’s remains and tracked the suspect who had fled to Mexico to avoid arrest.
- Apprehended an attempted homicide suspect after locating a victim with multiple gunshot wounds.
- Arrested a subject in Santa Cruz suspected of committing a sexual offense against a minor and identified additional minor victims across California.
- Recovered over \$29,000 for a fraud victim by intervening during a planned meet up and arrested the offender.

Support Services Division

- Exceeded statewide standard of answering 90% of 911 calls within 15 seconds. MHPD Dispatchers answered 98.91% of 911 calls within 10 seconds.



ACCOMPLISHMENTS

JANUARY – DECEMBER 2025

- Dispatchers managed 32,449 incidents (calls for service and officer-initiated activity).
- Leveraged social media platforms to inform and educate over 32,000 members of the Community about police activity and public safety announcements.
- Submitted 2,198 cases to the Santa Clara County District Attorney’s Office for prosecution.
- Processed 589 warrants.

Office of Emergency Services

- Received approval for the Emergency Management Performance Grant (EMPG) to purchase Emergency Operations Center (EOC) equipment and support emergency management training, enhancing local emergency and disaster readiness.
- Hosted the California Governor’s Office of Emergency Services (Cal OES) Emergency Operations Center Logistics Section training. EOC team members completed the course, strengthening readiness for large-scale emergencies.
- Coordinated Community Emergency Response Team (CERT) training to enhance community preparedness and response capabilities.
- Updated the City’s Emergency Operations Plan (EOP) to ensure alignment with current standards and best practices.
- Conducted a citywide Amateur Radio exercise, testing emergency communications capabilities during simulated outages of primary communication systems.

Information Technology (IT)

- Deployed best practice email security configurations and new secure connection for County resources.
- Deployed new equipment and upgraded the network in the mobile command vehicle and technology in 4 new police cars.
- Upgraded City bandwidth to support growth of business needs.
- Deployed Butterfield Fire Station network and infrastructure.
- Migrated all computers to Windows 11 and deployed 120 new workstations.



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2026

PREPARED BY:

Dat Nguyen, Finance Director

APPROVED BY: City Manager

RECEIVE MONTHLY BUDGET UPDATE; DECEMBER 2025 FINANCIAL AND INVESTMENT REPORTS; AND CITY MANAGER AUTHORITY REPORT

RECOMMENDATION(S)

Receive and file reports.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Preserving and Cultivating Public Trust

2024-2025 Strategic Priorities

Fiscal Sustainability

Community Engagement

REPORT NARRATIVE:

As part of the City Council's expectation to maintain a high level of transparency and to be responsible stewards of public funds, staff are providing this monthly budget update, along with the December 2025 financial and investment reports.

December 2025 Financial Report

The Revenue and Expense Summary through December 2025 is included on page 4 of the attached monthly financial and investment reports. Overall, General Fund revenues total \$18.0 million or about 31% of the budget. Expenditures and encumbrances through December totaled \$32.2 million, of which approximately \$2.4 million is attributable to outstanding encumbrances, compared to prior year expenditures, including encumbrances, of \$32.0 million. This represents a slight increase of \$0.2 million, including encumbrances, compared to the prior year. Excluding encumbrances, expenditures increased by about \$1.4 million, primarily due to negotiated salary adjustments, and overall cost increases.

Budget Update

There has been no material change since the last budget update to the Council on December 17, 2025. Regarding water revenue, Morgan Hill residents consumed about the same amount of water through December compared to the prior three-year average. As a result, no revenue stabilization water rate was implemented.

City Manager's Authority Report

Pursuant to the City Council Policy 18-05 - Report on delegation of authority to City Manager, Page 21 of Attachment 1 lists the contracts and/or agreements entered into between October 31, 2025 through January 21, 2026 between the amounts of \$25,000 to \$75,000, or the limit of the California Uniform Public Construction Cost Accounting Act (CUPCCAA).

On December 7, 2022, the City Council delegated the authority to the City Manager to accept all future donations from Shoe Palace and directed the City Manager to report any donations from Shoe Palace over \$5,000 in the quarterly financial reporting. On November 6, 2025, the Morgan Hill Police Department received a \$10,000 donation for the purchase of Police equipment from Shoe Palace.

COMMUNITY ENGAGEMENT:

Inform

Finance staff prepares these financial reports to inform City officials, the Council, the community, and various lenders and stakeholders about the financial health of the organization, which assists each one of the interested parties in making sound financial and investment decisions.

ALTERNATIVE ACTIONS:

Not Applicable

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council receives and files the financial and investment report for each month. At the September 16, 2015 meeting, City Council recommended monthly financial and investment reports be agendaized under the Consent Agenda, and quarterly financial and investment reports be presented to City Council as an "Other Business" item.

FISCAL AND RESOURCE IMPACT:

The preparation of the report is a part of the Finance workplan.

CEQA (California Environmental Quality Act):

Not a Project

Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

CITY OF MORGAN HILL

Monthly Financial and Investment Reports

December 31, 2025 - 50% of Year Complete



CITY OF MORGAN HILL

Prepared by:

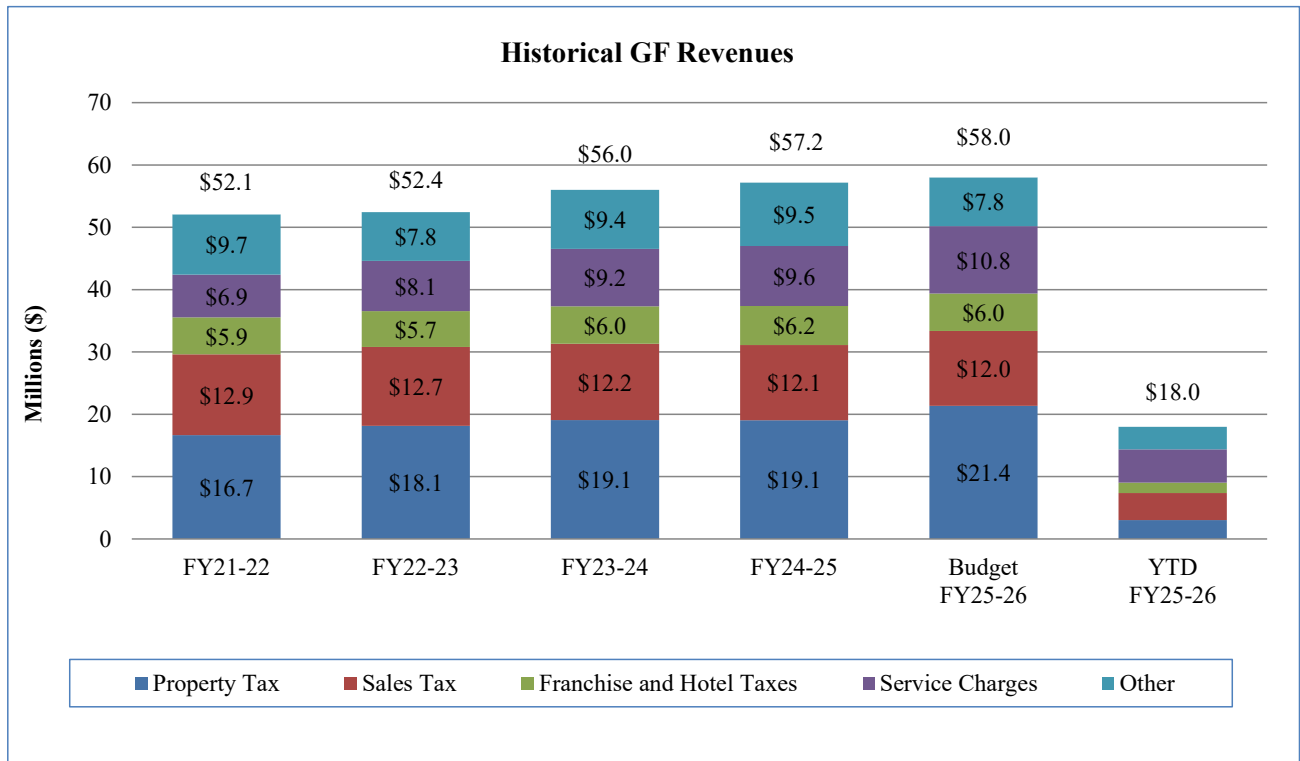
FINANCE DEPARTMENT



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2025-26
FOR THE MONTH ENDED DECEMBER 2025 – 50% OF YEAR COMPLETE

- General Fund** – Revenues through December totaled \$18.0 million, or about 31% of the budgeted as some of the major revenue categories such as property tax are received later in the fiscal year. Regarding the property tax revenue forecast, the County estimates the City will receive approximately \$21.7 million in property tax revenue for the current fiscal year, slightly exceeding the budget of \$21.4 million. However, after adjusting for the excess ERAF set-aside of 20%, or \$0.6 million, the property tax revenue shows a slight decrease over the budget. As for sales tax, the consultant’s latest projection estimates the City’s current fiscal year sales tax revenue at approximately \$12.4 million, a slight increase from the prior projection of \$12.1 million, primarily due to one-time adjustments.

The chart below shows historical General Fund revenues by major revenue category from FY21-22 through FY24-25 Actual, FY25-26 Budget, and YTD as of December 31, 2025.



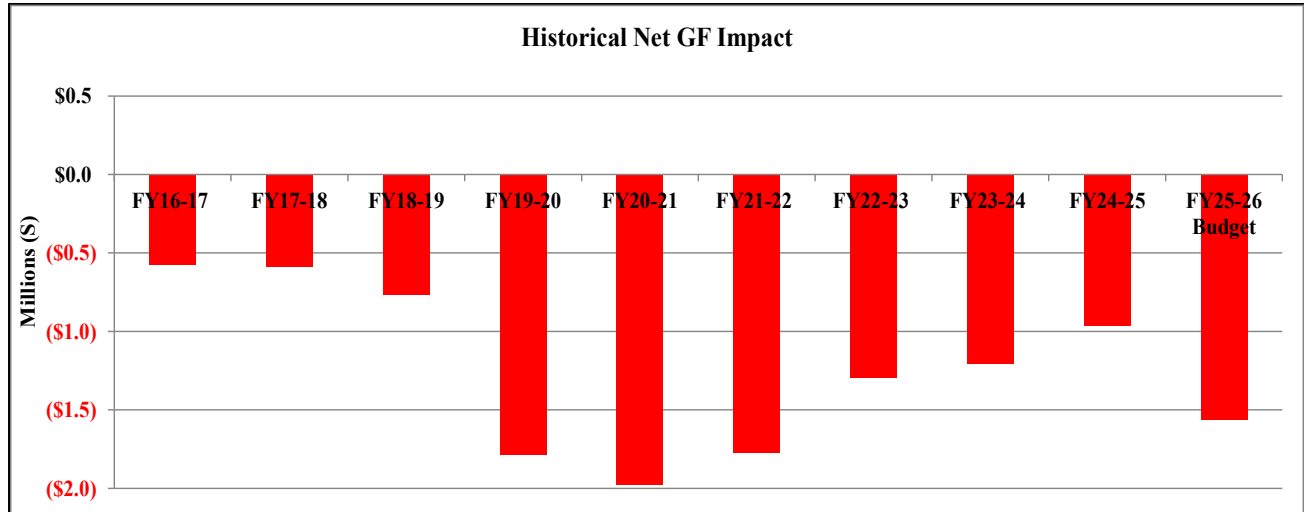
General Fund expenditures and encumbrances through December totaled \$32.2 million, of which approximately \$2.4 million is attributable to outstanding encumbrances, compared to prior year expenditures, including encumbrances, of \$32.0 million. This represents a slight increase of \$0.2 million, including encumbrances, compared to the prior year. Excluding encumbrances, expenditures increased by about \$1.4 million, primarily due to negotiated salary adjustments, and overall cost increases.

- Community Services** – The Community Services Department’s recreation operations, as reflected in the schedule presented on page 7 of the Monthly Financial and Investments Reports, shows a negative impact to the General Fund of approximately \$1.7 million as of December 31, 2025. Recreation operations are expected to be on target with budget.



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2025-26
FOR THE MONTH ENDED DECEMBER 2025 – 50% OF YEAR COMPLETE

The chart below shows the historical net impact of Recreation Operations to the general fund.



Due to longstanding governmental accounting and budgeting convention, the City’s recreation operations are not charged for indirect costs (known in Morgan Hill as “General Fund Administration”) from the central services departments of City Attorney, City Manager, and Administrative Services. The City’s other governmental funds, such as Development Services, and the proprietary funds, such as Water and Wastewater, and the Information Services Fund, are assessed such charges through the City’s indirect cost allocation plan, prepared in compliance with the guidelines set forth in the Code of Federal Regulations Title 2, Chapter II, Part 200 (formerly OMB Circular No. A-87), which mandates certain calculation and cost allocation practices that must be followed in order to qualify for Federal grant funding, but which also represents best practice for non-grant funded City operations like utilities and information services.

- **Development Services Fund** – Revenues through December totaled \$4.5 million compared to the prior year to date amount of approximately \$3.1 million. Expenditures, including encumbrances, totaled \$3.4 million.
- **Debt Service Funds** – Expenditures through December totaled \$0.6 million. The debt service for the first half of the year includes both interest and principal, while the second half will include interest only. Debt service payments were scheduled when the bonds were issued and are budgeted for the months specified in the underlying bond documents. The General Fund’s portion of the annual debt service payments is approximately \$200,000, less than one percent of the General Fund’s budgeted revenues.



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2025-26
FOR THE MONTH ENDED DECEMBER 2025 – 50% OF YEAR COMPLETE

- **Wastewater Operations** – Revenues through December 31, 2025 totaled \$9.0 million. Expenditures and outstanding encumbrances totaled \$8.9 million or 48% of the budget. The table below shows historical Wastewater Operations revenues and expenditures from FY21-22 through FY24-25 Actual, FY25-26 Budget, and YTD as of December 31, 2025.

(amount in millions)					Budget	YTD
	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY25-26
Revenues	14.9	15.3	15.2	18.2	18.4	9.0
Expenditures	14.8	16.0	14.9	18.1	18.5	8.9
Operating Margin	0.1	(0.7)	0.3	0.1	(0.1)	0.1
Operating Margin without Encumbrances	0.1	(0.7)	0.3	0.1	(0.1)	0.4

- **Water Operations** – Water Operations includes Utility Billing, Water Conservation, and Water Operations. Revenues through December 31, 2025 totaled \$10.3 million. Water Operations expenditures, including outstanding encumbrances, totaled \$11.2 million. Morgan Hill residents consumed about the same amount of water through December compared to the prior three-year average. As a result, no revenue stabilization water rate was implemented. The table below shows Water Operations revenues and expenditures from FY21-22 through FY24-25 Actual, FY25-26 Budget, and YTD as of December 31, 2025.

(amount in millions)					Budget	YTD
	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY25-26
Revenues	16.0	18.1	18.7	21.5	23.5	10.3
Expenditures	15.2	18.0	19.1	21.5	23.8	11.2
Operating Margin	0.8	0.1	(0.4)	-	(0.3)	(0.9)
Operating Margin without Encumbrances	0.8	0.1	(0.4)	-	(0.3)	(0.4)

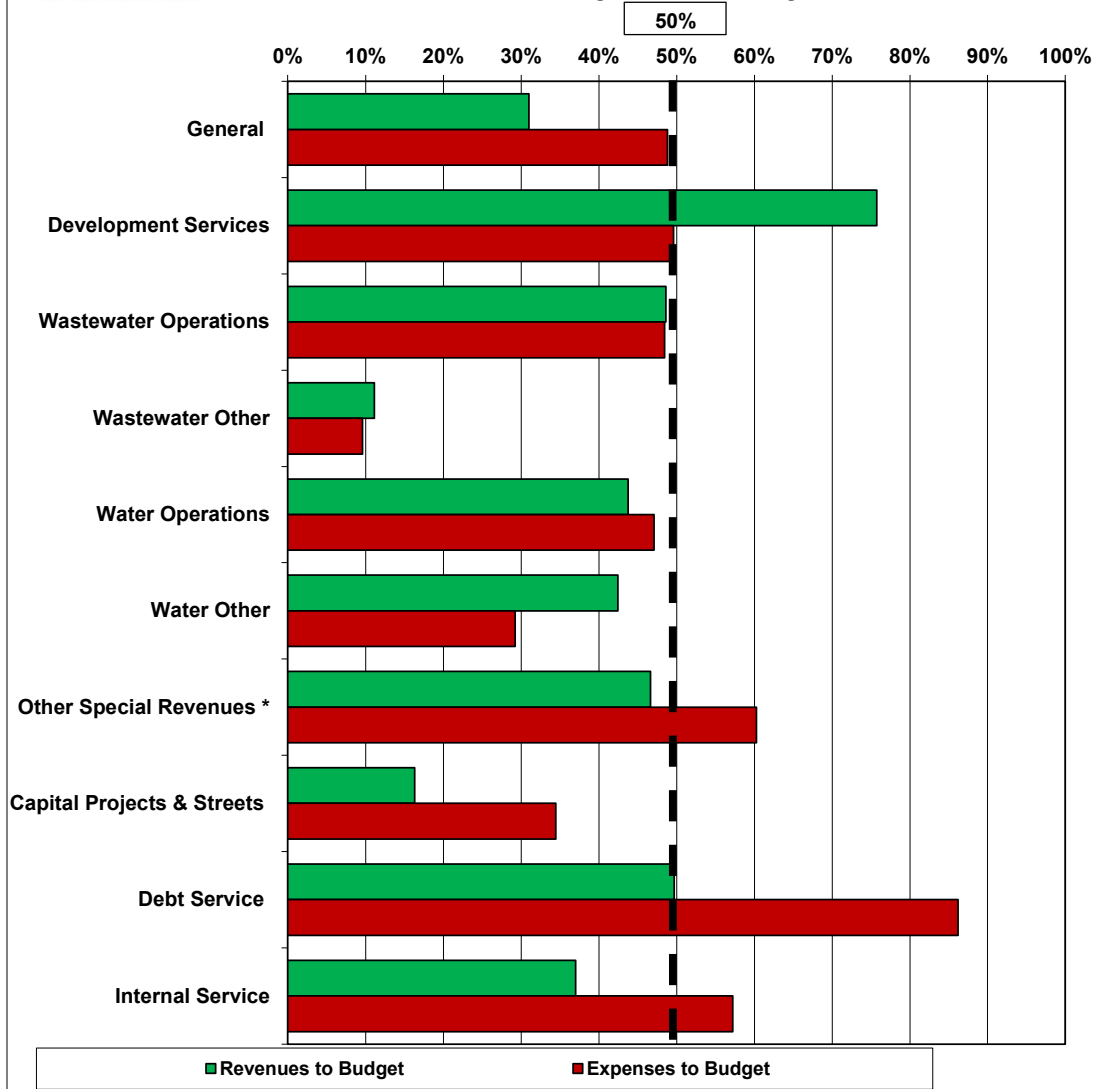
- **Investments** – Eight securities were called, and nine new securities were purchased. Total interest earnings received on investments were \$455,000 during the month.



