

**OPEN SESSION**  
**MINUTES OF THE MEETING OF THE**  
**NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION**  
**Friday, August 17, 2018**  
**State Capitol, Room 1510**  
**Lincoln, Nebraska**

**Call to Order** – Commissioner Enenbach called the meeting to order at 9:00 a.m. and announced the location in the meeting room of a copy of the Public Meetings Law.

Roll Call –

Marty Callahan - Present  
Tom Carlson – Present  
Jeffery Davis - Present  
Matthew Enenbach – Present  
John Gale – Present  
Douglas Hegarty - Excused  
Andrew Loudon - Present  
Jeffery Peetz – Present  
Kate Sullivan – Present

**Approval of the Open Session Minutes of the June 1, 2018 Meeting** – Commissioner Enenbach referred the Commissioners to their copies of the Open Session minutes of the previous meeting.

**Motion by Gale, second by Peetz, that the Open Session Minutes of the June 1, 2018 meeting be approved as presented** - Roll Call Vote: Commissioners Callahan, Carlson, Davis, Enenbach, Gale, Loudon, Peetz and Sullivan voted yes. Motion carried (8-0-0).

**Report on late filing fees and requests for relief: Carpenters Interior Systems LU #1306, Juan Alvarado** - Executive Director Daley noted that Mr. Juan Alvarado of Carpenters Interior Systems Local Union #1306 was not present. Mr. Daley continued that Carpenters Interior Systems had requested that the Commission reconsider its request for relief from six late filing fees in the total amount of \$2,775.00. Several of the filings disclosed contributions of \$5,000 or more. These factors made the union ineligible for relief.

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Discussion followed.

**Motion by Davis, second by Sullivan, that the Commission deny the request for relief from late filing fees by Carpenters Interior Systems LU #1306** - Roll Call Vote: Commissioners Callahan, Carlson, Davis, Enenbach, Gale, Loudon, Peetz, and Sullivan voted yes. Motion carried (8-0-0).

**Report on late filing fees and requests for relief: HR Systems, Doug Pedersen** – The Executive Director indicated that this issue involves three contributions made in 2017 by HR Systems, Inc. to the Douglas County Republican Party. The contributions came to the attention of the NADC when the Douglas County Republican Party filed its annual campaign statement. Mr. Daley indicated that HR Systems was notified by letter on April 17<sup>th</sup> of the obligation to file. All three filings were received on April 23, 2018.

Doug Pedersen, owner of HR Systems, addressed the Commission.

Discussion followed.

**Motion by Loudon, second by Davis, that the Commission grant relief and reduce the late filing fees from \$750 to zero** - Roll Call Vote: Commissioners Callahan, Davis, Enenbach, Gale, Loudon, Peetz, and Sullivan voted yes. Commissioner Carlson voted no. Motion carried (7-1-0).

**Executive Director's Report (includes personnel activity, budget status, budget process and litigation status)** – The Executive Director indicated that the Commission's Deputy Director Mark Hinman announced that he would be retiring in November. Executive Director Daley noted that Hinman has served with the Commission since 1990. Prior to his service with the Commission, he worked for five years with the Auditor of Public Accounts.

The Executive Director indicated the budget would be covered as a separate agenda item.

Executive Director Daley reported that indicated that a lawsuit has been filed by Mr. Robert Van Valkenburg against Secretary of State, John Gale and Daley. The lawsuit seeks to require that Legislative candidate Matthew Hansen be stricken from the November ballot. Mr. Van Valkenburg is Mr. Hansen's opponent in the election. The Executive Director explained that Van Valkenburg alleges that Hansen's Statement of Financial Interests was legally insufficient. Mr. Daley stated his belief that Hansen's statement was timely filed and included everything required by statute.

Discussion followed.

**Consideration and action on proposed Resolution #18-01, Modification of the filing dates for the 2019 Lincoln City Election** - Executive Director Daley indicated that the proposed Resolution would modify the filing dates for campaign statements for the 2019 Lincoln City Elections. The NPADA assumes that a Primary Election will occur in May and a General Election will occur in November. However, Omaha and Lincoln are charter cities may set their own election dates. Lincoln's 2019 Primary date is April 9 and its General Election date is May 7<sup>th</sup>. The Executive Director pointed out that if the statutory schedule is followed, the reporting periods for campaign statements would overlap. Mr. Daley recommended that the Commission modify the filing dates pursuant to its statutory authority found in §49-14,129. He noted that the Commission has taken this action for the past 30 years.

