

Council Meeting of
December 21, 2010

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the City Council:

SUBJECT: Adopt Revision of City of Torrance Conflict of Interest Code

RECOMMENDATION

Recommendation of the City Clerk that City Council adopt revisions to the City of Torrance Conflict of Interest Code

Funding **Not applicable**

BACKGROUND / ANALYSIS

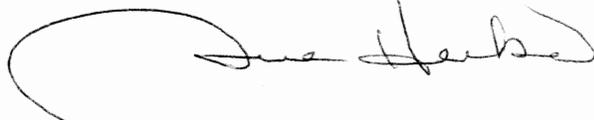
A primary purpose of the Conflict of Interest Code is to require disclosure of those types of investments, interests in real property, sources of income and business positions that designated positions may affect in their decision-making. For example, the manager of an agency should be assigned full disclosure (all investments, interests in real property, sources of income and business positions) because the manager makes decisions that affect a wide range of interests. Alternatively, a purchasing agent whose decision-making is limited to the purchase of office supplies should only be assigned disclosure of investments, sources of income and business positions in entities that provide office supplies, equipment or merchandise of the type used by the agency.

The Political Reform Act requires public agencies to amend the adopted Conflict of Interest Code when reclassifications, consolidations, and restructuring occur. The City last reviewed the Conflict of Interest Code in December 2008.

Minor changes in the past two years include title changes, position deletions, positions shifts from one department to another. The document reflects those changes as well as the City Council action taken June 22, 2010 to have all Council appointed members of commissions, committees and boards file Conflict of Interest. The attached document reflects the current positions in each department and each level of disclosure required.

Those individuals serving in the positions designated in the Conflict of Interest Code are required to file Statements of Economic Interest (Form 700) annually in April to cover activity in each previous calendar year. These public documents are filed with and available for review in the City Clerk's office.

Respectfully submitted

A handwritten signature in black ink, appearing to read "Sue Herbers", written in a cursive style.

Sue Herbers, City Clerk

Noted:

A handwritten signature in black ink, appearing to read "LeROY J. JACKSON", written in a cursive style.

LeROY J. JACKSON
CITY MANAGER

Attachment:

- A. Conflict of Interest Code - Revised 2010 (annotated)
- B. Excerpt of City Council minutes of June 22, 2010

CONFLICT OF INTEREST CODE FOR THE CITY OF TORRANCE 2010

The Political Reform Act, Government Code Section 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Mayor and City Council, as the code reviewing body for the above named Agency, has adopted a standard Conflict of Interest Code for use by the above named Agency. Therefore, the provisions of the standard Conflict of Interest Code and FPPC Regulation 18730 and any amendments to it, duly adopted by the Mayor and City Council, are hereby incorporated by reference and, along with the attached **Exhibit A (Categories)** in which disclosure categories are set forth and the attached **Exhibit B** in which Commissioners, employees, and consultants are designated, constitute the Conflict of Interest Code of the above named Agency.

Individuals holding designated positions shall file statements of economic interests with their Agency's filing officer, the City Clerk.

CONFLICT OF INTEREST AND DISCLOSURE CODE

SECTION 100.

The Mayor and City Council (herein Agency) of the City of Torrance hereby adopts this Conflict of Interest and Disclosure Code. The provisions of this Code are additional to Government Code Section 87100 and other laws pertaining to conflicts of interest. Except as otherwise indicated, the definitions of said Act and regulations adopted pursuant thereto are incorporated herein or by reference (Section 18730. Provisions of Conflict of Interest Codes Title 2, Division 6, California Code of Regulations) and this code shall be interpreted in a manner consistent therewith.

SECTION 200. Designated Positions.

The positions listed on Exhibit B are designated positions. Persons holding those positions are deemed to participate in the making of decisions which may foreseeably have a material effect on a financial interest.

SECTION 300. Economic Disclosure Statements.

Designated positions are assigned to one or more of the disclosure categories set forth on Exhibit A (Categories). Each person holding a designated position shall file a statement disclosing his/her interest in investments, business positions, real property, and income, designated as reportable under the category to which his/her position is assigned on Exhibit B.

