

**2010 CONFLICT OF INTEREST CODE  
BIENNIAL REVIEW REPLY FORM**

Contact Person: William Pankey Telephone Number: 714-730-7083

Name of Agency: San Luis Rey Municipal Water District

Mailing Address 5328 Highway 76, Fallbrook, CA 92028

This agency has reviewed its conflict of interest code and has determined that:

**Amendments are necessary:** (Attach Amended Code)  
(Check all that applies)

- Include new positions (including consultants) which must be designated
- Revise the titles of existing positions
- Delete titles of positions that have been abolished
- Delete positions that manage public investments
- Revise disclosure categories
- Other Code was revised to reflect current County Code.

**No amendments are necessary.** Our agency's code accurately designates all positions which make or participate in the making of governmental decisions; the disclosure assigned to those positions accurately requires the disclosure of all investments, business positions, interests in real property and sources of income which may foresee-ably be affected materially by the decision made by those designated positions; and the code includes all other provisions required by Government Code Section 87302.

Signature of Chief Executive Officer: *William Pankey* Date: 7/21/10

You must complete this report regardless of how recently your code was approved or amended. Please return this report no later than August 31, 2010 to:

Clerk of the Board of Supervisors  
(Conflict of Interest Code)  
1600 Pacific Highway, Room 402  
San Diego, CA 92101

Approved and/or authorized by the Board  
of Supervisors of the County of San Diego  
Date 10/14/10 Minute Order No. 9  
THOMAS J. PASTUSZKA  
Clerk of the Board of Supervisors  
*Thomas J. Pastuszka*  
Deputy Clerk

COUNTY OF SAN DIEGO  
BOARD OF SUPERVISORS  
2010 JUL 29 PM 12:38  
THOMAS J. PASTUSZKA  
CLERK OF THE BOARD  
OF SUPERVISORS

RESOLUTION NO. 2010-6

**A RESOLUTION OF THE SAN LUIS REY MUNICIPAL WATER DISTRICT, OF SAN DIEGO COUNTY, CALIFORNIA, ADOPTING A CONFLICT OF INTEREST CODE WHICH SUPERSEDES ALL PRIOR CONFLICT OF INTEREST CODES AND AMENDMENTS PREVIOUSLY ADOPTED.**

**WHEREAS**, the Political Reform Act of 1974, Government Code Section 81000 et seq. ("the Act"), requires a local government agency to adopt a Conflict of Interest Code pursuant to the Act; and

**WHEREAS**, the San Luis Rey Municipal Water District has previously adopted a Conflict of Interest Code and that Code now requires updating; and

**WHEREAS**, amendments to the Act have in the past and foreseeably will in the future require conforming amendments to be made to the Conflict of Interest Code; and

**WHEREAS**, the Fair Political Practices Commission has adopted a regulation, Title 2, California Code of Regulations, Section 18730, which contains terms for a standard model Conflict of Interest Code, which, together with amendments thereto, may be adopted by public agencies and incorporated by reference to save public agencies time and money by minimizing the actions required of such agencies to keep their codes in conformity with the Political Reform Act.

**NOW, THEREFORE BE IT RESOLVED**, the Board of Directors of the San Luis Rey Municipal Water District, does hereby resolve and order as follows:

Section 1. The terms of Title 2, California Code of Regulations, Section 18730 (Appendix A) and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, together with Exhibits A and B in which members and employees are designated and disclosure categories are set forth, constitute the Conflict of Interest Code of the San Luis Rey Municipal Water District.


Section 2. The provisions of all Conflict of Interest Codes and Amendments thereto previously adopted by the San Luis Rey Municipal Water District are hereby superseded.

Section 3. The filing Officer is hereby authorized to forward a copy of this Resolution to the Clerk of the San Diego County Board of Supervisors for review and approval by the San Diego County Board of Supervisors as required by California Government Code Section 87303.

**ADOPTED, SIGNED AND APPROVED THIS 21<sup>ST</sup> day of July 2010.**

  
President

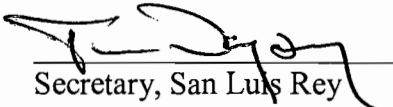
ATTEST:

  
Secretary

I, Tom Veysey, Secretary of the SAN LUIS REY MUNICIPAL WATER DISTRICT, of San Diego County, California, do hereby certify that the foregoing Resolution No. 2010-6 was duly adopted at a meeting of the Board of Directors of said District, held on the 3<sup>rd</sup> Wednesday of July, 2010, by the following vote of members of the Board:

AYES: Director:- V. Pankey, W. Pankey, T. Veysey, C. Yarger, H. Fritz  
NOES: Director:-  
RECUSED: Director:-

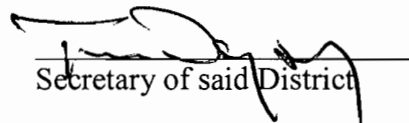
And I further certify that Victor Pankey, as President, and Tom Veysey, as Secretary, signed and approved said Resolution on the 21<sup>st</sup> day of July, 2010.

