

This brief is being provided to inform the board, staff, and public of the details of an agenda item that requires action from the board. The President of the Board will provide board members, staff, and the public the opportunity to ask questions about this topic when this agenda item is announced.

**Date:** 19 January 2021

**Originator:** Rich McLaughlin

**Purpose:** Approve Updated COI Code per Government requirements

**Supporting Documents Included:** Yes -

**Attachment 1:** Legislative Version (redlined) of Conflict of Interest Code for the GMCSO

**Attachment 2:** Final smooth version of Conflict of Interest Code for the GMCSO

**Attachment 3:** Resolution No. 2020/21-04, approving revised District COI Code

**1. Desired Action by the Board:**

Approve Resolution No. 2020/21 – 04, approving revised District COI Code

- 2. Description:** The CSD has a biennial (every two years) requirement to validate our state mandated conflict of interest (COI) requirements with the county. Our "COI code" designates positions required to file Statements of Economic Interests (Form 700) and assigns disclosure categories (the types of interests to be reported). The two-year requirement is to review the code to determine if it is accurate or if changes are needed. The options are to report back as "no change", or to change or modify, both of which require a board resolution. Our last COI code is dated 2008. The County requires that we review the code every 2 years and recommends updating every 5 years. Our legal counsel (BBK) assisted in sorting out this relatively complex legal requirement.

**Step 1:** Complete and submit the biennial notice to the county stating that our code is being reviewed and revised – COMPLETE

**Step 2:** Complete a Form 804 identifying new or changed filing positions allowing us to continue operations until our amended code is approved by the Board of Supervisors – COMPLETE

**Step 3:** Legal review of our COI code. Our existing code was out of date in both content and format. Based on staff input, BBK reviewed and revised the code including updating CSD titles/positions, references to state code, Disclosure Categories, and specific Board Language - COMPLETE

**Step 4:** CSD Board of Directors adoption of the amended code by resolution. Attachment 1 is the redline version of the amended code. Attachment 2 is the smooth version of the amended code. Attachment 3 is the proposed resolution.

**Step 5:** Return the Resolution of Adoption along with both the redline and smooth versions of the amended code to BBK for packaging and transmittal to the County Clerk. The transmitting email will explain the types of amendments made and request that the amendments be approved by the Board of Supervisors and request notice of the approval with a copy of the County's minute order approving the amended Code.

**Step 6:** File and retain a copy of all documents in the District offices until the next review in the following even numbered years.

3. **Reason for Recommended Board Action** - *(Consider compliance, cost savings, fixing a problem):*  
This is a state requirement, and it appears the District has been out of date for a number of years.
4. **Anticipated Impacts to the District (negative and/or positive)** - *(Consider financial impact, change in procedures, customer and staff communication and effect if recommendations are not adopted):*  
This is an entirely administrative matter – no impact once complete.
5. **Anticipated Impacts to the Customer – Standby, Residential, Commercial:**  
None
6. **Recommendation (s):**  
Review Code below and approve Resolution **No. 2020/21 – 04**, Attachment 3.

**APPENDIX**  
**CONFLICT OF INTEREST CODE**  
**OF THE**  
**GOLD MOUNTAIN COMMUNITY SERVICES DISTRICT**  
**(Amended December 2020)**  
**EXHIBIT "A"**

**OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18701(b), are NOT subject to the District's Code, but are subject to the disclosure requirements of the Act. (Government Code Section 87200 et seq.). [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only

It has been determined that the positions listed below are officials who manage public investments<sup>1</sup>:

- Members of the Board Directors
- General Manager/ Treasurer

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Individuals holding one of the above-listed positions may contact the FPPC for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The FPPC makes the final determination whether a position is covered by § 87200.

**POSITION ALLOCATION LIST – PART 1**

DESIGNATED POSITIONS	ASSIGNED DISCLOSURE CATEGORIES
• General Counsel	1
• General Manager/Treasurer	1
• Manager, Office Administration	1

**DISCLOSURE CATEGORIES – PART 2****Category 1**

Designated employees assigned to this category must report:

- (a) All interests in real property.
- (b) Investments and business positions in business entities or income from sources which engage in the acquisition or disposal of real property within the jurisdiction; and
- (c) Investments and business positions in any business entity or income from any source which: ( 1) are contractors or subcontractors engaged in the performance of work or services of the type utilized by the District, or (2) which manufacture, sell, or provide supplies, materials, books, machinery, services or equipment of the type utilized by the District.

