

**NOTICE OF SPECIAL MEETING
CITY OF SOUTH PADRE ISLAND
CITY COUNCIL**

NOTICE IS HEREBY GIVEN THAT THE COUNCIL MEMBERS OF THE CITY OF SOUTH PADRE ISLAND, TEXAS, WILL HOLD A SPECIAL MEETING ON:

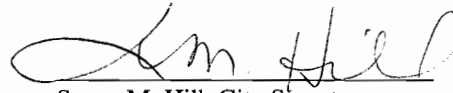
THURSDAY, SEPTEMBER 9, 2010

4:00 P.M. AT THE MUNICIPAL BUILDING,
JOYCE H. ADAMS BOARD ROOM, 2ND FLOOR
4601 PADRE BOULEVARD, SOUTH PADRE ISLAND, TEXAS

1. Call to order
2. Pledge of Allegiance
3. Public Comments and Announcements: *This is an opportunity for citizens to speak to Council relating to agenda or non-agenda items. Speakers are required to address Council at the podium and give their name before addressing their concerns. [Note: State law will not permit the City Council to discuss, debate or consider items that are not on the agenda. Citizen comments may be referred to City Staff or may be placed on the agenda of a future City Council meeting]*
4. Discussion and action to approve Resolution No. 2010-21 approving and adopting a budget for the City of South Padre Island for Fiscal Year 2010/11. (Homan)
5. Discussion and action to approve Resolution No. 2010-22 approving and adopting a Capital Improvement Plan for the City of South Padre Island for Fiscal Year 2010/11. (Jones)
6. Discussion and action on to approve First Reading of Ordinance No. 10-28 establishing the Ad Valorem and Personal Tax Rate for 2010 and setting the assessed valuation. (Homan)
7. Discussion and action on Second and Final Reading of Ordinance No. 10-27 authorizing the sale of land owned by the City. (City Council)
8. Discussion and comments regarding a request from the City of South Padre Island Board of Ethics asking for input on the requirements and contents of the Financial Disclosure Report that is currently in the draft Code of Ethics, Section 6-2, as mandated by the Home Rule Charter. (Board of Ethics)
9. Adjourn.

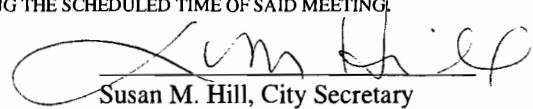
WE RESERVE THE RIGHT TO GO INTO EXECUTIVE SESSION REGARDING ANY OF THE ITEMS POSTED ON THIS AGENDA, PURSUANT TO SECTIONS 551.071, CONSULTATION WITH ATTORNEY; 551.072, DELIBERATIONS ABOUT REAL PROPERTY; 551.073, DELIBERATIONS ABOUT GIFTS & DONATIONS; 551.074, PERSONNEL MATTERS; 551.076, DELIBERATIONS ABOUT SECURITY DEVICES; AND/OR 551.086, DISCUSS (A) COMMERCIAL OR FINANCIAL INFORMATION RECEIVED FROM A BUSINESS PROSPECT WITH WHICH THE CITY IS CONDUCTING NEGOTIATIONS, OR (B) FINANCIAL OR OTHER INCENTIVES TO THE BUSINESS PROJECT.

DATED THIS THE 3RD DAY OF SEPTEMBER 2010


Susan M. Hill, City Secretary

I, THE UNDERSIGNED AUTHORITY, DO HEREBY CERTIFY THAT THE ABOVE NOTICE OF MEETING OF THE GOVERNING BODY OF THE CITY OF SOUTH PADRE ISLAND, TEXAS IS A TRUE AND CORRECT COPY OF SAID NOTICE AND THAT I POSTED A TRUE AND CORRECT COPY OF SAID NOTICE ON THE BULLETIN BOARD AT CITY HALL/MUNICIPAL BUILDING ON **SEPTEMBER 3, 2010** AT/OR BEFORE 3:30 P.M. AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING.




