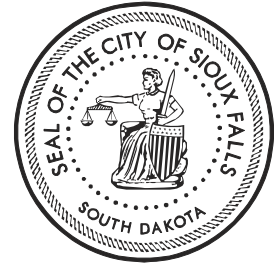


Minutes

Monday, May 21, 2007



Public Services Committee 3:00 p.m. – 3:50 p.m.
Carnegie Town Hall
235 West Tenth Street

Members Present: De Knudson and Kermit Stagers and J. Pat Costello (at 3:08 p.m.)

Staff Present: City Clerk, Debra A. Owen and Assistant City Clerk, Tamara M. Jorgensen

Guests: Georgia Hanson, Jonathan Ellis, Argus Leader, Rich Oksol (at 3:14 p.m.)
and Dick Gregerson (at 3:20 p.m.)

1. Call To Order

- Council Chair Stagers called the meeting to order at 3:00 p.m.

2. Approval of Minutes from 05/14/07 Meeting

- Committee Member Knudson distributed the Minutes from the May 7, 2007 Public Services Committee Meeting with suggested updates. The updates were grammatical.
- Discussion was held regarding the timeslot for future meetings. A Council member had expressed a desire for the Committee to meet later in the day so citizens and Council members who work between 8:00 a.m. and 5:00 p.m. could attend; it was determined that this time slot would work better for continuity of the existing members. The next meeting is scheduled for Monday, June 4, 2007, at 3:00 p.m.
- The 05/14/07 Committee Meeting Minutes were not approved at this time.

3. Campaign Finance Ordinance Objectives

- Short discussion on the idea of adopting objectives for the committee to work on to guide this process.
- Ms. Owen discussed having specific objectives to follow for future meetings. These incremental steps could be used to set up and implement accomplishments and goals. Suggestions for campaign finance ordinance objectives are:
 - Need clear definitions as to who and what needs to be reported regarding campaign finance.
 - Need to adjust the campaign contribution limits.
 - Need to require initiative and referendum circulators to register with the City Clerk's office before circulating the petition.
 - Need to require year end reporting for incumbent candidates.
 - Need to give adequate authority to enforce finance laws.

***The next Public Services Committee Meeting is scheduled for
Monday, June 4, 2007, at 3:00 p.m. at the Carnegie Town Hall.***

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- Ms. Knudson stated that she would like to thoroughly review what we have on the books right now and make any necessary changes to provide for total transparency and full public disclosure.
- No action taken on the proposed objectives.
- Ms. Knudson wanted an opportunity to give more detail from the May 14th Meeting where she indicated that Mayor Munson had expressed a need for a definition on the 48 hour stipulation. She stated that the Mayor also was wondering if there could be clarification on when the 48 hours begins, was it upon receipt or when mailed? What if the money was collected over the weekend?
- Ms. Knudson had a recent telephone conversation with former Council Member Darrin Smith and she had requested input from him regarding the current campaign finance reporting procedures. Mr. Smith's remarks and suggestions are as follows:
 - Mr. Smith felt that after the 2002 Election that some of the changes to the current ordinance were kind of rushed, even though the intentions were good. He wonders about the intent to run form – what does 'intent to run' mean. He thinks there needs to be some provisions made for when a candidate has not yet decided to run and is checking out the possibilities – examples: when a candidate is doing the 'exploratory stuff' such as registering a domain site in advance or speaking to a pollster.
 - Is monthly reporting necessary when a candidate is 'just thinking' about running;
 - 'self employed' portion of the form needs to be strictly enforced.
- Ms. Owen explained that even if a candidate is self-employed, they need to state the location of the self-employment. Ms. Owen explained that in years past "self-employed" was used by casino owners. In April the City Clerk's Office had reports amended when the entry stated "self-employed." Now if a contribution comes from someone who is "self-employed" they need to state the name of the business and the address.
- Ms. Knudson stated the Clerk's office needs to continue to scrutinize campaign reports.
 - (Mr. Smith) As long as the public knows several months out that you are starting to run for office, then you should have to do a monthly report. With our elections being held in April, Mr. Smith clearly believes that mandatory reporting should be held in January, February, March, April and May to capture all the revenue and spending at that point.
- PAC reporting was discussed. Even when you have a PAC, you need to file the reports.
- Ms. Owen indicated that the City Clerks Office required PAC's to file reports in the last annual election. PAC reports were required to show where they received their revenues and who the PAC gave that money too (regarding the City election.)
- Ms. Owen explained PAC reporting is required on a local level because there were some people who were quite savvy regarding PAC reporting procedures and knew that if they had a PAC (who only contributed to a local race) then they did not have to file with the state. When this happens, then the public never has full disclosure or a record of where that money is coming from and that the dollar amounts are unlimited. The City Clerk's Office has worked diligently to make PAC reporting unburdensome.
- Ms. Owen stated that it may be a good idea to hear from Councilors who were involved with the 2002 ordinance revision. Current committee members were not in office when the ordinance