  
Secretary, San Luis Rey  
Municipal Water District

(District Seal)  
STATE OF CALIFORNIA)  
                                  )SS.  
COUNTY OF SAN DIEGO )

I, Tom Veysey, Secretary of the San Luis Rey Municipal Water District of San Diego County, California, do hereby certify that the foregoing is a full, true and clear copy of Resolution No. 2010-6 passed and adopted by the Board of Directors of said District at a regular meeting hereof held on July 21, 2010. In witness whereof, I have hereunto set by hand and affixed the official seal of said District this 21<sup>st</sup> day of July, 2010.

(District Seal)

  
Secretary of said District

ATTACHMENT A  
CONFLICT OF INTEREST CODE FOR THE  
SAN LUIS REY MUNICIPAL WATER DISTRICT

The Political Reform Act, Government Code Sections 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. Section 18730), which contains the terms of a standard Conflict of Interest Code, which may be incorporated by reference in an agency's code. After public notice and hearing it 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 of it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the Conflict of Interest Code of the San Luis Rey Municipal Water District.

Designated employees shall file statements of economic interests with the San Luis Rey Municipal Water District's Political Reform Act Filing Officer who will make the statements available for public inspection and reproduction (Government Code Section 82008). Upon receipt of the statements of the Directors, General Counsel, and designated Consultants, the Filing Officer shall make and retain a copy and forward the original of these statements to the Clerk of the San Diego County Board of Supervisors. Statements for all other designated employees will be retained by the Filing Officer.

EXHIBIT A

CONFLICT OF INTEREST CODE  
LIST OF DESIGNATED POSITIONS REQUIRED TO FILL OUR FORM 700S  
SAN LUIS REY MUNICIPAL WATER DISTRICT

|                             |
|-----------------------------|
| <b>Designated positions</b> |
| Board of Directors          |
| General Counsel             |
| Consultant                  |

EXHIBIT B  
 CONFLICT OF INTEREST  
 STANDARD DISCLOSURE CATEGORIES  
 SAN LUIS REY MUNICIPAL WATER DISTRICT

| Disclosure Category | Disclosure Description   |
|---------------------|--|
|                     | All interests in real property in San Diego County or the District, as well as investments, business positions and sources of income (including gifts, loans and travel payments).   |
|                     | Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest category in the code subject to the following limitation. The Board of Directors, or General Counsel or the Filing Officer may determine 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 in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure is a public record and shall be filed with the Form 700 and retained by the Filing Officer for public inspection. |

## APPENDIX A

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

### §18730. Provisions of Conflict of Interest Codes

(a) Incorporation by reference to the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to other state or local laws pertaining to conflict of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions. The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. Sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees. The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

(3) Section 3. Disclosure Categories. This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under Article 2 of Chapter 7 of the Political Reform Act, Government Code Section 87200; and

(C) The filing officer is the same for both agencies.<sup>1</sup>

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of financial interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the financial interests set forth in a designated employee's disclosure categories are the kinds of financial interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing. The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.<sup>2</sup>

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

---

<sup>1</sup> Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under Article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code Section 81004.

<sup>2</sup> See Government Code Section 81010 and 2 Cal. Code of Regs. Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office. Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided, he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements. Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements. Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject

to Government Code section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. section 18754.

(D) Contents of Leaving Office Statements. Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting. Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investments and Real Property Disclosure. When an investment or an interest in real property<sup>3</sup> is required to be reported,<sup>4</sup> the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported,<sup>5</sup> the statement shall contain:

1. The name and address of each source of income aggregating two hundred fifty dollars (\$250) or more in value or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;

---

<sup>3</sup> For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

<sup>4</sup> Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

<sup>5</sup> A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), or greater than ten thousand dollars (\$10,000);

3. A description of the consideration, if any, for which the income was received;

4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,<sup>6</sup> the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria. No member of a state board or commission, and no designated employee of a state or local agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic

---

<sup>6</sup> Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (b), (c), (d), and (e) of Government Code section 89501 shall apply to the prohibitions in this section.

