

VILLAGE OF ESTERO, FLORIDA

RESOLUTION NO. 2015 - 69

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF ESTERO, FLORIDA, APPROVING AN EMPLOYMENT AGREEMENT BETWEEN THE VILLAGE OF ESTERO AND STEVEN R. SARKOZY; APPOINTING STEVEN R. SARKOZY AS VILLAGE MANAGER; AUTHORIZING THE VILLAGE MAYOR TO EXECUTE THE EMPLOYMENT AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 5(1)(a) of the Village of Estero Charter states that the Council shall appoint a Village Manager for a fixed compensation who shall serve at the pleasure of the Council; and

WHEREAS, the Village Council performed an extensive search of candidates qualified to serve as Village Manager and ranked Steven R. Sarkozy as its number one candidate; and

WHEREAS, the negotiation team, authorized by the Village Council, has been successful in negotiating an Employment Agreement.

NOW, THEREFORE, be it resolved by the Village Council of the Village of Estero, Florida:

Section 1. The Village Council hereby approves an Employment Agreement between the Village of Estero and Steven R. Sarkozy.

Section 2. The Village Council hereby appoints Steven R. Sarkozy as Village Manager, effective November 1, 2015.

Section 3. The Village Council authorizes the Village Mayor to execute the Employment Agreement.

Section 4. This Resolution shall take effect immediately upon adoption.

ADOPTED BY THE VILLAGE COUNCIL of the Village of Estero, Florida this 7th day of October, 2015.

Attest:

VILLAGE OF ESTERO, FLORIDA

By: Kathy Hall, MMC, Village Clerk

By: Nicholas Batos, Mayor

48 Reviewed for legal sufficiency:

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51 By: \_\_\_\_\_

52 Burt Saunders, Esq., Village Attorney

September 29, 2015

Mayor Nick Batos and Members of the Estero Village Council  
Village of Estero  
21500 Three Oaks Parkway  
Estero, Florida 33928

Dear Mayor Batos and the Estero Village Council:

I am delighted to accept the position of Estero Village Manager and have attached the executed employment agreement to formalize that commitment.

I am deeply honored that you would select me as your first Village Manager. The bold effort to create a new Village committed to maintaining a premier, quality community demonstrates the pride and character of the Council and community as a whole.

At the same time, the commitment to limit the role and cost of local government is one that I completely endorse. I commit to you my very best efforts toward that purpose.

I look forward to getting to know each of you better to understand how best to serve you and the community. I can assure you that you have my full commitment to advance the interests of the Council and the Village much as I have done, without exception, for communities that I have served throughout my 35+ years in city management.

I am excited to make this transition and look forward to seeing you soon!!

Again, thank-you for your support and the trust you have shown in me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Steven R. Sarkozy". The signature is stylized with large, sweeping loops and a long horizontal stroke at the end.

Steven R. Sarkozy

## EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (hereinafter referred to as "Agreement"), is by and between the Village of Estero, Florida, a subdivision of the State of Florida (hereinafter referred to as "Village), and Steven R. Sarkozy (hereinafter referred to by name or as "Village Manager").

### WITNESSETH:

WHEREAS, Steven R. Sarkozy has demonstrated a commitment to local government management over a thirty-five (35) year career; and

WHEREAS, The Village desires to employ Steven R. Sarkozy as Village Manager of the Village of Estero, Florida, as provided for in Section 5 (1)(a) of the Village Charter of the Village of Estero; and

WHEREAS, the Village, through its Village Council, desires to provide for certain benefits and compensation for the Village Manager and to establish conditions of employment applicable to the Village Manager; and

WHEREAS, Steven R. Sarkozy desires to accept the employment as Village Manager of the Village of Estero under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises as set forth in this Agreement, the parties agree as follows:

#### **Section 1. Employment**

- A. The Village of Estero hereby hires and appoints Steven R. Sarkozy as its Village Manager under the terms established herein, to perform the duties and functions specified in the Village Charter and the Village Code of Ordinances and to perform such other legally permissible and proper duties and functions as the Village Council shall from time to time assign.
- B. The Village's Employment of Steven R. Sarkozy as Village Manager shall be effective November 1, 2015. This Agreement shall remain in effect until terminated by the Village or by the Village Manager as provided herein.