Morgan Hill YTD Revenue & Expense Summary

December 31, 2025 - 50% of Year Complete

Percentage of Actual to Budget



FUND NAME	REVENUES		EXPENSES	
	ACTUAL	% OF BUDGET	ACTUAL PLUS ENCUMBRANCES	% OF BUDGET
General	\$ 17,983,875	31%	\$ 32,231,302	49%
Development Services	4,452,746	76%	3,424,100	50%
Wastewater Operations	8,953,104	49%	8,943,089	48%
Wastewater Other	5,097,649	11%	7,900,932	10%
Water Operations	10,259,227	44%	11,189,400	47%
Water Other	5,424,040	42%	11,548,304	29%
Other Special Revenues *	3,338,121	47%	5,709,879	60%
Capital Projects & Streets	5,373,269	16%	15,600,604	34%
Debt Service	346,054	50%	589,404	86%
Internal Service	6,049,463	37%	9,521,183	57%
TOTAL FOR ALL FUNDS	\$ 67,277,549	30%	\$ 106,658,197	35%

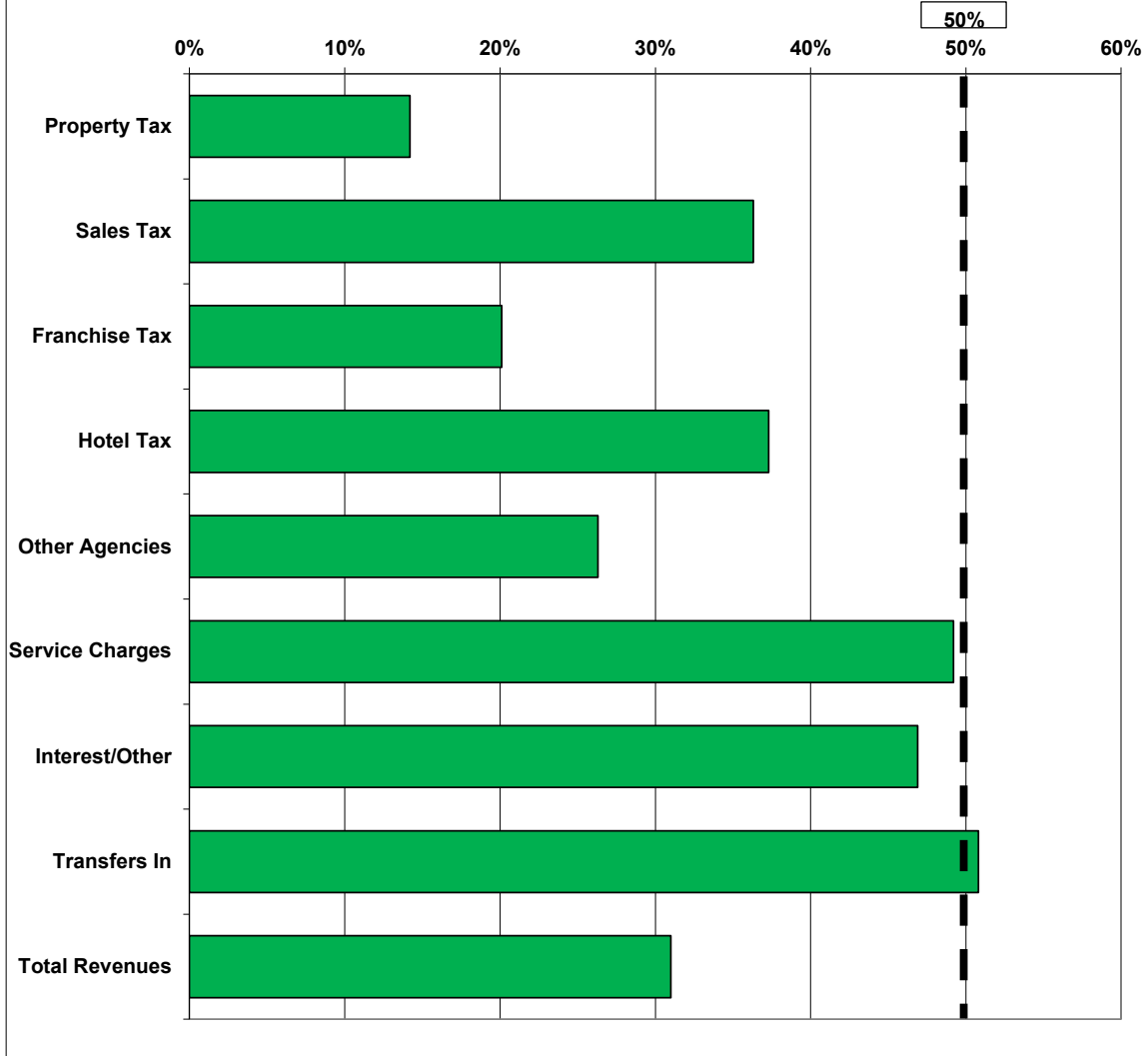
* Includes all Special Revenue Funds except Development Services Fund and Street Funds.



Morgan Hill YTD General Fund Revenues

December 31, 2025 - 50% of Year Complete

Percent of Actual to Budget

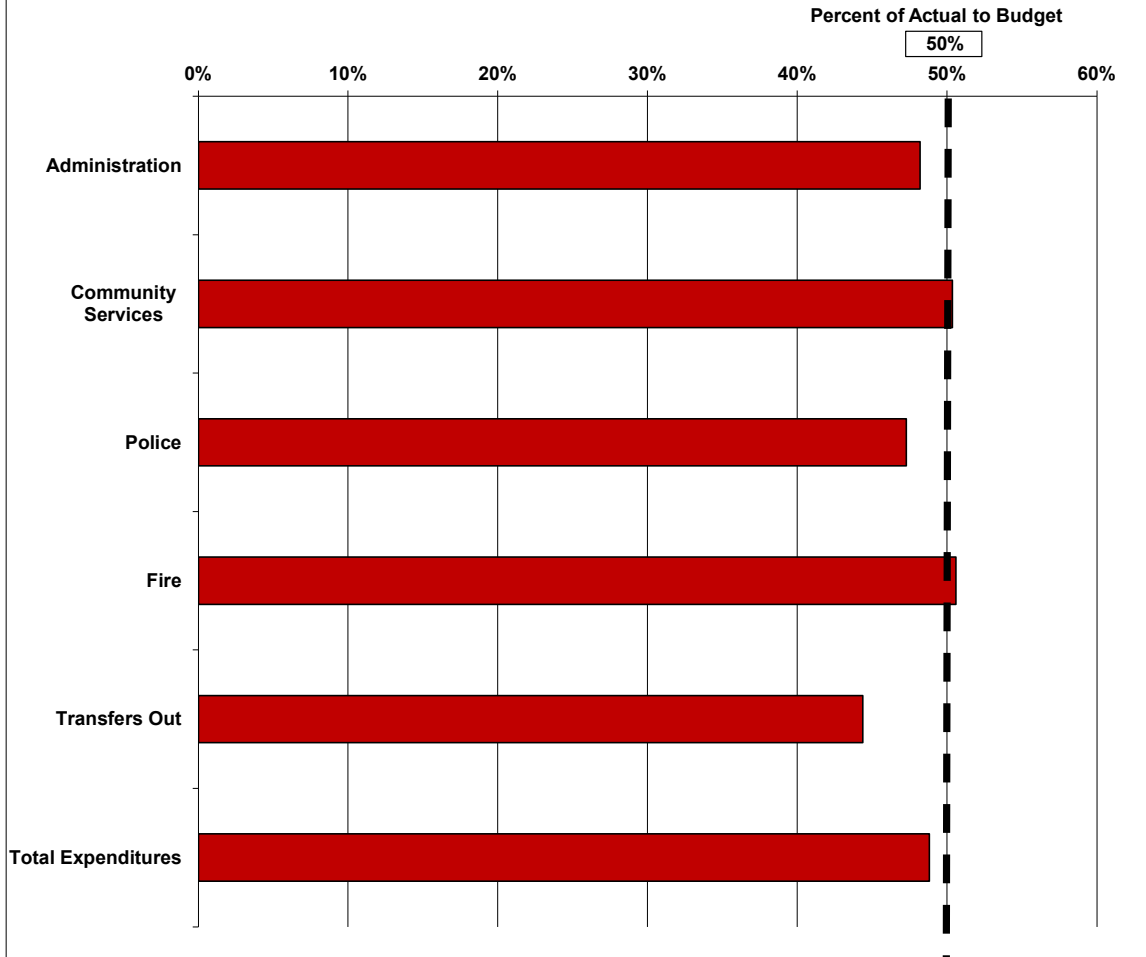


REVENUE CATEGORY	BUDGET	ACTUAL	% OF BUDGET	PRIOR YEAR TO DATE	% CHANGE FROM PRIOR YEAR
Property Tax	\$ 21,369,792	\$ 3,028,810	14%	\$ 2,962,373	2%
Sales Tax	11,989,269	4,354,440	36%	4,031,807	8%
Franchise Tax	3,354,166	675,450	20%	637,852	6%
Hotel Tax	2,658,340	992,408	37%	1,137,459	-13%
Other Agencies	940,183	247,711	26%	556,802	-56%
Service Charges	10,834,856	5,327,826	49%	5,125,243	4%
Interest/Other	3,468,411	1,625,675	47%	1,600,622	2%
Transfers In	3,411,140	1,731,554	51%	1,637,464	6%
TOTAL REVENUES	\$ 58,026,156	\$ 17,983,875	31%	\$ 17,689,623	2%



Morgan Hill YTD General Fund Expenditures

December 31, 2025 - 50% of Year Complete



EXPENDITURE CATEGORY	BUDGET	ACTUAL PLUS ENCUMBRANCES	% OF BUDGET	PRIOR YTD PLUS ENCUMBRANCES	% CHANGE FROM PRIOR YEAR
Administration	\$ 7,097,361	\$ 3,421,049	48%	\$ 3,350,302	2%
Community Services	20,216,055	10,178,716	50%	10,065,604	1%
Police	26,079,133	12,330,246	47%	12,612,975	-2%
Fire	11,212,073	5,671,753	51%	5,205,350	9%
Transfers Out	1,418,558	629,538	44%	729,115	-14%
TOTAL EXPENDITURES	\$ 66,023,180	\$ 32,231,302	49%	\$ 31,963,345	1%

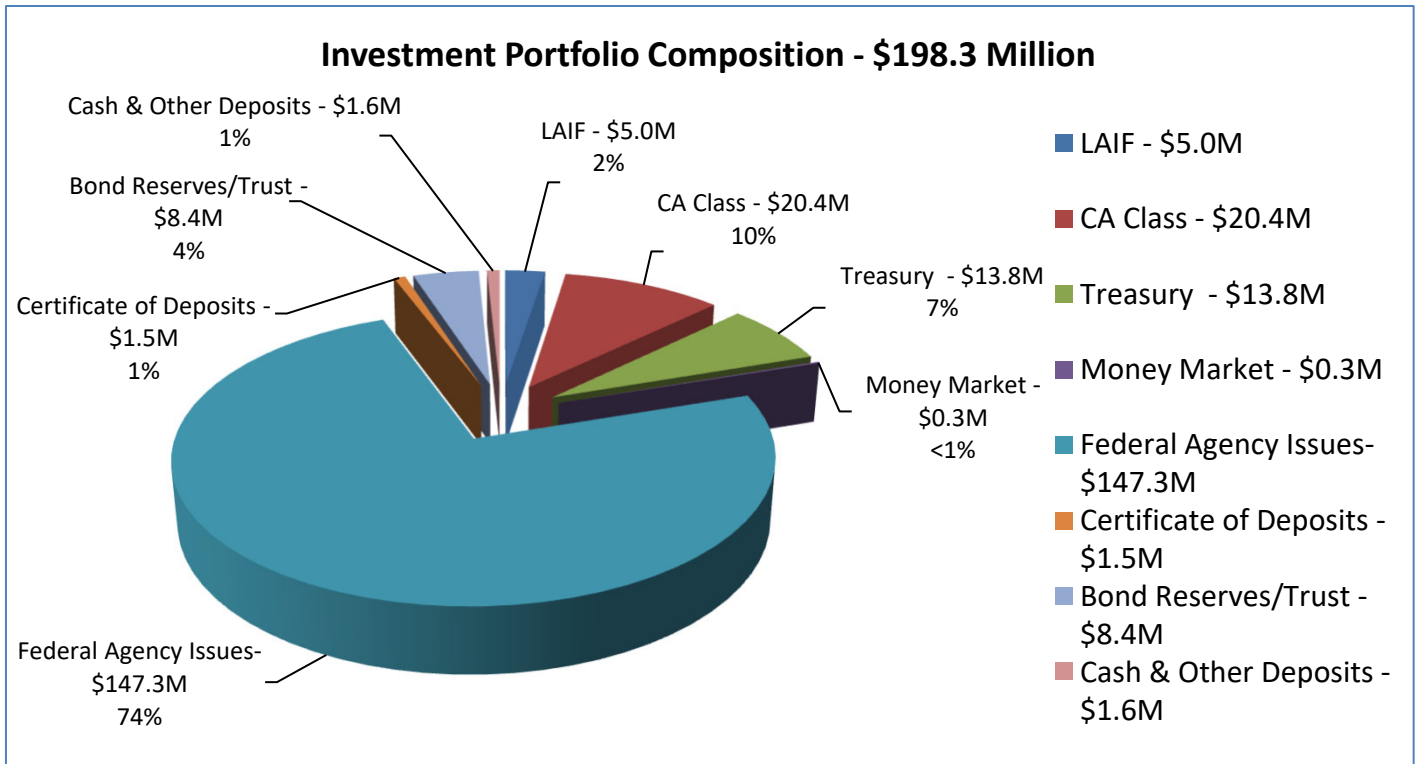


City of Morgan Hill
Recreation Report - Fiscal Year 2025-26
For the Month Ended December 31, 2025
50% of Year Complete

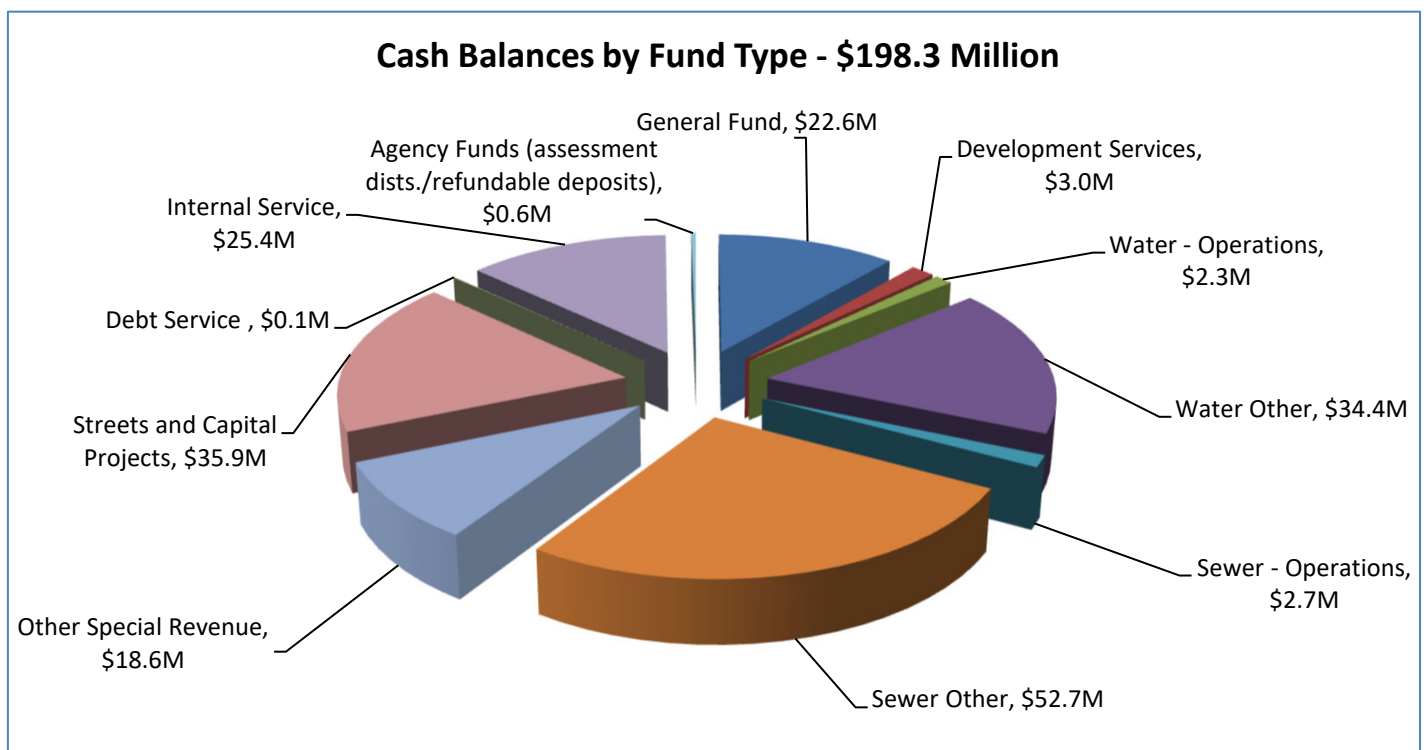
	<u>Budget</u>	<u>December 2025</u>	<u>YTD</u>	<u>% of Budget</u>
Revenues				
Membership Services & Rec Programs	\$ 6,830,960	\$ 443,415	\$ 3,275,737	
Facility Rentals	1,245,612	80,681	722,570	
Community Services	178,498	44,001	70,420	
Transfers in	100,000	6,250	50,000	
Total Revenues	<u>\$ 8,355,070</u>	<u>\$ 574,348</u>	<u>\$ 4,118,727</u>	49%
Less: Expenditures				
Membership & Program Services	\$ 7,541,945	\$ 528,712	\$ 3,575,838	
Facility Rentals	1,451,514	108,463	608,747	
Community Services	923,254	1,990	365,845	
Total Expenditures	<u>\$ 9,916,714</u>	<u>\$ 639,165</u>	<u>\$ 4,550,430</u>	46%
Net Impact without encumbrances	<u>\$ (1,561,644)</u>	<u>\$ (64,817)</u>	<u>\$ (431,704)</u>	
Encumbrances	-	-	1,228,426	
Net Impact with encumbrances	<u>\$ (1,561,644)</u>	<u>\$ (64,817)</u>	<u>\$ (1,660,130)</u>	

