



CITY OF OXNARD

MEMORANDUM

October 22, 1976

MRR

To: City Council

From: City Attorney

SUBJECT: Conflict of Interest Codes

The following commissions and departments have considered conflicts of interest codes with the following results:

Community Relations Commission

The Commission consists of seven members. There are three staff members, two of whom are aids and the third is the Community Relations Representative.

Among the duties of the commission is the investigation and study of complaints of violation of state statutes relating to discrimination because of race, color, religion, national origin or ancestry in publicly assisted housing accommodations. While the commission has no power to enforce any laws, it can and does influence the City Council and other public bodies and private citizens in matters within its jurisdiction.

The aids investigate complaints and make reports to the commission through the Community Relations Representative. The duties of the aids are largely gathering information and making reports. In addition they write letters to persons who are the subjects of complaint and, if the facts justify it, demand action in compliance with the law. However, their activities are supervised by the Community Relations Representative. I feel that the actions of the aids are subject to intervening substantive review, and that they should not be required to report.

As to the commission members and the Community Relations Representative, their actions do and can affect their interests in property, investments and income. For this reason I feel they should report on the same basis as the members of the City Council.

Library Board

The Library Board consists of five members. It recommends to the City Council on the budget for the Library, and it approves each payment of every bill. While it would have the power to influence purchases within the budget, it is not the practice of the Board to do this.

Section 18700 of the California Administrative Code provides in part that a board possesses decision making authority whenever it makes substantive recommendations which are, and over an extended period of time have been, regularly approved without significant amendment or modification by another public official or governmental agency.

The words "substantive recommendations" are not defined. The Library Director prepares the budget and submits it to the Board for approval. The Board recommends changes and forwards the budget to the Finance Department and City Manager for recommendation. Finally it is submitted to the Council for approval. The recommendation of the Library Board does influence the final decision of the Council in approving the budget for the Library.

While the Board may make a substantive recommendation, it is difficult to see how its recommendation on budget items may have a material financial effect on a member's interest in a business entity, real property, income or position of management. This is because the budget deals with expenditures in a broad and general way.

While the Board does approve each demand for payment of a claim, this is after the claim has been established and is more or less routine. Of course, the Board could urge an expenditure for a specific purpose with a specific business, but the Library Director does not recall this happening.

In any event, there is some question of whether Library Board members should have to report their financial interests.

The Library Director and Library Service Coordinator do make decisions that could affect their financial interests. Probably their reporting could be limited to reporting interests in book jobbers or publishers who do business with the Library and to positions of management in firms doing business with the Library.

Because of the uncertainty of the reporting requirements no code has been written.

City Manager's Office

The City Manager already reports financial interests as does the City Council. The Assistant City Manager, the Administrative Assistants I and II and the Staff-Assistant III all make investigations, reports and recommendations on a broad range of activities. For this reason it is the feeling of the City Manager and his staff that the reporting of financial interests be as broad as that of the City Council.

Planning Department

The Planning Director and the Assistant Planning Director already are reporting under a conflict of interest code adopted by the Council for the Planning Commission.

The rest of the planning staff, although their responsibilities vary, engage in writing reports that recommend on the development of land in the City by land developers and private citizens. While there is supervision of and review of these reports by the department head, the opinions of the writers of the reports are given great weight. Because of the broad range of activities investigated and reported on by the planning staff and the possible affect of these activities on financial interests of those reporting, it is recommended that the planning staff report fully on investments, interests in real property, income and positions of management, as does the Planning Commission.

City Clerk

It is the opinion of this office that the only activity of the City Clerk, which could affect the financial interests of the Clerk is the selection of a consultant to assist in carrying out elections. For this reason reporting by the Clerk and Deputy City Clerk on financial interests would be limited to this activity.

City Treasurer

The City Treasurer invests the City's funds in deposits in financial institutions. It is not foreseeable that her conduct of the office would affect other types of investments, interests in real property or income, except her investments, income and positions of management in these types of institutions. Both the Treasurer and the Deputy City Treasurer would report these interests.