#### **Section 2. Salary and Evaluation**

- A. For the performance of services pursuant to this Agreement, the Village agrees to pay the Village Manager an annual base salary of \$165,000, payable in installments at the same time as other Village employees are paid.
- B. After the first year of the contract, should the general staff receive a cost of living increase, the Village Manager will receive the same increase at the same time as the other staff.

- C. The Village may also increase said base salary and/or other benefits of the Village Manager in such amounts and to such an extent as the Village Council may determine desirable on the basis of an annual performance evaluation of the Village Manager. Such evaluation shall be in such form as the Council deems appropriate and shall be made between January 1<sup>st</sup> and March 1<sup>st</sup> of each year in which this Agreement is effective.
- D. During the first year of this Agreement only, the Village Manager shall have an additional evaluation that will take place between March 1<sup>st</sup> and May 1<sup>st</sup>, 2016.
- E. Nothing in this section shall require the Village to increase the base salary or other benefits of the Village Manager. Furthermore, the Villages failure to conduct any of the scheduled evaluations shall not constitute non-compliance with a material provision of this Agreement.

**Section 3. Duties and Obligations**

- A. The Village Manager shall have the duties, responsibilities and powers of said office under the Charter and Ordinances of the Village of Estero. The Village Manager agrees to perform all duties and responsibilities faithfully, industriously, and to the best of his ability and in a professional and competent manner.
- B. The Village Manager shall remain in the exclusive employ of the Village and shall devote all such time, attention, knowledge and skills necessary to faithfully perform his duties under this Agreement. The Village Manager may, however, engage in educational and professional activities and other employment activities upon receipt of approval by the Village Council provided that such activities shall not interfere with his primary obligation to the Village as its Village Manager. The Village Manager shall dedicate no less than an average of forty (40) hours per week in the performance of his duties hereunder.
- C. In the event the Village Manager is temporarily unable to perform his duties, he shall designate an Acting Village Manager, as provided for in Section 5 (1)(d) 6, of the Village Charter.

**Section 4. Automobile Allowance and Communications Equipment**

The Village Manager is required to be on call for twenty-four hour service. In recognition thereof:

- A. The Village shall grant the Village Manager an automobile allowance of \$600.00 per month, and the Village Manager shall lease, purchase, maintain, and insure said vehicle.
- B. The Village shall provide the Village Manager with a cell phone for all business use.

## **Section 5. Dues and Subscriptions**

The Village agrees to pay the Village Manager's professional dues for membership in the International City/County Management Association, and the Florida City and County Management Association. The Village shall pay other dues and subscriptions on behalf of the Village Manager as are approved in the Village's annual budget (on a line item basis) or as authorized separately by the Village Council.

## **Section 6. Professional Development**

The Village agrees to pay reasonable and customary travel and subsistence expenses for the Village Manager's travel to and attendance at the International City/County Management Association's annual conference, the Florida City and County Management Association's annual conference and the Florida League of Cities annual conference. The Village may choose to pay for the Village Manager's attendance at other seminars, conferences, and committee meetings as it deems appropriate and approved by Council action.

The Village agrees to allow the Manager to continue his involvement as the ICMA appointee to the Board of Directors of IBTS ([www.ibts.org](http://www.ibts.org)), and the Manager will be allowed up to 5 days per year to attend meetings, at no cost to the Village.

## **Section 7. Community Involvement**

The Village recognizes the desirability of representation in and before local civic and other organizations, and encourages the Village Manager to participate in these organizations to foster a continuing awareness of the Village's activities as well as the community's attitudes and ideas.

## **Section 8. Benefits**

- A. The Village Manager shall be credited four (4) weeks' of annual leave upon the commencement of this contract and then shall continue to accrue annual leave as provided to other general regular Village Employees.
- B. Village shall provide Village Manager benefits now or hereafter provided to other general regular Village employees, including, but not limited to paid holidays, sick leave, employee health insurance, dental insurance, vision insurance, life insurance and AD&D insurance. In addition, during the first year of this agreement only, the Village Manager will be granted 11 personal leave days, to be used at his discretion.

## **Section 9. Retirement**

The Manager shall be enrolled in the Village of Estero Defined Contribution Plan for Village Employees. The Village shall pay into the plan a sum equal to the percentage of salary contributed for other general employees participating in such plan and the Village Manager shall be responsible for an amount equal to the percentage of salary contributed by other general employees. Currently, the Village contribution in the Plan is 10% of the participant's salary and the general employee's contribution is 5% of his or her salary. The Manager may also participate in other Deferred Compensation Plans (457) available to Village employees. The cost of

participation in any of these additional plans shall be borne solely by the Manager. If the Village's 10% contribution in the Defined Contribution Plan, when added to the mandatory 5% employee contribution, exceeds the IRS maximum allowed contribution, the Manager may rollover the excess into the 457 Deferred Compensation Plan.