City of Morgan Hill Monthly Investment Report - December 31, 2025

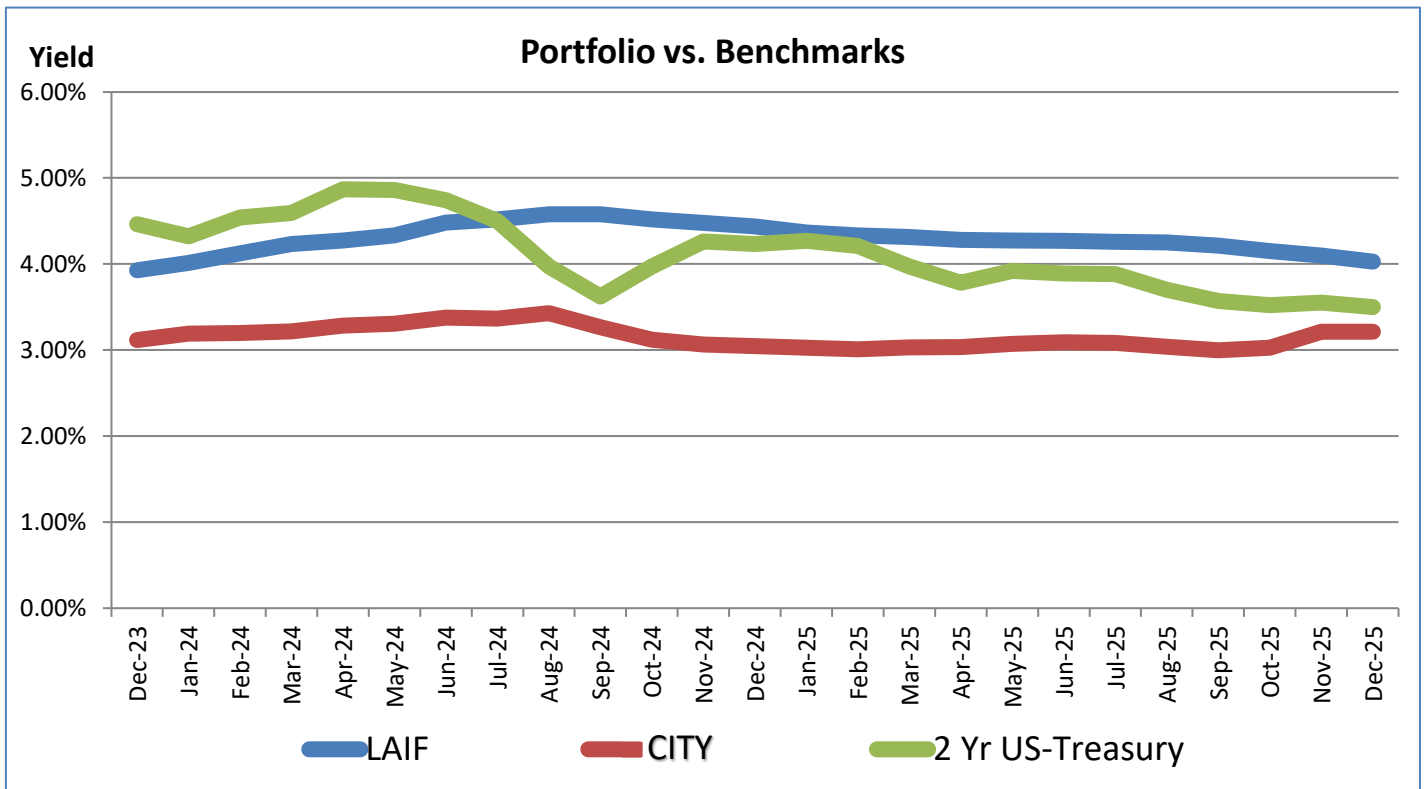
The following are the snapshots of City's investment portfolio as of December 31, 2025. The first chart shows the portfolio composition by investment type:



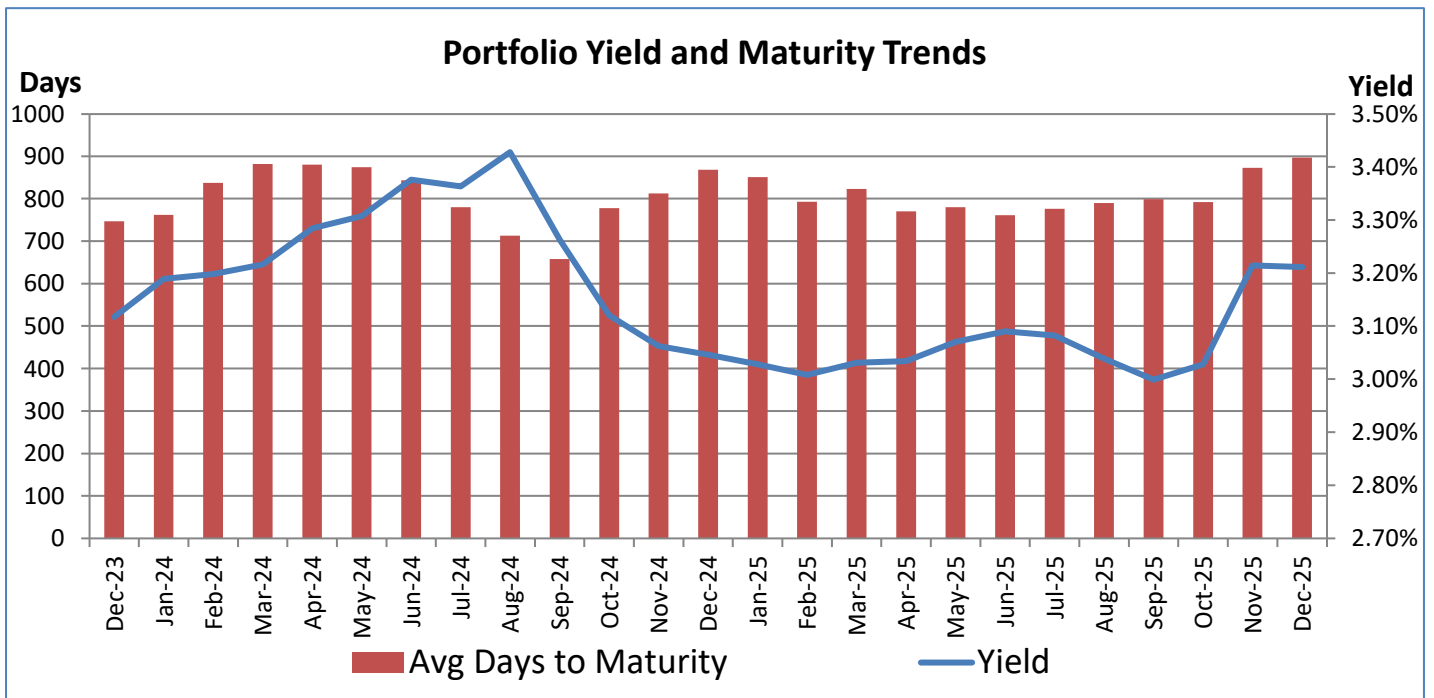
The chart below shows cash balances by fund type reconciled to City's financial system:



The following chart illustrates a yield comparison by month among the City's portfolio, LAIF and 2-Year US Treasury:



The chart below illustrates monthly average days to maturity of the City's portfolio along with the weighted average yield for the past two years:





**City of Morgan Hill
Investment Portfolio Detail
As of December 31, 2025**

Investment Type	CUSIP	Settlement Date	Cost Value	Book Value	% of Portfolio	Market Value	YTM at Cost	Next Call Date	Date of Maturity
L A I F			\$ 5,064,616	\$ 5,064,616	2.6%	\$ 5,074,388	4.03%		
California C L A S S			20,381,038	20,381,038	10.3%	20,381,038	3.88%		
WFB Money Market			37,727	37,727	0.0%	37,727	3.72%		
US Bank - Portfolio of Securities									
Dreyfus Treasury Agency MM Treasury Note	261908107		274,382	274,382	0.1%	274,382	3.63%		
Treasury Note	91282CCZ2	10/8/2021	1,987,656	1,998,146	1.0%	1,960,540	1.00%	9/30/2026	9/30/2026
Treasury Note	912828U24	6/13/2022	1,904,688	1,981,185	1.0%	1,973,580	3.16%	11/15/2026	11/15/2026
Treasury Note	91282CFL0	9/30/2024	2,031,719	2,023,780	1.0%	2,017,260	3.53%	9/30/2029	9/30/2029
Treasury Note	91282CLL3	10/1/2024	1,994,323	1,995,000	1.0%	1,996,320	3.53%	9/15/2027	9/15/2027
Treasury Note	91282CCV1	10/4/2024	1,822,536	1,877,430	0.9%	1,878,820	3.61%	8/31/2028	8/31/2028
Treasury Note	31282CFJ5	10/7/2024	1,949,794	1,957,642	1.0%	1,966,260	3.76%	8/31/2029	8/31/2029
Treasury Note	91282CFY2	12/19/2024	1,959,077	1,964,414	1.0%	2,016,720	4.39%	11/30/2029	11/30/2029
Treasury Note	91282CJM4	12/9/2025	2,057,023	2,054,196	1.0%	2,057,580	3.77%	11/30/2030	11/30/2030
FHLB Bond	3130AKQ74	1/22/2021	2,000,000	2,000,000	1.0%	1,996,620	0.63%	1/22/2026	1/22/2026
FNMA Bond	3135G06R9	1/28/2021	2,000,000	2,000,000	1.0%	1,995,600	0.55%	1/28/2026	1/28/2026
FHLB Bond	3130AKRN8	1/28/2021	2,000,000	2,000,000	1.0%	1,995,740	0.65%	1/28/2026	1/28/2026
FHLB Bond	3130ALCV4	2/24/2021	2,000,000	2,000,000	1.0%	1,991,460	0.75%	2/24/2026	2/24/2026
FHLB Bond	3130ALDB7	2/25/2021	2,000,000	2,000,000	1.0%	1,991,160	0.66%	2/25/2026	2/25/2026
FHLB Bond	3130AKZ25	2/26/2021	2,000,000	2,000,000	1.0%	1,990,980	0.65%	2/26/2026	2/26/2026
FHLB Bond	3130ALGS7	3/10/2021	2,000,000	2,000,000	1.0%	1,989,600	0.85%	3/10/2026	3/10/2026
FHLB Bond	3130ALEP5	3/16/2021	2,000,000	2,000,000	1.0%	1,988,060	0.70%	3/16/2026	3/16/2026
FHLB Bond	3130ALDN1	3/16/2021	2,000,000	2,000,000	1.0%	1,988,480	0.80%	3/16/2026	3/16/2026
FHLB Bond	3130AMNH1	6/9/2021	2,000,000	2,000,000	1.0%	1,977,800	1.08%	1/5/2026	6/9/2026
FHLB Bond	3130AMYJ5	6/30/2021	2,000,000	2,000,000	1.0%	1,973,600	1.00%	3/30/2026	6/30/2026
FHLB Bond	3130AMYP1	7/15/2021	3,000,000	3,000,000	1.5%	2,959,710	1.13%	1/15/2026	7/15/2026
FHLB Bond	3130ANJC5	8/26/2021	2,000,000	2,000,000	1.0%	1,963,800	0.80%	8/26/2026	8/26/2026
FHLB Bond	3130ANLW8	8/26/2021	3,000,000	3,000,000	1.5%	2,949,690	1.00%	2/26/2026	8/26/2026
FHLB Bond	3130ANLZ1	8/26/2021	2,000,000	2,000,000	1.0%	1,965,240	0.90%	8/26/2026	8/26/2026
FHLB Bond	3130A8XY4	9/13/2021	2,103,340	2,014,369	1.0%	1,976,060	0.82%	9/11/2026	9/11/2026
FFCB Bond	3133EM4X7	9/28/2021	1,982,960	1,997,619	1.0%	1,961,680	0.98%	9/10/2026	9/10/2026
FHLB Bond	3130APCH6	9/29/2021	3,000,000	3,000,000	1.5%	2,946,510	1.13%	1/5/2026	9/29/2026
FHLB Bond	3130ANZE3	9/30/2021	2,000,000	2,000,000	1.0%	1,960,800	0.88%	9/30/2026	9/30/2026
FHLB Bond	3130AP6N0	9/30/2021	3,000,000	3,000,000	1.5%	2,944,650	1.05%	3/30/2026	9/30/2026
FHLB Bond	3130AP6M2	9/30/2021	3,000,000	3,000,000	1.5%	2,943,450	1.02%	3/30/2026	9/30/2026
FHLB Bond	3130APCG8	10/19/2021	2,000,000	2,000,000	1.0%	1,958,900	1.00%	1/19/2026	10/19/2026
FHLB Bond	3130APNX9	11/18/2021	2,000,000	2,000,000	1.0%	1,960,740	1.30%	11/18/2026	11/18/2026
FHLB Bond	3130AQHU0	1/19/2022	2,000,000	2,000,000	1.0%	1,973,100	1.74%	1/19/2027	1/19/2027
FHLB Bond	3130B2P58	9/26/2024	2,003,014	2,000,000	1.0%	1,999,120	3.87%	9/10/2026	9/10/2029
FHLB Bond	3130B36N8	10/15/2024	1,944,000	1,995,453	1.0%	1,996,360	4.32%	4/15/2026	10/15/2029
FHLB Bond	3130B5A73	2/26/2025	2,000,000	2,000,000	1.0%	2,010,560	4.75%	8/26/2026	2/26/2030
FAMCMTN Bond	31424WZC9	5/7/2025	3,000,000	3,000,000	1.5%	2,994,570	4.55%	5/7/2026	5/7/2030
FHLB Bond	3130B6FS0	5/28/2025	2,000,000	2,000,000	1.0%	2,004,180	4.75%	5/14/2026	5/14/2030
FAMCMTN Bond	31424WB50	5/28/2025	2,000,000	2,000,000	1.0%	1,999,960	4.74%	5/28/2026	5/28/2030
FFCB Bond	3133ER3L3	6/6/2025	2,029,443	2,000,000	1.0%	1,999,400	4.69%	2/13/2026	2/13/2029
FAMCMTN Bond	31424WG30	6/26/2025	1,200,000	1,200,000	0.6%	1,205,412	4.33%	6/26/2026	6/26/2028
FFCB Bond	3133ETMB0	6/27/2025	2,000,775	2,000,000	1.0%	2,004,960	4.65%	6/24/2026	6/24/2030
FAMCMTN Bond	31424WGS5	7/1/2025	2,000,000	2,000,000	1.0%	2,006,440	4.60%	7/1/2026	7/1/2030
FFCB Bond	3133ETNA1	7/2/2025	2,000,000	2,000,000	1.0%	2,004,400	4.50%	7/2/2026	1/2/2030
FHLMCMTN Bond	3134HBYC9	7/15/2025	2,000,000	2,000,000	1.0%	2,000,800	4.75%	1/15/2026	7/15/2030
FHLMCMTN Bond	3134HBZA2	7/15/2025	2,000,000	2,000,000	1.0%	2,000,620	4.50%	1/15/2026	7/14/2028
FHLMCMTN Bond	3134HBB59	7/30/2025	2,000,000	2,000,000	1.0%	2,004,220	4.64%	4/30/2026	7/30/2030
FNMA Bond	3136GAM22	8/12/2025	2,988,270	2,998,404	1.5%	2,996,910	4.14%	2/12/2026	8/12/2030
FAMCMTN Bond	31424WN81	8/12/2025	2,000,000	2,000,000	1.0%	2,002,540	4.39%	8/12/2026	8/12/2030
FFCB Bond	3133ETUP0	8/20/2025	2,000,000	2,000,000	1.0%	1,999,060	4.49%	2/20/2026	5/20/2030
FFCB Bond	3133ETUN5	8/25/2025	2,000,000	2,000,000	1.0%	1,999,680	4.45%	2/25/2026	2/25/2030
FNMA Bond	3136GAQF9	9/3/2025	2,000,000	2,000,000	1.0%	1,996,580	4.25%	6/3/2026	6/3/2030
FFCB Bond	3133ETXY8	9/16/2025	2,000,000	2,000,000	1.0%	1,997,440	4.00%	9/16/2026	9/16/2030
FHLB Bond	3130B7SF2	9/18/2025	2,000,222	2,000,000	1.0%	1,984,220	4.00%	9/17/2026	9/17/2030