SECTION 400. Place and Time of Filing.

- A. Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.
- B. Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions.
- C. Annual Statements. All designated employees shall file statements no later than April 1.
- D. Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

SECTION 410. Statements of Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

- A. Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:
1. File a written resignation with the appointing power; and
 2. File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

SECTION 500. Contents of Economic Disclosure Statements.

Statements shall be made on forms prescribed by the Fair Political Practice Commission and supplied to the City Clerk's office, and shall contain that information required by the Section 18730 Provisions of the Conflict of Interest Codes (Title 2, Division 6, California Code of Regulations). This may include Investments and Real Property Disclosure, Personal Income Disclosure, Business Entity Income Disclosure, and Acquisition or Disposal During Reporting Period.

SECTION 510. Prohibition on Receipt of Honoraria.

A. No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official. Subdivisions (a), (b), and (c) of Government Code section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

SECTION 520. Prohibition on Receipt of Gifts in Excess of \$420.

A. No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$420 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

SECTION 530. Loans to Public Officials.

A. No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

B. No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

C. No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the without regard to the elected officer's official status.

D. No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

E. This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

SECTION 540. Loan Terms

- A. Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.
- B. This section shall not apply to the following types of loans:
1. Loans made to the campaign committee of the elected officer.
 2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
 3. Loans made, or offered in writing, before January 1, 1998.
- C. Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

SECTION 550. Personal Loans

- A. Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:
1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
 2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
 - a. The date the loan was made.
 - b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.
 - c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.
- B. This section shall not apply to the following types of loans:
1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
 2. A loan that would otherwise not be a gift as defined in this title.
 3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.
 4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
 5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.
- C. Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

SECTION 600. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

- A. Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;
- B. Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;
- C. Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;
- D. Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or
- E. Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$320 or more provided to; received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

SECTION 610. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

SECTION 700. Adoption by Incorporation.

Adoption by incorporation by reference of the terms of this code (Section 18730. Provisions of Conflict of Interest Codes Title 2, Division 6, California Code of Regulations) along with the designation of employees and the formulation of disclosure categories in the Exhibits referred to above constitute the adoption and promulgation of a Conflict of Interest and Disclosure Code.

EXHIBIT A
REPORTING CATEGORIES

Category 1.

Persons in this category shall disclose all interests in real property within the jurisdiction. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the Agency.

Persons are not required to disclose property used primarily as their residence or for personal recreational purposes.

Category 2.

Persons in this category shall disclose all investments and business positions. The Political Reform Act defines investment as follows:

"Investment" means any financial interest in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments and any partnership or other ownership interest, if the business entity or any parent, subsidiary or otherwise related business within the jurisdiction at any time during the two years prior to the time any statement or other action is required under this title. No asset shall be deemed an investment unless its fair market value equals or exceeds two thousand dollars (\$2,000). The term 'investment' does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, interest in a diversified mutual fund registered with the Securities and Exchange Commission under the Investment Company Act of 1940 or a common trust fund which is created pursuant to Section 1564 of the Financial Code, or any bond or other debt instrument issued by any government or government Agency. Investments of an individual include pro rata share of investments of any business entity mutual fund or trust in which the individual or spouse owns directly, indirectly or beneficially, a 10 percent interest or greater.

According to the Political Reform Act, a business position is a position of director, officer, partner, trustee, employee, or any position of management in any organization or enterprise operated for profit, including but not limited to a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation or association.

Category 3.

Persons in this category shall disclose all income and business positions.

The Political Reform Act defines income as follows:

"Income" means a payment received, including but not limited to any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, including any gift of food or beverage, loan forgiveness or payment of indebtedness received by flier, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in the income of a spouse. Income also includes an outstanding loan. Income of an individual also includes a pro rata share of any business entity or trust in which the individual or spouse owns, directly, indirectly or beneficially, a 10 percent interest or greater.

Category 4.

Persons in this category shall disclose all business Positions, investments in, or income (including gifts and loans) received from business entities that manufacture, provide or sell service and/or supplies of a type utilized by the Agency and associated with the job assignment of designated positions assigned this disclosure category.

Category 5.

