

RESOLUTION NO. 2026-38

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, RESCINDING RESOLUTION NO. 2024-39 AND ADOPTING AN AMENDED CONFLICT OF INTEREST CODE CONTAINING REVISED DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

WHEREAS, the Political Reform Act of 1974, California Government Code Section 81000, et seq., requires every state and local government agency to adopt and promulgate a Conflict of Interest Code (Government Code section 87300) and requires local agencies to review its conflict of interest code at least every even-numbered year; and

WHEREAS, a designated employee is anyone within the City of Canyon Lake who is an officer, employee, board, commission, committee member, or consultant who is designated in the Code because the position entails the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest (Government Code section 82019) including “Acting” and “Interim” position designations;

WHEREAS, the term “designated employee” does not include public officials specified in Government Code section 87200, e.g. city council members, planning commissioners, city managers, city attorneys, city treasurers, etc., who are already required by law to file Statements of Economic Interests, nor does it include a position which is solely clerical, ministerial, or manual; and

WHEREAS, on September 3, 2024, the City Council adopted Resolution No. 2024-39, which provided a single conflict of interest code for officials and designated employees of the City in compliance with the Act, which now needs to be rescinded; and

WHEREAS, pursuant to the provisions of Government Code section 87306.5, the City has conducted its required biennial review of the conflict of interest code and is proposing the conflict of interest code set forth in Exhibit “A”, attached hereto and incorporated herein by reference.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. Resolution No. 2024-39 is hereby rescinded, and all previously adopted conflict of interest codes are hereby superseded and of no further force and effect.

Section 3. The City Council hereby adopts the Conflict of Interest Code attached hereto as Exhibit “A” and incorporated herein by this reference.

Section 4. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 5. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

Section 6. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 5th day of August 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jeremy Smith, Mayor

ATTEST & CERTIFIED:

I, Sheryl Garcia, City Clerk of the City of Canyon Lake, hereby attest to the mayor's signature above and certify that the City Council duly adopted this Resolution as recorded in the vote tally stated herein.

Sheryl L. Garcia, MMC, CPM
City Clerk

EXHIBIT “A”

CITY OF CANYON LAKE CONFLICT OF INTEREST CODE

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 Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that 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 Exhibit “A” designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the City of Canyon Lake.

Individuals holding designated positions shall file their Statements of Economic Interest (“Form 700”) with the Canyon Lake City Clerk who will make the statements available for public inspection and reproduction pursuant to Government Code section 81008. For those positions listed in Government Code section 87200, filings must be electronically filed directly with the Fair Political Practices Commission.

DESIGNATED POSITIONS

The City requires full disclosure under “Category 1” for the positions listed below which participate in making decisions which may foreseeably have a material effect on financial interests. Category 1 means disclosure of all investments and business positions in, and sources of income from, business entities that do business or own real property within jurisdiction of the City, plan to do business or own real property within the jurisdiction of the City within the next year or have done business or owned real property within the jurisdiction of the City within the past two (2) years.

City Council Members, the City Manager, the City Attorney, the City Treasurer and all other City officials who manage public investments, as defined by 2 Cal. Code of Regulations Section 18701(b), are not subject to the City’s Conflict of Interest Code but are subject to the disclosure requirements of the Political Reform Act (Government Code section 87200 et seq.). Those officials are listed below.

GOVERNMENT CODE SECTION 87200 FILERS

DESIGNATED POSITION	DISCLOSURE CATEGORY
City Council Members (5)	1
City Manager	1
City Treasurer	1
City Attorney	1
Finance Director	1

CITY OF CANYON LAKE EMPLOYEES AND CONSULTANTS

DESIGNATED POSITION	DISCLOSURE CATEGORY
Administrative Services Senior Analyst	1
Assistant City Manager/City Clerk	1
Building Official/Senior Building Inspector	1
Community Development Manager	1
Facilities Maintenance & Building Inspector	1
Fire Chief	1
Fire Battalion Chief	1
Police Chief	1
Police Captain	1
Consultants (consultants who will make or participate in governmental decisions on behalf of the City)	1

CONSULTANT DESCRIPTION

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 fully comply with the disclosure requirements described herein. Such written determination must include a description of the consultant’s duties and, based upon the description, a statement of the extent of disclosure requirements. The City Manager’s determination is a public record and must be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code section 81008.)

Consultants for the purposes of the Conflict of Interest Code, include the following:

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations)

§ 18700.3. Consultant, Public Official Who Manages Public Investments: Definitions.

(a) For purposes of Sections 82019 and 82048, “consultant” means an individual who, pursuant to a contract with a state or local government agency:

(1) Makes a governmental decision whether to:

- (A) Approve a rate, rule, or regulation;
- (B) Adopt or enforce a law;
- (C) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;
- (D) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;
- (E) Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract;
- (F) Grant agency approval to a plan, design, report, study, or similar item;
- (G) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or

(2) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in Regulation 18704(a) and (b) or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code under Section 87302.

(b) For purposes of Section 87200, the following definitions apply:

(1) “Other public officials who manage public investments” means:

(A) Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;

(B) High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and

(C) Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subdivision (b)(1)(B).

(c) “Public investments” means the investment of public moneys in real estate, securities, or other economic interests for the production of revenue or other financial return.

(d) “Public moneys” means all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in the officer's official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party.

(e) “Management of public investments” means the following nonministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.