Susan M. Hill, City Secretary

THIS FACILITY IS WHEELCHAIR ACCESSIBLE, AND ACCESSIBLE PARKING SPACES ARE AVAILABLE. REQUESTS FOR ACCOMMODATIONS OR INTERPRETIVE SERVICES MUST BE MADE 48 HOURS PRIOR TO THIS MEETING. PLEASE CONTACT BUILDING OFFICIAL, JAY MITCHIM; ADA DESIGNATED RESPONSIBLE PARTY AT (956) 761-1025.

**CITY OF SOUTH PADRE ISLAND
CITY COUNCIL MEETING
AGENDA REQUEST FORM**

MEETING DATE: September 9, 2010

NAME/DEPT.: Larry Homan, Finance Director

ITEM

Discussion and action to approve Resolution No. 2010-21 approving and adopting a budget for the City of south Padre Island for Fiscal Year 2010/11.

ITEM BACKGROUND

RECOMMENDATIONS/COMMENTS

BUDGET/FINANCIAL SUMMARY

COMPREHENSIVE PLAN GOAL

COUNCIL ACTION

Motion: _____

Second: _____

Vote: Ayes: _____ **Nays:** _____

Abstentions: _____



RESOLUTION NO. 2010-21

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS, APPROVING AND ADOPTING THE BUDGET FOR THE CITY AS PREPARED BY THE CITY MANAGER FOR THE FISCAL YEAR 2010/11.

WHEREAS, State Law requires the City Manager to submit a proposed budget for the ensuing fiscal year; and

WHEREAS, the City Manager has submitted a proposed financial budget for the Fiscal Year ending September 30, 2011; and

WHEREAS, such proposed and estimated budget, after due hearing and consideration, should be approved:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS:

THAT the budget as prepared and submitted by the City Manager for the various departments of the City of South Padre Island for the fiscal year beginning October 1, 2010, and ending September 30, 2011; be, and the same is attached hereto, and is hereby in all respects, approved and adopted.

PASSED, ADOPTED AND APPROVED ON THIS THE 9TH DAY OF SEPTEMBER, 2010.

ATTEST:

Robert N. Pinkerton Jr., Mayor

Susan Hill, City Secretary

GENERAL FUND:

EST. BEGINNING FUND BALANCE	\$ 5,663,240
OPERATING REVENUE:	9,634,391
TOTAL RESOURCES:	15,297,631
EXPENDITURES:	9,319,309
SPECIAL PROJECTS:	<u>313,590</u>
UN-DESIGNATED FUND BALANCE:	<u>\$ 5,664,732</u>

TOTAL REGULAR PERSONNEL 110.75

HOTEL/MOTEL FUND:

EST. BEGINNING FUND BALANCE:	\$ 313,605
OPERATING REVENUE:	3,999,432
TOTAL RESOURCES:	4,313,037
OPERATING EXPENSES:	<u>3,646,107</u>
UN-DESIGNATED FUND BALANCE	<u>\$ 666,931</u>

TOTAL REGULAR PERSONNEL 12.5

CONVENTION CENTRE FUND:

EST. BEGINNING FUND BALANCE:	\$ 1,630,499
OPERATING REVENUE:	2,059,068
TOTAL RESOURCES:	3,689,567
EXPENDITURES:	<u>1,882,994</u>
UNDESIGNATED FUND BALANCE:	<u>\$ 1,806,573</u>

TOTAL REGULAR PERSONNEL: 11.5

STREET IMPROVEMENT FUND:

EST. BEGINNING FUND BALANCE:	\$ 240,000
OPERATING REVENUE	
TOTAL RESOURCES:	240,000
EXPENDITURES:	<u>238,394</u>
ENDING FUND BALANCE:	<u>\$ 1,606</u>

DEBT SERVICE:

EST. BEGINNING FUND BALANCE:	\$ 401,000
REVENUE:	1,067,275
TOTAL RESOURCES:	1,468,275
DEBT SERVICE:	<u>1,067,563</u>
ENDING FUND BALANCE:	<u>\$ 400,712</u>

TRANSPORTATION GRANT:

EST. BEGINNING FUND BALANCE:	\$ 0
REVENUE:	973,561
TOTAL RESOURCES:	973,561
EXPENDITURES:	<u>966,095</u>
ENDING FUND BALANCE:	<u>\$ 7,466</u>

TOTAL REGULAR PERSONNEL: 9.25

LONG RANGE PLANNING FUND

EST. BEGINNING FUND BALANCE:	\$ 23,600
REVENUE:	0
TOTAL RESOURCES:	23,600
EXPENDITURES:	<u>23,600</u>
ENDING FUND BALANCE:	\$ <u>0</u>

MUNICIPAL COMPLEX FUND

EST. BEGINNING FUND BALANCE:	\$ 27,777
REVENUE:	0
TOTAL RESOURCES:	0
EXPENDITURES:	<u>27,777</u>
ENDING FUND BALANCE:	\$ <u>0</u>

CAPITAL REPLACEMENT FUND

EST. BEGINNING FUND BALANCE:	\$ 1,000
REVENUE:	0
TOTAL RESOURCES:	1,000
EXPENDITURES:	<u>0</u>
ENDING FUND BALANCE:	\$ <u>1,000</u>

BAY ACCESS

EST. BEGINNING FUND BALANCE:	112,000
REVENUE:	15,000
TOTAL RESOURCES:	127,000
EXPENDITURES:	<u>115,000</u>
ENDING FUND BALANCE:	\$ <u>12,000</u>

BEACH MAINTENANCE

EST. BEGINNING FUND BALANCE:	\$ 149,000
REVENUE:	600,000
TOTAL RESOURCES:	749,000
EXPENDITURES:	<u>747,344</u>
ENDING FUND BALANCE:	\$ <u>1,656</u>

TOTAL REGULAR PERSONNEL 4

MUNICIPAL COURT TECHNOLOGY

EST. BEGINNING FUND BALANCE:	\$ 14,000
REVENUE:	4,500
TOTAL RESOURCES:	18,500
EXPENDITURES:	<u>9,500</u>
ENDING FUND BALANCE:	\$ <u>9,000</u>

MUNICIPAL COURT SECURITY

EST. BEGINNING FUND BALANCE:	\$ 22,000
REVENUE:	3,500
TOTAL RESOURCES:	25,500
EXPENDITURES:	<u>1,680</u>
ENDING FUND BALANCE:	<u>\$ 23,820</u>

BEACH ACCESS

EST. BEGINNING FUND BALANCE:	\$ 35,250
REVENUE:	298,000
TOTAL RESOURCES:	333,250
EXPENDITURES:	<u>333,000</u>
ENDING FUND BALANCE:	<u>\$ 250</u>

BEACH NOURISHMENT

EST. BEGINNING FUND BALANCE:	\$ 1,156,892
REVENUE:	897,692
TOTAL RESOURCES:	2,054,584
EXPENDITURES:	<u>1,007,692</u>
ENDING FUND BALANCE:	<u>\$ 1,046,892</u>

ECONOMIC DEVELOPMENT CORP.

EST. BEGINNING FUND BALANCE:	\$ 130,000
REVENUE:	1,050,000
TOTAL RESOURCES:	1,180,000
EXPENDITURES:	<u>1,050,000</u>
ENDING FUND BALANCE:	<u>\$ 130,000</u>

**CITY OF SOUTH PADRE ISLAND
CITY COUNCIL MEETING
AGENDA REQUEST FORM**

MEETING DATE: September 9, 2010

NAME/DEPT.: Darla Jones, Assistant City Manager

ITEM

Discussion and action to approve Resolution No. 2010-22 approving and adopting a Capital Improvement Plan for the City of South Padre Island for Fiscal Year 2010/11.

ITEM BACKGROUND

RECOMMENDATIONS/COMMENTS

BUDGET/FINANCIAL SUMMARY

COMPREHENSIVE PLAN GOAL

COUNCIL ACTION

Motion: _____

Second: _____

Vote: Ayes: _____ **Nays:** _____

Abstentions: _____



RESOLUTION NO. 2010-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS, APPROVING AND ADOPTING THE CAPITAL IMPROVEMENTS PLAN FOR THE CITY AS PREPARED BY THE CITY MANAGER FOR THE FISCAL YEAR 2010/11.