(8.1) Section 8.1. State Agency Prohibition on Receipt of Gifts of \$390 or More. No member of a state board or commission, and no designated employee of a state agency, shall accept gifts with a total value of more than (\$390) in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subsections (b), (c), (d), and (e) of Government Code Section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person

who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification. No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth one thousand dollars (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth one thousand dollars (\$2,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$390 or more in value provided to; received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation. No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees. In addition to the general disqualification provisions of Section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value one thousand dollars (\$1,000) or more.

(10) Section 10. Manner of Disqualifying Interest. When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act must be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel. Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code Section 83114 and 2 Cal. Code Regs. sections 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. . This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code Sections 81000 - 91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code Section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code Section 91003.

Note: Authority: Section 83112, Gov. Code. Reference: Sections 87103(e), 87300 87302, 89501, 89502 and 89503, Government Code.

## History

- (1) New section filed 4-2-80 as an emergency; effective upon filing. Certificate of Compliance included.
2. Editorial correction.
3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter.
4. Amendment of subsection (b) (7) (B) 1. filed 1-26-83; effective thirtieth day thereafter.
5. Amendment of subsection (b) (7) (A) filed 11-10-83; effective thirtieth day thereafter.
6. Amendment filed 4-13-87; effective thirtieth day thereafter.
7. Amendment of subsection (b) filed 10-21-88; effective thirtieth day thereafter.
8. Amendment filed 8-28-90; effective thirtieth day thereafter.
9. Amendment filed 8-7-92; effective thirtieth day thereafter.
10. Amendment filed 2-5-93; effective upon filing.

## CATEGORIES OF REPORTABLE ECONOMIC INTERESTS

### Category 1. All-Inclusive Reportable Investments

[see Appendix D – Government Code Section 82034]

A designated employee in this category shall disclose all reportable investments (worth more than \$2,000):

- (a) owned by the designated employee, his or her spouse or dependent child;
- (b) owned by an agent on behalf of the designated employee;
- (c) owned by any business entity controlled by the designated employee (i.e., any business entity in which the designated employee, his or her agents, spouse and dependent children hold more than a 50% ownership interest);
- (d) owned by a trust in which the designated employee has a substantial interest (i.e., a trust in which the designated employee, his or her spouse and dependent children have a present or future interest worth more than \$2,000);
- (e) representing the pro rata share (worth more than \$2,000) of the designated employee, his or her spouse and dependent children, of investments of any business entity or trust in which the designated employee, his or her spouse and dependent children own, directly or indirectly or beneficially, a 10% interest or greater.

Category 2. All-Inclusive Reportable Interests in Real Property

[See Appendix D – Government Code Sections 82033, 82035]

A designated employee in this category shall disclose all interests (worth more than \$2,000) in real property located within the jurisdiction if the interests are:

(a) held or owned by the designated employee, his or her spouse, and dependent child, or

(b) the pro rata share (worth more than \$2,000) of interests in real property of any business entity or trust in which the designated employee or spouse owns, directly, indirectly or beneficially, a 10% interest or greater.

Category 3. All-Inclusive Reportable Income.

[See Appendix D – Government Code Section 82030]

A designated employee in this category shall disclose all income of the designated employee from any County-related source aggregating \$250 or more (or \$25 or more in the case of gifts) during the reporting period.

Category 4. Less-Inclusive Reportable Investments

[See Appendix D – Government Code Section 82034]

A designated employee in this category shall disclose only investments (worth more than \$2,000) in any business entity, which within the last two years has contracted with or in the future foreseeably may contract with the County or with any local government agency for which the Board of Supervisors of the County is the governing body to provide services, supplies, materials, machinery or equipment:

(a) to the County or to such local government agency

(b) of the type utilized by the Agency adopting this Code and associated with the job assignment of the designated employee

Category 5. Less-Inclusive Reportable Interests in Real Property

[See Appendix D – Government Code Sections 82033, 82035]

A designated employee in this category shall disclose all reportable interests in real property (worth more than \$2,000) located in the unincorporated area of the County, or not more than 2 miles outside the boundaries of the unincorporated area, or within 2 miles of any land owned or used by the County.

Category 6. Less-Inclusive Reportable Income

[See Appendix D – Government Code Section 82030]

A designated employee in this category shall disclose only that reportable income (\$250 or more during reporting period; \$25 or more in the case of gifts) which is derived from a source which within the last two years has contracted with the County or in the future foreseeably may contract with the County or with any local government agency for which the Board of Supervisors' of the County is the governing body to provide services, supplies, materials, machinery or equipment:

(a) to the County or to such local government agency

(b) of the type utilized by the Agency adopting this Code and associated with the job assignment of the designated employee

Category 7. Investments Relating to Unincorporated Area.

