

First Reading: February 16, 2025  
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Publication: March 25<sup>th</sup> & 26<sup>th</sup>, 2025  
Effective: March 27, 2025

## CHAPTER XX

### CITY OF NEGAUNEE CODE OF ETHICAL STANDARDS OF CONDUCT ORDINANCE

AN ORDINANCE TO ADD CHAPTER \_\_\_\_: ETHICS TO CHAPTER \_\_\_\_ OF THE NEGAUNEE CODE OF ORDINANCES ESTABLISHING A CODE OF ETHICAL STANDARDS OF CONDUCT FOR ELECTED AND APPOINTED PUBLIC OFFICIALS OF THE CITY OF NEGAUNEE WHETHER COMPENSATED OR NOT AND TO PRESCRIBE PENALTIES FOR VIOLATIONS.

THE CITY OF NEGAUNEE ORDAINS:

#### **XX.10. TITLE.**

This Ordinance shall add Chapter \_\_\_\_\_ to \_\_\_\_\_ of the City Code of Ordinances and shall be titled Ethical Standards of Conduct.

#### **XX.20. INTERPRETATION.**

This Chapter shall establish ethical standards of conduct for elected and appointed officials of the City of Negaunee whether compensated or not.

#### **XX.30. SEVERABILITY.**

If any provision or section of this Ordinance may later be amended or its application to any person or circumstance be held invalid, the invalidity does not affect other provisions that can be given effect without the invalid provisions or applications.

#### **XX.40. REFERENCE TO OTHER SECTIONS.**

This Ordinance and any sections or parts of this Ordinance, take precedence over other sections of this code. The Negaunee City Council automatically amends affected sections of this code upon proper adoption, from time to time, of subsequent amendments.

#### **XX.50. PUBLIC POLICY DECLARATION.**

It is hereby declared to be the standard of ethical service to the City of Negaunee that all officials avoid conflicts between their private interests and those of the general public whom they serve. To enhance the faith of the people and to assure the integrity and impartiality of all officials

of the City, it is necessary that adequate guidelines be provided for separating their roles as private citizens from their roles as public servants. Elected and appointed officials, whether compensated or not, serve the public trust and any effort to realize personal gain through official conduct is a violation of that trust. The ethical standards established herein are intended to eliminate to the fullest extent possible violations of ethical conduct and to ensure that such are investigated and punished where applicable.

**XX.60. DEFINITIONS.**

As used in this Ordinance, the following words and phrases shall have the following meanings:

APPOINTED means selected and installed in an office or position

ASSOCIATED means the condition of being an owner, partner, member, part-owner, employee, limited partner, stockholder, director, lender, borrower, or having a financial interest in.

BENEFICIARY means a person or entity receiving a benefit.

BUSINESS means commercial or industrial enterprise or commercial establishment, store, work, employment, profession of an individual or group.

CANDIDATE means someone who seeks or who has been proposed for an office, position, or award.

CITY means the City of Negaunee.

CITY EMPLOYEE means an employee of the City of Negaunee whether full or part-time, contract or hired.

CITY FUNDS means any funds, money, or monetary rights owned by the City, or under City control in a fiduciary or representative capacity.

CITY PERSONNEL mean individuals working for the City of Negaunee as employees for wages, salary or other agreed benefits.

CITY PROPERTY means anything tangible or intangible including rights, owned by the City or under the control of the City in fiduciary or representative capacity.

COMPENSATION means money, property, thing of value or benefit conferred upon or received by any person or sought for any person in return for services rendered for or to be rendered to himself/herself or another.

CONFLICT OF INTEREST means an interest that competes with or is adverse to a legitimate interest of the City, whether monetary or not.

CONSIDERATION means something given or promised in exchange for something else, tangible or intangible, including promises.

CONTRACTS means agreements or mutual understandings supported by present or future consideration.

CONTRIBUTION means money or aid given another.

COUNCIL means the City Council of the City of Negaunee.

DECISION MAKING means exercising public power to adopt laws, regulations or standards, render decisions, establish policy, determine questions of discretion.

DURING THE COURSE OF CITY BUSINESS means while planning, working on, reporting on, or carrying out the affairs of the City whether for compensation or not.

DUTY OF CARE means exercising power, trust, authority or decision making as a prudent person would exercise; not acting on a direct conflict of interest or a potential conflict of interest to self-benefit or the benefit of another.