WHEREAS, Section 5.09 of the Home Rule Charter requires the City Manager submit a proposed Capital Improvements Plan for the ensuing fiscal year; and

WHEREAS, Section 5.10(a) of the Home Rule Charter requires the publication of a general summary of the capital program; and

WHEREAS, that publication occurred on August 5, 2010 in the Port Isabel Press; and

WHEREAS, Section 5.10(a) of the Home Rule Charter also requires the City Council hold a public hearing on the proposed Capital Improvements Plan; and

WHEREAS, that public hearing was held on August 25, 2010; and

WHEREAS, the proposed Capital Improvements Plan, after due hearing and consideration, should be approved:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS:

THAT the Capital Improvements Plan as prepared and submitted by the City Manager of the City of South Padre Island is hereby in all respects, approved and adopted.

PASSED, ADOPTED AND APPROVED ON THIS THE 9TH DAY OF SEPTEMBER, 2010.

ATTEST:

Robert N. Pinkerton, Jr., Mayor

Susan Hill, City Secretary

**CITY OF SOUTH PADRE ISLAND
CITY COUNCIL MEETING
AGENDA REQUEST FORM**

MEETING DATE: September 9, 2010

NAME/DEPT.: Larry Homan, Finance Director

ITEM

Discussion and action to approve First Reading of Ordinance No. 10-28 establishing the Ad Valorem and Personal Tax Rate for 2010 and setting the assessed valuation.

ITEM BACKGROUND

RECOMMENDATIONS/COMMENTS

BUDGET/FINANCIAL SUMMARY

COMPREHENSIVE PLAN GOAL

COUNCIL ACTION

Motion: _____

Second: _____

Vote: Ayes: _____ **Nays:** _____

Abstentions: _____

ORDINANCE NO. 10-28

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS, ESTABLISHING THE AD VALOREM AND PERSONAL PROPERTY TAX RATE FOR TAX YEAR 2010, AND SETTING THE ASSESSED VALUATION AT ONE HUNDRED PERCENT (100%) OF THE FAIR MARKET VALUE AND PROVIDING FOR DISCOUNTS IN THE EVENT OF EARLY PAYMENT, AND PROVIDING FOR PENALTY AND INTEREST IN ACCORDANCE WITH STATE LAW; PROVIDING FOR SEVERABILITY

SECTION 1. There is hereby established a tax rate of \$0.245610 of each one hundred dollars (\$100.00) of assessed valuation on all ad valorem and personal property taxable under the laws of this State by the Town of South Padre Island and said Municipal Tax is levied and fixed for the following purposes, to wit:

First: An annual tax of \$0.219321 for each \$100.00 worth of all property within the limits of the City of South Padre Island, which is made taxable by law either for State or County purposes, is hereby levied and fixed for the current expenditures of the City of South Padre Island, Texas, and for the general improvements of the City and its property. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

Second: A tax of \$0.026289 for each \$100.00 worth of all property within the limits of The City of South Padre Island, Texas, which is made taxable by law, either for State or County purposes, is hereby levied and fixed for the purposes of creating an interest and sinking fund for the retirement of general obligation bond.

SECTION 2. There is hereby granted a discount for early payment of the 2010 taxes, which discount shall be: three percent (3%) on 2009 taxes paid during the month of October 2010; two percent (2%) on 2010 taxes paid during the month of November 2010; and one percent (1%) on 2010 taxes paid during the month of December 2010.

SECTION 3. Any payment not timely made shall bear such penalty and interest as is provided by State Law.

SECTION 4. If any section, paragraph, subdivision, clause, phrase or provision of this ordinance shall be adjudged invalid or held unconstitutional, the same shall not affect the validity of this ordinance as a whole or any part of provision thereof, other than the part so decided to be invalid or unconstitutional.

SECTION 5. This ordinance shall become effective immediately.

PASSED, ADOPTED, AND APPROVED ON FIRST READING THIS THE 9TH DAY OF SEPTEMBER, 2010.