Persons in this category shall disclose all business positions, investments in, or income (including gifts and loans) received from business entities that provide, manufacture or sell service, supplies, provisions or other property of a type utilized by the Agency in an aggregate amount of \$10,000 or more per annum.

Category 6.

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interest disclosing reportable interest in the categories assigned to that designated position.

In addition, individuals who, under contract, participate in decisions which affect financial interests by providing information, advice, recommendation or counsel to the Agency which could affect financial interest shall be required to file Statements of Economic Interests, unless they fall within the Political Reform Act's exceptions to the definition of consultant. The level of disclosure shall be as determined by the City Manager of the Agency.

EXHIBIT B**Positions and Categories filing Conflict of Interest Statements**

<i>Department</i>	<i>Categories</i>
City Attorney's Office	
City Attorney	1,2,3,4,5
Assistant City Attorney	1,2,3,4,5
Deputy City Attorney	1,2,3,4,5
Law Office Administrator	1,2,3,4,5
Paralegal	1,2,3,4,5
Legal Counselor	1,2,3,4,5
City Clerk's Office	
City Clerk	1,2,3,4,5
Deputy City Clerk	1,2,3,4,5
City Manager's Office	
City Manager	1,2,3,4,5
Assistant City Manager	1,2,3,4,5
Assistant to City Manager	1,2,3,4,5
Senior Management Associate	1,2,3,4
Management Associate	1,2,3,4
Cable and Community Relations Manager	1,2,3,4
Cable TV Production Supervisor	1,2,3,4
Community Relations Specialist	1,2,3,4
City Treasurer's Office	
City Treasurer	1,2,3,4,5
Deputy City Treasurer	1,2,3,4,5
Civil Service Department	
Civil Service Manager	2,3,4,5
Communication and Information Technology Department	
Information Technology Director	1,2,3,4,5
Information Technology Manager	1,2,3,4,5
Communications Manager	1,2,3,4,5
Communications Supervisor/Telecom	4
Communications Supervisor/Radio	4
Systems Analyst	4
Administrative Analyst	4

<i>Department</i>	<i>Categories</i>
Community Services Department	
Community Services Director	1,2,3,4,5
Senior Business Manager	1,2,3,4,5
Administrative Analyst	1,2,3,4,5
Program Coordinator	2,3,4
City Librarian	1,2,3,4,5
Library Services Manager	2,3,4
Principal Librarian	2,3,4
Senior Librarian	2,3,4
Librarian	4
Park Services Manager	1,2,3,4,5
Park Services Supervisor	2,3,4
Cultural Services Manager	1,2,3,4,5
Senior Recreation Supervisor	2,3,4
Recreation Supervisor	2,3,4
Program Coordinator	2,3,4
Recreation Services Manager	1,2,3,4,5
Recreation Supervisor	2,3,4
Program Coordinator	2,3,4
Market Manager	2,3,4
Nature Center Manager	2,3,4
Finance Department	
Finance Director	1,2,3,4,5
Assistant Finance Director	1,2,3,4,5
Senior Accountant	1,2,3,4,5
Accounting Manager	1,2,3,4,5
Audit Manager	1,2,3,4,5
Budget Manager	1,2,3,4,5
Purchasing Agent	1,2,3,4,5
** Buyer	<i>Position deleted</i> 1,2,3,4,5

Department		Categories
Fire Department		
	Fire Chief	1,2,3,4,5
**	Division Fire Chief <i>Title change</i>	1,2,3,4,5
	Deputy Fire Chief	
	Battalion Fire Chief - Admin & Hazmat	1,2,3,4
	Battalion Fire Chief	1,2,3,4
	Fire Captain	4
	Fire Fighter (Special Assignment = 40 hr assignment)	4
	Senior Fire Prevention Officer	4
	Senior Fire Inspector	4
	Fire Prevention Officer	4
	Hazardous Materials Analyst	4
	Hazardous Materials Specialist	4
General Services Department		
	General Services Director	1,2,3,4,5
	Facility Services Manager	2,3,4,5
	Fleet Services Manager	1,2,3,4,5
	Building Maintenance Supervisor	2,3,4,5
	Air Conditioning & Heating Supervisor	2,3,4,5
	Facility Services Supervisor	2,3,4,5
	Facility Operations Manager	2,3,4,5
	Business Manager	2,3,4,5
	Sr. Building Inspector	2,3,4,5
	Fleet Services Supervisor	1,2,3,4,5
	Warehouse Supervisor	2,3,4,5
	Auto Parts Storekeeper	2,3,4,5
	Administrative Analyst	2,3,4,5
	Central Services Supervisor	2,3,4,5
**	Airport Operations Supervisor <i>Department change</i>	4
Human Resources Department		
	Human Resources Director	2,3,4
	Human Resources Manager	2,3,4
	Risk Manager	2,3,4
**	Workers Compensation Administrator Manager <i>Title change</i>	2,3,4
	Workers Comp Claims Examiner	2,3,4
	Home Improvement Instructor	2,3,4