**Section 10. Termination by the Village and Severance Pay**

- A. The Village Manager shall serve at the pleasure of the Village Council, and the Village Council may terminate this Agreement and the Village Manager's employment with the Village at any time, for any reason or for no reason.
- B. Should a majority of the entire Council (four members) vote to terminate the services of the Village Manager "without cause", then within ten (10) business days following such vote, the Council shall cause the Village Manager to be paid any accrued and unpaid salary and benefits earned. Within forty-five (45) calendar days following the vote to terminate the Village Manager's employment, the Council shall cause the Village Manager to be paid a lump sum severance pay equal to twenty (20) weeks of his base salary as full and complete payment and satisfaction of any claims of the Village Manager of whatsoever nature arising out of this Agreement or otherwise. As consideration for such payment, the Village Manager shall, prior to receipt thereof, execute and deliver to the Village a general release of the Village and its Council members and its officers, agents, and employees for all acts and actions (whether accrued or subsequently accruing) from the beginning of time until the date of release, said release to be prepared by the Village Attorney.
- C. In the Event the Village Manager is terminated for "just cause," the Village shall have no obligation to pay the amounts outlined in Section 10, Paragraph B of this Agreement. For purposes of this Agreement, "just cause" is defined and limited for purposes of this Agreement to any of the following:
  - 1. Misfeasance, malfeasance and/or nonfeasance in performance of the Village Manager's duties and responsibilities.
  - 2. Conviction or a plea of guilty or no contest to a misdemeanor or felony crime, whether or not adjudication is withheld.
  - 3. Neglect of duty, including the inability or unwillingness to properly discharge the responsibilities of office.
  - 4. Violation of any substantive Village policy, rule, or regulation, which would subject any other Village employee to termination.

5. The commission of any fraudulent act against the interest of the Village.
  6. The commission of any act which involves moral turpitude, or which causes the Village disrepute.
  7. Violation of the International City/County Management Association Code of Ethics. Attached as Exhibit A.
  8. Any other act of a similar nature of the same or greater seriousness.
  9. Any misconduct as defined by Section 443.036(29) Florida Statutes.
- D. In the event the Council, at any time during the employment term, reduces the salary or other benefits of the Village Manager, as identified herein, in a greater percentage than an equivalent across-the-board reduction for all full-time Village employees, or in the event the Village allegedly refuses to comply with any other material provision of this Agreement benefiting the Village Manager, the Village Manager shall notify the Council in writing of the alleged violation. The Council shall have forty-five (45) days from such notice within which to cure the violation, otherwise, the Village Manager may at his option, consider such violation as termination "without cause" as of the date of such alleged reduction or refusal, and the severance pay provision and other termination provisions contained herein shall become applicable at the annual salary and benefit level in effect prior to the reduction or refusal.

**Section 11. Termination by the Village Manager**

The Village Manager may terminate this Agreement at any time by delivering to the Village Council a written notice of termination not later than ninety (90) days prior to the effective date of the termination. If the Village Manager terminates this Agreement, then the provisions of Section 10, Paragraph B above, shall not apply. If the Village Manager voluntarily resigns pursuant to this Section, the Village shall pay the Village Manager all accrued compensation due the Village Manager up to the Village Manager's final day of employment. The Village shall have no further financial obligation to the Manager pursuant to this Agreement. This subsection shall not prevent the Village Manager from collecting any money earned as a result of participation in the Village's deferred retirement program.

**Section 12. Disability**

If the Village Manager becomes permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of four consecutive weeks beyond any accrued leave, the Village shall have the option to terminate this Agreement, subject to the severance pay provision outlined in Section 10, Paragraph B of this Agreement.

**Section 13. Relocation Expenses**

- A. The Village agrees to reimburse the Village Manager, up to a maximum of \$25,000, for the costs associated with the relocation of himself and his family, furniture and personal belongings within 9 (nine) months of commencement of employment. The Village Manger shall be reimbursed only when he can produce receipts to document the relocation expenditures.
- B. Should the Village Manager resign within two years of his employment with the Village, to retire or accept a position elsewhere, he will return to the Village any expenses it has paid to assist with this relocation. Reimbursement to the Village of relocation expenses is not required if the Manager should die within the first two (2) years or resign within such time due to disability.