Investment Type	CUSIP	Settlement Date	Cost Value	Book Value	% of Portfolio	Market Value	YTM at Cost	Next Call Date	Date of Maturity
FNMA Bond	3136GAUR8	9/25/2025	2,000,000	2,000,000	1.0%	1,972,220	4.20%	3/18/2026	9/18/2030
FNMA Bond	3136GAVD8	9/26/2025	2,000,000	2,000,000	1.0%	1,999,620	4.13%	6/26/2026	9/26/2030
FNMA Bond	3136GAVW6	9/30/2025	2,000,000	2,000,000	1.0%	1,993,680	4.45%	1/30/2025	9/30/2030
FHLB Bond	3130B7YU2	10/15/2025	2,000,000	2,000,000	1.0%	1,994,600	4.33%	4/15/2026	10/15/2030
FFCB Bond	3133ETJ73	10/21/2025	2,000,000	2,000,000	1.0%	1,995,440	4.12%	4/21/2026	10/21/2030
FFCB Bond	3133ETJ73	10/21/2025	2,000,000	2,000,000	1.0%	1,995,440	4.12%	4/21/2026	10/21/2030
FNMA Bond	3136GAYT0	10/22/2025	2,000,000	2,000,000	1.0%	1,999,260	4.00%	1/23/2026	10/23/2028
FNMA Bond	3136GAZ44	10/24/2025	2,000,000	2,000,000	1.0%	1,997,460	4.00%	10/15/2026	10/15/2030
FHLMCMTN Bond	3134HB3J8	11/3/2025	2,000,000	2,000,000	1.0%	2,000,960	4.00%	5/1/2026	11/1/2028
FNMA Bond	3136GC3B9	11/5/2025	2,000,000	2,000,000	1.0%	2,000,060	4.25%	5/5/2026	11/5/2030
FNMA Bond	3136GC2M6	11/6/2025	2,000,000	2,000,000	1.0%	2,002,140	4.08%	5/6/2026	5/6/2030
FNMA Bond	3136GC3V5	11/6/2025	2,000,000	2,000,000	1.0%	1,999,080	4.13%	11/6/2026	11/6/2030
FNMA Bond	3136GC5Z4	11/18/2025	2,000,000	2,000,000	1.0%	1,997,200	4.13%	5/18/2026	5/18/2029
FHLMCMTN Bond	3134HB6G1	11/20/2025	2,000,000	2,000,000	1.0%	1,999,100	4.00%	5/20/2026	11/20/2028
FHLMCMTN Bond	3134HB6J5	11/20/2025	2,000,000	2,000,000	1.0%	1,998,760	4.45%	2/6/2026	11/6/2030
FHLMCMTN Bond	3134HB7G0	11/20/2025	2,000,000	2,000,000	1.0%	1,997,340	4.15%	11/13/2026	11/13/2030
FHLB Bond	3130B8NB4	11/21/2025	2,000,000	2,000,000	1.0%	1,999,060	4.07%	2/9/2026	11/9/2027
FAMCMTN Bond	31424W3P5	11/25/2025	1,000,000	1,000,000	0.5%	998,234	4.13%	11/25/2026	11/25/2030
FHLMCMTN Bond	3134HCFN4	12/10/2025	2,000,000	2,000,000	1.0%	2,000,460	4.08%	6/10/2026	12/10/2029
FNMA Bond	3136GCAE5	12/11/2025	2,000,000	2,000,000	1.0%	1,993,080	4.03%	6/11/2027	12/11/2030
FHLMCMTN Bond	3134HCGL7	12/11/2025	2,000,000	2,000,000	1.0%	1,995,340	4.05%	6/11/2026	12/11/2028
FHLMCMTN Bond	3134HCGL7	12/11/2025	2,000,000	2,000,000	1.0%	1,995,340	4.05%	6/11/2026	12/11/2028
FFCB Bond	3133ET3X3	12/12/2025	2,000,000	2,000,000	1.0%	1,993,100	4.26%	6/12/2026	12/12/2030
FHLMCMTN Bond	3134HCCW7	12/15/2025	2,000,000	2,000,000	1.0%	1,992,180	4.25%	6/2/2026	12/2/2030
FHLMCMTN Bond	3134HCFX2	12/23/2025	2,000,000	2,000,000	1.0%	1,997,620	4.18%	12/23/2026	12/30/2030
CD - Morgan Stanley Bank	61690DGT9	11/8/2023	250,000	250,000	0.1%	258,550	5.05%	11/8/2028	11/8/2028
CD - Morgan Stanley Private Bank	61768EE82	11/8/2023	250,000	250,000	0.1%	258,550	5.05%	11/8/2028	11/8/2028
CD - American Express	02589AF98	11/8/2023	250,000	250,000	0.1%	258,215	5.00%	11/8/2028	11/8/2028
CD - State Bank India	8562834U7	11/24/2023	250,000	250,000	0.1%	260,430	5.00%	11/24/2028	11/24/2028
CD - JPMorgan Chase	46659CLN8	9/30/2025	250,000	250,000	0.1%	250,393	4.13%	9/30/2030	9/30/2030
CD - Sallie Mae	795451EE9	12/10/2025	250,000	250,000	0.1%	250,195	3.90%	12/10/2030	12/10/2030
Sub Total/Average			\$ 162,733,223	\$ 162,832,019	82.1%	\$ 162,135,431	3.10%		
Total City Managed/Average			\$ 188,216,605	\$ 188,315,401	95.0%	\$ 187,628,584	3.21%		
Bond Reserve Accounts - Held By Trustees			\$ 466,355	\$ 466,355	0.2%	\$ 466,355			
Cash/Deposits			\$ 1,607,866	\$ 1,607,866	0.8%	\$ 1,607,866			
PARS and CALPERS CERBT Trust			\$ 7,887,404	\$ 7,887,404	4.0%	\$ 10,840,775			
GRAND TOTAL/AVERAGE			\$ 198,178,230	\$ 198,277,026	100.0%	\$ 200,543,580			



CITY OF MORGAN HILL CASH AND INVESTMENT REPORT
FOR THE MONTH OF DECEMBER 31, 2025
FOR THE FISCAL YEAR OF 2025-26

	Invested in Fund	Yield	Book Value End of Month	% of Total	Market Value
Investments					
State Treasurer LAIF - City	All Funds Pooled	4.03%	\$ 5,064,616	2.6%	\$ 5,074,388
California CLASS	All Funds Pooled	3.88%	20,381,038	10.3%	20,381,038
US Bank - Portfolio of Securities	All Funds Pooled	3.10%	162,832,019	82.1%	162,135,431
WFB MMA	All Funds Pooled	3.72%	37,727	0.0%	37,727
	SUBTOTAL		\$ 188,315,401	95.0%	\$ 187,628,584
Bond Reserve Accounts - held by trustees					
Zions Bank - Civic Center/Library Facility	Debt Service	3.34%	479	0.0%	479
Blackrock Liq Fund					
Zions Bank - MH Police Facility Lease Revenue Bonds	Debt Service	3.34%	609	0.0%	609
Blackrock Liq Fund					
BNY - RDA Bonds	Agency Fund	3.35%	465,267	0.2%	465,267
Dreyfus Cash Mgmt 521					
	SUBTOTAL		466,355	0.2%	466,355
Other Cash/Deposits					
General Checking	All Funds		1,562,016	0.8%	1,562,016
Workers' Comp Administrators	Workers' Comp		30,000	0.0%	30,000
Petty Cash & Emergency Cash	General Fund		15,850	0.0%	15,850
CALPERS CERBT - OPEB Trust			5,237,404	2.6%	7,177,986
PARS - PENSION Trust			2,650,000	1.3%	3,662,789 **
	SUBTOTAL		9,495,270	4.8%	12,448,641
Total Cash and Investments			\$ 198,277,026	100.0%	\$ 200,543,580


** As of 11/30/2025


CASH ACTIVITY SUMMARY
FY 2025-26

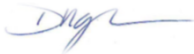
Fund Type	07/01/2025 Balance	Change in Cash Balance	12/31/2025 Balance
General Fund	\$ 27,754,684	\$ (5,204,567)	\$ 22,550,117
Development Services	1,256,663	1,764,499	3,021,162
Water - Operations	1,682,675	582,916	2,265,590
Water Other	33,378,396	1,033,967	34,412,364
Sewer - Operations	581,685	2,157,229	2,738,914
Sewer Other	51,823,477	850,949	52,674,426
Other Special Revenue	18,941,285	(389,381)	18,551,903
Streets and Capital Projects	40,813,196	(4,883,526)	35,929,670
Debt Service	354,990	(243,349)	111,641
Internal Service	29,447,571	(4,019,527)	25,428,044
Agency Funds (assessment dists./refundable deposits)	6,701,471	(6,108,276)	593,194
Total	\$ 212,736,093	\$ (14,459,068)	\$ 198,277,026

Note: See Investment Portfolio Detail for maturities of "Investments." Market values are obtained from the City's investment brokers' monthly reports.

I certify that information on the investment report has been reconciled to the general ledger and bank statements and that there are sufficient funds to meet the expenditure requirements of the City for the next six months. The portfolio is in compliance with the City of Morgan Hill Investment Policy and all State laws and regulations.

Prepared by: 
 Gina Nazareno, Senior Accountant

Approved by: 
 Cindy Murphy, Treasurer

Reviewed by: 
 Dat Nguyen, Finance Director



City of Morgan Hill
Year to Date Revenues - Fiscal Year 2025-26
For the Month Ended December 31, 2025
50% of Year Complete

	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
010 GENERAL FUND							
TAXES							
Property Tax - Secured/Unsecured	\$ 17,345,642	17,945,642	\$ 2,957,355	16%	\$ 2,893,771	\$ 63,584	2%
Property Tax - RPTTF Residual Distribution	3,098,634	3,098,634	-	n/a	-	-	n/a
Property Tax - Supplemental Roll	325,515	325,515	71,455	22%	68,603	2,853	4%
Sales Tax	12,711,087	11,511,087	4,245,794	37%	3,886,040	359,754	9%
Public Safety Sales Tax	478,182	478,182	108,647	23%	145,768	(37,121)	-25%
Transient Occupancy Taxes	2,958,340	2,658,340	992,408	37%	1,137,459	(145,051)	-13%
Franchise (Refuse ,Cable ,PG&E)	3,354,166	3,354,166	675,450	20%	637,852	37,598	6%
Property Transfer Tax	642,000	642,000	256,416	40%	256,953	(536)	0%
TOTAL TAXES	40,913,566	40,013,566	9,307,525	23%	9,026,444	281,081	3%
LICENSES/PERMITS							
Business License	200,000	200,000	74,796	37%	72,417	2,379	3%
Other Permits	82,750	82,750	178,011	215%	157,835	20,176	13%
TOTAL LICENSES/PERMITS	282,750	282,750	252,807	89%	230,252	22,555	10%
FINES AND PENALTIES							
Parking Enforcement	9,800	9,800	3,071	31%	4,627	(1,556)	-34%
Bails & Fines	55,000	55,000	18,127	33%	11,956	6,171	52%
Administrative Citations	20,000	20,000	11,000	55%	13,577	(2,577)	-19%
TOTAL FINES AND PENALTIES	84,800	84,800	32,198	38%	30,160	2,038	7%
OTHER AGENCIES							
Motor Vehicle in-Lieu	63,654	63,654	70,915	111%	-	70,915	n/a
Other Revenue - Other Agencies	434,545	940,183	247,711	26%	556,802	(309,092)	-56%
TOTAL OTHER AGENCIES	498,199	1,003,837	318,626	32%	556,802	(238,177)	-43%
CHARGES CURRENT SERVICES							
Police False Alarm Charge	33,500	33,500	12,201	36%	14,612	(2,411)	-17%
Business License Application Review	84,872	84,872	28,753	34%	27,711	1,042	4%
Membership Services & Rec Programs	6,830,960	6,830,960	3,275,737	48%	3,109,695	166,042	5%
Facility Rentals	1,245,612	1,245,612	722,570	58%	712,255	10,315	1%
Community Services	138,498	178,498	70,420	39%	77,509	(7,089)	-9%
General Administration Overhead	1,727,037	1,727,037	874,958	51%	841,455	33,503	4%
Other Charges Current Services	734,377	734,377	343,188	47%	342,006	1,182	0%
TOTAL CURRENT SERVICES	10,794,856	10,834,856	5,327,826	49%	5,125,243	202,583	4%
OTHER REVENUE							
Use of money/property	1,283,417	1,583,417	627,063	40%	764,279	(137,216)	-18%
Other Revenues	548,648	811,790	386,275	48%	318,978	67,297	21%
TOTAL OTHER REVENUE	1,832,065	2,395,207	1,013,338	42%	1,083,257	(69,920)	-6%
TRANSFERS IN							
One Time Transfer	165,000	165,000	82,500	50%	82,500	-	0%
Public Safety Facilities Fund	50,000	50,000	25,000	50%	25,000	-	0%
Supplemental Law Enforcement Fund	100,000	100,000	50,000	50%	50,000	-	n/a
Countywide Solid Waste	563,961	544,328	281,981	52%	270,164	11,817	4%
Streets	851,932	851,932	368,134	43%	380,550	(12,416)	-3%
Park Maintenance	650,000	650,000	325,000	50%	325,000	-	n/a
Sewer Operations	434,390	434,390	254,195	59%	206,850	47,345	23%
Water Operations	434,390	434,390	254,195	59%	206,850	47,345	23%
Open Space	81,100	81,100	40,550	50%	40,550	-	n/a
Park Development	100,000	100,000	50,000	50%	50,000	-	n/a
TOTAL TRANSFERS IN	3,430,773	3,411,140	1,731,554	51%	1,637,464	94,091	6%
TOTAL GENERAL FUND	57,837,009	58,026,156	17,983,875	31%	17,689,623	294,251	2%
SPECIAL REVENUE FUNDS							
202 STREET MAINTENANCE							
Gas Tax 2105 - 2107.5	851,932	851,932	363,220	43%	376,969	(13,749)	-4%
Interest / Other Revenue/Other Charges	1,665	1,665	4,914	295%	3,581	1,333	37%
202 STREET MAINTENANCE	853,597	853,597	368,134	43%	380,550	(12,416)	-3%



City of Morgan Hill
 Year to Date Revenues - Fiscal Year 2025-26
 For the Month Ended December 31, 2025
 50% of Year Complete

	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
SPECIAL REVENUE FUNDS							
205 SUPPLEMENTAL LAW ENFORCEMENT FUND							
Interest Income	11,065	11,065	8,823	80%	7,706	1,117	14%
Police Grant/SLEF/JAG	100,000	100,000	139,037	139%	119,663	19,373	16%
205 SUPPLEMENTAL LAW ENFORCEMENT FUND	111,065	111,065	147,859	133%	127,369	20,490	16%
206 DEVELOPMENT SERVICES							
Building Fees	3,655,850	3,578,850	2,190,927	61%	1,951,889	239,038	12%
Planning Fees	954,276	1,059,276	1,210,040	114%	531,157	678,884	128%
Engineering Fees	723,341	723,341	847,248	117%	495,511	351,737	71%
Other Revenue/Current Charges	544,851	516,851	204,531	40%	101,549	102,981	101%
206 DEVELOPMENT SERVICES	5,878,318	5,878,318	4,452,746	76%	3,080,106	1,372,641	45%
207 LONG RANGE PLANNING							
	827,760	827,760	798,054	96%	440,021	358,034	81%
215 and 216 HCD BLOCK GRANT							
Interest Income/Other Revenue	994	994	1,115	112%	1,249	(134)	-11%
215 and 216 HCD BLOCK GRANT	994	994	1,115	112%	1,249	(134)	-11%
225 ASSET SEIZURE	1,631	1,631	1,684	103%	1,904	(220)	-12%
229 LIGHTING AND LANDSCAPE	207,135	207,135	3,286	2%	3,976	(690)	-17%
230 COMMUNITY FACILITIES DISTRICT	28,314	28,314	2,642	9%	2,982	(340)	-11%
232 ENVIRONMENTAL PROGRAMS	525,286	525,286	246,295	47%	234,966	11,329	5%
234 MOBILE HOME PARK RENT STAB.	2,447	2,447	4,919	201%	3,007	1,912	64%
236 HOUSING MITIGATION	3,061,720	3,478,220	899,279	26%	938,435	(39,156)	-4%
240 EMPLOYEE ASSISTANCE	481	481	4,071	846%	4,010	61	2%
246 COUNTYWIDE SOLID WASTE	2,393,478	1,716,866	1,109,693	65%	1,145,619	(35,926)	-3%
255 HOUSING SUCCESSOR AGENCY	418,260	418,260	118,648	28%	373,579	(254,931)	-68%
260 PUBLIC ART	869	869	576	66%	156	419	268%
TOTAL SPECIAL REVENUE FUNDS	14,311,356	14,051,244	8,159,002	58%	6,737,928	1,421,074	21%
CAPITAL PROJECTS FUNDS							
301 PARK DEVELOPMENT	2,324,852	2,324,852	433,525	19%	1,777,491	(1,343,966)	-76%
302 PARK MAINTENANCE	1,008,792	1,008,792	28,391	3%	48,566	(20,175)	-42%
303 LOCAL DRAINAGE	3,672,294	3,672,294	111,096	3%	384,795	(273,700)	-71%
304 LOCAL DRAINAGE/NON AB1600	28,357	187,838	21,145	11%	132,256	(111,111)	-84%
306 AGRICULTURE & OPEN SPACE PRESERVATION	10,461	10,461	131,463	1257%	408,145	(276,683)	-68%
308 STREET CIP	7,777,340	7,777,340	1,642,293	21%	1,632,807	9,486	1%
309 TRAFFIC IMPACT	3,584,714	3,584,714	685,091	19%	1,766,062	(1,080,971)	-61%
315 PUBLIC SAFETY FACILITIES IMPACT	2,217,137	2,217,137	754,817	34%	4,985,539	(4,230,722)	-85%
346 PUBLIC FACILITIES NON-AB1600	26,226	26,226	29,306	112%	164,447	(135,141)	-82%
347 PUBLIC FACILITIES IMPACT	994,483	994,483	77,320	8%	309,887	(232,567)	-75%
348 LIBRARY	2,180,740	2,180,740	347,086	16%	1,264,438	(917,351)	-73%
350 UNDERGROUNDING	47,258	47,258	65,595	139%	32,801	32,794	100%
360 COMMUNITY/REC IMPACT FUND	3,802,095	3,802,095	573,321	15%	2,308,603	(1,735,282)	-75%
375 QUIMBY FEE	4,268,487	4,268,487	104,687	2%	1,245,099	(1,140,412)	-92%
TOTAL CAPITAL PROJECTS FUNDS	31,943,236	32,102,717	5,005,135	16%	16,460,937	(11,455,802)	-70%
DEBT SERVICE FUNDS							
420 CIVIC CENTER DEBT	302,376	302,376	151,340	50%	150,635	705	0%
441 POLICE FACILITY BOND	394,304	394,304	194,714	49%	192,549	2,165	1%
TOTAL DEBT SERVICE FUNDS	696,680	696,680	346,054	50%	343,184	2,870	1%



