

Agenda Report Reviewed by:
City Manager: 

**CITY OF SEBASTOPOLE
CITY COUNCIL
AGENDA ITEM**

Meeting Date: June 16, 2020
To: Honorable Mayor and City Councilmembers
From: City Administration
Subject: Biennial Review of the Conflict of Interest Code
Recommendation : Staff is recommending that the City Council Direct City Staff To Review the Conflict of Interest Code

Funding: Currently Budgeted: _____ Yes _____ No XX N/A
Net General Fund Cost:
Amount: \$

Account Code/Costs authorized in City Approved Budget (if applicable) AK (verified by Administrative Services Department)

INTRODUCTION: This item is to request that the City Council direct staff to review the conflict of interest code and authorize execution of the Biennial Review Notice regarding whether amendments are required, not later than October 1, 2020.

BACKGROUND:
California State Government Code Section 87300 requires that every state and local government agency adopt a Conflict of Interest Code. The Code lists each position within the agency filled by individuals who make or participate in making governmental decisions, which could affect their personal financial interests. The Code also requires individuals holding those positions to file annually disclosing certain personal interests. The State requires that each agency's Conflict of Interest Code be reviewed every other year in the even numbered year to be certain that the list of filers is consistent with government code.

The Political Reform Act requires every local government agency to review its conflict of interest code of designated positions and reporting categories, every two years to determine if it is accurate, or alternatively, to determine if the code must be amended. No later than July 1 of each even-numbered year, the code reviewing body (the City Council) must notify their jurisdiction to review its conflict of interest code, and by October 1, a Biennial Report Notice must be filed with the Fair Political Practices Commission (FPPC). If revisions are required, they must be reviewed and adopted within ninety days.

DISCUSSION:
Under the Political Reform Act, all public agencies are required to adopt a conflict of interest code and make amendments as needed. A code designates positions required to file FPPC Statements of Economic Interests (Form 700) and assigns disclosure categories specifying the types of interests to be reported. The Form 700 is a public document intended to alert public officials and members of the public to the types of financial interests that may create conflicts of interests.

Each person who holds a position designated in the City's Conflict of Interest Code must disclose specified types of financial interests by filing a Statement of Economic Interest – Form 700 annually with the City Clerk. The City's local Conflict of Interest Code does not include the City Council, Planning Commission, City Manager, City Attorney or Treasurer, as these positions are required under Government Code §87200 to file Statements of Economic Interests with the Fair Political Practices Commission (FPPC).

In accordance with Government Code § 87306.5, no later than July 1st of each even-numbered year, the City Council shall direct staff to conduct a biennial review of the City's Conflict of Interest Code, and if a change in the Code is required because of changes in changed circumstances, submit an amended Conflict of Interest Code in accordance with subdivision (a) of § 87302 and § 87303 to the City Council no later than October 1st of the same year.

If an amendment to the agency's code is necessary, the code must be forwarded to the City Council for approval within ninety days (90 days). For example, if an agency files its notice on October 1, 2020, indicating that an amendment is necessary, the amendment is due to the City Council by December 30, 2020. An agency's amended code is not effective until it has been approved by the City Council.

Review of the Conflict of Interest Code consists of: (1) Evaluating the City's organizational structure to determine if any changes have occurred since the last review that would necessitate adding or deleting positions in order to accurately reflect all the positions that make or participate in the making of governmental financial decisions; and, (2) any changes that may need to be incorporated into the designated disclosure categories.

PUBLIC COMMENT:

No public comments have been received as of the writing of this staff report.

PUBLIC NOTICE:

This item was noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to scheduled meeting date.

FISCAL IMPACT:

There is no direct fiscal impact associated with the recommended action tonight.

RECOMMENDATION:

City Staff is requesting that the City Council, who is the code reviewing body for the City of Sebastopol, direct the City Clerk and City Attorney to: 1) review the City of Sebastopol Conflict of Interest Code as it applies to designated employees, Advisory Bodies, and consultants and 2) return to the City Council with recommendations no later than October 1, 2020.

Attachment

None