**Category 2**

Consultants shall disclose all sources of income, interests in real property and investments and business positions in business entities.

The Manager of the District 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 fully comply with disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement to the extent of disclosure requirements. Such determination shall be a public record.



**LEGISLATIVE VERSION**  
**(SHOWS CHANGES MADE)**

**CONFLICT OF INTEREST CODE FOR THE**  
**Article I. GOLD MOUNTAIN COMMUNITY SERVICES**  
**DISTRICT**

**(Amended January 19, 2021)**

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Gold Mountain Community Services District** (the "**District**").

All officials and designated positions shall file their statements of economic interest with the **Administrative Manager** as the District's Filing Officer. The **Administrative Manager** shall make and retain a copy of all statements filed by Members of the Board of Directors and the General Manager, and forward the originals of such statements to the Clerk of the Board of Supervisors of the County of Plumas. The **Administrative Manager** shall retain the originals of the statements filed by all

other officials and designated employees and make all statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)

**[All previous provisions deleted.]**

# APPENDIX

## CONFLICT OF INTEREST CODE OF THE GOLD MOUNTAIN COMMUNITY SERVICES DISTRICT

(Amended ~~October 18, 2008~~ January 19, 2021)

### EXHIBIT "A"

#### OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § ~~18701(b)~~ 18700.3, are NOT subject to the District's Code, but are subject to the disclosure requirements of the Act. (Government Code Section 87200 et seq.). [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments<sup>1</sup>:

Members of the Board Directors

Treasurer

General Manager

~~Financial~~ Investment Consultants

<sup>1</sup> Individuals holding one of the above-listed positions may contact the ~~FPPC-Fair Political Practices Commission~~ for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The ~~FPPC-Fair Political Practices Commission~~ makes the final determination whether a position is covered by § 87200.



## DESIGNATED POSITIONS

### GOVERNED BY THE CONFLICT OF INTEREST CODE

#### DESIGNATED EMPLOYEES' TITLE OR FUNCTION

#### DISCLOSURE CATEGORIES ASSIGNED

<u>Assistant General Manager/Lead Field Operator</u>	<u>2, 3, 5</u>
General Counsel	1, 2
<u>Maintenance Manager</u>	<u>6</u>
<u>Administrative Manager, Office Administration</u>	<u>54</u>
<u>Consultants and New Positions</u> <sup>2</sup>	

<sup>2</sup> ~~Consultants shall be included in the list of Designated Employees and Individuals serving as a Consultant as defined in Regulation 18700.3, or in a new position created since this Code was last approved that make or participate in making decisions shall disclose pursuant to must file under the broadest disclosure category set forth in this Code subject to the following limitation:~~

~~The General Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a that, due to the range of duties or contractual obligations, it is more appropriate to assign that are limited in scope and thus is not required to fully comply with the disclosure requirements described in this Section a limited disclosure requirement. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.) The General 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. (Gov. Code Sec. 81008.)~~



## EXHIBIT "B"

### DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of investments, business entities, sources of income, including gifts, loans and travel payments, or real property which the Designated-designated Employee-position must disclose for each disclosure category to which he or she is assigned.<sup>3</sup> "Investment" means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the District.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the District.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District, including any leasehold, beneficial or ownership interest or option to acquire property.

Category 3: All investments and business positions in business entities, and sources of income ~~from, including gifts, loans and travel payments, business entities~~ that are engaged in land development, construction, or the acquisition or sale of real property within the jurisdiction of the District.

~~Category 4: All investments and business positions in, and sources of income from, business entities that are banking, savings and loan, or other financial institutions.~~

Category 54: All investments and business positions in business entities, and sources of income ~~from, including gifts, loans and travel payments, business entities~~ that provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 65: All investments and business positions in business entities, and sources of income ~~from, including gifts, loans and travel payments, business entities~~ that provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the Designated-designated Employee's position's Departmentdepartment, unit or division.

