

OFFICIAL OATH OF CITY OFFICER

State of Minnesota,)
Counties of Wabasha and Goodhue)ss.
City of Lake City)

I, _____ (your name) DO SOLEMNLY SWEAR (OR AFFIRM), to support the Constitution and the Laws of the United States, and of the State of Minnesota, and the Charter, Ordinances and Policies of the City of Lake City, and to discharge faithfully the duties devolving upon me as _____ (name of commission) of the City of Lake City, to the best of my judgment and ability.

(to be completed by city staff)

I, _____ of the City of Lake City, in the Counties and State aforesaid do hereby certify, that _____, the person whose name is subscribed to the above oath, personally appeared and took and subscribed to the above oath before me this ____ day of _____ 20____.

CITY OF LAKE CITY
POLICY ON CONFLICTS OF INTEREST, INCOMPATIBLE OFFICES, AND GIFTS

1) POLICY STATEMENT:

The City Council of the City of Lake City expects all elected and appointed officials of the City to maintain the highest standards of ethical conduct in order to ensure the public's confidence and respect. The public evaluates its government by the way its elected and appointed officials conduct themselves in the posts to which they were elected or appointed. City officials hold positions of public trust under the scrutiny of public opinion and their actions must be above suspicion. The public deserves elected and appointed officials who maintain the highest ethical principles and avoid misconduct and conflicts of interest, apparent or real. The public has the right to expect that its public officials will conduct themselves in a manner that will preserve public confidence in and respect for the people they serve.

The purpose of this Policy is to establish a code of ethics related to conflicts of interest, gifts, and incompatible offices covering public elected and appointed officials associated with the City of Lake City. This Policy is intended to supplement but not replace any applicable laws governing conflicts of interest, gifts, or incompatible offices.

2) DEFINITIONS:

A. "Public Official" includes all members of the City Council and all appointed members of the City's boards, commissions, and committees.

B. "Immediate Family Member" includes the public official's spouse or domestic partner, parents, children, siblings, father and mother in-law, son and daughter in-law, sister and brother in-law, step children, step siblings, and half-brother and half-sister.

C. "Conflict of Interest" is present when, in the discharge of official duties, a public official participates in a sale, lease, or contract he or she is authorized to make in his or her official capacity in which he or she has a personal financial interest, with certain exceptions that are set forth by law.

D. "Personal Financial Interest" is defined as any interest, including loans, which shall yield, directly or indirectly, a monetary or other material benefit to the public official (other than monetary or material benefits authorized by the City). This may include employment by a company that the City contracts with if the public officer has an ownership interest in the firm, is an officer or director of the firm, receives compensation in the form of commissions, bonuses and not in the form of a salary or hourly wage, is involved in supervising the performance of the contract, or has any other interest in the contract.

E. "Gifts" are defined as the transfer of money, property, favor, services, loans, travel, entertainment, hospitality, or things having any value or promise of future economic benefit. Loans which are not intended to influence official action, and are made in the ordinary course of business at usual and customary terms that include the charging of interest, a repayment

schedule, and security, shall not be considered gifts for the purpose of this Policy. Similarly, transactions made in the ordinary course of business in exchange for reasonable and fair payment shall not be considered gifts for the purpose of this Policy.

3) EXPECTED CONDUCT:

Public officials must put the public interest ahead of their own personal advancement and financial interests, disclose conflicts of interest, and refrain from participating in decisions where a financial interest exists. Public officials must generally avoid actions that might impair independence of judgment or give the appearance of impropriety or a conflict of interest, even if a true conflict of interest under the law does not exist. Public officials must not use their position to gain privileges or special treatment. Public officials must avoid any situation that might give rise to or even suggest the potential for a conflict of interest.

4) CONFLICT OF INTEREST IN CONTRACTS:

Generally, public “officers” may not have a personal financial interest in a sale, lease, or contract they are authorized to make in their official capacity, unless otherwise excepted by law. Minn. Stat. § 471.87. All kinds of contracts for goods and services are included (including formal and informal, written and unwritten) and the prohibition applies not only when the City is the buyer but also when the City is the seller.

A “public officer” includes the Mayor and any council member. In some circumstances, the designation may also include appointed officials and City employees who are able to influence contracting decisions. Op. Atty Gen. 470 (June 9, 1967). In these cases, the public official must resign if the City Attorney finds that there is a conflict of interest. Simply abstaining from voting on the contract is not sufficient because any contract made in violation of the conflict of interest law is generally void.