PASSED, ADOPTED AND APPROVED ON SECOND READING THIS THE 15TH DAY OF SEPTEMBER 2010.

CITY OF SOUTH PADRE ISLAND

Robert N. Pinkerton, Jr., Mayor

ATTEST:

Susan Hill, City Secretary

**CITY OF SOUTH PADRE ISLAND
CITY COUNCIL MEETING
AGENDA REQUEST FORM**

MEETING DATE: September 9, 2010

NAME/DEPT.: City Council

ITEM

Discussion and action to approve Second and Final Reading of Ordinance No. 10-27 authorizing the sale of land owned by the City.

ITEM BACKGROUND

RECOMMENDATIONS/COMMENTS

BUDGET/FINANCIAL SUMMARY

COMPREHENSIVE PLAN GOAL

COUNCIL ACTION

Motion: _____

Second: _____

Vote: Ayes: _____ **Nays:** _____

Abstentions: _____

ORDINANCE NO. 10-27

AN ORDINANCE OF THE CITY OF SOUTH PADRE ISLAND, TEXAS;
AUTHORIZING THE SALE OF LAND OWNED BY THE CITY; PROVIDING
FOR SEVERABILITY; AND PROVIDING FOR EFFECTIVE DATE.

WHEREAS, the City of South Padre Island Home Rule Charter provides that by ordinance the City may authorize the conveyance of any lands of the City; and

WHEREAS, the Texas Local Government Code provides that land owned by a City may either be sold at public auction or by sealed bid procedure; and

WHEREAS, the City Council has determined that such an ordinance should be enacted to authorize the sale of Lot Two (2), Block One (1), Replat of Villas Doce Subdivision, Town of South Padre Island, Cameron County, Texas, according to the Map thereof recorded in Cabinet 1, Slot 2214(A), Map Records of Cameron County, Texas, owned by the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS:

Section 1. The City Council is authorized to sell and convey Lot Two (2), Block One (1), Replat of Villas Doce Subdivision, Town of South Padre Island, Cameron County, Texas, according to the Map thereof recorded in Cabinet 1, Slot 2214(A), Map Records of Cameron County, Texas in compliance with either Section 253.008 (Public Auction) or Section 272.001 (Sealed Bids) of the Texas Local Government Code.

Section 2. This Ordinance repeals all portions of any prior ordinances or parts of ordinances of the Code of Ordinances in conflict herewith.

Section 3. If for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this Ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this Ordinance for it is the definite intent of this City Council that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

Section 4. This Ordinance shall become effective immediately.

PASSED, APPROVED AND ADOPTED on First Reading, this 1st day of September 2010.

PASSED, APPROVED AND ADOPTED on Second Reading, this ____ day of _____ 2010.

ATTEST:

**CITY OF SOUTH PADRE ISLAND,
TEXAS**

Susan Hill, CITY SECRETARY

ROBERT N. PINKERTON, JR., MAYOR

**CITY OF SOUTH PADRE ISLAND
CITY COUNCIL MEETING
AGENDA REQUEST FORM**

MEETING DATE: September 9, 2010

NAME/DEPT.: Dean McCormick, Board of Ethics

ITEM

Discussion and comments regarding a request from the City of South Padre Island Board of Ethics asking for input on the requirements and contents of the Financial Disclosure Report that is currently in the draft Code of Ethics, Section 6-2, as mandated by the Home Rule Charter.

ITEM BACKGROUND

The Board of Ethics has been tasked with the development of a Code of Ethics, which was mandated as a requirement of the newly adopted Home Rule Charter. The Board of Ethics is working on Section 6-2 of the draft Code of Ethics which outlines the criteria for the Financial Disclosure Reports that you may be subjected to. The Board of Ethics would like your input on the questions that are outlined in Section 6-2, which, when passed, will be a requirement under the Code of Ethics. Your comments, concerns and recommendations will be taken into consideration as we finalize this document and related forms.