City of Morgan Hill
 Year to Date Revenues - Fiscal Year 2025-26
 For the Month Ended December 31, 2025
 50% of Year Complete

	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
ENTERPRISE FUNDS							
640 WASTEWATER OPERATION							
Sewer Service Fees	17,871,000	17,871,000	8,778,183	49%	6,886,191	1,891,992	27%
Interest Income/Transfers	121,041	121,041	23,277	19%	38,051	(14,773)	-39%
Other Revenue/Current Charges	428,860	428,860	151,644	35%	140,784	10,859	8%
640 WASTEWATER OPERATION	18,420,901	18,420,901	8,953,104	49%	7,065,026	1,888,078	27%
641 WASTEWATER EXPANSION							
Interest Income	164,788	164,788	357,905	217%	406,142	(48,237)	-12%
Development Impact Fee	30,415,728	30,415,728	1,344,541	4%	7,886,643	(6,542,101)	-83%
641 WASTEWATER EXPANSION	30,580,516	30,580,516	1,702,447	6%	8,292,785	(6,590,338)	-79%
642 WASTEWATER RATE STABILIZATION							
	93,037	93,037	52,406	56%	58,084	(5,677)	-10%
643 WASTEWATER CAPITAL PROJECT							
	15,076,739	15,076,739	3,342,796	22%	3,512,195	(169,399)	-5%
TOTAL SEWER FUNDS	64,171,193	64,171,193	14,050,753	22%	18,928,090	(4,877,337)	-26%
650 WATER OPERATION							
Water Sales	21,385,800	21,385,800	9,399,166	44%	8,983,981	415,185	5%
Meter Install & Service	110,000	110,000	32,193	29%	47,663	(15,471)	-32%
Transfers-In / Interest Income	911,184	911,184	410,437	45%	418,420	(7,984)	-2%
Other Revenue/Current Charges	1,044,838	1,044,838	417,432	40%	435,809	(18,377)	-4%
650 WATER OPERATION	23,451,822	23,451,822	10,259,227	44%	9,885,874	373,354	4%
651 WATER EXPANSION							
Interest Income/Other Revenue/Transfer	40,273	40,273	91,229	227%	89,563	1,667	2%
Development Impact Fee	4,833,886	4,833,886	521,576	11%	2,900,778	(2,379,202)	-82%
651 WATER EXPANSION	4,874,159	4,874,159	612,806	13%	2,990,340	(2,377,535)	-80%
652 WATER RATE STABILIZATION							
	99,247	99,247	56,053	56%	62,796	(6,743)	-11%
653 WATER CAPITAL PROJECT							
	7,809,380	7,809,380	4,755,181	61%	3,343,127	1,412,054	42%
TOTAL WATER FUNDS	36,234,608	36,234,608	15,683,267	43%	16,282,137	(598,870)	-4%
TOTAL ENTERPRISE FUNDS	100,405,801	100,405,801	29,734,020	30%	35,210,227	(5,476,207)	-16%
INTERNAL SERVICE FUNDS							
730 INFORMATION SYSTEMS	3,038,971	3,038,971	1,518,804	50%	1,443,188	75,617	5%
740 BUILDING MAINTENANCE	1,270,189	1,270,189	640,952	50%	712,683	(71,731)	-10%
741 BUILDING REPLACEMENT	1,049,288	2,299,288	535,819	23%	532,641	3,178	1%
745 CIP ADMINISTRATION	2,880,028	2,880,028	264,091	9%	1,332,835	(1,068,744)	-80%
760 UNEMPLOYMENT INSURANCE	8,298	8,298	4,318	52%	5,091	(774)	-15%
770 WORKERS COMPENSATION	1,211,610	1,211,610	304,121	25%	514,216	(210,096)	-41%
790 EQUIPMENT REPLACEMENT	1,615,158	1,615,158	818,328	51%	906,096	(87,768)	-10%
791 EMPLOYEE BENEFITS	1,251,963	1,251,963	586,134	47%	573,249	12,885	2%
795 GENERAL LIABILITY INSURANCE	2,769,881	2,769,881	1,376,896	50%	1,254,101	122,795	10%
TOTAL INTERNAL SERVICE FUNDS	15,095,386	16,345,386	6,049,463	37%	7,274,101	(1,224,638)	-17%
TOTAL FOR ALL FUNDS	\$ 220,289,468	\$ 221,627,983	\$ 67,277,549	30%	\$ 83,716,000	\$ (16,438,451)	-20%



City of Morgan Hill
Year to Date Expenses - Fiscal Year 2025-26
For the Month Ended December 31, 2025
50% of Year Complete

FUND NO.	FUND/ACTIVITY	CURRENT MONTH ACTUAL EXPENSES	AMENDED BUDGET	YTD EXPENSES	OUTSTANDING ENCUMBRANCE	TOTAL ALLOCATED	PERCENT OF TOTAL TO BUDGET	PRIOR YTD
010 GENERAL FUND								
I. ADMINISTRATION								
	CITY COUNCIL	\$ 24,426	\$ 631,504	\$ 420,014	\$ 12,000	\$ 432,014	68%	\$ 216,620
	CITY ATTORNEY	42,802	1,151,353	462,843	56,015	518,858	45%	487,379
	CITY MANAGER	55,959	1,041,692	338,232	-	338,232	32%	355,741
	HUMAN RESOURCES	85,293	1,032,289	490,155	-	490,155	47%	478,426
	COUNCIL SVCS & RECORDS MGMT							
	Council Svcs & Records Mgmt	47,892	627,757	276,456	-	276,456	44%	283,380
	Elections	2,941	38,516	17,836	-	17,836	46%	8,932
	COUNCIL SVCS & RECORDS MGMT	50,832	666,273	294,292	-	294,292	44%	292,312
	FINANCE	162,322	2,574,249	921,400	426,097	1,347,497	52%	961,025
	TOTAL ADMINISTRATION	421,634	7,097,361	2,926,937	494,112	3,421,049	48%	2,791,503
II. COMMUNITY SERVICES								
	Membership Services & Rec. Programs	528,712	7,541,945	3,575,838	1,114,192	4,690,031	62%	3,721,395
	Recreation Facility Rentals	108,463	1,451,514	608,747	53,039	661,786	46%	279,123
	Innovative Transit	-	-	-	-	-	n/a	318,525
	Community Services	1,990	923,254	365,845	61,194	427,039	46%	292,249
	Park Maintenance	102,686	1,563,784	571,033	42,411	613,444	39%	542,101
	Environmental Services	49,916	885,890	371,338	-	371,338	42%	292,972
	Countywide Solid Waste Program	40,614	546,317	237,757	-	237,757	44%	239,001
	Street Maintenance	268,540	3,600,422	1,576,710	3,230	1,579,940	44%	1,472,835
	Downtown Maintenance	25,591	398,326	147,412	8,736	156,148	39%	123,457
	PD Building Maintenance	52,569	729,167	277,840	51,455	329,294	45%	306,654
	Cable Television	7,575	91,406	45,538	-	45,538	50%	45,374
	COMMUNITY SERVICES	1,186,656	17,732,025	7,778,058	1,334,258	9,112,316	51%	7,633,687
	CODE COMPLIANCE	33,562	420,943	205,438	-	205,438	49%	191,713
	INFRASTRUCTURE PLANNING & CONGESTION MGMT	55,742	644,253	248,866	28,826	277,692	43%	192,335
	ECONOMIC DEVELOPMENT PROGRAMS	70,562	1,418,834	455,761	127,509	583,270	41%	417,025
	TOTAL COMMUNITY SERVICES	1,346,522	20,216,055	8,688,123	1,490,593	10,178,716	50%	8,434,759
III. PUBLIC SAFETY								
POLICE								
	PD Administration	141,510	1,964,769	878,191	29,800	907,991	46%	866,010
	Field Operations	1,055,402	14,237,974	6,573,994	37,106	6,611,099	46%	5,751,914
	Support Services	207,574	2,766,134	1,333,894	64,474	1,398,368	51%	1,232,478
	Emergency Services/Haz Mat	20,184	278,548	125,927	-	125,927	45%	121,658
	Special Operations	311,954	4,405,650	2,076,362	27,544	2,103,906	48%	2,194,968
	Dispatch Services	202,374	2,426,058	1,182,956	-	1,182,956	49%	1,107,841
	POLICE	1,938,998	26,079,133	12,171,323	158,923	12,330,246	47%	11,274,869
	FIRE	820,749	11,212,073	5,376,753	295,000	5,671,753	51%	5,161,298
	TOTAL PUBLIC SAFETY	2,759,746	37,291,206	17,548,076	453,923	18,001,999	48%	16,436,167
IV. TRANSFERS								
	Other	104,923	1,418,558	629,538	-	629,538	44%	729,115
	TOTAL TRANSFERS	104,923	1,418,558	629,538	-	629,538	44%	729,115
	TOTAL GENERAL FUND	4,632,826	66,023,180	29,792,674	2,438,628	32,231,302	49%	28,391,544



City of Morgan Hill
 Year to Date Expenses - Fiscal Year 2025-26
 For the Month Ended December 31, 2025
 50% of Year Complete

FUND NO.	FUND/ACTIVITY	CURRENT MONTH ACTUAL EXPENSES	AMENDED BUDGET	YTD EXPENSES	OUTSTANDING ENCUMBRANCE	TOTAL ALLOCATED	PERCENT OF TOTAL TO BUDGET	PRIOR YTD
SPECIAL REVENUE FUNDS								
202	STREET MAINTENANCE	463	857,492	370,914	-	370,914	43%	383,276
205	PUBLIC SAFETY/SUPP.LAW	115	101,380	50,690	-	50,690	50%	50,677
206 DEVELOPMENT SERVICES FUND								
	Planning	153,984	1,734,431	825,272	-	825,272	48%	783,829
	Building	258,903	3,331,894	1,392,712	99,595	1,492,307	45%	1,416,147
	Engineering	167,246	1,837,532	779,588	326,933	1,106,522	60%	759,022
206	DEVELOPMENT SERVICES FUND	580,133	6,903,857	2,997,572	426,528	3,424,100	50%	2,958,999
207	LONG RANGE PLANNING	137,510	2,201,195	636,298	326,202	962,500	44%	451,258
215/216	CDBG	8	90	45	-	45	50%	44
225	ASSET SEIZURE	70	840	420	-	420	50%	410
229	LIGHTING AND LANDSCAPE	16,488	221,603	86,670	19,780	106,450	48%	95,806
230	COMMUNITY FACILITIES DISTRICT	1,667	24,377	12,329	-	12,329	51%	11,706
232	ENVIRONMENTAL PROGRAMS	32,879	470,920	190,795	3,362	194,157	41%	187,655
234	MOBILE HOME PARK	81	970	485	-	485	50%	476
236	HOUSING MITIGATION	66,630	2,488,831	1,046,847	956,715	2,003,562	81%	618,579
240	EMPLOYEE ASSISTANCE	84	21,010	2,185	-	2,185	10%	3,997
246	COUNTYWIDE SOLID WASTE PROGRAM	46,997	1,927,635	512,223	917,006	1,429,230	74%	691,512
255	HOUSING SUCCESSOR AGENCY	96,288	1,375,331	701,425	243,188	944,612	69%	625,984
260	PUBLIC ART	536	6,430	3,215	-	3,215	50%	3,941
TOTAL SPECIAL REVENUE FUNDS		979,949	16,601,960	6,612,113	2,892,780	9,504,893	57%	6,084,319
CAPITAL PROJECT FUNDS								
301	PARK DEVELOPMENT	170,612	4,134,937	887,491	562,867	1,450,359	35%	556,649
302	PARK MAINTENANCE	54,167	650,000	326,350	-	326,350	50%	326,891
303	LOCAL DRAINAGE	9,215	2,618,694	1,055,867	38,161	1,094,028	42%	3,020,012
304	LOCAL DRAIN. NON-AB1600	59,463	556,459	116,061	84,306	200,368	36%	33,739
306	AGRICULTURE & OPEN SPACE PRESERVATI	10,731	128,770	64,385	-	64,385	50%	64,078
308	STREET CIP	243,537	7,569,224	2,194,094	113,264	2,307,358	30%	3,794,603
309	TRAFFIC IMPACT	87,935	4,050,898	305,650	280,454	586,104	14%	3,146,056
315	PUBLIC SAFETY FACILITIES IMPACT	21,931	4,651,282	521,552	1,932,118	2,453,670	53%	4,317,976
346	PUBLIC FAC.NON AB1600	27,838	291,774	214,643	28,343	242,986	83%	30,061
347	PUBLIC FACILITIES IMPACT	210,181	2,838,513	875,948	176,381	1,052,329	37%	357,446
348	LIBRARY IMPACT	17,957	215,486	107,743	-	107,743	50%	1,356,807
350	UNDERGROUNDING	105	1,050,456	630	-	630	0%	127,839
360	COMM/REC CENTER IMPACT	10,871	4,438,720	116,272	412,697	528,968	12%	298,108
375	QUIMBY FEE	1,169,751	11,203,793	3,797,724	1,016,689	4,814,413	43%	1,048,861
TOTAL CAPITAL PROJECTS FUNDS		2,094,294	44,399,006	10,584,409	4,645,281	15,229,690	34%	18,479,127
DEBT SERVICE FUNDS								
420	CIVIC CENTER DEBT	289	294,598	259,297	-	259,297	88%	242,171
441	POLICE FACILITY BOND DEBT	383	389,293	330,106	-	330,106	85%	328,527
TOTAL DEBT SERVICE FUNDS		673	683,891	589,404	-	589,404	86%	570,698



City of Morgan Hill
 Year to Date Expenses - Fiscal Year 2025-26
 For the Month Ended December 31, 2025
 50% of Year Complete

FUND NO.	FUND/ACTIVITY	CURRENT MONTH ACTUAL EXPENSES	AMENDED BUDGET	YTD EXPENSES	OUTSTANDING ENCUMBRANCE	TOTAL ALLOCATED	PERCENT OF TOTAL TO BUDGET	PRIOR YTD
ENTERPRISE FUNDS								
SEWER								
640	WASTEWATER OPERATIONS	1,427,626	18,456,050	8,641,069	302,020	8,943,089	48%	8,255,014
641	WASTEWATER CAPITAL EXPANSION	179,023	49,012,211	915,112	673,860	1,588,972	3%	2,551,870
642	WASTEWATER RATE STABILIZATION	168	2,010	1,005	-	1,005	50%	983
643	WASTEWATER CAPITAL PROJECTS	740,051	33,236,798	2,148,035	4,162,920	6,310,955	19%	1,734,354
TOTAL SEWER FUND(S)		2,346,868	100,707,069	11,705,220	5,138,800	16,844,021	17%	12,542,221
WATER								
	Water Operations	1,634,570	21,768,518	9,884,594	378,654	10,263,248	47%	8,979,543
	Utility Billing	112,426	1,547,081	685,384	19,216	704,600	46%	638,217
	Water Conservation	25,272	451,335	148,465	73,087	221,552	49%	175,196
650	WATER OPERATIONS	1,772,268	23,766,933	10,718,444	470,956	11,189,400	47%	9,792,957
651	WATER CAPITAL EXPANSION	161,351	11,503,055	902,870	1,791,273	2,694,143	23%	466,478
652	WATER RATE STABILIZATION	125	1,500	750	-	750	50%	736
653	WATER-CAPITAL PROJECTS	1,032,205	28,017,341	3,391,690	5,461,721	8,853,412	32%	1,052,005
TOTAL WATER FUND(S)		2,965,949	63,288,829	15,013,754	7,723,951	22,737,705	36%	11,312,176
TOTAL ENTERPRISE FUNDS		5,312,817	163,995,898	26,718,974	12,862,751	39,581,726	24%	23,854,397
INTERNAL SERVICE FUNDS								
730	INFORMATION SYSTEMS	165,266	3,072,099	1,312,880	106,162	1,419,042	46%	1,221,299
740	BUILDING MAINTENANCE	158,321	1,332,278	573,119	20,649	593,768	45%	594,395
741	BUILDING REPLACEMENT	385,977	3,696,301	1,100,160	384,761	1,484,922	40%	658,014
745	CIP ADMINISTRATION	212,476	2,746,811	1,297,515	-	1,297,515	47%	1,151,286
760	UNEMPLOYMENT	-	15,000	9,321	-	9,321	62%	3,922
770	WORKERS COMPENSATION	106,261	1,007,970	750,803	-	750,803	74%	670,141
790	EQUIPMENT REPLACEMENT	-	1,147,077	351,798	765,771	1,117,568	97%	788,038
791	EMPLOYEE BENEFITS FUND	188,428	1,000,000	369,090	-	369,090	37%	425,006
795	GEN. LIABILITY INSURANCE	9,235	2,623,909	2,479,154	-	2,479,154	94%	2,104,149
TOTAL INTERNAL SERVICE FUNDS		1,225,963	16,641,445	8,243,840	1,277,344	9,521,183	57%	7,616,250
REPORT TOTAL		\$ 14,246,521	\$ 308,345,380	\$ 82,541,414	\$ 24,116,783	\$ 106,658,197	35%	\$ 84,996,335



