



MEMORANDUM

TO: Council Members

FROM: Jim Bowlin

DATE: March 8, 2019

RE: Ethics Rules Revisions – Non-Financial Conflicts of Interest

DIST: Steve Cross
Joe Vujnich
John Young
Amanda Foster

BACKGROUND

Our ethics rules (Chapter 125 of our Ordinances) limit prohibited conflicts of interest to conflicts of a financial nature, and further limit application of the rules to ownership interests valued at \$10,000 or more, business ownership of five percent (5%) or more, financial compensation of \$5,000 or more, and serving in a leadership or employee capacity with a business entity.

Over the past two years, we have experienced several instances where it was evident that a material conflict of interest existed on matters presented to the Council, but where no direct financial conflict may have been present. As a result, there was no prohibition on participating in the vote on the matter (or any required disclosures) because of the limited scope of our rules.

This occurred again at one of our recent meetings.

As elected officials, voting should be prohibited and/or additional disclosures required where any direct material conflict of interest exists – regardless of whether it is of a financial nature.

I previously presented this to the Council with a broader recommendation (that included lowering the financial thresholds), and it narrowly decided against pursuing the matter at its August 13, 2018 meeting. In light of another recent instance, I am asking the Council to request our Board of Ethics to consider revisions to our rules relating only to direct material non-financial conflicts of interest.

RECOMMENDATION

I recommend that our Board of Ethics be asked to consider whether our ethics rules should be revised to expand their application to direct material conflicts of a non-financial nature.