RECOMMENDATIONS/COMMENTS

BUDGET/FINANCIAL SUMMARY

COMPREHENSIVE PLAN GOAL

COUNCIL ACTION

Motion: _____

Second: _____

Vote: Ayes: _____ **Nays:** _____

Abstentions: _____

No person shall intentionally or knowingly induce, attempt to induce, conspire with, aid or assist, or attempt to aid or assist another person to engage in conduct violative of the obligations imposed by Divisions 2 (Present City Officials and Employees), 3 (Former City Officials and Employees), and 4 (Persons Doing Business with the City).

DIVISION 6: FINANCIAL DISCLOSURE

SECTION 6-1 FINANCIAL DISCLOSURE REPORT

(a) Persons Required to File Disclosure Form.

- (1) **City Officials and Designated City Employees.** No later than thirty (30) days after accepting appointment or assuming the duties of office, and annually thereafter, the City officials as defined in Division 1 (Definitions) who provide input to any contract or composing specifications of equipment such as vehicles, who also have contact with contractor(s) who provide such services or equipment are required to file with the City Secretary a complete sworn financial disclosure report (Form CIS – Local Government Officer Conflicts Disclosure Statement).
- (2) **Exception.** Candidates for City Council and City officials required to file financial disclosure statements in compliance with the City Code in place of filing statements required by this Code of Ethics. Such officials shall also complete an addendum to the statement disclosing additional information required by this Code of Ethics. The addendum shall be prepared by the City Secretary. Deadlines for filing the financial disclosure documents shall be governed by any existing City Code.

(b) Open Records. Financial disclosure reports are open records subject to the Texas Open Records Act, and shall be maintained in accordance with that Act.

- (c) **Annual Filing Date.** Annual financial disclosure reports filed by City officials who are City employees and by City employees who are required to report must be received by the City Secretary in accordance with City requirements or on the 31st day of January. Annual financial disclosure reports filed by City officials who are not City employees and who are required to report must be received by the City Secretary by the 31st day of March. When the deadline falls on a Saturday or Sunday, or on an official City holiday as established by the City Council, the deadline for receipt by the City Secretary is extended to the next business day which is not a Saturday or Sunday or official City holiday. The City Secretary shall grant an extension of time in which to file a report upon written request submitted in advance of the deadline. The extension shall not exceed fifteen (15) days.

Unforeseen Circumstances. In the event of an unforeseen circumstance, including, but not limited to, military service or acute illness or leave without pay under the Family Medical Leave Act, the deadline for receipt by the City Secretary is extended until such time as the City official or employee resumes his or her City duties.

- (d) **Reporting Periods.** Each initial or annual financial disclosure report filed by an individual designated in Division 6 (Financial Disclosure Report), and each report filed by a candidate for City Council, shall disclose information relating to the prior calendar year, as well as any material changes in that information which occurred between the end of the prior calendar year and the date of filing.
- (e) **City Secretary.** The City Secretary shall:
- (1) prior to January 15 of each year, notify City officials who are City employees and employees specified in Subsection (a)(1) of their obligation to file financial disclosure reports and provide forms to be completed; and prior to February 15 of each year, notify City officials who are not City employees of their obligation to file financial disclosure reports and provide the forms to be completed.
 - (2) provide forms to all new City Council appointees and those filing for elective office, and advise them of reporting requirements and deadlines;
 - (3) provide guidance and assistance on the reporting requirements for persons required to file financial disclosure reports and develop common standards, rules, and procedures for compliance with Division 6 (Financial Disclosure);
 - (4) review reports for completeness and timeliness;
 - (5) maintain filing, coding, and cross indexing systems to carry out the purpose of Division 6 (Financial Disclosure), including:
 - (A) a publicly available list of all persons required to file; and
 - (B) computerized systems designed to minimize the burden of filing and maximize public access to materials filed under Division 6 (Financial Disclosure);
 - (6) make available for public inspection and copying at reasonable times the reports filed under Division 6 (Financial Disclosure);
 - (7) upon determining that such appointee who is required to file a financial disclosure report has failed to do so or has filed incomplete or unresponsive information; notify the individual by certified mail that failure to file or correct the filing within fifteen (15) days after the original deadline constitutes an automatic resignation. At the same time, the City Secretary shall publicly announce to the City Council the names of those who have not filed and to whom this notification is being sent. If such an appointee fails to file a completed report within fifteen (15) days from the original deadline, the position shall be considered vacant, and a new appointment shall be made by the City Council; and
 - (8) upon determining that the Mayor, a member of City Council, a candidate for City Council, or the City Manager has failed to timely file a financial disclosure report, or has filed incomplete or unresponsive information, notify the individual by certified mail that failure to file or correct