ELECTED means chosen by the eligible voters of the City following a formal ballot.

ELECTED/APPOINTED OFFICIAL means any person seeking to hold, elected or appointed to, a position on the Negaunee City Council.

EMPLOYEE means a person working for the City for wages, salary, or other benefits and under the control and supervision of the City as to hours, work standards, and rules of work, etc.

EXCHANGE means to give in return.

EXPECTATION means looking forward to something; a looking forward as due.

FAVOR means an unfair partiality; an obliging act.

FINANCIAL GAIN means an increase or an expected increase in monetary or material wealth or earnings.

GAIN means an increase in power, advantage, wealth, possessions, earnings, means something of value given without recompense.

IMMEDIATE FAMILY means a spouse, child or step-child, mother, father, step-parents, grandparents, step-grandparents, brothers, sisters, step-brothers or sisters, or in-laws of any kind.

INFLUENCE means the power of persons or things to influence others.

MEMBER means any of the persons constituting an organization or group.

MORAL TURPITUDE means a baseness; vileness or depravity; conduct contrary to honesty, justice or good morals.

OFFICIAL CONDUCT means action or inaction by an officer or employee acting on behalf of the City.

OFFICIAL DUTY/OFFICIAL ACTION means a decision, action, recommendation, approval, disapproval or other action or failure to action which involves the use of power, trust, decision making, or authority, or with moral turpitude.

OTHER PERSONS/ANYONE ELSE means members of one's immediate family or individual persons, or businesses, entities, associations, or groups.

PERSONAL GAIN means an advantage or increase in wealth, possessions, power or other benefits for an individual or on behalf of another individual.

POTENTIAL CONFLICT OF INTEREST means a situation whereby the interests of the City and the interests of someone else will, may, or might become in conflict in the ordinary course of events.

PROMISE means an agreement to do or not do something.

REWARD means something given for something done.

RULES OF ETHICAL CONDUCT means the provisions of this Ordinance.

SOLICIT means to ask or seek; often earnestly; to entice another to do something.

## **XX.70. STANDARDS OF CONDUCT.**

The City's integrity rests solidly on the foundation of several general rules of ethical behavior. These rules form fundamental values to be understood and honored by all.

### **1. Principles.**

The City expects elected or appointed officials to be honest, to tell the truth, and to 'play by the rules'. The City expects its elected or appointed officials to be aware the first small step taken that undermines one's integrity or the integrity of the City usually leads to another and another. In a short time, without having done anything major, integrity is compromised.

### **2. Honesty.**

The City expects its elected or appointed officials to not misrepresent situations, to not steal from the City, not falsify records, or misuse City property, equipment, supplies or assets for personal or financial gain or benefit, or for the gain or benefit of others.

**3. Fairness.**

The City expects its elected or appointed officials to treat each other and everyone else with evenhandedness, fairness and sincerity.

**4. Perception.**

The City expects elected or appointed officials to act in such a way as to create the perception that he, she, and the City are acting fairly, honestly, and evenhandedly without partiality, favoritism, or dishonesty. The City expects elected or appointed officials to avoid the appearance of impropriety, that behavior which suggests he, she or the City is acting questionably.

**5. Letter of Law, Intent and Spirit of the Law.**

The City expects its elected or appointed officials to follow the letter of the law, and honor the intent and spirit of the law, including Federal, State and local laws.

**6. Direction and Suggestion.**

The City expects its elected or appointed officials to understand that no improper action is made proper because a higher officer, official or employee might have directed or suggested the action, or the higher officer, official or employee themselves engaged in improper action.

**7. Gray Areas.**

Recognizing that there are times when elected or appointed officials confront situations where there are two (2) or more legitimate points of view, where there is no clear right or wrong answer, and that past practices have given way to new practices. It is in these situations the City expects its elected or appointed officials to be particularly careful and give thorough examination and thought before taking action or making decisions.

**XX.80. PROHIBITED ACTS.**

The following acts, actions, inactions, and attempted acts and actions constitute a violation of the ethical standards of conduct for elected or appointed officials. These include, but are not necessarily limited to these specific references but, rather, are intended as providing examples of actions and inactions that are prohibited by this Ordinance.