City of Morgan Hill
Fund Activity Summary - Fiscal Year 2024-25
For the Month Ended December 31, 2025
50% of Year Complete

Fund No.	Fund Description	Beginning Fund Balance 07-01-25	Revenues		Expenses		Year to-Date Deficit or Carryover	Preliminary Ending Fund Balance	
			YTD Actual	% of Budget	YTD Actual	% of Budget		Reserved ¹	Unreserved
010	GENERAL FUND	\$ 27,063,982	\$ 17,983,875	31%	\$ 29,792,674	45%	\$ (11,808,799)	\$ 2,438,628	\$ 12,816,555
TOTAL GENERAL FUND		\$ 27,063,982	\$ 17,983,875	31%	\$ 29,792,674	45%	\$ (11,808,799)	\$ 2,438,628	\$ 12,816,555
202	STREET MAINTENANCE	152,931	\$ 368,134	43%	\$ 370,914	42%	\$ (2,780)	\$ -	\$ 150,151
205	PUBLIC SAFETY/SUPPL. LAW	523,410	147,859	133%	50,690	42%	97,169	-	620,579
206	DEVELOPMENT SERVICES	(987,534)	4,452,746	76%	2,997,572	43%	1,455,174	426,528	41,112
207	LONG RANGE PLANNING	1,367,092	798,054	96%	636,298	29%	161,756	326,202	1,202,647
215 / 216	CDBG	34,690	1,115	112%	45	50%	1,070	-	35,760
225	ASSET SEIZURE	107,136	1,684	103%	420	50%	1,264	-	108,400
229	LIGHTING AND LANDSCAPE	204,684	3,286	2%	86,670	39%	(83,384)	19,780	101,520
230	COMMUNITY FACILITIES DISTRICT	169,007	2,642	9%	12,329	51%	(9,687)	-	159,320
232	ENVIRONMENTAL PROGRAMS	576,223	246,295	47%	190,795	41%	55,500	3,362	628,361
234	MOBILE HOME PK RENT STAB.	87,242	4,919	201%	485	50%	4,434	-	91,676
235	SENIOR HOUSING	253,103	-	n/a	-	n/a	-	-	253,103
236	HOUSING MITIGATION	10,243,057	899,279	26%	1,046,847	42%	(147,568)	956,715	9,138,774
240	EMPLOYEE ASSISTANCE	63,420	4,071	846%	2,185	10%	1,886	-	65,306
246	COUNTYWIDE SOLID WASTE	324,737	1,109,693	65%	512,223	27%	597,470	917,006	5,201
255	HOUSING SUCCESSOR AGENCY	3,856,660	118,648	28%	701,425	51%	(582,777)	243,188	3,030,696
260	PUBLIC ART	37,920	576	66%	3,215	50%	(2,639)	-	35,281
TOTAL SPECIAL REVENUE FUNDS		\$ 17,013,778	\$ 8,159,002	58%	\$ 6,612,113	40%	\$ 1,546,889	\$ 2,892,780	\$ 15,667,887
301	PARK DEV. IMPACT FUND	\$ 3,333,114	\$ 433,525	19%	\$ 887,491	21%	\$ (453,966)	\$ 562,867	\$ 2,316,280
302	PARK MAINTENANCE	1,896,529	28,391	3%	326,350	50%	(297,958)	-	1,598,571
303	LOCAL DRAINAGE	10,517,077	111,096	3%	1,055,867	40%	(944,771)	38,161	9,534,145
304	LOCAL DRAINAGE/NON-AB1600	1,342,166	21,145	11%	116,061	21%	(94,916)	84,306	1,162,943
306	AG. AND OPEN SPACE PRESERVATION	2,344,054	131,463	1257%	64,385	50%	67,078	-	2,411,132
308	STREET CIP	4,608,966	1,642,293	21%	2,194,094	29%	(551,801)	113,264	3,943,900
309	TRAFFIC IMPACT FUND	2,855,919	685,091	19%	305,650	8%	379,441	280,454	2,954,907
315	PUBLIC SAFETY FACILITIES IMPACT	(6,894,240)	754,817	34%	521,552	11%	233,265	1,932,118	(8,593,093)
346	PUBLIC FACILITIES NON-AB1600	1,921,852	29,306	112%	214,643	74%	(185,337)	28,343	1,708,172
347	PUBLIC FACILITIES IMPACT FUND	1,250,914	77,320	8%	875,948	31%	(798,628)	176,381	275,905
348	LIBRARY IMPACT FUND	3,540,033	347,086	16%	107,743	50%	239,344	-	3,779,377
350	UNDERGROUNDING	1,768,756	65,595	139%	630	0%	64,965	-	1,833,721
360	COMM/REC CTR IMPACT FUND	4,522,800	573,321	15%	116,272	3%	457,049	412,697	4,567,152
375	QUIMBY FEE	6,800,701	104,687	2%	3,797,724	34%	(3,693,037)	1,016,689	2,090,976
TOTAL CAPITAL PROJECT FUNDS		\$ 39,808,641	\$ 5,005,135	16%	\$ 10,584,409	24%	\$ (5,579,274)	\$ 4,645,281	\$ 29,584,086
420	CIVIC CENTER DEBT	\$ 192,703	\$ 151,340	50%	\$ 259,297	88%	\$ (107,957)	\$ 83	\$ 84,663
441	POLICE FACILITY BOND DEBT	162,288	194,714	49%	330,106	85%	(135,393)	109	26,787
TOTAL DEBT SERVICE FUNDS		\$ 354,991	\$ 346,054	50%	\$ 589,404	86%	\$ (243,350)	\$ 191	\$ 111,450
640	WASTEWATER OPERATIONS	\$ 3,158,106	\$ 8,953,104	49%	\$ 8,641,069	47%	\$ 312,035	302,020	3,168,121
641	WASTEWATER IMPACT FUND	22,082,658	1,702,447	6%	915,112	2%	787,335	673,860	22,196,133
642	WASTEWATER RATE STABILIZATION	3,295,308	52,406	56%	1,005	50%	51,401	-	3,346,709
643	WASTEWATER CAPITAL PROJECTS	23,945,613	3,342,796	22%	2,148,035	6%	1,194,761	4,162,920	20,977,454
650	WATER OPERATIONS	4,429,715	10,259,227	44%	10,718,444	45%	(459,217)	470,956	3,499,542
651	WATER IMPACT FUND	5,747,541	612,806	13%	902,870	8%	(290,064)	1,791,273	3,666,204
652	WATER RATE STABILIZATION	3,524,499	56,053	56%	750	50%	55,303	-	3,579,802
653	WATER -CAPITAL PROJECT	22,586,031	4,755,181	61%	3,391,690	12%	1,363,490	5,461,721	18,487,800
TOTAL ENTERPRISE FUNDS		\$ 88,769,471	\$ 29,734,020	30%	\$ 26,718,974	16%	\$ 3,015,046	\$ 12,862,751	\$ 78,921,765
730	INFORMATION SERVICES	\$ 619,218	\$ 1,518,804	50%	\$ 1,312,880	43%	\$ 205,925	\$ 106,162	\$ 718,981
740	BUILDING MAINTENANCE	346,643	640,952	50%	573,119	43%	67,833	20,649	393,827
741	BUILDING REPLACEMENT	5,024,498	535,819	23%	1,100,160	30%	(564,341)	384,761	4,075,396
745	CIP ENGINEERING	7,515	264,091	9%	1,297,515	47%	(1,033,424)	-	(1,025,909)
760	UNEMPLOYMENT	285,588	4,318	52%	9,321	62%	(5,003)	-	280,585
770	WORKERS COMPENSATION	2,338,745	304,121	25%	750,803	74%	(446,682)	30,000	1,862,063
790	EQUIPMENT REPLACEMENT	10,172,190	818,328	51%	351,798	31%	466,530	765,771	9,872,949
791	EMPLOYEE BENEFITS FUNDS	346,566	586,134	47%	369,090	37%	217,043	-	563,609
795	GEN. LIABILITY INSURANCE	1,149,474	1,376,896	50%	2,479,154	94%	(1,102,257)	-	47,217
TOTAL INTERNAL SERVICE FUNDS		\$ 20,290,437	\$ 6,049,463	37%	\$ 8,243,840	50%	\$ (2,194,376)	\$ 1,307,344	\$ 16,788,717



City of Morgan Hill
Fund Activity Summary - Fiscal Year 2024-25
For the Month Ended December 31, 2025
50% of Year Complete

Fund No.	Fund Description	Beginning Fund Balance 07-01-25	Revenues		Expenses		Year to-Date Deficit or Carryover	Preliminary Ending Fund Balance	
			YTD Actual	% of Budget	YTD Actual	% of Budget		Reserved ¹	Unreserved

SUMMARY BY FUND TYPE

GENERAL FUND GROUP	\$ 27,063,982	\$ 17,983,875	31%	\$ 29,792,674	45%	\$ (11,808,799)	\$ 2,438,628	\$ 12,816,555
SPECIAL REVENUE GROUP	17,013,778	8,159,002	58%	6,612,113	40%	1,546,889	2,892,780	15,667,887
DEBT SERVICE GROUP	354,991	346,054	50%	589,404	86%	(243,350)	191	111,450
CAPITAL PROJECTS GROUP	39,808,641	5,005,135	16%	10,584,409	24%	(5,579,274)	4,645,281	29,584,086
ENTERPRISE GROUP	88,769,471	29,734,020	30%	26,718,974	16%	3,015,046	12,862,751	78,921,765
INTERNAL SERVICE GROUP	20,290,437	6,049,463	37%	8,243,840	50%	(2,194,376)	1,307,344	16,788,717
TOTAL ALL GROUPS	\$ 193,301,300	\$ 67,277,549	30%	\$ 82,541,414	27%	\$ (15,263,865)	\$ 24,146,974	\$ 153,890,460

¹ Amount restricted for encumbrances, fixed asset replacement, long-term receivables, and bond reserves.

City Manager's Signature Authority

Contracts and Agreements Between \$25,000 to \$75,000 Entered From 10/31/2025 to 1/21/2026

Vendor Name	Description of Service	Begin Date	End Date	Department	Amount
Bagley Enterprises, Inc	Diesel Fuel Tank Cathodic Protection	11/12/2025	6/30/2026	E&U	\$47,000
William Mulkerin, MD	Provide Emergency Medical Services Director Services	12/18/2025	6/30/2027	Fire	\$39,000
GVP Ventures, Inc. dba Bob Murray & Associates	Recruitment Services for Morgan Hill's City Attorney and Ass. City Attorney	11/12/2025	6/30/2026	HR	\$63,000
TalentNook Inc.	Youth Special interest classes and/or camps	12/1/2025	6/30/2027	PS	\$60,000
Concern: EAP	Employee Assistance programs	1/1/2026	12/31/2026	HR	\$27,000
Diahoys U.S.A. DBA First Choice Coffee Services	Office supplies	1/12/2026	6/30/2027	PS	\$25,000



SUSTAINABLE MORGAN HILL



Vision

To sustain a safe, inclusive, socially responsible, environmentally conscious, and economically sound community.

Choose Morgan Hill

The City of Morgan Hill is the best community for people to live, work, visit, and operate their businesses.

Strategic Priorities 2024-2025

- Fiscal Sustainability
- Affordable Housing and Homelessness
- Community Engagement
- Economic Development and Tourism
- Transportation
- Healthy Community

City Council Ongoing Priorities

- Enhancing Public Safety and Quality of Life
- Protecting the Environment and Preserving Open Space and Agricultural Land
- Maintaining and Enhancing Infrastructure
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advocating for Local, Regional, and State Legislative Initiatives

STRATEGIC PRIORITIES 2024-2025

Fiscal Sustainability

The City will continue to be financial stewards of its resources and assets to ensure long-term fiscal sustainability. Through the budget development process, the City, within the fiscal sustainability path, will prudently carry out the City Council's priorities, while maintaining adequate fund balance reserves. The City will continue to explore new or expand existing revenue sources to ensure fiscal sustainability.



Affordable Housing and Homelessness

Morgan Hill will continue to improve, preserve, and develop new safe, quality, rental, and ownership housing for workers and residents at all income levels. To the extent possible, the City will respond to and reconcile new housing initiatives and legislative mandates. The City is guided by the vision of its General Plan, a long-term plan for the physical development of the Community. The vision includes the preservation of agriculture, incentives to foster infill development, and new housing for families of various sizes, ages, and incomes. Like many other cities in the Bay Area, Morgan Hill is experiencing transformative growth and working to meet the housing needs of its current and future residents. The City's Housing Program is grounded in five key pillars:

- **Production of New Affordable Housing Units:** Morgan Hill will continue to improve, preserve, and develop new safe, quality, rental and ownership housing for workers and residents at all income levels through the implementation of its Inclusionary Housing Ordinance. The City will seek partnerships that create new housing opportunities directly aligned with the City's "fair share" Regional Housing Needs Allocation (RHNA).
- **Preservation of Existing Affordable Housing Inventory:** The City has a robust inventory of Below Market Rate (BMR) housing units. Through the City's thoughtful planning, affordable housing is integrated throughout the Community and balanced throughout new developments. The City's Inclusionary Housing Ordinance further ensures future production of income-restricted units. The City will coordinate the sale of and lease up process of upcoming affordable developments to ensure residents are aware of and accessing upcoming housing opportunities.
- **Promotion of Housing Program:** The City manages an inventory of Below Market Rate deed-restricted units and collaborates with the County of Santa Clara and local non-profits to connect residents to resources. Staff will focus on communications, engagement, and education of housing resources and services with particular attention to the Spanish-speaking residents.
- **Prevention of Homelessness:** Implement the Countywide Community Plan to End Homelessness by continuing to identify barriers and housing problem solving at the local level through the assistance of the Unhoused Specialist, and advance efforts to increase coordination in South County among its service providers. The City will continue to employ a balanced approach, offering resources and referrals to services, partnering with the faith-based community and non-profits to create appropriate local service points, while also utilizing available resources to reduce encampments.
- **Protection of Quality of Life for New and Existing Neighborhoods:** The City will continue to seek quality development that balances the needs of existing and new neighborhoods.

STRATEGIC PRIORITIES 2024-2025

Community Engagement

The City's Communications, Outreach, and Engagement Plan defines the communication, priorities, strategies, and tools the City will use when communicating with the Community. Through the Plan, the City will share the Morgan Hill story and work to build trust with the Community and ensure that we provide effective engagement opportunities. The application of effective communication strategies ensures that all City Council Members, Commissioners, and teammates have the tools to provide accurate, timely, and relevant information to the Community. The Plan aligns communication resources with the goals to set clear communications expectations for the Community, ensuring that the City can continue providing excellent services that reflect the strength of the City's outreach initiatives while supporting the implementation of the City Council's strategic priorities.

- Encourage Community engagement through audience-appropriate two-way communication, and ensure opportunities for constructive feedback.
- Share accurate, non-biased information promptly through a variety of communication channels.
- Maximize opportunities to engage with the Spanish-speaking community by sharing information and resources in Spanish and holding workshops, town halls, and other meetings in Spanish.
- Build trust in local government by creating a sense of belonging and value with all members of the Community, especially those that are traditionally marginalized.
- Work directly with the Council, staff, and Community partners to ensure communication and outreach efforts, objectives, and outcomes align with the strategic priorities and promote Community understanding.
- Keep City teammates informed and involved in public dialogue to aid in telling the Morgan Hill story.

Economic Development and Tourism

The City's Economic Development efforts focus on implementing the Economic Blueprint strategies and actions to help build long-term fiscal sustainability and improve quality of life for residents. This will be achieved by attracting jobs and commercial investment which generate revenues to support essential City services and improve critical City infrastructure. The Economic Blueprint is focused on advancing economic prosperity and vitality by attracting investment, development, and jobs in four key industries:

- **Healthcare:** Grow and foster medical and diagnostic services by advancing and supporting the entitlement process for new medical facilities. Promote and market Morgan Hill as a desired location for medical and diagnostic providers.
- **Innovation and Advanced Manufacturing:** Grow existing companies, attract new industry, and grow high-quality jobs. Support and advance the entitlement and permit process of new developments. Promote and market Morgan Hill as a premier location for commercial and industrial investment.
- **Retail:** Grow retail offerings and strengthen commercial nodes. Utilize incentives and available tools to attract new investments that increase both jobs and revenue to the Community.
- **Tourism:** Grow leisure, agriculture, wine country, and sports and recreational tourism. Continue to nurture Downtown's transformation as a Community gathering place. Support the Downtown Property Based Improvement District and manage parking supply. Support and incentivize additional lodging investments, implement activations with partner organizations, and partner with Visit Morgan Hill to support increased tourism and vibrancy.



STRATEGIC PRIORITIES 2024-2025

Transportation

The City has clearly identified traffic and transportation issues facing Morgan Hill as regional in nature. Morgan Hill will continue to partner with the City of Gilroy to advocate for improvements and funding for the South Santa Clara County Transportation Corridor. The City will actively advocate on regional transportation planning issues. Locally, the City will prioritize funding for Vision Zero safety strategies over congestion management. The City will take actions to implement its goal to create a culture that prioritizes safety, creates livable streets, and seeks to eliminate traffic fatalities. Safety of pedestrians, bicyclists, drivers, and passengers is paramount.