Department	Categories
Police Department	
Chief of Police	1,2,3,4,5
Deputy Chief	1,2,3,4,5
Police Captain	1,2,3,4,5
Police Lieutenant	1,2,3,4,5
Police Records Administrator	1,2,3,4,5
Juvenile Diversion Coordinator	1,2,3,4,5
Public Works Department	
Public Works Director	1,2,3,4,5
Deputy Public Works Director	1,2,3,4,5
Sanitation Services Manager	1,2,3,4, 5
** Street Operations Manager <i>Title change</i>	1,2,3,4,5
Streetscape Manager	1,2,3,4
Senior Water Service Supervisor	1,2,3,4
** Project Engineering Manager <i>Title change</i>	1,2,3,4
Public Works Supervisor	1,2,3,4
Water Service Supervisor	1,2,3,4
Traffic & Lighting Supervisor	4
Administrative Analyst	1,2,3,4
Waste Management Coordinator	4
** Airport Operations Supervisor	4
<i>Moved to General Services</i>	
Associate Engineer	1,2,3,4
Assistant Engineer	1,2,3
Water Tech III	1,2,3,4
Transit Department	
Transit Director	1,2,3,4,5
Assistant Manager, Transit Administration	1,2,3,4,5
Assistant Manager, Transit Operations	1,2,3,4,5
Business Manager	2,3,4,5
Administrative Analyst	2,3,4,5
Staff Assistant	2,3,4
Fleet Services Manager	1,2,3,4,5
Fleet Services Supervisor	1,2,3,4,5
Auto Parts Storekeeper	2,3,4,5
Storekeeper	

Department	Categories
Community Development Department	
Community Development Director	1,2,3,4,5
Deputy Community Development Director	1,2,3,4,5
** Building & Safety Manager	1,2,3,4,5
Building Regulations Administrator <i>Title change</i>	
Structural Plans Examiner	1,2,3,4
Plans Examiner	1,2,3,4
Building Inspection Supervisor	1,2,3,4
Senior Mechanical and Plumbing Inspector	1,2,3,4
Senior Electrical Inspector	1,2,3,4
Senior Grading Inspector	1,2,3,4
Senior Building Inspector	1,2,3,4
Senior Public Works Inspector	1,2,3,4
Building Inspector	1,2,3,4
Public Works Inspector	1,2,3,4
Permits Technician I	1,2,3,4
Permits Technician II	1,2,3,4
Planning Manager	1,2,3,4
Senior Planning Associate	1,2,3
Senior Housing Specialist	1,2,3
Planning Associate	1,2,3
Planning Assistant	1,2,3
Associate Engineer	1,2,3,4
Supervising Sr. Environmental Quality Officer	
Senior Environmental Quality Officer	1,2,3
Environmental Quality Officer	1,2,3
** Revenue Inspector/Collector <i>Position deleted</i>	1,2,3,4
Housing Specialist	1,2,3
Planning & Engineering Manager	1,2,3,4

COMMISSIONS (Full Disclosure – Categories 1-through 5)

Airport Commission	**Ethics and Integrity Committee
Cable Television Advisory Board	**Library Commission
Civil Service Commission	**Parks & Recreation Commission
**Commission on Aging	Planning Commission (GC 87200)
**Cultural Arts Commission	**Traffic Commission
**Disaster Council	**Water Commission
Environmental Quality & Energy Conservation Commission	

** = added per City Council action June 22, 2010.

EXCERPT OF MINUTES Minutes Approved

June 22, 2010

**MINUTES OF AN ADJOURNED REGULAR
MEETING OF THE TORRANCE CITY COUNCIL****1. CALL TO ORDER**

The Torrance City Council convened in an adjourned regular session at 5:34 p.m. on Tuesday, June 22, 2010 in City Council Chambers at Torrance City Hall.