the filing within fifteen (15) days after the original deadline will result in the matter being forwarded to the Board of Ethics. If the person in question fails to file a completed report within fifteen (15) days of the original deadline, a report of non-compliance shall be forwarded to the Board of Ethics for appropriate action.

- (9) upon determining that a person other than as provided in subsections (7) or (8) above, has failed to timely file a financial disclosure report, or has filed incomplete or unresponsive information, notify the individual by certified mail that failure to file or correct the filing within fifteen (15) days after the original deadline will result in the matter being forwarded to the City Manager. If the person in question fails to file a completed report within fifteen (15) days of the original deadline, a report of non-compliance shall be forwarded to the City Manager for appropriate action.

The failure of the City Secretary to provide any notification required by this Section does not bar appropriate remedial action, but may be considered on the issue of culpability.

- (f) **Exception.** A City official who is a member of a board or commission created pursuant to federal or state law may only be removed for failing to file a financial disclosure form if allowed under federal or state law.

SECTION 6-2 CONTENTS OF FINANCIAL DISCLOSURE REPORTS

Each initial or annual financial disclosure report shall disclose, on a form provided by the City and attached to this document, the following information: (see attachment III – Form CIS)

- (a) the reporting party's name;
- (b) the name of any person related as parent, child (except a child who is a minor), or spouse to the reporting party;
- (c) the name of any member of the reporting party's household not disclosed under Subsection (b) of this rule;
- (d) the name of any employer of any person disclosed under Subsections (a) or (b) of this rule;
- (e) the name of any business entity (including self employment in the form of a sole proprietorship under a personal or assumed name) in which the reporting party or his or her spouse holds an economic interest;
- (f) the name of any business which the reporting party knows is a partner, or a parent or subsidiary business entity, of a business entity owned, operated, or managed by the reporting party or his or her spouse;
- (g) the name of any person or business entity from whom the reporting party or his or her spouse, directly or indirectly:

- (1) has received and not rejected an unsolicited offer of subsequent employment; or
 - (2) has accepted an offer of subsequent employment which is binding or expected by the parties to be carried out;
- (h) the name of each nonprofit entity or business entity in which the reporting party serves as an officer or director, or in any other policy making position;
- (i) the name of each business entity which has sought City business, has a current City contract or anticipates seeking City business in which any individual listed in Subsection (a) or (b) is known to directly or indirectly own:
 - (1) ten (10) percent or more of the voting stock or shares of the business entity, or
 - (2) ten (10) percent or more of the fair market value of the business entity;
- (j) the name of any business entity of which any individual or entity disclosed under Subsection 2(a) or (2)(i) is known to be:
 - (1) a subcontractor on a City contract;
 - (2) a partner; or
 - (3) a parent or subsidiary business entity.
- (k) the name of each source of income, other than dividends or interest, amounting to more than five thousand dollars (\$5000) received during the reporting period by the reporting party or his or her spouse, unless that source has been disclosed under Subsections (a) through (j) of this rule;
- (l) the identification by street address, or legal or lot-and-block description, of all real property located in the State of Texas in which the reporting party or his or her spouse has a leasehold interest, a contractual right to purchase, or an interest as: fee simple owner; beneficial owner; partnership owner; joint owner with an individual or corporation; or owner of more than twenty-five (25) percent of a corporation that has title to real property. There is no requirement to list any property:
 - (1) used as a personal residence of a peace officer;
 - (2) over which the reporting party has no decision power concerning acquisitions or sale; or
 - (3) held through a real estate investment trust, mutual fund, or similar entity, unless the reporting party or his or her spouse participates in the management thereof;
- (m) the name of persons or entities to which the reporting party or spouse owes an unsecured debt of more than five thousand dollars (\$5,000.00), other than debts for:

- (1) money borrowed from a family member from his or her own resources; and
 - (2) revolving charge accounts.
- (n) the name of each person, business entity, or other organization from whom the reporting party, or his or her spouse, received a gift with an estimated fair market value in excess of one hundred dollars (\$100) during the reporting period and the estimated fair market value of each gift. Excluded from this requirement are:
- (1) lawful campaign contributions which are reported as required by state statute or local ordinance;
 - (2) gifts received from family members within the second degree of affinity or consanguinity;
 - (3) gifts from an individual based on personal friendship who during the preceding three calendar years: a) has not done or sought to do business with the City; b) has not sought City action on any issue before the City Council or any City board or commission; c) is not associated with any business or entity that has done or sought to do business with the City; and d) is not associated with any business or entity that has sought City action on any issue before the City Council or a City board or commission.
 - (4) gifts received among and between fellow City employees and City officials;
 - (5) admission to events in which the reporting party participated in connection with official duties;
 - (6) payment of or reimbursement of travel and accommodations expenses accepted in connection with official duties which have been reported in compliance with City policy (Travel Expense Reporting Requirements); payment for or reimbursement of expenses for travel in excess of authorized rates under City policy are gifts subject to the reporting requirements under this section.

SECTION 6-3 SHORT FORM ANNUAL REPORT

A person who is required to file an annual financial disclosure report may fulfill his or her filing obligations by submitting a short sworn statement on a form provided by the City, if there have been few or no changes in the information disclosed by that person in a complete financial disclosure report filed within the past five (5) years. The short statement shall indicate the date of the person's most recently filed complete financial disclosure report and shall state that there have been no material changes in that information or shall list any material changes that have occurred.

SECTION 6-4 ITEMS RECEIVED ON BEHALF OF THE CITY

A City official or employee who accepts any item by way of gift valued over \$100.00 or loan on behalf of the City must promptly report that fact to the City Manager, who shall have the item appropriately inventoried as City property.

SECTION 6-5 OTHER PERSONS REQUIRED TO REPORT GIFTS

In addition to the gift reporting requirements imposed by the financial disclosure rules stated in Section 6-2(n) of Division 6 (Contents of Financial Disclosure Reports), other City employees specified on a list compiled annually by the Human Resources Department (or its successor department) and submitted to the City Secretary, the source of a gift received during the previous year with a value of over one hundred dollars (\$100.00). Excluded from this requirement are:

- (1) lawful campaign contributions which are reported as required by state statute;
- (2) gifts received from family members within the second degree of affinity or consanguinity;
- (3) gifts from an individual based on personal friendship who during the preceding three calendar years: a) has not done or sought to do business with the City; b) has not sought City action on any issue before the City Council or any City board or commission; c) is not associated with any business or entity that has done or sought to do business with the City; and d) is not associated with any business or entity that has sought City action on any issue before the City Council or a City board or commission.
- (4) gifts received among and between fellow City employees and City officials;
- (5) admission to events in which the reporting party participated in connection with official duties;
- (6) payment of or reimbursement of travel and accommodations expenses accepted in connection with official duties which have been reported on a travel expense report; payment for or reimbursement of expenses for travel in excess of authorized rates under City policy are gifts subject to the reporting requirements under this section.

SECTION 6-6 VIOLATION OF REPORTING REQUIREMENTS

Failure to timely file a report required by this Ethics Code is a violation hereof, as is the knowingly filing of a report with incorrect, misleading, or incomplete information. If an individual inadvertently files an incorrect or incomplete report, it is his or her responsibility to file an amended report as soon as possible, though no later than fifteen (15) days after discovery of the error or after the error should have reasonably been discovered. If an individual inadvertently files an incorrect or incomplete report, it is his or her responsibility to file an amended report as soon as possible.

To file a late or amended report, the person shall use the required report form provided by the City Secretary's Office and mark in the appropriate box whether the report is late-filed or an amended report.