



CITY COUNCIL OF LINCOLN NEBRASKA

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Leirion Gaylor Baird
City Council Member At Large

December 15th, 2015

Teresa Meier City Clerk
City of Lincoln

FILED
DEC 15 2015
CITY CLERK'S OFFICE

Dear Teresa,

Yesterday, the City Council unanimously approved several agreements between the City and ALLO Communications that make a tremendous investment in technology infrastructure for Lincoln. When I went home after the meeting and discussed this news with my husband, I learned that, earlier this year, he had purchased publicly traded shares of Nelnet stock. He did so before the Council was informed of the proposed broadband agreements, and this only came to my attention after the Council's vote last night.

In light of this new information, I contacted both the Nebraska Accountability and Disclosure Commission (NADC) and the City Attorney this morning to determine what actions - if any - are needed on my part. Both the NADC and the City Attorney determined that the shares' value does not constitute a significant financial interest and therefore no action is needed in this case - no public disclosure and no abstention from voting are required by the State or the City.

That said, in the interest of transparency, I called all of the Council members today and gave them an opportunity to let me know if they think there's anything else that needs to be done. To further safeguard the integrity of the Council and the public's trust in elected officials, I'm placing this memo on file with your office, although there is no City requirement that I do so.

Finally, my husband sold the Nelnet shares today - at a loss. Neither he nor I want any distractions taking away from this incredibly important tech infrastructure initiative that has the potential to do so much good for our community. We likewise wish to reassure everyone that there will be no potential for conflict on this going forward.

Attached is the relevant opinion on this matter from City Attorney Jeff Kirkpatrick.

Kind regards,


Leirion Gaylor Baird

Mary M. Meyer

Subject: City Attorney opinion

From: Jeff R. Kirkpatrick

Sent: Tuesday, December 15, 2015 1:20 PM

To: Leirion Gaylor Baird

Subject: RE: City Attorney opinion

Leirion,

Under the City Charter, a council member may not have a significant financial interest in any business dealing with the city. (Art. VII, Sect. 5) Our city code defines a significant financial interest as any financial interest other than a remote interest. A remote interest includes an ownership interest not to exceed \$5,000 if the business provides the city officer an annual income that exceeds 5% of the officer's total annual income.

In your case, while the Nelnet stock exceeded \$5,000 in value, it only produced an income of \$144 which is well below 5% of your annual income as a member of the city council. Based on this analysis, it appears the Nelnet stock ownership constituted only a remote interest. Therefore, you neither had to disclose your ownership interest nor abstain from voting on any topic involving Nelnet interests.

Jeff