

**STATE OF MINNESOTA  
CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD**

**CONCILIATION  
AGREEMENT**

In the Matter of the Sibley County RPM (20310);

1. In February 2018 the Campaign Finance and Public Disclosure Board conducted a routine compliance review of the Sibley County RPM's 2017 year-end report of receipts and expenditures. The review disclosed that on August 21, 2017, the Sibley County RPM received a \$350 contribution from Legacy Painting LLC. A staff review was initiated as the contribution appeared to constitute a violation of Minnesota Statutes section 211B.15.
2. Corporations that do business in Minnesota are prohibited from making contributions to political parties under Minnesota Statutes section 211B.15, subdivision 2. Political parties and individuals are likewise prohibited from accepting such contributions. Corporations are defined to include limited liability companies pursuant to Minnesota Statutes section 211B.15, subdivision 1.
3. An examination of business filings on the Minnesota Secretary of State's website indicates that Legacy Painting LLC is a limited liability company formed under Minnesota Statutes chapter 322C.
4. In an email to Board staff on April 23, 2018, Sibley County RPM Chair Daryl Thurn explained that the party unit did not realize the contribution was from an LLC. The Sibley County RPM's 2018 pre-primary report of receipts and expenditures indicates that a refund check for \$350 was issued in May 2018. In a phone call with Board staff on November 21, 2018, Annie Ballalatak from Legacy Painting LLC stated that the refund check for \$350 was received and deposited. However, because the contribution was not returned within 90 days, it is deemed accepted pursuant to Minnesota Statutes section 10A.15, subdivision 3.
5. The parties agree that the Sibley County RPM accepted a corporate contribution in violation of Minnesota Statutes section 211B.15, subdivision 2. This is the Sibley County RPM's first violation of this statute.
6. To avoid a similar violation in the future, the Sibley County RPM agrees that it will refrain from accepting corporate contributions, including contributions from limited liability companies. The Sibley County RPM will carefully review contribution checks to determine the account from which the contribution is drawn in order to comply with this requirement.
7. The Sibley County RPM agrees that it will provide to the Board a copy of the deposited refund check for \$350 within 30 days of the date the agreement is signed by both parties.

8. The Sibley County RPM agrees to the imposition of a civil penalty in the amount of \$350, the amount of the contribution, for accepting a contribution prohibited by Minnesota Statutes section 211B.15, subdivision 2. Of this amount, \$90 is due within 30 days of the date the agreement is signed by both parties. The remaining \$260 of the penalty is, by the terms of this agreement, stayed until January 1, 2021. If the Sibley County RPM violates Minnesota Statutes section 211B.15, subdivision 2, before January 1, 2021, the outstanding civil penalty is due immediately. If the Sibley County RPM does not violate Minnesota Statutes section 211B.15, subdivision 2, before January 1, 2021, the outstanding civil penalty is waived.

9. If the Sibley County RPM does not comply with the provisions of this agreement, this matter may be reopened by the Board and the Board may take such actions as it deems appropriate.

/s/ Daryl Thurn  
Daryl Thurn, Chair  
Sibley County RPM

Dated: December 30, 2018

/s/ Carolyn Flynn  
Carolyn Flynn, Chair  
Campaign Finance and Public Disclosure Board

Dated: December 5, 2018