

## RESOLUTION NO. 2014-0255

Adopted by the Sacramento City Council

July 29, 2014

### APPROVING THE PROPOSED CONFLICT OF INTEREST CODE OF THE SACRAMENTO PUBLIC FINANCING AUTHORITY

#### BACKGROUND

- A. The Sacramento Public Financing Authority (“Authority”) is required to adopt and promulgate a conflict of interest code under the Political Reform Act (Cal. Gov. Code, § 81000 et seq.)
- B. The Fair Political Practices Commission has adopted a regulation, California Code of Regulations, title 2, section 18730 (“Section 18730”), that contains terms of a conflict of interest code that can be incorporated by reference.
- C. Incorporation by reference of the terms Section 18730 along with the designation of employees and the formulation of disclosure categories in an appendix constitute the adoption and promulgation of a conflict of interest code within the meaning of the Political Reform Act.
- D. On July 22, 2014, the Authority adopted a Conflict of Interest Code (“Code”), which incorporates Section 18730, identifies the positions within the SPFA that make or participate in making of decisions that may foreseeably have a material effect on any financial interest, and contains financial interest disclosure requirements.
- E. Under the Political Reform Act, the Code is not effective until approved by the City Council of the City of Sacramento as the Authority’s Code reviewing body.

#### BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The conflict of interest code attached as Exhibit A is hereby approved and made part of this resolution.
- Section 2. This resolution takes effect when adopted.
- Section 3. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the official legislative record of the City.

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### Exhibit A: Sacramento Public Financing Authority Conflict of Interest Code

Adopted by the City of Sacramento City Council on July 29, 2014, by the following vote:

Ayes: Members Ashby, Cohn, Fong, Hansen, Schenirer, Warren, and Mayor Johnson

Noes: None

Abstain: None

Absent: Member McCarty

Vacant: District 8

Attest:

**Shirley A. Concolino** Digitally signed by Shirley A. Concolino  
DN: cn=Shirley A. Concolino, o=City of Sacramento, ou=City  
Clerk, email=sconcolino@cityofsacramento.org, c=US  
Date: 2014.08.04 15:08:22 -07'00'

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Shirley Concolino, City Clerk

## EXHIBIT A

### THE CONFLICT OF INTEREST CODE OF THE SACRAMENTO PUBLIC FINANCING AUTHORITY

SECTION 100. This is the Conflict of Interest Code of the Sacramento Public Financing Authority. This Conflict of Interest Code consists of the following: Sections 100 – 1000; the terms of California Code of Regulations, title 2, section 18730 and any amendments to Section 18730 that are duly adopted by the Fair Political Practices Commission, which are hereby incorporated by reference; **Appendix 1**, which designates employees; and, **Appendix 2**, which formulates disclosure categories.

SECTION 200. Designated employees shall file statements of economic interests pursuant to the provisions of this Conflict of Interest Code.

SECTION 300. Designated employees shall file their statements of economic interests directly with the City Clerk of the City of Sacramento to whom the City Council of the City of Sacramento, as the code reviewing body, has delegated the authority to carry out the duties of filing officer.

SECTION 400. Notwithstanding the provisions of California Code of Regulations, title 2, section 18730, subdivision (b)(5)(C), all designated employees shall file their annual statements of economic interests no later than April 30 of each calendar year.

SECTION 500. Unless otherwise directed by the City Clerk, every person who is required to file a statement of economic interests with the City Clerk shall prepare the statement using an electronic system prescribed by the City Clerk.

SECTION 600. The Legal Counsel to the Authority, or designated representative, shall make the initial determination as to whether individuals are consultants, as defined in California Code of Regulations, title 2, section 18701. An individual may be a consultant whether he or she is compensated or is an unpaid volunteer. The requirements of this Conflict of Interest Code shall be included in every contract between the Authority and a consultant. Not later than ten (10) days after an authorized Authority representative signs a consultant contract, the Authority representative responsible for the administration of the contract shall submit to the Secretary a completed Fair Political Practices Commission Form 805 (Agency Report of Consultants), which identifies the consultant and disclosure categories.

SECTION 700. Any designated employee who is required to disqualify himself or herself under this Conflict of Interest Code shall give notice of disqualification to the Secretary of the Authority. Such notice shall be in writing and shall be made part of the official records of the Secretary of the Authority. The designated employee shall then refrain from participation and shall attempt in no way to use his or her official position to influence any other person with respect to the matter.

SECTION 800. Upon request, any designated employee who is unsure of any right or obligation arising under this Conflict of Interest Code may request a formal opinion or letter of advice from the Legal Counsel to the Authority. If an opinion is rendered by the Legal Counsel to the Authority stating in full the facts and the law upon which the opinion is based, compliance by the designated employee may be evidence of good faith in any civil or criminal proceeding brought pursuant to the Political Reform Act of 1974 or this Conflict of Interest Code. The designated employee's good faith compliance with the opinion of the Legal Counsel to the Authority shall also act as a complete defense to any disciplinary action that the Authority may bring under Government Code section 91003.5.

SECTION 900. Designated employees violating any provision of this Conflict of Interest Code are subject to the administrative, criminal, and civil sanctions provided in the Political Reform Act, Government Code sections 81000 – 91014.

SECTION 1000. Employees in newly created positions that make or participate in the making of decisions that may foreseeably have a material effect on any financial interest and whose specific position is not yet identified in this Conflict of Interest Code shall file interim disclosure as provided in California Code of Regulations, title 2, section 18734.

## Appendix 1

### DESIGNATED EMPLOYEES

<b>Position</b>	<b>Disclosure Category</b>
Accounting Manager	1, 2, 3
Assistant City Attorney	*
Board Member	*
Budget Manager	*
Chief Investment Officer	*
City Manager	*
Consultant	7
Controller	*
Debt Analyst	5, 6
Deputy City Attorney I, II	*
Legal Counsel	*
Operations Manager	*
Senior Deputy City Attorney	*
Senior Investment Officer	*
Senior Debt Analyst	5, 6
Supervising Deputy City Attorney	*
Treasurer	*
Treasury Manager	5, 6
Volunteer	8

\* Pursuant to California Code of Regulations, title 2, section 18730, subdivision (b)(3), these positions are covered by this Conflict of Interest Code for disqualification purposes only. This Conflict of Interest Code does not establish any disclosure requirements for these positions.

## Appendix 2

### DISCLOSURE CATEGORIES

1. All investments.
2. All business positions in business entities.
3. All sources of income.
4. All interests in real property.
5. All investments and business positions in business entities, and income from sources, that provide goods and services, including consulting services, of the type used by the Authority.
6. All investments and business positions in business entities, and income from sources, that are trust companies, actuarial firms, investment counseling firms, brokerage firms, savings and loan associations, real estate brokerage or development companies, commercial banks, investment banks, or financial institutions.
7. Consultants, as defined in California Code of Regulations, title 2, section 18701, shall disclose Categories 1 – 4 unless the Legal Counsel to the Authority or designated representative determines in writing that disclosure of Categories 1 – 4 is not necessary and sets disclosure that is more tailored to a particular consultant's more limited range of duties. This determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements.
8. Volunteers who are consultants, as defined in California Code of Regulations, title 2, section 18701, shall disclose Categories 1 – 4 unless the Legal Counsel to the Authority or designated representative determines in writing that disclosure of Categories 1 – 4 is not necessary and sets disclosure that is more tailored to a particular volunteer's more limited range of duties. This determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements.