

Sec. 16-157. - Conflicts resulting in financial gain; outside employment.

(a) Definitions. For the purposes of this section, the following definitions shall apply:

- (1) Conflict of interest means any act in which an elected official, appointed official or appointed employee receives a direct or indirect gain as a result of the exercise of their official responsibilities or as a result of using the position to which they have been elected or appointed. In any case in which a conflict of interest may be present, elected officials, appointed officials and employees appointed by the elected officials should make the circumstances known to the mayor or city council; and all employees appointed by the city manager should make the circumstances known to the city manager for a determination as to whether a conflict of interest does exist.
- (2) Elected officials means those individuals elected to a position as mayor or councilmember.
- (3) Appointed employees means individuals appointed to office by the city manager or his designee, and the city manager and city clerk.
- (4) Immediate family means the same as defined in section 16-105.
- (5) Appointed officials means those individuals appointed by the mayor, city council or any other governmental body or private entity to membership on a city board or commission.

(b) Specific acts creating conflicts. The following acts are deemed to be in conflict with the city's best interest:

- (1) For an elected official, appointed official or appointed employee to give or receive gifts of more than token value which are in any way connected with their service or employment;
- (2) For an elected official, appointed official or appointed employee or any member of their immediate family to benefit personally from any purchase of goods or services or to derive personal gain from any transaction in which they have an influence;
- (3) For an elected official or appointed employee to have any direct or indirect interest in any enterprise doing business with the city except as a shareholder in a publicly-owned company where the amount of shares owned represents ten (10) percent of less of the total outstanding shares;
- (4) For an elected official, appointed official, or appointed employee to loan or to borrow from individuals or concerns that do business with the city, except banks and other financial institutions;
- (5) For an elected official or appointed employee to serve as an officer, director, employee or consultant of, or to receive income from, any enterprise doing business with the city or to seek to do so, except as may be permitted by law.
- (6) For an appointed employee to use or permit others to use city employees, materials or equipment for personal purposes except in accordance with established policies permitting the same;
- (7) For an appointed employee to accept compensation from noncity-related enterprises for services or time for which the employee is being paid by the city;
- (8) For an elected official, appointed official or appointed employee to disclose to any person any information which may be used by the recipient for personal gain unless such information is in the public domain and generally available to others;
- (9) For an appointed employee to accept any outside employment unless the same has been approved by the employee's department head and by the human resources office; in those cases where such employment is similar to or related to the employee's primary job responsibility, such approval must be granted by the city manager;
- (10) For an elected official, appointed official or appointed employee to discuss possible future employment with a person, firm or any other business entity that is dealing with or may reasonably be expected to deal with the city concerning matters within the elected official's, appointed official's or employee's official duties or area of responsibility without disclosing such discussion concerning possible future employment to the city manager in the case of appointed employees or the mayor in cases of elected or appointed officials.
- (11) For an elected official or appointed employee to commit any violation of G.S. § 14-234.

(c) Penalty for violation. Any violation of this section shall be deemed to be a conflict of interest and shall subject such violating employee to dismissal or other disciplinary action by the appointing authority or such legal action as permitted by the appropriate laws or ordinances.

(Code 1967, § 2-79; Ord. No. 0-91-45, § 1, 7-8-91; Ord. No. 0-02-116, §§ 1a—1f, 12-9-02; Ord. No. 0-03-6, § 1, 1-13-03)