**Section 14. Indemnification**

- A. Village shall defend, save harmless, and indemnify the Village Manager against any action for any injury or damage suffered as a result of any act, event, or omission of action that the Village Manager reasonably believes to be in the scope of his duties or function, unless he acted in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. The Village will compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon. The Village shall not be liable for the acts or omissions of the Village Manger committed while acting outside the course and scope of his agreed duties or committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. In such instance, the Village Manager shall reimburse the Village for any legal fees and expenses the Village has incurred or otherwise paid, for or on his behalf, in connection with the charged conduct.
- B. Said indemnification shall extend beyond the termination of employment and the expiration of this Agreement to provide protection for any such acts undertaken or committed in his capacity as Village Manger, regardless of whether the notice of claim or filing of a lawsuit occurs during or following employment with the Village.

**Section 15. Bonding**

The Village agrees to bear the full cost of any fidelity or other bonds required of the Village Manager under any policy, regulation, ordinance or law.

**Section 16. Code of Ethics**

Inasmuch as the Village Manager is an active full member of the International City/County Management Association (ICMA), the "Code of Ethics" promulgated by ICMA is incorporated herein, and by this reference made a part hereof. Said "Code of Ethics" shall furnish principles to govern the Village Manger's conduct and actions as Village Manager of the Village.

**Section 17. Attorney's Fees**

If any litigation is commenced between the parties concerning any provisions of this Agreement or the rights and duties of any person in relation thereto, the party prevailing in such litigation will be entitled, in addition to such other relief as may be granted, to reasonable attorney's fees and expenses incurred in connection therewith, including appellate fees and expenses.

**Section 18. General Terms and Conditions**

- A. If any provision, or any portion thereof, contained in this Agreement is held by a court of competent jurisdiction to be unconstitutional, illegal, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall not be affected and shall remain in full force and effect.
- B. The waiver by either party of a breach of any provision of this Agreement by the other shall not operate or be construed as a waiver of any subsequent breach by that party.
- C. This Agreement shall be binding upon and inure to the benefit of the heirs at law or personal representative of the Village Manager.
- D. This Agreement contains the entire Agreement of the parties. It may not be changed verbally, but only by an Agreement in writing signed by the parties.
- E. Florida law shall govern this Agreement and any litigation that may arise from this Agreement, shall be filed and litigated in Lee County, Florida.
- F. Upon Village Manager's death, the Village's obligations under this Agreement shall terminate except for:
  - 1. Transfer of ownership of retirement funds, if any, to his designated beneficiaries;
  - 2. Payment of accrued leave balances in accordance of this Agreement.
- G. The parties acknowledge that each has shared equally in the drafting and preparation of this Agreement and, accordingly, no court construing this Agreement shall construe it more strictly against one part than the other and every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning.
- H. This Agreement may be executed in duplicate or counterparts, each of which shall be deemed an original and all of which together shall be deemed one and the same instrument. No term, condition, or covenant of this Agreement shall be binding on either party until both parties have signed it.

I. The effective date of this Agreement shall be the last date is it executed by either of the parties to this Agreement.

Executed by the VILLAGE this 7<sup>th</sup> day of October, 2015

VILLAGE OF ESTERO

By: \_\_\_\_\_  
Nicholas Batos, Mayor

ATTEST:

\_\_\_\_\_

Executed by the VILLAGE MANAGER this 29<sup>th</sup> day of September, 2015

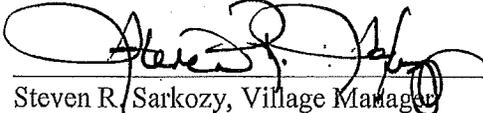
Witnesses:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

  
\_\_\_\_\_  
Steven R. Sarkozy, Village Manager



# EXHIBIT "A"

## ICMA Code of Ethics with Guidelines

**The ICMA Code of Ethics was adopted by the ICMA membership in 1924, and most recently amended by the membership in April 2015. The Guidelines for the Code were adopted by the ICMA Executive Board in 1972, and most recently revised in September 2013.**

The mission of ICMA is to create excellence in local governance by developing and fostering professional local government management worldwide. To further this mission, certain principles, as enforced by the Rules of Procedure, shall govern the conduct of every member of ICMA, who shall:

**Tenet 1.** Be dedicated to the concepts of effective and democratic local government by responsible elected officials and believe that professional general management is essential to the achievement of this objective.