The attached exhibits A and B would be used for each of the offices reported on in this report.

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We hope to be able to set up codes for the Parks Department, Police and Fire Departments, Building and Public Works Departments during November.

Joseph W. Hodges, Jr.
Joseph W. Hodges, Jr.

JWH:def

Attachments

CONFLICT OF INTEREST CODE
OF THE
OF THE CITY OF OXNARD

SECTION 100. Purpose. Pursuant to the provisions of Government Code Sections 87300, et seq., the _____ of the City of Oxnard hereby adopts the following Conflict of Interest Code. Nothing contained herein is intended to modify or abridge the provisions of the Political Reform Act of 1974 (Government Code Section 81000). The provisions of this Code are additional to Government Code Section 87100 and other laws including, but not limited to Government Code Sections 1090 et seq., pertaining to conflicts of interest. Except as otherwise indicated, the definitions of said Act and regulations adopted pursuant thereto are incorporated herein and this Code shall be interpreted in a manner consistent therewith.

SECTION 200. Designated Positions. The positions listed on Exhibit "A" are designated positions. Officers and employees holding those positions are designated employees and are deemed to make, or participate in the making of, decisions which may foreseeably have a material effect on a financial interest.

SECTION 300. Disclosure Statements. Designated positions shall be assigned to one or more of the disclosure categories set forth on Exhibit "B". Each designated employee shall file an annual statement disclosing that employee's interest in investments, real property, and income, designated as reportable under the category to which the employee's position is assigned on Exhibit "B".

SECTION 400. Place and Time of Filing.

(a) All designated employees required to submit a statement of financial interests shall file the original with the _____

(b) The Clerk or Secretary of the agency which receives the statement of financial interest shall make and retain a copy and forward the original to the City Council of the City of Oxnard.

(c) A designated employee required to submit a statement of financial interest shall submit an initial statement within 30 days after the effective date of this Code.

(d) Merit system employees appointed, promoted or transferred to designated positions shall file initial statements within 30 days after date of employment.

(e) All other employees appointed, promoted or transferred to designated positions shall file initial statements not less than 10 days before assuming office, unless an earlier assumption of office is required by emergency circumstances, in which case the statement shall be filed within 30 days thereafter.

(f) Annual statements shall be filed during the month of _____ by all designated employees. Such statements shall cover the period of the preceding calendar year.

(g) A designated employee required to file a statement of financial interest with any other agency, which is within the same territorial jurisdiction, may comply with the provisions of this Code by filing a duplicate copy of the statement filed with the other agency, in lieu of an entirely separate document.

SECTION 500. Contents of Disclosure Statements. Disclosure statements shall be made on forms supplied by the Clerk of the City of Oxnard, and shall contain the following information:

(a) Contents of Investment and Real Property Reports:

When an investment, or an interest in real property, is required to be reported, the statement shall contain:

- (1) A statement of the nature of the investment or interest;
- (2) The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
- (3) The address or other precise location of the real property;

(4) A statement whether the fair market value of the investment, or interest in real property, exceeds ten thousand dollars (\$10,000), and whether it exceeds one hundred thousand dollars (\$100,000). This information need not be provided with respect to an interest in real property which is used principally as the residence of the filer.

(b) Contents of Personal Income Reports:

When personal income is required to be reported, the statement shall contain:

- (1) The name and address of each source of income aggregating two hundred and fifty dollars (\$250) or more in value, or twenty-five dollars (\$25) or more in value if the income was a gift, and a general description of the business activity, if any of each source;

- (2) A statement whether the aggregate value of income from each source was greater than one thousand dollars (\$1,000), and

whether it was greater than ten thousand dollars (\$10,000);

(3) A description of the consideration, if any, for which the income was received;

(4) In the case of a gift, the name and address of the donor and the amount and the date on which the gift was received.