ROLL CALL

Present: Councilmembers Barnett, Brewer, Furey, Sutherland, and Mayor Scotto.

Absent: Councilmembers Numark and Rhilinger.

Also Present: City Manager Jackson, Deputy City Attorney Strader, City Clerk Herbers, and other staff representatives.

12. ADMINISTRATIVE MATTERS**12B. GIFT AND GRATUITY POLICY FOR CITY COMMISSIONS/ADVISORY
BOARDS****Recommendation**

Recommendation of the Ethics and Integrity Committee that City Council consider the creation of a procedure that is similar to Administrative Policy 30 for all person serving on a City commission or advisory board, regarding a comprehensive gift and gratuity policy, which is currently applicable only to City employees.

Laura Lohnes, staff liaison to the Ethics and Integrity Committee, reported that at the Mayor's request, the Committee explored establishing a gift and gratuity policy for City commissions/advisory boards and the Committee was recommending the creation of a procedure similar to Administrative Policy 30 for City employees, which limits gifts to \$25.00 from any one source and requires that all gifts be reported. She noted that members of the Airport Commission, Cable Television Advisory Board, Civil Service Commission, Environmental Quality and Energy Conservation Commission, and Planning Commission are currently covered by the City's Conflict of Interest Code and must fill out Form 700 in which they must disclose interests in real property, investments, income including gifts and loans, and business positions, however, the Committee was concerned about requiring the rest of commissions/advisory boards to fill out this form because it is fairly complicated.

Mayor Scotto voiced support for the Committee's recommendation.

Councilmember Brewer expressed concerns about establishing a more restrictive policy for commissions/advisory boards than the City Council is subject to (Annual gift limit per source \$420.00; Minimum reportable gift \$50.00).

City Clerk Herbers reported that she was in the process of reviewing the City's Conflict of Interest Code and was exploring ways to streamline the reporting process. She offered to work with the Ethics and Integrity Committee to devise a disclosure form that would apply to the City Council and all City commissions/advisory boards.

Mayor Scotto, echoed by Councilmember Sutherland, indicated that he would support establishing the same limits for commissions/advisory boards as the Council.

Kristin Matsuda, member of Ethics and Integrity Committee, stated that she was in the minority on this issue as she favored having all commissions/advisory boards fill out Form 700 because she felt this was the best way to ensure transparency. She related her experience that the form is not particularly complicated for most people.

Gavin Wasserman, Torrance, expressed support for having members of all commissions/advisory boards fill out Form 700, but stressed the need to educate them as to how to fill it out.

Charles Payne, chair of the Ethics and Integrity Committee, reported that the Committee was mainly concerned about uniformity and believed the same limits should apply to all commissions/advisory boards. He explained that they did not feel that members of all commissions/advisory boards should have to fill out Form 700 because the ones subject to the form have a different level of responsibility and there were concerns that having to deal with complex paperwork could discourage people from serving on commissions.

Charles Deemer, Torrance, reported that he has had to fill out Form 700 as a candidate for public office and found it very easy to get assistance by calling Sacramento. He expressed concerns about including the Youth Council in this policy because most if not all members are minors.

A brief discussion ensued, and Deputy City Attorney Strader confirmed that the Youth Council could be exempted from filling out Form 700 if the Council chooses to require other commissions/advisory boards to do so.

MOTION: Councilmember Brewer moved to require all persons serving on City commissions and advisory boards to fill out Form 700, with the exception of the Youth Council, and to establish the same limits on gifts and gratuities that applies to the City Council. The motion was seconded by Councilmember Sutherland and passed by unanimous vote (absent Councilmembers Numark and Rhilinger).

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