

### 1.15.060 Conflicts of Interest.

- A. Minor or Substantial Conflict of Interest: The assembly recognizes that in a representative democracy, the representatives are drawn from society and, therefore, cannot and should not be without personal and financial interests in the decisions and policies of government. Standards of ethical conduct need to distinguish between those minor and inconsequential conflicts that are unavoidable in a free society, and those conflicts of interest that are substantial and material.
- B. Public Interest: A public servant shall place the public interest above any financial or private interest when taking official action. If a public servant's private relationships or interests prevent the servant from placing the public interest above a financial or private interest, or will diminish the public trust, the public servant shall disclose this fact on the record and shall be excused from participation.
- C. Definition of Official Action: For purposes of this code, official action means participation in a process, including deliberation, in which a decision or recommendation is reached. Official action does not include:
1. Clerical or ministerial action on a matter. For purposes of this chapter, ministerial describes an act or duty that conforms to an instruction of prescribed procedure with limited or no use of judgment by the person performing the act or duty.
  2. Action on a matter that does not substantially evaluate or impact the merits of the recommendation or decision.
- D. General Rule – Conflict of Interest and Official Action: A public servant shall not participate in an official action in which the public servant or a member of the public servant's immediate family has a substantial financial or private interest. Prior to participation in official action, the public servant shall disclose financial or private interests for determination of whether they are substantial.
- E. Substantial Financial or Private Interest: Whether the financial or private interest disclosed is substantial shall be determined on a case-by-case basis, with evaluation and balancing of these factors:
1. Whether the financial or private interest is a substantial part of the matter under consideration.
  2. Whether the financial or private interest directly and substantially varies with the outcome of the official action.
  3. Whether the financial or private interest is immediate and known or conjectural and dependent on factors beyond the official action.

4. Whether the financial or private interest is significant monetarily.
5. Whether the financial or private interest is of a type which is generally possessed by the public or a large class of persons to which the member belongs.
6. Other factors deemed appropriate by the presiding official under the specifics of the disclosure and the nature of the action.

F. Procedure for Disclosure:

1. Employee: A municipal employee shall disclose to the designated ethics officer the nature of the interest and how the employee's duties could influence the official action. The ethics officer shall determine if the interest is substantial, or refer the matter to the board of ethics.
2. Board Members and Elected Officials:
  - a. Prior to comment, deliberation, or decision on a matter coming before the body, the member or official shall disclose the nature of the interest in sufficient detail to permit the other members of the body to determine if the interest is substantial.
  - b. If the presiding officer exercises parliamentary authority by making an initial ruling on a disclosure of financial or private interest, the decision of the presiding officer may be overridden by the majority vote of the body.
  - c. The member of the body making the disclosure shall not rule or vote on whether the financial or private interest is substantial.
  - d. A member or official shall not be sanctioned for acting in compliance with the determination of the body if the financial or private interest is fully and fairly disclosed.
  - e. The jurisdiction of the board to determine a violation under this chapter by an elected official for participation in a matter after disclosure of a financial or private interest is expressly limited to the sufficiency of the disclosure.
3. Mayor: The potential for conflict of interest presented by a financial or private interest held by the mayor shall be disclosed prior to action to either the municipal ethics officer, or to the board of ethics for determination and management of the potential for conflict of interest. Advice rendered by the ethics officer is subject to review by the board.
4. Rule of Necessity: The board may apply the rule of necessity when the assembly is legally required to act and it lacks enough members to take

valid official action solely due to assembly members being disqualified by shared or substantially similar conflict of interest from participating in the matter.

5. Certification of Election: An assembly member's candidacy in a municipal election does not preclude the assembly member's participation in certification of the municipal election.