Exceptions to this prohibition are primarily set forth in Minnesota Statutes Section 471.88 and include, but are not limited to

- Designations of banks or savings association that a city officer has an interest in as an authorized depository for public funds and as a source of borrowing (Minn. Stat. § 471.88, subd. 2)
- Designation of an official newspaper (or publish official notices in) a newspaper in which a city officer has an interest (applies only if the interested officer’s newspaper is the only qualified newspaper available)(Minn. Stat. §§ 471.88, subd. 3 and 331A.04)
- A contract with a cooperative association of which the city officer is a shareholder or stockholder (applies only if the city officer is not an officer or manager of the association)(Minn. Stat. § 471.88, subd. 4)
- Contracts where competitive bidding is not required (such as contracts for

professional services)(Minn. Stat. § 471.88, subd. 5)

- Renting of space in a public facility to a public officer at a rate equal to that paid by a other members of the public (Minn. Stat. § 471.88, subd. 13)
- Franchise agreements or contracts for utility services to the city where a council member is an employee of the utility (Minn. Stat. § 471.88, subd. 15)
- Accepting state or federal grants which may benefit a public officer (Minn. Stat. § 471.88, subd. 17)
- Certain exceptions that are applicable to EDA members

Most of the exceptions require that a certain procedure be followed. Therefore, it is imperative that the public official inform the City Administrator of the potential conflict of interest even if he or she firmly believes that an exception applies.

5) **CONFLICTS OF INTEREST IN OTHER MATTERS:**

Any public official who has a disqualifying personal interest in an official non-contractual matter is disqualified from participating in the action. Examples of official non-contractual matters where a public official would have a disqualifying interest include a determination of a council member's residency, appointments to non-elective positions, and land use applications affecting the public official's property. The following factors will be examined by the City Attorney in order to determine whether or not the official has a disqualifying interest:

- The nature of the decision
- The nature of the financial decision
- The number of interested officials
- The need for interested officials to make the decision
- Other means available – opportunity for review

Public officials are generally prohibited from purchasing City-owned property from the City. Minn. Stat. § 15.054. This does not apply to the sale of items acquired or produced for sale to the general public in the ordinary course of business.

6) **DISCLOSURE OF CONFLICTS OR POTENTIAL CONFLICTS:**

A public official must disclose any potential conflict of interest as soon as he or she becomes aware of it to the City Administrator. The City Administrator will consult with the City Attorney in order to determine whether there is a conflict and whether any action must be taken by the public official or procedures followed. An opinion will be rendered by the City Attorney and the public official will be notified by the City Administrator of the City Attorney's opinion and any course of action that should be taken, which may include, but is not limited to resignation, abstaining or the public official removing him or herself from any discussion or vote on the matter involving the conflict of interest, disclosing the conflict to the City Council or

board or commission. The City Attorney's opinion may also be provided to the City Council and the affected board or commission if deemed necessary by the City Administrator and City Attorney.

If a public official becomes aware of a conflict during a meeting of the City Council or any of the City's boards or commissions, the official must immediately disclose the conflict orally to the body. If at all possible, the City Attorney will be contacted and asked to render an opinion on the matter so that the proper course of action can be followed.

7) EMPLOYMENT/APPOINTMENT OF FAMILY MEMBERS/INCOMPTABLE OFFICES:

No public official shall vote on the approval of the hiring of his or her immediate family member for any type of City employment including, but not limited to, full-time employment, part-time employment, contractual employment, or appointment to any board or commission. The Mayor may recommend the appointment of his or her immediate family member and may participate in the discussion, but he or she must excuse him/herself from voting on the matter. Furthermore, public officials must abstain from participating in discussions, deliberations, and voting on a City contract in which the public official's immediate family member has a personal or financial interest.

Pursuant to the City Charter, no member of the City Council shall hold any other paid City office or employment under the City. No former member of the City Council may hold any paid appointive City office or employment for which the office or employment was created or the compensation of which were increased during the member's term as a council member.

8) GIFTS:

No public official shall accept or solicit a gift from an interested person. An "interested person" is a person or representative of a person or association that has a direct financial interest in a decision that a public official is authorized to make. This includes anyone who may provide goods or services to the City such as engineers, attorneys, financial advisors, contractors, and salespersons. It also includes residents and persons doing business in the City if they have a direct financial interest in a decision that the public official is authorized to make (such as a special assessment or a land use decision).

However, the following types of gifts are permitted:

- Lawful campaign contributions
- Services to assist an official in the performance of his or her official duties (such as providing advice, consultation, information, and communication in connection with legislation and services to constituents)
- Services of insignificant monetary value
- A plaque or similar memento (when given in recognition of individual services in a field of specialty or to a charitable cause)
- A trinket or memento costing \$5.00 or less

- Informational material of unexceptional value
- Food or beverage given at a reception, meal, or meeting (provided that the recipient is making a speech or answering questions as part of a program that is located away from the recipient's place of work)
- Gifts between family members (the gift may not be given on behalf of someone who is not a member of the family)
- Food or beverages given to national or multi-state conference attendees (provided that a majority of dues paid to the organization is paid from public funds and an equivalent gift is offered to all other attendees).

9) **ENFORCEMENT:**

A public official who violates the conflict of interest law is guilty of a gross misdemeanor and can be fined up to \$3000 and imprisoned up to one year. In addition, a violation of this Policy may be grounds for admonishment, sanction, removal, or such other action deemed appropriate under the circumstances.

**CITY OF LAKE CITY
POLICY ON CONFLICTS OF INTEREST
ANNUAL REPORTING FORM**

To: City Administrator, Council and Mayor

Date: _____

CONFLICTS OF INTEREST DISCLOSURE

I have read the current City of Lake City Policy on Conflicts of Interest.