**Motion by Sullivan, second by Peetz, that the Commission adopt the Resolution #18-01** - Roll Call Vote: Commissioners Callahan, Carlson, Davis, Enenbach, Gale, Loudon, Peetz, and Sullivan voted yes. Motion carried (8-0-0).

**Consideration and action on proposed request for Attorney General's Opinion regarding the provisions of §84-305 and §84-305.01, Revised Neb. Statutes** – The Executive Director proposed that the Commission authorize the staff to seek an Attorney General's Opinion on the issue of confidentiality. He explained there are several provisions within the NPADA that make the investigation and hearing process confidential. Other provisions in the NPADA make it a criminal offense for a Commissioner or staff member to disclose confidential matters. Recently, the provisions §84-305 came to the attention of the Commission staff. It provides that the Auditor of Public Accounts shall have access to any and all information, confidential or otherwise, held by a state agency. Mr. Daley further indicated that §84-305.01 provides that anyone who fails to comply with Section 84-305 shall be guilty of a Class II misdemeanor. Thus, disclosing the information may be a Class III misdemeanor under the NPADA, while failure to disclose the information may be a Class II misdemeanor pursuant to §84-305.01. According to Daley, the goal is to insure that the Commission staff has a legal basis for providing the information without risking criminal charges. He noted that there are no current pending requests from the Auditor of Public Accounts for information deemed confidential by the Commission.

Russ Karpisek, Legislative Liaison for the Nebraska Auditor of Public Accounts addressed the Commission. He stated that the Auditor of Public Accounts did not object to the request for the opinion.

Discussion followed.

**Motion by Peetz, second by Callahan, that the Commission direct the staff to seek an Attorney General's opinion** – Roll Call Vote: Commissioners

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Callahan, Carlson, Davis, Enenbach, Gale, Loudon, Peetz, and Sullivan voted yes. Motion carried (8-0-0).

**Consideration and action on proposed budget for the upcoming Biennium (FY20/21)** – Executive Director Daley stated that the matter before the Commission is to examine the proposed budget for the upcoming biennium which includes fiscal years 2019/2020 and 2020/2021. After consideration, the Commission may either approve the proposed budget as submitted or give direction to the staff as to modifications. Daley stated that Deputy Director Mark Hinman prepared the budget pursuant to budget instructions issued by the Budget Division of the Department of Administrative Services. Daley described the budget process, the Personal Services Limitation (PSL), and the agency funding from the State’s General Fund and the NADC Cash Fund, He also addressed the concept of the modification budget.

Deputy Director Mark Hinman addressed the Commission and provided information on certain aspects of the budget.

Discussion followed.

**Motion by Peetz, second by Sullivan, that the Commission approve the upcoming biennium proposed budget** - Roll Call Vote: Commissioners Callahan, Carlson, Davis, Enenbach, Gale, Loudon, Peetz, and Sullivan voted yes. Motion carried (8-0-0).

**Report of Conflicts Committee** – Commissioner Enenbach indicated that there was nothing to report.

**Report of Executive Committee** – Commissioner Enenbach indicated that there are no issues to report at this time.

**Closed Session - Motion by Davis, second by Peetz, that the NADC go into Closed Session pursuant to the confidentiality provisions of the NPADA** - Roll Call Vote: Commissioners Callahan, Carlson, Davis, Enenbach, Gale, Loudon, Peetz, and Sullivan voted yes. Motion carried (8-0-0).

The NADC went into Closed Session at 9:51 a.m.

The NADC returned to Open Session at 10:26 a.m.

**Action on or Announcement of Closed Session matters** - Executive Director Daley reported that in the matter of David Gutshall case #18-03 the parties entered into a settlement agreement by which, the Commission dismissed the matter against David Gutshall. By the agreement, Mr. Gutshall will pay the sum of \$125 to Stanton County in reimbursement for the use of heavy equipment and

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equipment operator. The Commission approved the settlement agreement with eight Commissioners concurring, none dissenting and none abstaining.

**Adjournment – Motion by Peetz, second by Sullivan, that the NADC adjourn.** Roll Call Vote: Commissioners Callahan, Carlson, Davis, Enenbach, Gale, Loudon, Peetz and Sullivan voted yes. Motion carried (8-0-0).

Chairman Enenbach declared the meeting adjourned at 10:28 a.m.