**Tenet 2.** Affirm the dignity and worth of the services rendered by government and maintain a constructive, creative, and practical attitude toward local government affairs and a deep sense of social responsibility as a trusted public servant.

### GUIDELINE

Advice to Officials of Other Local Governments. When members advise and respond to inquiries from elected or appointed officials of other local governments, they should inform the administrators of those communities.

**Tenet 3.** Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.

### GUIDELINES

Public Confidence. Members should conduct themselves so as to maintain public confidence in their profession, their local government, and in their performance of the public trust.

Impression of Influence. Members should conduct their official and personal affairs in such a manner as to give the clear impression that they cannot be improperly influenced in the performance of their official duties.

Appointment Commitment. Members who accept an appointment to a position should not fail to report for that position. This does not preclude the possibility of a member considering several offers or seeking several positions at the same time, but once a bona fide offer of a position has been accepted, that commitment should be honored. Oral acceptance of an employment offer is considered binding unless the employer makes fundamental changes in terms of employment.

Credentials. An application for employment or for ICMA's Voluntary Credentialing Program should be complete and accurate as to all pertinent details of education, experience, and personal history. Members should recognize that both omissions and inaccuracies must be avoided.

Professional Respect. Members seeking a management position should show professional respect for persons formerly holding the position or for others who might be applying for the same position. Professional respect does not preclude honest differences of opinion; it does preclude attacking a person's motives or integrity in order to be appointed to a position.

Reporting Ethics Violations. When becoming aware of a possible violation of the ICMA Code of Ethics, members are encouraged to report the matter to ICMA. In reporting the matter, members may choose to go on record as the complainant or report the matter on a confidential basis.

Confidentiality. Members should not discuss or divulge information with anyone about pending or completed ethics cases, except as specifically authorized by the Rules of Procedure for Enforcement of the Code of Ethics.

Seeking Employment. Members should not seek employment for a position having an incumbent administrator who has not resigned or been officially informed that his or her services are to be terminated.

**Tenet 4.** Recognize that the chief function of local government at all times is to serve the best interests of all of the people.

#### GUIDELINE

Length of Service. A minimum of two years generally is considered necessary in order to render a professional service to the local government. A short tenure should be the exception rather than a recurring experience. However, under special circumstances, it may be in the best interests of the local government and the member to separate in a shorter time. Examples of such circumstances would include refusal of the appointing authority to honor commitments concerning conditions of employment, a vote of no confidence in the member, or severe personal problems. It is the responsibility of an applicant for a position to ascertain conditions of employment. Inadequately determining terms of employment prior to arrival does not justify premature termination.

**Tenet 5.** Submit policy proposals to elected officials; provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals; and uphold and implement local government policies adopted by elected officials.

#### GUIDELINE

Conflicting Roles. Members who serve multiple roles – working as both city attorney and city manager for the same community, for example – should avoid participating in matters that create the appearance of a conflict of interest. They should disclose the potential conflict to the governing body so that other opinions may be solicited.

**Tenet 6.** Recognize that elected representatives of the people are entitled to the credit for the establishment of local government policies; responsibility for policy execution rests with the members.

**Tenet 7.** Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.

#### GUIDELINES

Elections of the Governing Body. Members should maintain a reputation for serving equally and impartially all members of the governing body of the local government they serve, regardless of party. To this end, they should not participate in an election campaign on behalf of or in opposition to candidates for the governing body.

Elections of Elected Executives. Members shall not participate in the election campaign of any candidate for mayor or elected county executive.

Running for Office. Members shall not run for elected office or become involved in political activities related to running for elected office, or accept appointment to an elected office. They shall not seek political endorsements, financial contributions or engage in other campaign activities.

Elections. Members share with their fellow citizens the right and responsibility to vote. However, in order not to impair their effectiveness on behalf of the local governments they serve, they shall not participate in political activities to support the candidacy of individuals running for any city, county, special district, school, state or federal offices. Specifically, they shall not endorse candidates, make financial contributions, sign or circulate petitions, or participate in fund-raising activities for individuals seeking or holding elected office

Elections relating to the Form of Government. Members may assist in preparing and presenting materials that explain the form of government to the public prior to a form of government election. If assistance is required by another community, members may respond.

Presentation of Issues. Members may assist their governing body in the presentation of issues involved in referenda such as bond issues, annexations, and other matters that affect the government entity's operations and/or fiscal capacity.

