



# AGENDA REPORT

## SAN CLEMENTE CITY COUNCIL MEETING

Meeting Date: May 15, 2018

Agenda Item 6-17

**Approvals:**

City Manager [Signature]

Dept. Head [Signature]

Attorney SS

Finance [Signature]

**Department:** City Clerk  
**Prepared By:** Joanne Baade, City Clerk [Signature]

**Subject:** **CONFLICT OF INTEREST CODE - BIENNIAL REVIEW**

**Fiscal Impact:** None.

**Background:** The purpose of the Political Reform Act (Government Code Sections 81000 et seq.) is to prevent conflicts of interest through disclosure and disqualification. To facilitate this goal, the Political Reform Act requires that public officials disclose their personal financial interests upon assuming office, annually while serving in office, and again upon leaving office. Disclosure is made on a form called a "Statement of Economic Interests" (Form 700). Filed forms are public documents that must be made available to anyone who requests them. Government Code Section 87200 requires that the following City officers file Statements of Economic Interests with the City Clerk:

- City Council Members
- City Manager
- City Attorney
- Planning Commissioners
- City Treasurer

In addition to the above-referenced positions that are required by State law to file Form 700s, the Political Reform Act mandates that local agencies adopt a Conflict of Interest Code that designates Commission/Committee members and City employees who are also required to file Form 700s because they could foreseeably make or participate in making governmental decisions that could affect their private financial interests. The Act requires that Conflict of Interest Codes establish disclosure categories for each designated position that tailors the disclosure requirements to the types of governmental decisions a person holding that position could make.

Government Code Section 87306.5 requires that no later than July 1 of each even-numbered year, the code reviewing body (*i.e., the City Council*) direct that the City's Conflict of Interest Code be reviewed, and if a change in the Code is deemed necessary, direct that an amended Conflict of Interest Code be submitted to the Council for adoption. State law goes on to state that upon review of the Code, if no change is required, the local agency head shall submit a written statement to that effect to the code reviewing body. The review of the Conflict of Interest Code must be completed by October 1 of the same year. To comply with this State regulation, Staff recommends that Council direct the City Clerk, in coordination with the City Attorney and Human Resources Manager, to review the City's Conflict of Interest Code to

determine if changes are needed. If it is determined that no changes are needed, a report from the City Manager to this effect will be provided to Council. If it is determined that modifications to the Code are necessary, the City Clerk will return to Council with a modified Conflict of Interest Code for Council's consideration.

**Recommended**

**Action:** Direct the City Clerk, in coordination with the City Attorney and Human Resources Manager, to review the City's Conflict of Interest Code to determine if changes to the Code are needed. The results of this analysis are to be reported to Council prior to October 2018.

**Fiscal Impact:** None.

**Notification:** None.

**Attachments:** None.

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