<sup>3</sup> This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

**APPENDIX**

**CONFLICT OF INTEREST CODE**

**OF THE**

**GOLD MOUNTAIN COMMUNITY SERVICES DISTRICT**

**(Amended January 19, 2021)**

**EXHIBIT "A"**

**OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3, are NOT subject to the District's Code, but are subject to the disclosure requirements of the Act. (Government Code Section 87200 et seq.). [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments<sup>1</sup>:

Members of the Board Directors

Treasurer

General Manager

Investment Consultant

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<sup>1</sup> Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

**CONFLICT OF INTEREST CODE FOR THE**  
**GOLD MOUNTAIN COMMUNITY SERVICES DISTRICT**

**(Amended January 19, 2021)**

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Gold Mountain Community Services District** (the "**District**").

All officials and designated positions shall file their statements of economic interest with the **Administrative Manager** as the District's Filing Officer. The **Administrative Manager** shall make and retain a copy of all statements filed by Members of the Board of Directors and the General Manager, and forward the originals of such statements to the Clerk of the Board of Supervisors of the County of Plumas. The **Administrative Manager** shall retain the originals of the statements filed by all other officials and designated employees and make all statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)



**DESIGNATED POSITIONS**

**GOVERNED BY THE CONFLICT OF INTEREST CODE**

**DESIGNATED EMPLOYEES'**  
**TITLE OR FUNCTION**

**DISCLOSURE CATEGORIES**  
**ASSIGNED**

Administrative Manager	4
Assistant General Manager/Lead Field Operator	2, 3, 5
General Counsel	1, 2

Consultants and New Positions<sup>2</sup>

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<sup>2</sup> Individuals serving as a Consultant as defined in Regulation 18700.3, or in a new position created since this Code was last approved that make or participate in making decisions must file under the broadest disclosure set forth in this Code subject to the following limitation:

The General Manager may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The General 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. (Gov. Code Sec. 81008.)

## **EXHIBIT "B"**

### **DISCLOSURE CATEGORIES**

The disclosure categories listed below identify the types of investments, business entities, sources of income, including gifts, loans and travel payments, or real property which the designated position must disclose for each disclosure category to which he or she is assigned.<sup>3</sup> "Investment" means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the District.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the District.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District, including any leasehold, beneficial or ownership interest or option to acquire property.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction, or the acquisition or sale of real property within the jurisdiction of the District.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

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<sup>3</sup> This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

RESOLUTION NO. 2020 -21 - 04

**A RESOLUTION ADOPTING THE CONFLICT-OF-INTEREST CODE  
FOR GOLD MOUNTAIN COMMUNITY SERVICES DISTRICT**

**WHEREAS** the Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes; and,

**WHEREAS** the Fair Political Practices Commission ["FPPC"] has adopted regulation 2 California Code of Regulations Section 18730, which contains the terms of a standard Conflict of Interest Code and can be incorporated by reference, and which will be amended by the FPPC to conform to statutory amendments of the Political Reform Act, after public notice and hearings conducted by the Fair Political Practices Commission; and,

**WHEREAS**, this Board of Directors wishes to adopt its agency's conflict of interest code,

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors, Gold Mountain Community Services District, as follows:

The terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the **attached Appendix** in which officers and employees are designated and disclosure categories are set forth, are hereby adopted, and incorporated by reference here and constitute the Conflict-of-Interest Code for this agency.

Persons holding designated positions shall file statements of economic interest Form 700, pursuant to Section 18730(b)(4) of the California Code of Regulations.

**Officials Who Manage Public Investments:**

It has been determined that the positions of **Board Members** and **Managers** manage public investments and will file a statement of economic interests, Form 700 pursuant to Government Code Section 87200.

4. Designated employees shall file their statements with the Secretary of their district who shall make the statements available for public inspection and reproduction (Gov. Code Section 81008).

5. Failure to file the required statement in a timely fashion may result in the imposition of monetary sanctions under Government Code Section 91013(a).



The foregoing resolution was duly passed and adopted by the Board of Directors of the Gold Mountain Community Services District, at a regular meeting of said board held on 19 January 2021, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

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**CHAIRPERSON, Board of Directors**

**ATTEST:**

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**SECRETARY**