

**July 7, 2025, 3:30 pm**

## **ETHICS REVIEW BOARD MEETING MINUTES**

COMMITTEE MEMBERS PRESENT: Mayor Jeni Arndt, Councilmember Julie Pignataro, Councilmember Tricia Canonico

STAFF PRESENT: Carrie Daggett, Jenny Lopez Filkins, Rupa Venkatesh, Briana McCarten, Sarah Kane (remote)

OTHER PRESENT: Halee Wahl (remote)

### **Call Meeting to Order**

### **Roll Call**

### **Approval of June 2, 2025, Minutes**

Councilmember Pignataro moved and Mayor Arndt seconded the motion to approve the June 2, 2025, minutes. The motion passed unanimously.

### **Possible Board Recommendation regarding Gift Restrictions Code Amendments**

Senior Deputy Attorney Jenny Lopez Filkins reminded the Ethics Review Board (ERB) that at its June 2 meeting, the Attorney's Office presented proposed amendments to section 2-576 of City Code, which addresses councilmember gift restrictions. Lopez Filkins explained that the Attorney's Office is presenting further amendments to section 2-576 based on the ERB's input from the June 2 meeting.

Lopez Filkins explained that amendments to subsection (b) makes clear that a councilmember may not solicit donations on behalf of a board on which they are a member.

Lopez Filkins explained that the amendment to subsection (e) clarifies its language. Amendments to subsection (e)(4) reflect the ERB's desire to exempt any taxable employee's benefits from gift restrictions. Subsection (e)(10) changes the reference to a non-profit organization to organizations with which the City is affiliated or to which the City has appointed a councilmember to. Other amendments make wording more consistent.

The ERB agreed with the proposed amendments.

Lopez Filkins and City Attorney Daggett stated that the Attorney's Office has provided the proposed gift restriction amendments to certain City staff and asked for feedback. The Attorney's Office will make any suggested changes and will explain anything substantive in the AIS that goes to City Council.

Pignataro moved and Arndt seconded the motion to adopt the draft gift restriction amendments and recommend the draft amendments to City Council. The motion passed

unanimously.

### **Possible Board Recommendation regarding Gift Reporting Code Amendments**

Lopez Filkins explained that the Attorney's Office drafted proposed amendments to section 2-656 of City Code based on the ERB's discussions at the June 2 meeting.

Lopez Filkins explained that amendments to subsection (c)(1) provides that items valued over \$10 must be reported. Subsection (b) specifically excludes the requirement to report items that were given or paid by the City, an entity affiliated with the City, and organizations to which the City has appointed a councilmember.

The ERB discussed the contradiction between the proposed amendments to the gift restrictions at section 2-576 that prohibit the acceptance of items valued over \$75 and sections 2-656(c)(2) and (4) that requires reporting tickets to events and educational events valued over \$75. Councilmembers may not accept any items valued over \$75 pursuant to the gift restriction Code, and therefore, there would be no need to report items valued over \$75. Pignataro suggested revising the proposed language in subsection (c)(2) to reflect the language in the gift restrictions with respect to the value being determined by the amount the charity reports to the IRS.

Councilmember Canonico requested that the Attorney's Office prepare an updated flow chart that reflects the amendments.

Canonico recalled that, at the June 2 meeting, the ERB requested that the reporting requirement threshold be raised to \$25.

The ERB requested that the proposed amendment at section 2-656(c)(2) be removed because it would require reporting a gift that may not be accepted. However, the proposed amendment at section 2-656(c)(3) may remain because it refers to a gift restriction exception regarding costs of conferences, seminars, events, or meetings at section 2-576(e)(10). Similarly, section 2-656(c)(4) may remain because it refers to the gift restriction exception regarding City-sponsored educational events at section 2-576(e)(11).

Lopez Filkins asked the ERB if they were interested in adding a section to subsection (c) that requires reporting business meals described in section 2-576(e)(13). The ERB requested to remove the business meals reporting requirements from the gift restriction and gift reporting Code sections.

Lopez Filkins asked the ERB if they were interested in adding a section to subsection (e) that requires reporting of meals and event tickets for the reporter and family members with a value over \$75 or the self-adjusted amount in effect at the time. The ERB decided that the reporting requirements for such meals and event tickets should apply to each recipient.

The ERB requested that subsection (d) add a requirement that, if a Councilmember does not have any gifts to report, they will notify the City Clerk in writing.

Pignataro moved and Arndt seconded the motion to adopt the draft gift reporting amendments and recommend the draft amendments to City Council. The motion passed unanimously.

### **Possible Board Recommendation regarding Financial Disclosure Code Amendments**

Lopez Filkins explained that the Attorney's Office drafted proposed amendments to section 2-636, 2-637, and 2-638 of City Code based on the ERB's discussions at the June 2 meeting.

The ERB requested that the disclosure requirements of certain interests be limited geographically to the growth management area (GMA).

The ERB requested that section 2-636(d) add a provision that a City Manager or a City Attorney that is serving on an interim basis are also required to file financial disclosures.

Lopez Filkins informed the ERB that the City set the debts, interests, and investments \$10,000 disclosure threshold in 1971 and that the inflation-adjusted amount would now be roughly \$76,000. The ERB requested that the disclosure threshold for debts, interests, and investments at sections 2-637(a)(2) and (5) be amended to \$25,000. The ERB requested that this amount will self-adjust according to the consumer price index rounded to the nearest \$1,000.

The ERB agreed with the amendment to section 2-638 that clarifies the language around the City Clerk providing notice before the disclosure deadlines. The ERB clarified that it a part of the Clerk's duties to notify reporters of the deadlines, but that it is not a requirement. The ERB requested to add sentence permitting a reporter to reply to the Clerk's notification email stating that they have nothing to report.

Lopez Filkins stated that currently section 2-640 permits a report to submit their income tax returns along with a list of investments in lieu of submitting a financial disclosure form. The ERB requested to remove that Code section.

Pignataro moved and Arndt seconded the motion to adopt the draft financial disclosure amendments and recommend the draft amendments to City Council. The motion passed unanimously.

The ERB requested an updated FAQ flow chart that depicts the code amendments.

### **Cancel or Continue August 4, 2025, Meeting**

The ERB decided to hold the August 4, 2025, meeting on everyone's calendar as a placeholder. If, after gathering input from other City staff, there are significant requested changes, the ERB will need to meet on August 4, 2025, if there are no significant

requested changes, the meeting will be canceled and the proposed amendments will be recommended to City Council in September.

### **Other Business**

The ERB did not discuss any other business.

### **Adjournment**

The meeting adjourned by unanimous consent at 4:37 p.m.

Minutes approved by the Chair and a vote of the Board on \_\_\_\_\_, 2025.