(c) Contents of Business Entity Income Reports:

When income of a business entity, including income of a sole proprietorship, is required to be reported, the statement shall contain;

(1) The name, address, and a general description of the business activity of the business entity;

(2) In the case of a business entity which provides legal or brokerage services, the name of every person who paid fees to the business entity if the filer's prorata share of fees from such person was equal to or greater than one thousand dollars (\$1,000);

(3) In the case of a business entity not covered by paragraph (2), the name of every person from whom the business entity received payments if the filer's prorata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000) during a calendar year.

(d) Contents of Management Positions Reports:

When management positions are required to be reported, designated employees shall list the name of each business entity not specified above in which he is a director, officer, partner, trustee, employee, or in which he holds any position of management.

(e) Initial Statement:

The initial statement filed by an employee appointed to a designated position shall disclose any reportable investments and interests in real property.

(f) Acquisition of Disposal During Reporting Period:

In the case of a statement filed under Section 400 (f), if the investment, or interest in real property, was partially or wholly acquired or disposed of during the period covered by the statement, the date of acquisition or disposal.

SECTION 600. Disqualification. Designated employees must disqualify themselves from making or participating in the making of any decisions which will foreseeably have a material financial effect distinguishable from its effect on the public generally, on any reportable interest of that employee, or any other financial interest as defined in Government Code Section 87103. No designated employee shall be required to disqualify himself with respect to any matter which could not be legally acted upon or decided without his participation.

SECTION 700. Manner of Disqualification. A designated employee required to disqualify himself or herself shall notify his or her immediate superior in writing. This notice shall be forwarded to the Executive Director, who shall record the employee's disqualification. Upon receipt of such statement, the supervisor shall immediately reassign the matter to another employee.

A designated employee who is a member of a board or commission, required to disqualify himself or herself, shall disclose as a matter of official public record the existence of the financial interest; avoid

using his or her official position to influence any other public official with respect to the matter; and refrain from taking part in the discussion of the matter and from voting on the matter.

EXHIBIT "A"

Community Relations Commission

Designated Positions

Disclosure
Category

Chairman; all Commissioners; Community
Relations Representative

1

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Designated employees in Group "1" must report:

All investments, interests in real property and income, and any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management. Financial interests are reportable only if located within or subject to the jurisdiction of the Commission or if the business entity is doing business or planning to do business in the jurisdiction or has done business within the jurisdiction at any time during the two years prior to the filing of the statement.

EXHIBIT "A"
City Manager's Office

<u>Designated Positions</u>	<u>Disclosure Category</u>
City Manager; Assistant City Manager; Administrative Assistant I; Administrative Assistant II, Staff Assistant III	1

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Designated employees in Group "1" must report:

All investments, interests in real property and income, and any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management. Financial interests are reportable only if located within or subject to the jurisdiction of the Commission or if the business entity is doing business or planning to do business in the jurisdiction or has done business within the jurisdiction at any time during the two years prior to the filing of the statement.

EXHIBIT "A"

Planning Department

Designated Positions

Disclosure
Category

Planning Director; Assistant Planning Director; Planning Associate; Planning Assistant	1
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EXHIBIT "A"

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Designated employees in Group "1" must report:

All investments, interests in real property and income, and any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management. Financial interests are reportable only if located within or subject to the jurisdiction of the Commission or if the business entity is doing business or planning to do business in the jurisdiction or has done business within the jurisdiction at any time during the two years prior to the filing of the statement.

EXHIBIT "A"

City Clerk

Designated Positions

Disclosure
Category

City Clerk; Deputy City Clerk 1

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Designated employees in Group "1" must report:

All investments in, income from and any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management and which business entity furnishes consulting services or supplies for the conduct of municipal elections.

EXHIBIT "A"

City Treasurer

Designated Positions

Disclosure
Category

City Treasurer, Deputy City Treasurer 1

EXHIBIT "B"

Disclosure Categories

All investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Designated employees in Group "1" must report:

All investments in, income from and any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management and which business entity is a financial institution in which the City deposits its funds.