



Press Release ***December 28, 2001***

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FOR IMMEDIATE RELEASE:

ETHICS COMMISSION REPRIMANDS DELPHOS CITY MAYOR, WARNS AGAINST POTENTIAL FUTURE CONFLICTS

The Ohio Ethics Commission announced today, pursuant to an agreed settlement, that it has completed and closed its investigation into conflicts of interest allegations concerning Delphos City Mayor Gerald A. Neumeier.

The Commission received a confidential allegation regarding potential conflict of interest violations committed by Neumeier. Specifically, the Commission investigated allegations that Neumeier participated in and voted upon city matters involving his private employer, I & K Distributors, Inc. (I&K).

Upon investigation, the Commission determined that Neumeier took a series of actions in violation of Ohio's Conflict of Interest restrictions under Revised Code Section 102.03(D) by using the authority or influence of his office to benefit his employer. Further, the facts reveal Neumeier violated Public Contracting protections to the public contained in Revised Code Section 2921.42 by authorizing a tax abatement for his employer's company.

Specifically, the Commission found that Neumeier committed ethics violations by approving the following ordinances:

1. Ordinance 2000-08, dated February 28, 2000, that involved the Gressel Road project, which Neumeier discussed and ultimately signed. The Gressel Road project allowed I&K to expand its facilities. City council passed the ordinance with a 7-1 vote.
2. Ordinance 2000-33, dated July 12, 2000, authorizing the Mayor to enter into an agreement with I&K for a ten-year tax abatement plan. The tax abatement resulted from I&K's expansion project. Neumeier signed the ordinance, which was then unanimously passed by city council. The Mayor also signed the tax abatement agreement between the city

and I&K.

3. Ordinance 2000-34, dated September 11, 2000, which hired the Poggemeyer Design Group as engineers for the Gressel Road project. The Gressel Road project allowed I&K to expand its facilities. City council passed the ordinance with a unanimous vote.

4. Ordinance 2001-21, dated May 29, 2001, approving sewer surcharge rebates for I&K and several other manufacturers in the city. I&K's rebate totaled \$115,160.64. Several other manufacturers in the city received the same rebate percentage. City council unanimously passed the ordinance.

The Commission entered into a settlement agreement with Neumeier because the investigation failed to reveal evidence that Neumeier personally benefited from the actions he took. In addition, he ceased acting upon city matters involving his employer when so advised of the conflict under law by private counsel, and actions taken by the city were often unanimously supported. Further, he cooperated fully in the investigation conducted by the Commission into the resulting conflict of interest that arose by his failure to separate and remove his public role from issues involving his private employer.

The Commission publicly reprimanded the Mayor for his conduct and advised him that any future violations would be investigated and, if warranted by the facts, recommended for prosecution to the fullest extent of the law. Neumeier has agreed to recommend and arrange for an educational presentation by the Ohio Ethics Commission in the City of Delphos for city, township and county public officials.