



Item No. 12 Town of Atherton

CITY COUNCIL STAFF REPORT – CONSENTAGENDA

TO: HONORABLE MAYOR AND CITY COUNCIL

THROUGH: GEORGE RODERICKS, CITY MANAGER

FROM: THERESA DELLASANTA, CITY CLERK

DATE: JUNE 20, 2018

SUBJECT: ADOPTION OF RESOLUTION 18-XX APPROVING UPDATE OF THE TOWN'S CONFLICT OF INTEREST CODE AND APPENDIX "A" DESIGNATING POSITIONS IN THE CONFLICT OF INTEREST CODE

RECOMMENDATION

Adopt a Resolution Amending Conflict of Interest Code of Non-Elected Officials and Designated employees of the Town of Atherton.

BACKGROUND

California law requires public officials (both elected and non-elected) to disclose their economic interests to the public. Elected Officials including Council Members and Planning Commissioners and non-elected officials including the City Manager, City Treasurer, and City Attorney are designated by Government Code Section 87200.

Non-elected officials (besides those covered under GC 87200) are designated by the agency's conflict of interest code. Those officials include much of the Town's management staff and consultants. Essentially, a Town official is required to disclose economic interests if the official has any financial decision making authority.

The purpose of the disclosure requirement is to alert the public to any personal economic interests that may be affected during the public official's performance of duties. The disclosure occurs through the filing of the "Form 700" - Statement of Economic Interests, upon taking office. It is then filed on an annual basis and when the public official leaves office.

The Political Reform Act of 1974 requires all government agencies to adopt a Conflict of Interest Code. A Conflict of Interest Code lists each position within the Town that makes or participates in the making of governmental decisions which have a material financial effect on any financial interest. Individuals employed in these positions are called "designated employees." The law further requires every local government agency to review its conflict-of-interest code every two

Conflict of Interest Resolution

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years to determine whether the code must be amended. The Conflict of Interest Code designates employees, members of boards, committees, commissions, City officers and consultants who by virtue of their positions, make or participate in making decisions which may affect their financial interests and who therefore must disclose these interests on the Fair Political Practices Commission Form 700 – Statement of Economic Interests of Designated Employees.

The update entails reviewing the disclosure categories and whether the designated employee list should be amended based on staffing changes. The review process involves changes in titles, addition or deletion of positions and designation of disclosure levels. When the Town engages the services of other consultants, their duties are reviewed to see if they should be treated as designated employees.

The only changes that have been made related to title changes.

POLICY FOCUS

There are no significant policy issues related to this item. The law requires every local government agency to review its conflict-of-interest code every two years to determine whether the code must be amended.

FISCAL IMPACT

None.

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the committee and commission vacancies was also disseminated via the Town’s electronic News Flash and Atherton Online between March and June. There are approximately 1,300 subscribers to the Town’s electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power, and sewer), and regional elected officials.

COMMISSION/COMMITTEE FEEDBACK/REFERRAL

This item has or **X** has not been before a Town Committee or Commission.

- Audit/Finance Committee (meets every other month)
- Bicycle/Pedestrian Committee (meets as needed)
- Civic Center Advisory Committee (meets as needed)
- Environmental Programs Committee (meets every other month)
- Park and Recreation Committee (meets each month)
- Planning Commission (meets each month)
- Rail Committee (meets every other month)
- Transportation Committee (meets every other month)

ATTACHMENTS

Resolution No. 18-xx
Appendix "A"

RESOLUTION 18-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
AMENDING THE CONFLICT OF INTEREST CODE FOR DESIGNATED
EMPLOYEES BY APPROVING APPENDIX “A” DATED JUNE 2018**

WHEREAS, the Political Reform Act of 1974, (Government Code Section 81000, et seq.), requires state and local government agencies to adopt and promulgate a Conflict of Interest Code;

WHEREAS, this Council approved a Conflict of Interest Code adopted by Resolution 91-6 on June 19, 1991, which has been amended from time to time to conform to amendments in the Political Reform Act, and by also approving as an APPENDIX “A” thereto, disclosure categories for certain designated positions with the Town of Atherton; and

WHEREAS, approval of this resolution superseded and repeals Resolution 15-01 which approved the last conflict of interest update; and

WHEREAS, the APPENDIX “A” containing the disclosure categories warrants updating to reflect current personnel status; and

WHEREAS, this Council, has determined that the attached APPENDIX “A” accurately sets forth those positions which should be designated and the categories of financial interests which should be made reportable for each position.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the Town of Atherton that the APPENDIX “A” dated June 2018, attached hereto and by reference made a part of the Conflict of Interest Code of the Town of Atherton, is hereby approved.

All former resolutions or parts thereof conflicting or inconsistent with the provisions of this resolution are superseded and repealed.

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the Town of Atherton at a regular meeting thereof held on the 20th day of June, 2018, by the following vote:

AYES: *Councilmembers:*
NOES: *Councilmembers:*
ABSENT: *Councilmembers:*
ABSTAIN: *Councilmembers:*

Cary Wiest, Mayor
Town of Atherton

ATTEST:

Theresa N. DellaSanta,
City Clerk

APPROVED AS TO FORM:

William B. Conners,
City Attorney

APPENDIX "A"

TOWN OF ATHERTON
CONFLICT OF INTEREST CODE

LIST OF DESIGNATED POSITIONS

Date: June 2018

<u>JOB TITLE</u>	<u>DISCLOSURE CATEGORY</u>
Accountant/Jr. Accountant	1
Assistant City Attorney	1
Building Official	1
Chief of Police	1
City Clerk/Deputy City Manager	1
Director of Finance	1
Consultants*	1*
Information Technology	1
Police Commander	1
Public Works Director/City Engineer	1
Associate Engineer	1
Senior Engineer/Maintenance Manager	1
City Engineer	1
Town Planner	1
Town Arborist/Parks Manager	1

*Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The City Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

APPENDIX "A"

DISCLOSURE CATEGORY 1

SPECIFICATION SHEET

REPORTABLE INVESTMENTS, INTEREST IN REAL PROPERTY, AND INCOME

CONFLICT OF INTEREST CODE
TOWN OF ATHERTON

- * Investments (partnerships, common stock, etc.)
- Worth \$2,000 or more in business entities located in or doing business in the Town.
- * Interests in Real Property
-Worth \$2,000 or more located in the Town.
- * Interests in Real Property and Investments Held by Business Entities or Trusts
- * Income (Other than Loans, Gifts and Honoraria) Received During the Reporting Period
-Aggregating \$470 or more received from a source located in or doing business in the Town.
- * Loans (Received or Outstanding During the Reporting Period)
-Aggregating \$470 or more from a source located in or doing business in the Town.
- * Gifts (Received During the Reporting Period)
-Must disclose \$50 or more received from any source located inside or outside the Town. May not exceed \$470 from any single source.
- * Honoraria
-Received from any source located inside or outside the Town – generally prohibited, and if not, may be reportable as income or gift depending on the circumstances.
- * Business Positions
-Held in a business entity located in or doing business in the Town.
- * Commission Income (Gross payments received as a result of services rendered as a broker, agent, or salesperson).
- * Income and Loans to Business Entities or Trusts.
- * Income from Rental Property.

Refer for more detailed information to Definitions and Explanations in the Manual issued by the California Fair Political Practices Commission.