	City of Murrieta **City Council Policy**
	POLICY: DISTRIBUTION, USE AND REPORTING OF TICKETS AND PASSES CONTROLLED BY THE CITY
	POLICY NO.: 100-08 | DATE: February 2, 2010

I. PURPOSE

The purpose of this policy is to ensure that tickets and passes provided to and distributed by the city are in furtherance of a governmental and/or public purpose as required under Section 18944.1 of Title 2, Division 6 of the California Code of Regulations.

This policy is subject to all applicable Fair Political Practices Commission ("FPPC") regulations as well as the Political Reform Act. Nothing in this policy is intended to alter, amend or otherwise affect the obligations of city officials under the Political Reform Act and its implementing regulations.

Tickets or passes to an event distributed and accounted for in compliance with this policy will not be considered as gifts to city officials who make use of such tickets and passes.

II. ORGANIZATIONS AFFECTED

The City of Murrieta, Murrieta Redevelopment Agency, Community Services District, Fire District, Library Board, Financing Authority, and applicable commissions, and any other affiliated agency created or activated by the Murrieta City Council and any departments. All references within this policy to "City" shall also apply to all entities mentioned above.

III. REFERENCES

A. California Political Reform Act (Government Code sections 81000, *et seq.*) and implementing regulations (Title 2, Division 6 of the California Code of Regulations, sections 18100, *et seq.*)
B. Resolution No. 08-2105 of the City of Murrieta and any subsequent replacement resolution adopting the City's Conflict of Interest Code.

IV. APPLICABILITY

A. This policy applies to tickets and passes which provide admission to a facility or event for an entertainment, amusement, recreational or similar purpose, and are:
   1. Gratuitously provided to the city by an outside source;
   2. Acquired by the city by purchase;
   3. Acquired by the city as consideration pursuant to the terms of a contract for the use of a city venue; or
   4. Acquired and distributed by the city in any other manner.

B. This policy shall only apply to the city's distribution of tickets/passes to, or at the behest of, a city official.

C. This policy does not apply to the following:

1. Other Items of Value. Any other item of value provided to the city or any city official. Those benefits will need to be accounted for as gifts to the city official regardless of whether received gratuitously or for which consideration is provided, except gifts to the agency, pursuant to FPPC Regulation 18944.2. This includes food, beverages, or gifts provided to a city official at an event that is not included in the fair market value of the ticket.
2. Ceremonial Role or Function. Tickets or passes provided by a source other than the City to a city official to carry out his or her job duties or where the city official will perform a ceremonial role or function on behalf of the city at the event are not considered gifts to the city official and are exempt from the disclosure and reporting requirement of this policy.
4. Reimbursement. This policy does not apply when a city official reimburses the city, at the time of ticket distribution, for the face value of the ticket.
5. Reported as Gifts. Tickets that are donated or provided by an outside source and are earmarked for use by a specific city official are considered gifts to the city official, may not be distributed pursuant to this policy, and are subject to the disclosure and reporting requirements applicable to gifts pursuant to the California Political Reform Act and FPPC regulations.

D. Complimentary Tickets to Political and Non-Profit Fundraisers.

1. The reporting requirements for complimentary tickets to political and non-profit fundraising events are governed by FPPC Regulation 18946.4, and the city has no jurisdiction to modify the reporting requirements. These complimentary tickets are referenced in this policy as a convenience to persons seeking information concerning distribution of complimentary tickets. Pursuant to said Regulation, all complimentary tickets provided directly to a city official to political or non-profit fundraising events are reportable as gifts on an official's Statement of Economic Interest Form 700 and are subject to the annual gift limit (currently $420 per calendar year) unless one of the following narrow exceptions applies:
   a. A city official may receive one complimentary ticket from a 501(c)(3) charitable organization to its fundraising event, provided that the official does not receive more than the annual gift limit (currently $420) in the value of the non-deductible portion of the ticket from that charity within a calendar year. The official must make sure that the charity is a valid Internal Revenue Service 501(c)(3) organization because not all "non-profit organizations" are 501(c)(3) organizations. Also, a gift of a ticket or tickets to a 501(c)(3) charitable organization's fundraising event to an official from a third party other than the 501(c)(3) charitable organization is a gift to the official from that third party, subject to the gift limit and reportable on Form 700.
   b. A city official may receive one complimentary ticket to a political fundraising event for a political committee as defined in Government Code section 82013(a), or a comparable committee regulated under federal law holding an event in California, or the committee of a candidate. Also, a gift of a ticket to a political committee or candidate's fundraising event to an official from a third party other

than the committee or candidate sponsoring it is a gift to the official from that third party, subject to the gift limit and reportable on Form 700.

FPPC Regulation 18946.4 contains detailed regulations concerning the calculation of the value of tickets to political and non-profit fundraisers when such tickets must be reported.

2. Complimentary tickets to a fundraising event for non-profit organizations donated to the city, without designation of who should attend, will be distributed as otherwise provided in this policy.

V. DEFINITIONS

Unless otherwise expressly provided herein, words and terms used in this policy shall have the same meaning as in the California Political Reform Act of 1974 (Government Code sections 81000, *et seq.*, as amended from time to time) and the related FPPC Regulations (Title 2, Division 6 of the California Code of Regulations, sections 18100, *et seq.*, as amended from time to time).

A. "Behest" – "Made at the behest of" means made under the control or at the direction of, in cooperation, consultation, coordination, or concert with, at the request or suggestion of, or with the express, prior consent of (FPPC Regulation 18225.7(a)).
B. "City" or "City of Murrieta" means and includes the City of Murrieta, the Murrieta Redevelopment Agency, and any other affiliated agency created or activated by the Murrieta City Council, and any commission, committee, board or department thereof.
C. "City Official" means every member, officer, employee, or consultant of the City of Murrieta, as defined in Government Code section 82048 and FPPC Regulation 18701. Such term shall include, without limitation, any city board or commission member or other elected or appointed official or employee required to file an annual Statement of Economic Interests (Form 700).
D. "FPPC" means the California Fair Political Practices Commission.
E. "Immediate Family" means an individual's spouse and dependent children.
F. "Policy" means city policy no. 100-08, which governs the distribution, use, and reporting of tickets and passes controlled by the city.
G. "Ticket" means any ticket or pass that grants admission privileges to a facility, event, show, or performance for an entertainment, amusement, recreation, or similar purpose.

VI. GENERAL PROVISIONS

A. Public Purposes. All tickets provided to the city shall be distributed in furtherance of public purposes as provided under Section IX.
B. No Right to Tickets. The distribution and complimentary use of tickets pursuant to this policy is a privilege extended by the city and not the right of any person to whom the privilege may from time to time be extended.
C. Limitation on Transfer of Tickets. Tickets distributed to a city official pursuant to this policy shall not be transferred to any other person, except to members of the city official's immediate family solely for their personal use.
D. Prohibition Against Sale of or Receiving Reimbursement for Tickets. No person who receives a ticket pursuant to this policy shall sell, receive

reimbursement for, or receive any other consideration in exchange for the ticket.

E. Implementation of Policy. The City Manager shall have the authority to determine whether the city should accept or decline tickets offered to the city and to distribute tickets as he/she deems appropriate, provided such action conforms to this policy.

F. Ticket Administrator. The City Manager shall be the "Ticket Administrator" for purposes of implementing the provisions of this policy.

1. The City Manager shall have the authority, in his or her sole discretion, to establish procedures for the distribution of tickets in accordance with this policy. All requests for tickets which fall within the scope of this policy shall be made in accordance with the procedures established by the City Manager.
2. The City Manager shall, in his or her sole discretion, determine which event tickets, if any, shall be available under this section.
3. The City Manager, in his or her sole discretion, may revoke or suspend the ticket privileges of any person who violates any provision of this policy or the procedures established by the Ticket Administrator for the distribution of tickets in accordance with this policy.
4. Valuation of Tickets. The City Manager shall determine the face value of all tickets distributed by the city pursuant to this policy. If the tickets or passes do not have a face value and state something to the effect of "complimentary" or "promotional", the City Manager will determine the value based on the reasonable cost for attendance at such an event.
5. The City Manager shall promptly report all tickets distributed pursuant to this policy on Form 802 and provide to the City Clerk, who shall be responsible for posting on the city's website within 30 calendar days of the distribution of a ticket.

G. No Earmarking of Tickets. No ticket gratuitously provided to the city by an outside source shall be earmarked by the original source for distribution to a particular city official.

VII. DISTRIBUTION OF TICKETS

A. Tickets Distributed to City Officials. For tickets received gratuitously by the city, pursuant to the terms of a contract for use of a city-owned facility or venue, because the city is sponsoring the event, or because the city has purchased them, a city official may request use of these tickets, or for distribution to an individual or organization outside the city, by completing FPPC Form 802 and submitting the request to the City Manager.

B. Income. If a city official treats a ticket received from the city as income consistent with applicable federal and state income tax laws, the ticket will not be considered a gift, but the city must report its distribution to the official as provided in Section X.

C. Income Tax Considerations. Tickets which are provided free of charge or at a price below fair market value may have tax consequences for the recipient and may be reportable and taxable as regular income or as taxable fringe benefits to a recipient. Recipients of tickets must consult with their own tax advisers to determine the reporting requirements for income tax purposes, as well as the tax consequences of any tickets received.

VIII. TICKETS DISTRIBUTED AT THE BEHEST OF A CITY OFFICIAL

A. Only the following city officials have authority to behest tickets: City Council Members, the City Manager, the Assistant City Manager, and Department Heads.
B. Tickets shall be distributed at the behest of a city official only for one or more public purposes set forth in Section IX, below.
C. If tickets are distributed at the behest of a city official, such city official shall not use one of the tickets so distributed to attend the event.

IX. PUBLIC PURPOSE

The distribution of tickets to, or at the behest of, the city official shall accomplish a governmental and/or public purpose including, but not limited to, any of the following:

A. The performance of a ceremonial role or function by a city official on behalf of the city at an event.
B. The official duties of the city official require his or her attendance at the event.
C. Promotion of intergovernmental relations and/or cooperation with other governmental agencies, including, but not limited to, attendance at an event with or by elected or appointed public officials from other jurisdictions, their staff members, and their guests.
D. Promotion of city resources and/or facilities available to Murrieta residents.
E. Promotion of city-initiated, -sponsored or -supported community programs or events.
F. Promoting, supporting, and/or showing appreciation for programs or services rendered by charitable and non-profit organizations benefitting Murrieta residents.
G. Promotion of business activity, development, and/or redevelopment with the city.
H. Promotion of city tourism.
I. Increasing public awareness of the various recreational, cultural, and educational venues and facilities available to the public within the city.
J. Attracting and/or rewarding volunteer public service.
K. Encouraging or rewarding significant academic, athletic, or public service achievements by Murrieta students, residents, or businesses.
L. Attracting and retaining city employees.
M. Recognizing or rewarding meritorious service by city employees.
N. Promoting enhanced city employee performance or morale.
O. Recognizing contributions made to the city by city officials who are leaving the city's service.

X. DISCLOSURE REQUIREMENTS

A. This policy shall be permanently posted on the city's website in a prominent fashion.
B. Tickets distributed pursuant to this policy shall be disclosed on a form provided by FPPC (Form 802) and posted on the city's website in a prominent fashion within 30 days from the date tickets are received by, or distributed at the behest of, a city official. Form 802 shall remain on the city's website for a minimum of four years from the date of posting. The original

Form 802 shall be retained in the office of the City Clerk for a seven-year period.

C. Pursuant to FPPC Regulation 18944.1, as may be from time to time amended, the disclosure on Form 802 shall include the following information:
   1. The name of the recipient, except that if the recipient is an organization, the city may post the name, address, description of the organization, and number of tickets or passes provided to the organization in lieu of posting the names of each recipient;
   2. A description of the event;
   3. The date of the event;
   4. The face value of the ticket or pass;
   5. The number of tickets or passes provided to each person;
   6. If the ticket or pass was distributed at the behest of a city official, the name of the city official who made the behest; and
   7. A description of the public purposes furthered by the ticket/pass distribution or, alternatively, that the city official is treating the ticket or pass as income.

HISTORY

Adopted February 2, 2010

[redacted]