Personal Advocacy of Issues. Members share with their fellow citizens the right and responsibility to voice their opinion on public issues. Members may advocate for issues of personal interest only when doing so does not conflict with the performance of their official duties.

**Tenet 8.** Make it a duty continually to improve the member's professional ability and to develop the competence of associates in the use of management techniques.

#### GUIDELINES

Self-Assessment. Each member should assess his or her professional skills and abilities on a periodic basis.

Professional Development. Each member should commit at least 40 hours per year to professional development activities that are based on the practices identified by the members of ICMA.

**Tenet 9.** Keep the community informed on local government affairs; encourage communication between the citizens and all local government officers; emphasize friendly and courteous service to the public; and seek to improve the quality and image of public service.

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**Tenet 10.** Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference, and handle each problem without discrimination on the basis of principle and justice.

**GUIDELINE**

Information Sharing. The member should openly share information with the governing body while diligently carrying out the member's responsibilities as set forth in the charter or enabling legislation.

**Tenet 11.** Handle all matters of personnel on the basis of merit so that fairness and impartiality govern a member's decisions, pertaining to appointments, pay adjustments, promotions, and discipline.

**GUIDELINE**

Equal Opportunity. All decisions pertaining to appointments, pay adjustments, promotions, and discipline should prohibit discrimination because of race, color, religion, sex, national origin, sexual orientation, political affiliation, disability, age, or marital status.

It should be the members' personal and professional responsibility to actively recruit and hire a diverse staff throughout their organizations.

**Tenet 12.** Public office is a public trust. A member shall not leverage his or her position for personal gain or benefit.

**GUIDELINES**

Gifts. Members should not directly or indirectly solicit any gift or accept or receive any gift—whether it be money, services, loan, travel, entertainment, hospitality, promise, or any other form—under the following circumstances: (1) it could be reasonably inferred or expected that the gift was intended to influence them in the performance of their official duties; or (2) the gift was intended to serve as a reward for any official action on their part.

It is important that the prohibition of unsolicited gifts be limited to circumstances related to improper influence. In de minimus situations, such as meal checks, some modest maximum dollar value should be determined by the member as a guideline. The guideline is not intended to isolate members from normal social practices where gifts among friends, associates, and relatives are appropriate for certain occasions.

Investments in Conflict with Official Duties. Member should not invest or hold any investment, directly or indirectly, in any financial business, commercial, or other private transaction that creates a conflict with their official duties.

In the case of real estate, the potential use of confidential information and knowledge to further a member's personal interest requires special consideration. This guideline recognizes that members' official actions and decisions can be influenced if there is a conflict with personal investments. Purchases and sales which might be interpreted as speculation for quick profit ought to be avoided (see the guideline on "Confidential Information").

Because personal investments may prejudice or may appear to influence official actions and decisions, members may, in concert with their governing body, provide for disclosure of such investments prior to accepting their position as local government administrator or prior to any official action by the governing body that may affect such investments.

**Personal Relationships.** Member should disclose any personal relationship to the governing body in any instance where there could be the appearance of a conflict of interest. For example, if the manager's spouse works for a developer doing business with the local government, that fact should be disclosed.

**Confidential Information.** Members should not disclose to others, or use to further their personal interest, confidential information acquired by them in the course of their official duties.

**Private Employment.** Members should not engage in, solicit, negotiate for, or promise to accept private employment, nor should they render services for private interests or conduct a private business when such employment, service, or business creates a conflict with or impairs the proper discharge of their official duties.

Teaching, lecturing, writing, or consulting are typical activities that may not involve conflict of interest, or impair the proper discharge of their official duties. Prior notification of the appointing authority is appropriate in all cases of outside employment.

**Representation.** Members should not represent any outside interest before any agency, whether public or private, except with the authorization of or at the direction of the appointing authority they serve.

**Endorsements.** Members should not endorse commercial products or services by agreeing to use their photograph, endorsement, or quotation in paid or other commercial advertisements, whether or not for compensation. Members may, however, agree to endorse the following, provided they do not receive any compensation: (1) books or other publications; (2) professional development or educational services provided by nonprofit membership organizations or recognized educational institutions; (3) products and/or services in which the local government has a direct economic interest.

Members' observations, opinions, and analyses of commercial products used or tested by their local governments are appropriate and useful to the profession when included as part of professional articles and reports.