- Implement the Transportation Master Plan.
- Complete construction of Hale Avenue Extension.
- Advocate for grade separations and the design of a Downtown station and emergency response design solutions as it relates to the High-Speed Rail Authority's (HSRA) project.
- Advocate for the ongoing provision of funding of innovative local transit services that matches the needs of the Morgan Hill Community and supports paratransit needs.
- Advocacy will include:
 - Working with the Valley Transportation Authority (VTA), Caltrain, the County, the HSRA and the State to enhance service, secure funding for transportation projects and road maintenance, and protect the Community from negative impacts of regional projects
 - Expansion of Highway 101 between Morgan Hill and Gilroy to reduce pass-through traffic and improve commute traffic for South County residents
 - Electrification of commuter rail from San Francisco to Gilroy
 - Funding for priority projects in the South County

Healthy Community

The City's 2035 General Plan's Healthy Community Element addresses elements of the built environment, programs, and partnerships that contribute to the overall health and well-being of Morgan Hill's residents. Morgan Hill promotes a healthy community through City policies, projects, and programs. The foundation of a healthy community is to help ensure basic needs (food, water, shelter, income, safety, and employment) are met for all people. With that foundation in place, a person's health is next a product of their environment. A healthy community is one in which all residents have access to housing, employment, transportation, healthcare services and amenities, such as parks, open spaces, and recreational facilities, that combine to provide a safe and welcoming environment in which people can lead healthy and fulfilling lives. To achieve this vision, the City of Morgan Hill is committed to:

- Creating, improving, and preserving a wide range of quality housing at all income levels.
- Planning policies that promote a well-planned City that ensures adequate services (roads, streets, water, sewer, police, fire, electricity, internet connectivity, etc.) while providing plentiful amenities including restaurants, retail stores, and access to healthcare resources.
- Building better and safer streets that prioritize safety, and livability, working to eliminate traffic fatalities as identified in [Vision Zero Morgan Hill](#).
- Promoting a healthy environment as identified in the City's Climate Action Plan by advocating for adoption of electric vehicles in the Community and decarbonizing existing buildings by reducing the use of fossil fuels.

STRATEGIC PRIORITIES 2024-2025

Healthy Community *continued*

- Promoting active lifestyles through its efforts to invest in sports and Community facilities, youth sports and adult recreation programs, parks, and walking and biking trails.
- Providing fresh and healthy food options at City facilities and encouraging local farmers' markets and community gardens to improve availability of nutritious food.
- Providing services to the unhoused community by building relationships and trust with a trauma-informed approach.
- Connecting people to resources to support mental health, combat the opioid crisis, and treating those struggling with substance abuse and mental health issues with dignity and care.

By implementing these strategies and prioritizing the health and well-being of our residents, Morgan Hill will create a vibrant and thriving community where everyone can lead healthy, active, and fulfilling lives. The City of Morgan Hill seeks to create a welcoming, inclusive, and safe Community for everyone by fostering social connections and a sense of belonging for all.



Morgan Hill's Approach to Public Service

Adopted on November 19, 2025

Morgan Hill's Approach to Public Service

I. Stewardship of the Public Trust (your behaviors)

We earn and preserve the community's trust and investment through ethical conduct, professionalism, and integrity in every action (consistent with adopted City Council Norms).

II. Collaboration for Collective Impact (your contribution)

We create greater outcomes together by valuing diverse perspectives, building alignment, and working as one team in service to the community.

III. Managing the Public's Business (your process and decisions)

We conduct the public's business through orderly, civil, transparent, and well-reasoned processes that ensure fairness and efficiency through City Council Policy 97-01 (Rules for the Conduct of City Council Meetings, Placement of Items on the Agenda, and Matters to be Reconsidered).

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-97-01

SUBJECT: **RULES FOR THE CONDUCT OF CITY COUNCIL MEETINGS, PLACEMENT OF ITEMS ON THE AGENDA, AND MATTERS TO BE RECONSIDERED**

EFFECTIVE DATE: **May 7, 1997**

REVISED DATE: **March 15, 2023, August 23, 2023, June 19, 2024**

ORIGINATING DEPARTMENT: **CITY MANAGER**

SECTION 1 - SCOPE

- 1.1** These rules shall establish the procedures for the conduct of all meetings of the City Council of the City of Morgan Hill. The purpose of these rules is to provide procedures consistent with the Ralph M. Brown Act, establish procedures which will be convenient for the public, be fair to all members of the City Council, and contribute to the orderly conduct of City business.

SECTION 2 - MEETINGS

- 2.1** Open to Public: All meetings of the City Council, whether regular or special, shall be open to the public, unless a closed session is scheduled as authorized by law.
- 2.2** Regular Meetings: The City Council shall conduct its regular meetings at the time and place established by ordinance, if specified in the ordinance or resolution.
- 2.3** Review Status of Agenda at 9:00 p.m.: The City Council may review the agenda at 9:00 p.m. to determine if it will be able to conclude its business by 10:00 p.m. If, at 10:00 p.m., the City Council has not concluded its business, before continuing the meeting it shall review and discuss the status of the remaining agenda items and determine by majority vote whether to continue any remaining items to a future regular or special meeting, adjourn the meeting to another date and time, or extend the meeting beyond 10:00 p.m. as needed. The meeting may be extended beyond 10:00 p.m. one time. Additional extensions of time will be at the Mayor's discretion.
- 2.4** Special Meetings/Workshops: A special meeting and/or workshop may be called at any time by the Mayor or Presiding Officer of the City Council or by three members of the City Council. Written notice of any such meeting must specify the purpose of the meeting. Notice of the meeting must be made in accordance with the law.
- 2.5** Closed Sessions: The City Council may hold closed sessions during a regular or special meeting, or at any time authorized by law, to consider or hear any matter which is authorized by law. At times, Closed Sessions may have to be held in an order different than presented due to the timeliness of the matter, to save the City money when an outside attorney has been retained or due to the need for extra time to discuss and deliberate an

important closed session item. Closed session items may be continued to the conclusion of the agenda.

- 2.6 Quorum:** Three (3) members of the City Council shall constitute a quorum and shall be sufficient to transact business. If less than three Council members appear at a regular meeting, the Mayor, Mayor Pro Tempore in the absence of the Mayor, any member of the City Council, or in the absence of all Council members, the City Clerk or Deputy City Clerk shall adjourn the meeting to a stated day and hour.
- 2.7 Adjourned Meetings:** The City Council may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment and permitted by law.

SECTION 3 - POSTING NOTICE AND AGENDA

- 3.1 Posting of Notice and Agenda:** For every regular or special meeting, the City Clerk or other authorized person, shall post a notice of the meeting specifying the time and place at which the meeting will be held and an agenda containing a brief description of all items of business to be discussed at the meeting. The notice and agenda may be combined in a single document.
- a. Posting for Regular Meetings:** For any regular meeting of the City Council, the notice and agenda shall be posted no later than seventy-two (72) hours prior to the time set for the meeting consistent with all Brown Act requirements.
 - b. Posting for Special Meetings:** For any special meetings of the City Council, the notice and agenda shall be posted no later than twenty-four (24) hours prior to the time set for the meeting consistent with all Brown Act requirements.
- 3.2 Location of Posting:** The notice and agenda shall be posted on the City's website and in a place to which the public has unrestricted access during at least normal business hours and where the notice and agenda are not likely to be removed or obscured by other posted materials.
- 3.3 Availability of the Agenda to the Public:** The agenda for any regular or special meeting shall be made available to the public as soon as is practical after delivery to the members of the City Council.

SECTION 4 - AGENDA CONTENTS

- 4.1 Description of Matters:** All items of business to be discussed at a meeting of the City Council shall be briefly described on the agenda. The description of the item and the proposed action to be considered should be set forth as clearly as practical so that members of the public will know the nature of the action under review and consideration.
- 4.2 Placement of items on the agenda:** The Mayor, City Manager, or City Attorney may place items on the agenda. Members of the City Council may request items to be added to an upcoming City Council agenda by requesting an item during the "Future Council Initiated Agenda Items" Section of the agenda. When a Future Council Initiated Agenda Item is requested, the Council Member making the request will send the City Manager a brief

summary outlining the request and any relevant background. If the requested item is not included in the current Strategic Priorities Workplan, the team will bring forward the item at a future Council Meeting within 30-45 days of the request via a brief staff report, including the brief summary provided by the requesting Council Member. At that meeting, the City Council will review the request and determine if the majority of the City Council wants the items agendaized at a future meeting for discussion.

- 4.3** Council shall not act or take a position on: Matters outside of the Morgan Hill City Council's subject matter jurisdiction, including foreign or international events. Appropriate subject matter jurisdiction includes agenda items directly related to Morgan Hill business, as well as County/regional items having a direct impact on the City (i.e. countywide emergency services or transportation).
- 4.4** Limitation to Act on Only Items on the Agenda: No action shall be taken by the City Council on any item not on the posted agenda, subject only to the exceptions listed below:
- a. Upon a majority determination that an "emergency situation" (as defined by State Law) exists; and
 - b. Upon a determination by a 4/5 vote of the City Council that there is a need to take immediate action and that the need to take the action came to the attention of City officials subsequent to posting of the agenda.
- 4.5** Change in Order of Business: The Mayor or Presiding Officer may decide to take matters listed on the agenda out of the prescribed order unless a majority of members present object to this variation.
- 4.6** City Council Reports: On an alternating basis, at each Regular City Council meeting, with a time limit of three minutes, a Council Member has the opportunity to share with the Council and community any pertinent updates or information in regard to their appointments to outside agencies, upcoming events, or relevant City business. These are non-action items.
- 4.7** City Manager Report: These are updates on current City activities, reports on issues raised at previous Council meetings, or recognitions. These are non-action items.
- 4.8** City Attorney Report: These are updates on current City activities, reports on issues raised at previous Council meetings, or reportable actions of the City Council in Closed Sessions and/or current litigation. These are non-action items.
- 4.9** Other Reports: These are pertinent updates or information on upcoming activities or events relevant to City business with a time limit of one minute. These are non-action items.
- 4.10** Public Comment for items not on the agenda: This refers to those matters not scheduled on the agenda where a member of the public wants to address a matter of importance to the City Council. Since the matter is not on the agenda, no action by Council can be taken. If a member of Council so desires, the matter can be placed on the agenda of a future Council meeting for review and consideration.
- 4.11** Consent Calendar: These are items of a routine or generally uncontested nature. Any member of the Council or member of the public may request to have an item pulled from the

consent calendar and acted on individually by the Council. Items pulled will be discussed after action is taken on the balance of the consent calendar. The Mayor shall decide if the items are heard before or after moving on to public hearing and other business items.

- 4.12 Public Hearings:** These are matters that are duly noticed and published in a newspaper of general circulation and where required by law, written notice is given to the affected residents who have the opportunity to speak in favor or against a matter or ask questions about the matter.
- 4.13 Other Business:** These are other matters of City business which are not appropriately placed on the consent calendar and do not require published notices and require Council action and direction.
- 4.14 Future Business:** These are items that members of the City Council wish to discuss to potentially take action on or have placed on future agendas.

SECTION 5. ORDER OF BUSINESS

- 5.1** The order of business at meetings of the City Council shall be as follows:
- a.** CALL TO ORDER
 - b.** ROLL CALL ATTENDANCE
 - c.** DECLARATION OF POSTING AGENDA
 - d.** WORKSHOP (if needed; 5:00-6:00 p.m., or as deemed appropriate)
 - e.** CLOSED SESSION (if needed; 5:00-6:00 p.m., or as deemed appropriate)
 - f.** SILENT INVOCATION
 - g.** PLEDGE OF ALLEGIANCE
 - h.** PRESENTATIONS
 - i.** PROCLAMATIONS
 - j.** RECOGNITIONS
 - k.** CITY COUNCIL REPORTS
 - l.** CITY MANAGER'S REPORT
 - m.** CITY ATTORNEY'S REPORT
 - n.** OTHER REPORTS
 - o.** PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA
 - p.** ADOPTION OF AGENDA
 - q.** CONSENT CALENDAR

- r. PUBLIC HEARINGS
- s. OTHER BUSINESS
- t. FUTURE COUNCIL INITIATED AGENDA ITEMS
- u. CLOSED SESSION
- v. ADJOURNMENT

SECTION 6. PUBLIC COMMENT

- 6.1 Public Comment:** Persons present at meetings of the City Council may comment on individual items on the agenda at the time the items are scheduled to be heard. In addition, comments may be offered on items not on the agenda under that portion of the agenda. In accordance with State law, matters not scheduled on the agenda cannot be acted upon by the City Council, but items raised by the public during public comment may be referred to a future City Council agenda at the request of the Mayor or City Council.
- 6.2 Limitations:** The public comment period may be 3 minutes for items on the agenda or items not listed on the agenda. Speakers are called in the order the speaker cards are submitted. Project applicants or appellants will be allowed more than the designated 3 minutes in accordance with City Council Policy 03-01. Consistent with this policy, the Mayor or Presiding Officer may recall an applicant or appellant to address questions after the public comment is heard. In addition, applicants will be given time at the end of the public hearing to address any questions or comments.

The Mayor or Presiding Officer may allow speakers who wish to speak under public comment for items not on the agenda to concede a portion of their time, specifically, one speaker may concede a portion of their time to one other speaker. For all other business items, the Mayor or Presiding Officer may allow speakers more time and/or allow speakers to concede a portion of their time to a designated speaker of a group, specifically up to two speakers may concede their time to one speaker, unless a majority of the City Council objects. Speakers that wish to designate a group speaker shall notify the City Clerk before discussion on the item begins. Additionally, any speaker that concedes their time must be present at that City Council meeting. Speaker who would like to share documents or presentations may do so by submitting said document to the City Clerk by noon on the day of the City Council Meeting. Speaker may not share videos or presentations with videos embedded within them.

- 6.3 Procedure:** To address the City Council, each speaker is requested to fill out a Speaker Card and turn it in to the City Clerk before discussion on the agenda item begins. The speaker is requested to provide their name, contact information, and the subject(s) upon which the speaker wishes to address the City Council. Speakers who do not wish to provide their name should provide an alternative designation so that they can be called to speak by the City Clerk.

Public comment may be provided in writing for items on the agenda, as well as for items not on the agenda. Public comment in writing may be submitted via email to ccpubliccomment@morganhill.ca.gov or by mail to the City Clerk at 17575 Peak Avenue,

Morgan Hill, CA 95037. Please email your comments to the City Clerk no later than 3:00 p.m. on Tuesday (the day before the City Council meeting) for your comments to be submitted to the members of the City Council with sufficient time to review the comments. You may continue to provide written comments up to noon on Wednesday (the day of the meeting although Council Members may not have sufficient time to review them. Public comments submitted to the City Clerk after noon the day of the meeting will be provided to the City Council as time allows.

Written comments WILL NOT be read aloud during the City Council Meeting. Please note that written comments are posted on the City's website, so do not include any personal information you do not want to be posted on the web.

SECTION 7. PROCEDURES FOR THE CONDUCT OF MEETINGS

7.1 Role of the Mayor/Presiding Officer:

- a.** The Presiding Officer of the City Council, who shall be the Mayor or in the Mayor's absence shall be the Mayor Pro Tempore, or in their absence any other designated member of the City Council, shall be responsible for maintaining the order and decorum of meetings. It shall be the duty and responsibility of the Presiding Officer to ensure that the rules of operation and decorum contained herein are observed. The Presiding Officer shall maintain control of communication between Council Members and between the Council, staff, and public.
- b.** Communication with Council Members:
 - 1.** Council Members should request the floor from the Presiding Officer before speaking.
 - 2.** When one member of the Council has the floor and is speaking, other Council Members shall not interrupt or otherwise disturb the speaker.
 - 3.** During both questions, when one Council Member has the floor, they are limited to 5 minutes. During discussion, the Mayor and Council Members as a whole are limited to 15 minutes. The time limit may be extended at the Mayor's discretion.
 - 4.** With the concurrence of the Mayor, a Council Member holding the floor may address a question to another Council Member. The Council Member being questioned may or may not respond while the floor is still held by the Council Member asking the question. The reply shall be limited to the question asked.
- c.** The Mayor or Presiding Officer may declare that an item within the meeting will be conducted in "workshop" format, which means that the procedures described in section 7.1B do not strictly apply. This is to allow for a more open discussion without strict formalities. The Mayor or Presiding Officer may end the workshop format for the item at his/her discretion.
- d.** Communication with Members of the Public Addressing the Council

1. The Mayor or Presiding Officer shall open the floor for public testimony as appropriate.
 2. After a witness or subject matter expert has addressed the City Council during public comment, Council members may only ask questions of witnesses or subject matter experts. Such questions should be directed to the person through the Presiding Officer unless the Presiding Officer grants the Council Member permission to directly question the person.
 3. Staff members, through the City Manager, shall be a resource to the City Council to answer questions arising during discussions between Council Members and between Council Members and members of the public. Communications in this regard shall be through the Presiding Officer.
 4. Members of the public shall direct their questions and comments through the Presiding Officer.
- 7.2 Rules of Order: The City Council adopts no specific rules of order except those listed herein. The City Council shall refer to Rosenberg's Rules of Order (available at <https://www.cacities.org/UploadedFiles/LeagueInternet/77/77d4ee2b-c0bc-4ec2-881b-42ccdbbe73c9.pdf>) as a guide for the conduct of meetings. The guideline regarding not requiring seconds for governmental bodies' motions, resolutions or ordinances is not adopted as the rule in the City. The Mayor or Presiding Officer has the discretion to impose reasonable rules at any particular meeting based upon facts and circumstances found at any particular meeting. These latter rules will be followed unless objected to by a majority of the City Council members present.
- 7.3 Motions: The Mayor or any member of the City Council may bring a matter of business on the agenda before the Council by making a motion. Before the matter can be considered or debated it must be seconded. Once the motion has been properly made and seconded, the Presiding Officer shall open the matter for full debate offering the first opportunity to debate to the moving party and, thereafter, to any Council Member recognized by the Mayor or Presiding Officer. Debate shall be closed upon consent of a majority of the Council.
- 7.4 Reconsideration: Immediately after a vote on a matter, any member of the City Council may request to have his/her vote changed on a matter before the Council moves on to the next item. Such a request will be granted by the Mayor or Presiding Officer unless a majority of the Council objects.

A matter may be reconsidered by the City Council if a member on the prevailing side of the vote requests reconsideration. Such a motion may be made at a meeting where such action is taken or at a subsequent meeting of the Council, however, nothing in this policy precludes the majority of members of the City Council from requesting reconsideration of any item.