**1. Gratuities.**

No elected or appointed official of the City shall solicit, accept or receive, directly or indirectly, any gift, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise, or in any other form, under circumstances in which it can reasonably be inferred that the gift is intended to influence him or her in the performance of their official duty/duties or is intended as a reward for any official action on their part.

**2. Preferential Treatment.**

No elected or appointed official of the City shall use or attempt to use their official position to unreasonably secure, request or grant, any privileges, exemptions, advantages, contracts, or preferential treatment for themselves or others.

**3. Use of Information.**

A. No elected or appointed official of the City who acquires information in the course of their official duties, which information by law or policy is not available at the time to the general public, shall use such information to further the private interests of themselves or anyone else.

B. No elected or appointed official of the City shall obtain or use City records, documents, communications, or others written or electronic records of the City or those under the control of the City to further the private interests of themselves or anyone else.

C. No elected or appointed official of the City shall use their position to obtain information records, which information or records by law or policy is not available at the time to the general public without requesting such information or records through the methods granted by the Freedom of Information Act.

**4. Full Disclosure.**

No elected or appointed official of the City shall participate, as an agent or representative of the City, in approving or disapproving, voting, abstaining from voting, recommending, or otherwise acting upon any matter in which he or she has a direct or indirect interest without disclosing the full nature and extent of their interest. Such a disclosure must be made before the time to perform their duty or concurrently with that performance. If the elected or appointed official is a member of a decision making or advisory body, the disclosure must be made to the Chairman and other members of the body on the official record. Otherwise, a disclosure would be appropriately addressed by an appointed officer or employee to the supervisory head of the organization, or by an elected officer to the general public.

**5. Use of City Property.**

No elected or appointed official of the City shall, directly or indirectly, make use of or permit others to make use of City property, equipment, vehicles, or supplies of any kind primarily for personal gain.

## **6. Other Prohibited Conduct.**

No elected or appointed official shall engage in any of the practices described below in list form. The following acts, actions, inactions, and attempted acts and actions constitute a violation of the ethical standards of conduct for elected or appointed official. These include but are not necessarily limited to these specific references but, rather, are intended as providing examples of actions and inactions that are prohibited by this Ordinance, if not the Charter and labor agreements. They include:

- I. Impeding government operations and/or violating federal, state and/or local laws.
- II. Affecting adversely the confidence of the public in the integrity of the City.
- III. Interfering on behalf of an employee or a member of one's immediate family.
- IV. Divulging confidential information.
- V. Misusing City personnel resources, property, funds or assets for personal gain or the gain of others.
- VI. Representing his or her individual opinion as that of the City.
- VII. Violating labor agreements between the City and its employees.
- VIII. Violating policies adopted by the City Council.
- IX. Engaging in a business transaction that cause the candidate, officer, official or employee to derive a personal gain.
- X. Engaging in employment or rendering services that are incompatible or in conflict with the discharge of his or her official duties.
- XI. Offering a candidate, officer, official or employee of the City a gift, loan, contribution, reward or promise based on agreement, promise, or expectation that the vote, decision making or action of the candidate, officer, official or employee of the City would be influenced thereby.
- XII. Engaging in an act, actions or other conduct contrary to honesty, justice or good morals; or an act or actions of moral turpitude.
- XIII. Acting on behalf of the City or on the behalf of the City Council when authority has not been specifically given.
- XIV. Making a City decision outside of the official channels.

XV. Soliciting support, financial or material, for City social, athletic, or recreational parties from individuals or firms that do business with the City or want to.

XVI. Appearing before City bodies on behalf of a private interest.

XVII. Participating in decision making affecting the interest of one's business or immediate family. The decision making may include monetary decisions, labor agreements, or other decisions that impact one's business and/or immediate family.

XVIII. Notwithstanding the provisions of the City Charter, missing in attendance from three (3) consecutive regularly called meetings at which the attendance of the City officer, or official is required and know as part of the duties of such elected or appointed official.

## **XX.90. EXCLUSIONS.**

This Ordinance is not intended to cover the following:

1. This Ordinance shall not prohibit a elected or appointed official from accepting minor gifts such as meals, awards, pens, pencils, and other token items valued at \$25 or less when the gift is extended during the course of City business and no return promise is made by the recipient.