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was revised in 2002. It may be helpful to hear their legislative intent when revising this ordinance.

- Committee Member Staggars asked if it was redundant to have reports to both the State and to the City. Ms. Owen explained that the reporting periods are different for the state and the city because the election cycles are different.
- Committee Member Costello wanted to know if we were to remove the campaign reporting limits for individuals for the city elections, are there state laws that would be effected. Ms. Owen explained that the City is bound by state law unless the City Council adopts an ordinance that stipulates otherwise.
- Section 12:25 applies to state wide elections but does not apply to us where the ordinances have amended the chapter. Section 14:40 of City ordinances applies where amended. Mr. Staggars suggested throwing out sections of 12:25 for our election finance rules but Ms. Owen stated that there are a lot of very good provisions of law in that chapter that the City utilizes now. Right now, 12:25 will stand unless the City Council decides to amend the contributions under a different level.
- Discussion was held regarding when the reporting period should start for candidates. Since the City elections are in 'even' numbered years, Ms. Owen suggested that the reporting period start on December 31st of the previous year with monthly reports to follow on the last day of the following months: January, February, and March. The Friday before the Election would also be a reporting day with the intention of submitting the reports to the media and the websites for access by the citizens. The Committee decided that noon would be the cutoff time for the received reports.
- It was suggested that post election reports should be received the last day of May and the last day of June, but the committee did not make a conclusion regarding post-election reports.
- All financial reports would include both revenue and expenses.
- The committee will try to determine a way to close any loopholes regarding what is the 'Notice of Intent' by more closely defining what a candidate is. Some parts of this ordinance are gray areas and need to be amended.

Ms. Knudson stated she had received an email from Kevin Kavanaugh regarding campaign finance laws and the following email was added to the records:

De:

You asked for council input on the proposed changes to the city's campaign finance laws, and I would direct your attention to the editorial in today's Argus Leader for a start. I think they hit the nail on the head when they correctly reminded us of the reason for all of this in the first place.. and I believe your committee needs to focus on what went wrong and how you avoid it going forward.

With that, I offer the committee the following advice:

1 -- We must insist on total transparency with regard to financing our campaigns. Who, what, when and how much should be easily accessible by any interested citizen *in a timely manner*. It's the only way a voter will know before he goes to the voting booth.

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2 -- The city attorney cannot be expected to enforce the ordinance. If the mayor who appointed you or a councilor who confirmed you is violating our finance laws, would you lead the charge to prosecute? There must be a mechanism in our ordinance that triggers an automatic referral of the case to the state's attorney for investigation, and if necessary, prosecution.

Kevin

- No discussion occurred concerning Councilor Kavanaugh's email.
- Discussion was held regarding the yearly change of committee members and leaders that occurs in July of each year. Ms. Owen stated she would like to see this change over handled later in the year as to keep the committees together through the budget processes. This will be discussed with Council leadership.

4. Next Meeting: Monday, June 4, 2007 at 3:00 p.m.

5. Adjournment at 3:50 p.m.