- 7.5 Debate:
- a. The discussions and deliberations at meetings of the City Council are to secure the informed judgement of Council members on proposals submitted for decision. This

purpose is best served by the exchange of thought through discussion and debate.

Debate is regulated by these rules in order to assure every member a reasonable and equal opportunity to be heard.

b. Obtaining the Floor for Debate:

As soon as a debatable motion has been stated to the Council by the Mayor or Presiding Officer, any member of the Council has a right to discuss it after obtaining the floor. The member obtains the floor by seeking recognition from the Mayor or Presiding Officer. A member who has been recognized is entitled to be heard so long as he/she observes the rules of debate.

c. Speaking More Than Once:

To encourage the full participation of all members of the Council, no member or members shall be permitted to monopolize the discussion of the question. If a Council member has already spoken and other members wish to speak, the latter members should be recognized in preference to the member who has already spoken. However, if no other members seek recognition, the Mayor or Presiding Officer may recognize the member who has already spoken.

d. Relevancy of Debate:

All discussion must be relevant to the motion before the City Council. A member is given the floor only for the purpose of discussing the pending question; discussion which departs is out of order. The Mayor or Presiding Officer should then direct the speaker to limit discussion to the question before the City Council.

A motion-its nature or consequences-may be attacked vigorously. But it is never permissible to attack the motives, character, or personality of a member either directly or by innuendo or implication. It is the duty of the Mayor or Presiding Officer instantly to stop any member who engages in personal attacks. It is the motion, not its proposer, that is the subject of debate. Meetings must discuss measures and ideas, not people.

Arguments, for or against a measure, should be stated as concisely as possible.

Debate must be fundamentally impersonal. All discussion is addressed to the Mayor or Presiding Officer and must never be directed to any individual.

e. Mayor's Duties During Debate:

The Mayor or Presiding Officer has the responsibility of controlling and expediting debate. A Council member who has been recognized to speak on a question has a right to the undivided attention of the Council.

It is the duty of the Mayor or Presiding Officer to keep the subject clearly before the members, to rule out irrelevant discussion, and to restate the question whenever necessary.

SECTION 8. DECORUM

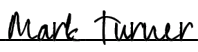
- 8.1 Council Members: Members of the City Council value and recognize the importance of the trust invested to them by the public to accomplish the business of the City. Council Members shall accord the utmost courtesy to each other, to City employees, and to the public appearing before the City Council.
- 8.2 City Employees: Members of City staff shall observe the same rules of order and decorum applicable to the City Council. City staff shall act at all times in a business and professional manner towards Council Members and members of the public.
- 8.3 Public: Members of the public attending City Council meetings shall observe the same rules of order and decorum applicable to the City Council.
- 8.4 Noise in the Chamber: Noise emanating from the audience within the Council Chamber or lobby area, which disrupts City Council meetings, shall not be permitted.
- 8.5 Sergeant-at-Arms: The Chief of Police, or his/her designated representative shall be ex-officio Sergeant-at-Arms of the City Council.

SECTION 9. VIOLATIONS OF PROCEDURES

- 9.1 Nothing in these policies and procedures shall invalidate a properly noticed and acted upon action of the City Council in accordance with State Law.

This policy shall remain in effect until modified by the City Council.

APPROVED:

DocuSigned by:

 9581D1D2BBAF481...
MARK TURNER, MAYOR

CITY OF MORGAN HILL CITY COUNCIL POLICIES AND PROCEDURES

SUBJECT: ASSIGNMENTS TO OUTSIDE AGENCIES CP 94-01

DATE: JANUARY 19, 1994

REVISION DATE: Revised June 15, 1995; October 18, 1995; February 16, 2000; June 27, 2007

ORIGINATING DEPARTMENT: Council Services and Records Management

The City of Morgan Hill is well served by the participation of Council Members in various capacities through Outside Agency assignments. In order to ensure that the interests of the City are represented through these assignments, it shall be the policy of the City Council to consider the following points in making assignments to Outside Agencies. All appointments will be confirmed by a majority vote of the City Council.


1. Assignments to Outside Agencies shall be made annually, by the Mayor; following the annual goal setting session.
2. Should a change in the composition of the Council occur, due to election or any other reason, assignments shall be re-evaluated at the earliest opportunity.
3. The Mayor shall have priority in selection of the Outside Agencies, followed by seniority.
4. The expertise and special interests of Council Members should be considered when appointments are made.
5. In order to assure that the City of Morgan Hill is able to best represent its interests, Council Members shall serve consecutive terms for Outside Agencies when this results in the rotation of the Morgan Hill representative into a leadership position such as Chairperson of the Outside Agency, or where tenure as an alternate is a pre-requisite to becoming the primary representative.
6. The City's assigned representative to any Outside Agency shall be deemed the voting delegate for organizations such as the Association of Bay Area Governments (ABAG).
7. The voting delegate for the League of California Cities shall be determined by the Council prior to the annual League Conference.

- 8. In case of the Outside Agencies listed below, the listed Council Member shall be assigned:

Chamber of Commerce	Mayor
Board of Directors	

- 9. To the extent possible, the City Council is to align outside agency assignments to the five standing Council committees.

This policy shall remain in effect until modified by the City Council.

APPROVED: 
STEVE TATE, MAYOR

CITY OF MORGAN HILL

ADMINISTRATIVE POLICIES AND PROCEDURES

VI007

SUBJECT:	PROHIBITION OF HARASSMENT, UNLAWFUL DISCRIMINATION, AND RETALIATION IN THE WORKPLACE
EFFECTIVE DATE:	AUGUST 7, 1990
REVISION DATES:	JANUARY 26, 1995, AUGUST 20, 1997 APRIL 6, 2005, APRIL 1, 2016
ORIGINATING DEPARTMENT:	HUMAN RESOURCES

1. PURPOSE

The purpose of this Policy is to reinforce the City of Morgan Hill's strong commitment to prohibiting all forms of harassment, including sexual harassment, unlawful discrimination, and retaliation in employment, volunteer activities, and Council, committee, and task force activities, to sensitize and educate employees, volunteers, and elected or appointed officials to the issue of harassment, unlawful discrimination, and retaliation, to define harassment, unlawful discrimination, and retaliation, and to set forth a procedure for investigating and resolving internal complaints of unlawful discrimination and harassment.

The City does not discriminate against qualified employees or applicants for employment on the basis of membership in a protected class as defined in this Policy. The City will afford equal employment opportunity to all qualified employees and applicants as to all terms and conditions of employment, including compensation, hiring, training, promotion, transfer, discipline, and termination. Employees and applicants who believe they have experienced any form of unlawful discrimination or harassment are encouraged to report this immediately, using the compliant procedure provided in Section 4 of this Policy. Retaliation against an employee as a result of lodging a complaint or participating in a workplace investigation will not be tolerated.

2. DEFINITIONS

- 2.1 **"Employee" or "Employees"** means all regular, probationary, or temporary employees, volunteers, and elected or appointed officials.
- 2.2 **"Harassment"** means conduct or actions based on membership in a protected class which are inappropriate, unwelcome, intimidating, insulting, or derogatory to a reasonable person and which create or contribute to a hostile or abusive work environment. By definition, harassment is not within the course and scope of an individual's employment with the City. Examples of harassment include, but are not limited to, the following:

- a. **"Verbal Harassment"** means inappropriate, intimidating, insulting, or derogatory statements, slurs, jokes, or innuendos based on a person's protected class. This might include epithets, derogatory comments or slurs, inappropriate comments on appearance, including dress or physical features, excessive compliments, unwelcome flirting or propositions, demands for sexual favors, threats or intimidation of a sexual nature, talking about sexual fantasies, racially-oriented stories, or jokes or patronizing or ridiculing statements that convey derogatory attitudes about a particular race or gender.
 - b. **"Physical Harassment"** means inappropriate, unwelcome, intimidating, and/or offensive touching, assault, or interference with free movement, sabotaging work, or imposing demeaning work tasks directed at an individual based on a person's protected class. This might include leering, looking a person up and down, blocking a person's path, or making explicit or implied job threats or promises in return for submission to physical acts.
 - c. **"Visual Forms of Harassment"** means offensive or derogatory posters, notices, bulletins, cartoons, drawings, or other forms of visual display, electronic or otherwise, related to a person's protected class.
 - d. **"Hostile Work Environment"** means a work environment that a reasonable person would find hostile or offensive. A hostile work environment may include a work environment where the complainant is not the direct recipient of the inappropriate behavior, but the inappropriate behavior is taking place in the complainant's work environment. This can include inappropriate behavior such as ignoring or shunning an individual employee, hiding tools or equipment, or giving of inappropriate cards or gifts. Whether a work environment is hostile or offensive can be determined by looking at all of the circumstances, including the frequency of the abusive conduct, its severity, whether it is physically threatening or humiliating, the effect on the employee's psychological well-being, and whether it unreasonably interferes with an employee's work performance.
- 2.3 **"Protected Classes"** means actual or perceived membership in the categories/classes of race, color, religious creed (including religious dress and grooming practices), gender, gender identity, gender expression, national origin (including language use restrictions), ancestry, citizenship, genetic information, age (40 and over), marital status, military and veteran status, physical or mental disability (as defined by the Americans with Disabilities Act and/or applicable state law), including HIV and AIDS, medical condition (cancer and genetic characteristics), denial of Family and Medical Care Leave, sex (including pregnancy, childbirth, breastfeeding, and medical conditions related to pregnancy, childbirth, or breastfeeding), sexual orientation, or any other basis protected by law, including under the California Fair Employment and Housing Act ("FEHA").

- 2.3 **"Sexual Harassment"** means a form of workplace harassment which includes unwanted sexual advances or visual, verbal, or physical conduct of a sexual nature. Examples of sexual harassment include, but are not limited to, unwanted sexual advances, offering employment benefits in exchange for sexual favors, threatening reprisals after a negative response to sexual advances, visual harassment (including making sexual gestures or displaying suggestive objects or pictures), verbal harassment (including graphic commentaries about an individual's body), or physical harassment (including pinching and grabbing). The victim of sexual harassment, as well as the harasser, may be a man or a woman; the victim does not have to be of the opposite sex.
- 2.4 **"Retaliation"** means conduct whereby an employee is disciplined, transferred, ostracized, excluded from normal work processes, or denied a promotional opportunity or other employment benefit due solely to having filed a complaint. Both peers and supervisors can be found to have participated in retaliatory conduct.
- 2.5 **"Unlawful Discrimination"** means unequal or disparate treatment or impact against an employee based on a person's protected class. Disparate treatment occurs when an employee is treated differently because of his/her protected class. Disparate impact occurs when an employment practice that appears neutral on its face has a discriminatory impact against a protected class when implemented.

3. GENERAL POLICY STATEMENTS

- 3.1 Harassment, including sexual harassment, or unlawful discrimination of an applicant or employee by another employee, including supervisors and management, on the basis of the employee's protected class is illegal and will not be tolerated. The law expressly prohibits employees from engaging in conduct prohibited by the FEHA. This Policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, disciplinary action, layoff, recall, transfer, leave of absence, compensation, and training.
- 3.2 Employees have a duty to report harassing and unlawful discriminatory behavior, even when it is directed at or performed by non-employees including vendors, contractors, and customers.
- 3.3 Incidents of harassment and/or unlawful discrimination by non-employees, including vendors, contractors, and customers, must be reported. However, employees should recognize that, although the City will investigate such reports and take prompt and appropriate remedial action, the City, in some cases, may be limited in its ability to take further action.
- 3.4 Employees who participate in, or allow to continue, any form of unlawful discrimination or harassment shall be subject to disciplinary action, up to and including termination, and violators may also be subject to individual civil

liability for punitive or other damages.

- 3.5 Any retaliation against a person for making a harassment or unlawful discrimination complaint is prohibited. Employees found to be retaliating against another employee shall be subject to disciplinary action, up to and including termination.

4. COMPLAINT PROCEDURE

- 4.1 Any employee or job applicant who believes he or she has been harassed or unlawfully discriminated against may make a complaint orally (either in person or by telephone) or in writing (either by letter or by email) directly to any of the following:

- a. Employee's Supervisor
- b. Any Department Director
- c. City Manager
- d. Human Resources Manager

Job applicants who believe they have been harassed or unlawfully discriminated against may make a verbal or written complaint to the Human Resources Manager or to the City Manager.

If the employee reports harassment or unlawful discrimination, but does not wish to file a formal complaint, the Director or Supervisor to whom the employee has mentioned the incident must still continue to process the complaint and contact the Human Resources Manager immediately.

Any Department Director or Supervisor who receives a harassment or unlawful discrimination complaint is obligated to notify the Human Resources Manager immediately. Failure to report such complaints may lead to discipline, up to and including termination.

- 4.2 Employees are encouraged to, at least initially, tell an offending individual that his/her behavior is unwelcome, offensive, and inappropriate which may stop the conduct before it reaches the level of harassment. However, there is no requirement or expectation for the employee to confront an offending individual if they are not comfortable doing so. In any case, the employee should also immediately report the situation to one of persons listed above in Section 4.1.
- 4.3 Upon notification of a harassment or unlawful discrimination complaint, the City will conduct a fair, timely, and thorough investigation that provides all parties appropriate due process and reaches reasonable conclusions based on evidence collected. To this end, Human Resources Manager shall:
- a. Authorize the investigation of the complaint and determine whether

Human Resources or an outside investigator will conduct the investigation. The investigation should include interviews with: 1) the complainant, 2) the accused harasser, and 3) any other persons the investigator determines may have relevant knowledge concerning the complaint. The investigation shall be conducted by qualified personnel in an impartial and timely manner.

- b. Review factual information gathered through the investigation to determine whether the alleged conduct constitutes a violation of City Policy.
 - c. The investigator shall document and track such information for reasonable progress. To the extent possible, the Human Resources Manager should keep the complainant informed of the investigation's progress.
 - d. If any Policy violations occurred, take and/or recommend to the City Manager prompt, appropriate, and effective remedial action against the harasser. The investigation shall be completed in a timely manner. Any disciplinary action will be commensurate with the severity of the offense.
 - e. Provide timely notification of the conclusion of the investigation to appropriate persons including the complainant, the alleged harasser, and the Department Director. If discipline is imposed, the discipline will not be communicated to the complainant.
 - f. Take reasonable steps to prevent the recurrence of any harassing or discriminatory conduct.
 - g. Complainants shall not be exposed to retaliation as a result of lodging a complaint or participating in any workplace investigations. Such complainants are protected against retaliation as provided in Title 2 of the California Code of Regulations.
- 4.4 Should the complaint involve the investigation of a sworn peace officer, the investigation shall be conducted in accordance with Government Code Sections 3300 - 3312 of the Police Officers Bill of Rights.

4.5 In addition to the above stated complaint procedure, harassment and/or unlawful discrimination complaints may be filed with the State Department of Fair Employment and Housing or the Federal Equal Employment Opportunities Commission. Time limits for filing complaints with State and Federal compliance agencies vary and those agencies should be contacted directly for specific information. The address and telephone numbers (as of the revision date of this Policy) are:

Department of Fair Employment
and Housing
2570 North First Street, Suite 480
San Jose, CA 95131
(408) 325-0344 or (800) 700-2320

Equal Employment Opportunity
Commission - San Jose Office
96 North First Street, Suite 250
San Jose, CA 95112
(408) 291-7352 or (800) 669-4000

4.6 Complaints, including complaint investigation materials and reports, shall be kept confidential to the extent legally and practically possible.

5. DISSEMINATION OF POLICY AND TRAINING

5.1 All employees, elected and appointed officials, and volunteers shall receive and acknowledge that they have received a copy of this Policy.

5.2 The City shall provide mandatory training on this Policy for supervisory and management employees every two years. This Policy shall be provided to non-supervisory and non-management employees, elected and appointed officials, and City volunteers during orientation, then periodically at the discretion of the Human Resources Manager.

This Policy is approved by the City Manager to be effective April 1, 2016.

APPROVED:



Steve Rymer, City Manager

4/4/16

Date

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-06-02

SUBJECT: CITY COUNCIL MEETING SCHEDULE

EFFECTIVE DATE: April 1, 2023

ORIGINATING DEPT: City Clerk

The City Council has ordained that regular meetings are to be held on the first, third, and fourth Wednesdays of every month at 6:00 p.m. In the event of a legal holiday occurring on a regular City Council meeting day, the meeting(s) will be canceled. Should the Mayor and City Manager determine that the third meeting of the month is not necessary, they shall have the authority to cancel the meeting.

The City Council desires to take official legislative recesses, at various times, to accommodate community and civic commitments, vacations, and the City's operations schedule. As such, the following meeting schedule will apply for the months of January, July, September, October, November and December of every year:

- For the month of January, should the City furlough its employees the last week in December, the first meeting in January shall be canceled.
- The Council will hold its annual Goal Setting retreat the first Friday and Saturday of February.
- The Council will hold its annual Budget Workshop during the month of May.
- For the month of July, all meetings are to be canceled for summer recess.
- For the months of September and October, regular meetings will be held on the first, third, and fourth Wednesdays, beginning at 6:00 p.m.; unless the meeting date falls on Rosh Hashanah or Yom Kippur. In which case, said meeting will be canceled.
- For the month of November, regular meetings will be held on the first, third, and fourth Wednesdays, beginning at 6:00 p.m.; unless the Wednesday meeting date falls the day before the Thanksgiving Holiday. In which case, said meeting will be canceled.
- For the month of December, regular meetings will be held on the first, third, and fourth Wednesdays, beginning at 6:00 p.m.; unless the Wednesday meeting date(s) fall on the Christmas Holiday and/or during the Holiday furlough. In which case, said meeting(s) will be canceled.

The City Council shall have the ability to adjust and/or add other meeting dates, as deemed appropriate.

This policy shall remain in effect until modified by the City Council respectively.

APPROVED:

DocuSigned by:

Mark Turner

MARK TURNER, Mayor