2. This Ordinance shall not prevent any elected or appointed official from accepting irregular compensation.

3. This Ordinance does not prohibit the expression of views and opinions or communications of plans for future action, nor does it prohibit contributions to political parties or candidates as permitted by law.

4. This Ordinance shall not apply to a elected or appointed official who, in the course of decision making, discloses a direct or indirect conflict of interest or potential conflict of interest in any matter before the City Council, advisory board or commission and is permitted to continue participating in the decision making.

5. This Ordinance shall not prohibit the City Manager, City Attorney and all law enforcement officials from exercising their usual power, control and discretion, which are part of their duties.

6. This Ordinance shall not prohibit the Mayor and City Council from making policy decisions, enacting legislation, and directing the affairs of the City in accordance with their legal powers and responsibilities as provided in the City Charter or State statutes.

7. This Ordinance shall not be enforced to cause any person to be favored or discriminated against because of race, gender, age, handicap, religion, country of origin or political affiliation.

## **XX.100. INTEGRITY, REPUTATION AND THE ABILITY TO ENFORCE STANDARDS.**

Preserving the integrity of the City of Negaunee is important to all officers, officials and employees of the City. Fairness, honesty, evenhandedness, and sincerity, a kind that transcends both the law and the values of individuals, are achieved by observing an overriding set of ethical standards. Integrity is also preserved by recognizing, at times, complaints of questionable actions of City officers, officials and employees and others that need to be handled with the same fairness, honesty, evenhandedness and sincerity. A City's reputation and its overall success are securely linked. The City of Negaunee's reputation, obviously, is based on more than the collective reputations of its employees and officials. The City's reputation depends on how people perceive that the city, whatever the issue or set of circumstances, will act with integrity. Preserving the integrity of the City may result in official action to enforce and punish violations of the Ethical Standards of Conduct.

### **1. Controlling Authorities.**

Requests to investigate or take action to enforce the Ethical Standards of Conduct regarding elected or appointed officials shall go to the Mayor, City Council and City Attorney. The request may be made by the individual or any elected or appointed official, or City employee. Any elected or appointed official that is the subject of the request shall not be a part of the controlling authority.

### **2. Authority to Render Advisory Opinions.**

The above listed authorities may issue written advisory opinions, when deemed appropriate, interpreting the Ethical Standards of Conduct Ordinance as set forth herein. Any elected or appointed official may seek guidance from the controlling authority upon written request on questions directly relating to the propriety of their conduct as elected or appointed officials. Each written request and advisory opinion shall be confidential unless released by the requester.

### **3. Authority to Punish Violations.**

The above listed authorities shall take appropriate action upon any complaint, request for information, or otherwise resolve matters concerning the Ethical Standards of Conduct Ordinance for the City of Negaunee. Except for direct references that may be provided by City Charter or labor agreements controlling any action either authority above may take or except as either may establish an action that either authority may take, both authorities are herein empowered to take and enforce actions, as they deem appropriate. The appropriate action to be taken in any individual case shall be at the sole discretion of the controlling authority involved which may include but is not necessarily limited to any of the following:

- A. Referral of the matter to a higher authority.
- B. Pursuing further investigation by the controlling authority.

C. Deeming no action to be required.

D. Pursuing another course of action which is reasonable, just and appropriate under the circumstances.

E. Taking appropriate disciplinary action, including declaring a forfeiture of office pursuant and removal from office consistent with the provisions of the City Charter.

I. If the violation is for an offense also contained in the City Charter and is one which the Charter determines is punished by removal, the process for removal from office is the same as the process in the City Charter.

II. If the violation is for an offense also contained in labor agreements between the City and its employees, then the process for removal is the same as contained in the labor agreements.

III. If the violation is for an offense contained in this Ordinance and for which the controlling authority recommends the forfeiture and removal from office, whether elected or appointed, then the process contained herein is the process that is followed.

#### **4. Advisory Opinions.**

Any elected or appointed official or employee of the City of Negaunee may seek advisory opinions. Advisory opinions may include guidance to any candidate, officer, official or employee. Request for an advisory opinion shall be made in writing and provide as much detail as possible. The controlling authority may investigate as it deems appropriate. The controlling authority may take as much time as it deems necessary before rendering its opinion provided that all attempts to satisfy the request in a timely manner are made. The controlling authority shall issue its advisory opinions in writing. The advisory opinion shall be confidential and shall not be released to anyone or any entity unless the person making the request releases the opinion.