[See Appendix D – Government Code Section 82034]

A designated employee in this category shall disclose all reportable investments in those County-related business entities which:

- (a) have an interest in real property within the unincorporated area of the County or not more than two miles outside the boundaries of the unincorporated area;
- (b) does business within the area described in (a) above; or
- (c) did business or plans to do business within the area described in (a) above at any time commencing two years before and ending one year after the time of filing Statement of Economic Interests.

Category 8. Income Relating to Unincorporated Area

[See Appendix D – Government Code Section 82030]

A designated employee in this category shall disclose all reportable income of the designated employee from those County-related sources which:

- (a) reside within the unincorporated area of the County or not more than two miles outside the boundaries of the unincorporated area;
- (b) have an interest in real property within the area described in (a) above;
- (c) does business within the area described in (a) above; or
- (d) did business or plans to do business within the area described in (a) above at any time commencing two years before and ending one year after the time of filing Statement of Economic Interests.

APPENDIX B  
TO RESOLUTION NO. 2010-6

The following members and employees of the San Luis Rey Municipal Water District are designated as making or participating in the making of decisions which may foreseeably have a material effect on financial interests:

All Directors

General Manager

Legal Counsel of Record

Consultant<sup>7</sup>

---

<sup>7</sup> The disclosure required of consultants shall be determined on a case-by-case basis by the President of the Board of Directors. The President of the Board may make a determination as to what disclosure, if any is required by any particular consultant.

APPENDIX C  
TO RESOLUTION 2010-6

REPORTABLE INTERESTS

The following interests must be reported by any person holding a position listed in Appendix B.<sup>8</sup>

A. Investments, meaning financial interests or securities, that:

- have fair market value greater than \$2,000; and
- are issued by a business entity that
  - directly or indirectly holds an interest in real property inside or within two miles of the District's boundaries; or
  - does business, plans to do business, or has done business within the last two years before the statement is required, inside or within two miles of the District's boundaries; and
- are owned by the designated employee or an immediate family member;
- except for time or demand deposits in a financial institution, credit union shares, government bonds, SEC regulated mutual funds, or common trust funds created under section 1564 of the Financial Code.

B. Real Property interests of whatever form worth more than \$2,000 located inside or within two miles of the boundaries of the District that are:

- held or owned by the designated employee, his or her spouse and dependent child, or
- the pro rata share (worth more than \$2,000) of interests in real property of any business entity or trust in which the designated employee or spouse owns, directly, indirectly or beneficially, a ten percent interest or greater.

C. Personal Income in any form, including but not limited to wages, salary, dividends, interest, rent, sale proceeds, gift, loan, or forgiveness of debt received from any person or entity that:

---

<sup>8</sup> An explanation of what must be reported for each reportable interest is set forth in Section 7 of Appendix A, Regulations of the Fair Political Practices commission, Title 2, Division 6 of the California Code of Regulations).

- resides or
- has an interest in real property or
- does business, or has within the last two years before the report done business

inside or within two miles of the District's boundaries.

#### D. Business Entity Income

A designated employee must report his or her pro rata share of the income of any business entity or trust in which he or she owns directly, indirectly, or beneficially, a ten percent interest or greater.

#### E. Business position

Each designated employee must report any business position held during the reporting period:

- that would give the designated employee a financial interest in any decision of the type typically made by the District;
- with any entity that owned property or did business within the District;
- with any entity that provided services or materials to the District; or
- with any entity that provides water service or other services of the type provided by the District.

APPENDIX D  
TO RESOLUTION 2010-6

GOVERNMENT CODE SECTIONS 82030 – 82035.5

82030. (a) "Income" means, except as provided in subdivision (b), a payment received, including but not limited to any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, including any gift of food or beverage, loan, forgiveness or payment of indebtedness received by the filer, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in the income of a spouse. Income also includes an outstanding loan. Income of an individual also includes a pro rata share of any income of any business entity or trust in which the individual or spouse owns, directly, indirectly or beneficially, a 10-percent interest or greater. "Income," other than a gift, does not include income received from any source outside the jurisdiction and not doing business within the jurisdiction, not planning to do business within the jurisdiction, or not having done business within the jurisdiction during the two years prior to the time any statement or other action is required under this title.

(b) "Income" also does not include:

(1) Campaign contributions required to be reported under Chapter 4 (commencing with Section 84100).

