# **AGENDA ITEM SUMMARY**

City Council



## **STAFF**

Jenny Lopez Filkins, Senior Deputy City Attorney Carrie Daggett, City Attorney

## **SUBJECT**

First Reading of Ordinance No. 159, 2025, Amending Chapter 2, Article VIII, Division 3 of the Code of the City of Fort Collins Relating to Gift Reporting Requirements of the City's Financial Disclosure Rules.

## **EXECUTIVE SUMMARY**

The purpose of this item is to consider amendments to the City's ethics rules related to gift reporting requirements recommended by the Ethics Review Board.

## STAFF RECOMMENDATION

Staff recommend the adoption of the Ordinance on First Reading.

## **BACKGROUND / DISCUSSION**

Under "other business" at its January 21, 2025, Council meeting, several members of the Council asked the Ethics Review Board (ERB) to review the City's requirements related to the acceptance of gifts, gift reporting, and financial disclosures and consider recommended changes. City Code Section 2-656 requires Councilmembers who receive gifts, honoraria or other benefits in connection with the Councilmember's public service to file a quarterly report consistent with state law. Section 2-656 currently does not provide sufficient clarification for officers and employees.

At its April 7, 2025, meeting, the ERB reviewed the rules related gift reporting requirements to determine whether to make any recommended changes at an upcoming meeting. At its June 2, 2025, meeting, the ERB reviewed gift reporting requirements for several other Colorado home rule municipalities of similar size, including those of the cities of Aurora, Boulder, Broomfield, Colorado Springs, and Denver. The ERB also considered related gift reporting requirements of the state of Colorado. Several other Colorado municipalities' gift reporting requirements are identical to the City's or are silent on the topic.

During the June 2 meeting, the ERB discussed issues and questions that Councilmembers and City staff frequently encounter in interpreting and applying the City's current gift reporting obligations. The ERB reviewed the gift reporting amendments they supported during their May 5, 2025, meeting and whether those changes would influence changes to the current gift reporting requirements. The ERB expressed support for adding specific gift reporting obligations to the Municipal Code, like a few other large Colorado home rule municipalities.

The ERB discussed the option to exclude reporting gifts and benefits that are given or paid by the City, an entity affiliated with or formed by the City or an organization to which the Council has appointed the Councilmember. The ERB recommends excluding such gifts and benefits from the gift reporting requirements.

ERB supports adding the following specific gift reporting obligations to the City Code:

- Any unsolicited item or items accepted pursuant to Code §2-576(e)(2), if valued at more than twenty-five dollars (\$25); and
- Costs of conferences, seminars, events or meetings (e.g., fees, meals, lodging, and/or transportation) and as described in Code §2-576(e)(10); and
- Cost of City-sponsored educational events as described in Code §2-576(e)(11) if the value is above the dollar amount established in Colorado Constitution, Article XXIX, Section 3 (currently \$75).
- Costs of meals and event tickets given to Councilmembers and their relatives pertaining to their
  official duties as Councilmembers and as described in §2-576(e)(15) if the value is above the
  dollar amount established in Colorado Constitution, Article XXIX, Section 3 (currently \$75).

At its July 7, 2025, meeting, the ERB considered draft gift reporting Code amendments, provided input and approved a motion to recommend the changes reflected in the ordinance.

Gift reports must be filed on a quarterly basis. The amendments to the gift reporting requirements included in the ordinance will go into effect for reports due after January 1, 2026. If a Councilmember files a report earlier than the due date, the Councilmember must update their report if they accept any gifts that must be reported in the intervening period.

The amendments contemplated by the attached Ordinance depend on approval of the changes to the gift restrictions addressed by a separate Ordinance No. 157, 2025. If the gift restrictions changes are not approved or are delayed, the amendments to the gift reporting requirements will need to be revisited.

## **CITY FINANCIAL IMPACTS**

None.

## **BOARD / COMMISSION / COMMITTEE RECOMMENDATION**

The Ethics Review Board recommends draft amendments to the gift reporting requirements for Council consideration.

# **PUBLIC OUTREACH**

None.

## **ATTACHMENTS**

- 1. ERB Meeting Minutes, April 7, 2025
- 2. ERB Meeting Minutes, May 5, 2025
- 3. ERB Meeting Minutes, June 2, 2025
- 4. ERB Meeting Minutes, July 7, 2025 (draft)
- 5. Council Gifts and Favors Flow Chart
- 6. Presentation for Items 18,19, and 20
- 7. Ordinance No. 159, 2025