### **XX.110. REVIEW PROCESS.**

#### **1. Determination to Proceed.**

The controlling authority shall first make a determination to proceed. Any elected or appointed official, official or employee of the City of Negaunee may request that the controlling authority review, investigate and recommend action regarding alleged violations of the City of Negaunee Ethical Standards of Conduct Ordinance; such requests shall be in writing. The controlling authority may decide to review, investigate and recommend action regarding alleged violations of the City of Negaunee Ethical Standards of Conduct Ordinance on their own determination or at the request of other persons. All decisions to review, investigate and recommend action shall first be made in writing.

#### **2. Duty of Due Care.**

The controlling authority shall be entitled to proceed as it deems necessary and appropriate. The controlling authority shall conduct itself in a manner so as to be thorough, complete and proceed in a reasonable and prudent manner protecting the rights of individuals.

### **3. Recommendation for Punishment.**

Any elected or appointed official for whom the controlling authority recommends punishment, shall be entitled to a hearing and representation before the controlling authority as herein determined.

A. The controlling authority shall notify, in writing, the elected or appointed official of the charges that the controlling authority is basing its recommendation of punishment.

B. The elected or appointed official shall have the opportunity to a hearing before the controlling authority.

C. The elected or appointed official shall notify the controlling authority, in writing, that it wishes to be present at a hearing and whether or not legal counsel will attend as well as any witnesses the elected or appointed official plans to call.

D. The hearing shall be scheduled within 30 days of the notification of the recommendation for punishment. The hearing shall be closed to the public unless the elected or appointed official selects to have the hearing open to the public.

E. Minutes of the hearing shall be kept and held by the City Attorney for at least twelve (12) months after which they may be destroyed.

F. Following the hearing, the controlling authority shall decide to:

I. Hold the recommendation for further review and investigation;

II. Amend its previous recommendation and determine punishment;

III. Reject its previous recommendation altogether and take new action or determine to take no punitive action; or

IV. Proceed with its previous recommendation and take punitive action.

G. Any punitive action recommended by the controlling authority shall be forwarded to the City Council which shall vote on the recommendation for punitive action at its next regularly scheduled meeting of the City Council. At that meeting, the City Council, less any member for whom the punitive action is recommended, a majority of those members remaining shall vote to accept, to reject or to send the recommendation back to the controlling authority for further consideration.

H. If the recommendation of either the controlling authority or the City Council is to result in further review and investigation of the controlling authority, the process shall begin anew.

I. If the recommendation of the controlling authority is accepted by the City Council, its effect is binding and immediate and the elected or appointed official has been deemed guilty of a violation of the Ethical Standards of Conduct ordinance offending all persons, the City Council, boards, and commissions, of the City of Negaunee.

**XX.120. VIOLATIONS OF ORDINANCE.**

While the City Council may find a person or persons guilty of misconduct and take punitive action against the guilty party, including removal of office, only a Court of competent jurisdiction may convict a person for violations of this Ordinance. Every person convicted of a violation of this Ordinance, by a court of competent jurisdiction, shall be punished by a fine of not more than Five Hundred Dollars (\$500.00) or by a sentence of not more than 93 days in jail, or both, at the discretion of the Court.

**XX.130. EFFECTIVE DATE.**

This Ordinance shall become effective thirty (30) days after its adoption and publication.

**XX.140. SECTION HEADINGS, SEVERABILITY, AND REPEALER.**

Section headings in this Ordinance are furnished for convenience only and shall not be considered to be part of this Ordinance. All other Ordinances, resolutions and orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, and each section of the Ordinance and each subdivision of any section thereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or held to affect the validity of any other section or subdivision.

Upon roll call, City of Negaunee Council Members:

Voting aye: Council Members Flohe, Kangas, Dietz, Ghanavati, Becker, Mayor Ilmonen

Voting nay: Council Member Howard

Whereupon, this Ordinance was declared passed and adopted this 13th day of March, 2025.

This Amendment shall be published as required by law, and shall be effective on the 27th day of March, 2025.

CITY OF NEGAUNEE

Attest:

\_\_\_\_\_  
By: Craig Ilmonen, Its Mayor

\_\_\_\_\_  
By: Judy Iwanski, Its Clerk