

AGENDA ITEM SUMMARY

City Council



STAFF

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

SUBJECT

First Reading of Ordinance No. 157, 2025, Amending Chapter 2, Article VII, Division 2 of the Code of the City of Fort Collins Relating to the Gift Acceptance Restrictions and the Definitions Section of the City's Ethics Rules.

EXECUTIVE SUMMARY

The purpose of this item is to consider amendments to the City's ethics rules related to gift acceptance restrictions recommended by the Ethics Review Board. Corresponding changes to the definitions section of the ethics rules will also be considered.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

Under "other business" at its January 21, 2025, City 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 disclosures, and financial disclosures and consider recommended changes. City Code Section 2-576(b) prohibits officers (and employees) from accepting a gift or favor if it might be construed as compensation for an official decision or would tend to impair independence of judgment in official duties. Section 2-576(b) currently does not provide sufficient clarification for officers and employees.

At its April 7, 2025, meeting, the ERB reviewed the rules related to acceptance of gifts and determine whether to make any recommended changes at its next meeting. At its May 5, 2025, meeting, the ERB reviewed various gift restrictions of other Colorado municipalities of similar size, including those of the cities of Arvada, Aurora, Boulder, Broomfield, Colorado Springs, Denver, Lafayette, Lakewood, Littleton, Loveland, and Westminster, among others. The ERB also considered related gift restrictions of the state of Colorado.

During the May 5 meeting, the ERB discussed issues and questions that Councilmembers and City staff frequently encounter in interpreting and applying the City's current gift restrictions. The ERB also considered a question of whether to add a specific value restriction and time period for acceptance of unsolicited gifts. The ERB voted to recommend amendments that add a specific dollar limit by reference to a state constitutional provision that currently sets the limit at \$75 within a twelve-month period. With the proposed amendments, this amount will adjust for inflation.

Some gift restrictions remain in the draft amendments but are reworded or clarified, including:

- Payment for speeches, debates or public appearances;
- Gifts that are offered or received that could influence or be perceived to influence objectivity when conducting City business;
- Gifts from a donor who has a matter pending before City Council.

Some exceptions currently in the ethics rules remain in draft amendments but are reworded or clarified, including:

- Reported campaign contributions;
- Non-pecuniary award publicly presented by nonprofit or governmental organization in recognition of public service;
- Payment for travel expenses to attend a conference or other similar event if attendance is on behalf of the City, documented and the person is scheduled to deliver a speech, participate in a presentation, participate on a panel, receive an award or they are wearing City name tag identifying them as a City representative;
- Employment compensation.

ERB expressed support for adding the following exceptions to the gift acceptance restrictions:

- Any scholarship or grant or other financial aid for education given to any covered person or immediate family member for any reason.
- The cost of admission to any charity event attended on behalf of the City or any of its affiliated organizations if the cost of admission is less than the dollar amount established in Colorado Constitution, Article XXIX, Section 3.
- Any gift solicitation for a charitable purpose as determined to be appropriate by the City or its affiliated entities.
- Any gift, whether solicited or not, given to and accepted on behalf of the City to benefit a public safety or community purpose.
- Awards or prizes given at competitions or drawings at events where no admission is charged and which are open to the public.
- Reasonable cost and frequency of City sponsored educational events, so long as the events are reported on the disclosures required under City Code section 2-656.
- Perishable or consumable gifts given to a City department or group if the gift is:
 - Approved by the City Manager;
 - Not donated by a City service provider or vendor;
 - The receiving department is not responsible for regulating or otherwise transacting City business with the donor.
- Gifts accepted in an officer or employee's official capacity that will become property of the City.
- For Councilmembers and their relatives, reasonable cost and frequency of meals and event tickets pertaining to their official duties as members of City Council so long as the gift is documented and is not intended to affect, and does not affect, a direct official action.

- A non-pecuniary award of reasonable value and frequency publicly presented by an entity affiliated with or formed by the City or to which the City Council has appointed the Councilmember or the City has appointed the employee and in recognition of their service as an officer or employee.
- Discounts that are similarly available to all employees, or discounts that are offered to the public generally or to a large segment of the public (i.e., all uniformed personnel, all government employees, or all first responders).
- Reasonable cost of travel on behalf of the City (e.g., fees, meals, lodging, and/or transportation) to another City, whether in Colorado or out-of-state, to observe programs, projects or operations in that City and/or of its City Council.
- Any other exception approved in an ERB advisory opinion.

The ERB discussed adding the exception about allowing Councilmembers and their relatives reasonable cost and frequency of meals and event tickets pertaining to their official duties as Councilmembers and agreed that so long as the gift is documented and is not intended to affect, and does not affect a direct official action, the exception should be included.

At its May 5 and July 7, 2025, meetings, the ERB also considered whether to make other substantive changes to existing gift restrictions and did not recommend others for the Council's consideration.

Clarifying amendments to Sec. 2-575 of the City Code, the definitions section of the ethics rules are also proposed. The amendments define the terms "employee" and "officer" and distinguish between the roles.

The changes to the gift restrictions will go into effect on October 17, 2025.

CITY FINANCIAL IMPACTS

None.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

The Ethics Review Board recommends draft amendments to the gift restrictions 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, July 7, 2025 (draft)
4. Council Gifts and Favors Flow Chart
5. Presentation for Items 18,19, and 20
6. Ordinance No. 157, 2025