(2) Salary and reimbursement for expenses or per diem, and social security, disability, or other similar benefit payments received from a state, local, or federal government agency and reimbursement for travel expenses and per diem received from a bona fide nonprofit entity exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

(3) Any devise or inheritance.

(4) Interest, dividends, or premiums on a time or demand deposit in a financial institution, shares in a credit union or any insurance policy, payments received under any insurance policy, or any bond or other debt instrument issued by any government or government agency.

(5) Dividends, interest, or any other return on a security which is registered with the Securities and Exchange Commission of the United States government or a commodity future registered with the Commodity Futures Trading Commission of the United States government, except proceeds from the sale of these securities and commodities futures.

(6) Redemption of a mutual fund.

(7) Alimony or child support payments.

(8) Any loan or loans from a commercial lending institution which are made in the lender's regular course of business on terms available to members of the public without regard to official status.

(9) Any loan from or payments received on a loan made to an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, uncle, aunt, or first cousin, or the spouse of any such person, provided that a loan or loan payment received from any such person shall be considered income if he or she is acting as an agent or intermediary for any person not covered by this paragraph.

(10) Any indebtedness created as part of a retail installment or credit card transaction if made in the lender's regular course of business on terms available to members of the public without regard to official status.

(11) Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a).

(12) Proceeds from the sale of securities registered with the Securities and Exchange Commission of the United States government or from the sale of commodities futures registered with the Commodity Futures Trading Commission of the United States government if the filer sells the securities or the commodities futures on a stock or commodities exchange and does not know or have reason to know the identity of the purchaser.

82030.5. (a) For purposes of this title, "earned income" means, except as provided in subdivision (b), income from wages, salaries, professional fees, and other amounts received or promised to be received as compensation for personal services rendered.

(b) Income which is not "earned income" includes, but is not limited to, the following:

(1) Any income derived from stocks, bonds, property, or other investments, or from retail or wholesale sales.

(2) Any amount paid by, or on behalf of, an elected state officer to a tax-qualified pension, profit sharing, or stock bonus plan and received by the elected state officer from the plan.

(3) The community property interest in the income of a spouse.

82031. "Independent expenditure" means an expenditure made by any person, including a payment of public moneys by a state or local governmental agency, in connection with a communication which expressly advocates the election or defeat of a clearly identified candidate or the qualification, passage or defeat of a clearly identified measure, or taken as a whole and in context, unambiguously urges a particular result in an election but which is not made to or at the behest of the affected candidate or committee.

82032. "Influencing legislative or administrative action" means promoting, supporting, influencing, modifying, opposing or delaying any legislative or administrative action by any means, including but not limited to the provision or use of information, statistics, studies or analyses.

82033. "Interest in real property" includes any leasehold, beneficial or ownership interest or an option to acquire such an interest in real property located in the jurisdiction owned directly, indirectly or beneficially by the public official, or other filer, or his or her immediate family if the fair market value of the interest is two thousand dollars (\$2,000) or more. Interests in real property of an individual includes a pro rata share of interests in real property of any business entity or trust in which the individual or immediate family owns, directly, indirectly or beneficially, a 10-percent interest or greater.

82034. "Investment" means any financial interest in or security issued by a business entity, including, but not limited to, common stock, preferred stock, rights, warrants, options, debt instruments, and any partnership or other ownership interest owned directly,

indirectly, or beneficially by the public official, or other filer, or his or her immediate family, if the business entity or any parent, subsidiary, or otherwise related business entity has an interest in real property in the jurisdiction, or does business or plans to do business in the jurisdiction, or has done business within the jurisdiction at any time during the two years prior to the time any statement or other action is required under this title. An asset shall not be deemed an investment unless its fair market value equals or exceeds two thousand dollars (\$2,000). The term "investment" does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, interest in a diversified mutual fund registered with the Securities and Exchange Commission under the Investment Company Act of 1940 or in a common trust fund created pursuant to Section 1564 of the Financial Code, interest in a government defined-benefit pension plan, or any bond or other debt instrument issued by any government or government agency. Investments of an individual includes a pro rata share of investments of any business entity, mutual fund, or trust in which the individual or immediate family owns, directly, indirectly, or beneficially, a 10-percent interest or greater. The term "parent, subsidiary or otherwise related business entity" shall be specifically defined by regulations of the commission.

82035. "Jurisdiction" means the state with respect to a state agency and, with respect to a local government agency, the region, county, city, district or other geographical area in which it has jurisdiction. Real property shall be deemed to be "within the jurisdiction" with respect to a local government agency if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency.

82035.5. "LAFCO proposal" means a proposal, as defined in Section 56069, including a proceeding, as defined by Section 56067.