There are no Conflicts of Interest or Potential Conflicts that involve me or my Immediate Family Members which may violate this policy, other than the following: (if none, write none):

In accordance with the Policy on Conflicts of Interest, I will promptly notify the City Administrator and others of any conflict of Interest or Potential Conflicts that involve me or any Immediate Family Member.

Printed name of Public Official

Signature of Public Official

Date Signed

RELEASE OF INFORMATION

CITY OF LAKE CITY

Please be advised that the following information that was requested from you by the City of Lake City for your application to be appointed to one of the City's board or commissions is public data pursuant to Minnesota Statutes Section 13.601, subdivision 3(a): name, city of residence (except when the appointment has a residency requirement that requires the entire address to be public); education and training, employment history, volunteer work, awards and honors, prior governmental service, and veteran status.

Since you were appointed, the following additional items are required to be public pursuant to Minnesota Statutes Section 13.601, subdivision 3(b): residential address and either a telephone number or electronic mail address where you can be reached or both at your request.

Please provide the following information:

Home Address: _____

I authorize at least one of the following to be classified as public data:
(Please complete BOTH and check at least one item to be listed as public data)

_____ **Telephone Number:** _____

_____ **Email Address:** _____

I _____, understand that my home address and either a telephone number or electronic mail address where I can be reached (or both at my request) are public data as an appointed official of the City of Lake City. This authorization shall be valid for the period of my term.

Signature

Date Signed

Do you wish to have your email address listed on the City website? ____ Yes ____ No
If your email address you wish to have used on the City website is different from the one you listed above, please list it below:

City of Lake City

Code of Conduct

Purpose.

The city council of the City of Lake City determines that a code of conduct for its members, as well as the members of the various boards and commissions of the City of Lake City, is essential for the public affairs of the city. By eliminating conflicts of interest and providing standards for conduct in city matters, the city council hopes to promote the faith and confidence of the citizens of Lake City in their government and to encourage its citizens to serve on its council and commissions.

Standards of Conduct.

Subd. 1. No member of the city council or a city board or commission shall knowingly:

- a. Violate the open meeting law.
- b. Participate in a matter that affects the person's financial interests or those of a business with which the person is associated, unless the effect on the person or business is no greater than on other members of the same business classification, profession, or occupation.
- c. Use the person's public position to secure special privileges or exemptions for the person or for others.
- d. Use the person's public position to solicit personal gifts or favors.
- e. Use the person's public position for personal gain.
- f. Except as specifically permitted pursuant to Minn. Stat. 471.895, accept or receive any gift of substance, whether in the form of money, services, loan, travel, entertainment, hospitality, promise, or any other form, under circumstances in which it could be reasonably expected to influence the person, the person's performance of official action, or be intended as a reward for the person's official action.
- g. Disclose to the public, or use for the person's or another person's personal gain, information that was gained by reason of the person's public position if the information was not public data or was discussed at a closed session of the city council.
- h. Disclose information that was received, discussed, or decided in conference with the city's legal counsel that is protected by the attorney-client privilege unless a majority of the city council has authorized the disclosure.
- i. Represent private interests before the city council or any city committee, board, commission or agency.

Subd. 2. Except as prohibited by the provisions of Minn. Stat Sec. 471.87, there is no violation of subdivision 1 b. of this section for a matter that comes before the council, board, or commission if the member of the council, board, or commission publicly discloses the circumstances that would violate these standards and refrains from participating in the discussion and vote on the matter. Nothing herein shall be construed to prohibit a contract with a member of the city council under the circumstances described under Minn. Stat. Sec. 471.88, if proper statutory procedures are followed.

Complaint, Hearing.

Any person may file a written complaint with the city clerk alleging a violation of the standards of conduct in section entitled "Standards of Conduct. The complaint must contain supporting facts for the allegation, and must be signed by the author. The city council may hold a hearing after receiving the written complaint or upon the council's own volition. A hearing may be held only if the city council determines (1) upon advice of the city attorney, designee, or other attorney appointed by the council, that the factual allegations state a sufficient claim of a violation of these standards or rise to the level of a legally-recognized conflict of interest, and (2) that the complaint has been lodged in good faith and not for impermissible purposes such as delay. The city council's determination must be made within 30 days of the filing of the allegation with the city clerk. If the council determines that there is an adequate justification for holding a hearing, the hearing must be held within 30 days of the city council's determination. At the hearing, the person accused must have the opportunity to be heard. If after the hearing, the council finds that a violation of a standard has occurred or does exist, the council may censure the person as per City Charter Section 2.09 Censure of the Mayor or any other Member of the City Council, refer the matter for criminal prosecution, request an official not to participate in a decision, or remove an appointed member of an advisory board or commission from office.

**CITY OF LAKE CITY
CODE OF CONDUCT
ACKNOWLEDGEMENT PAGE**

To: City Administrator, Council and Mayor

Date: _____

CODE OF CONDUCT

I have read the current City of Lake City Code of Conduct and acknowledge its contents.

Printed Name

Signature

Date Signed