



STATE OF NEVADA

BEFORE THE NEVADA COMMISSION ON ETHICS

In the Matter of the Request for Opinion  
Concerning the Conduct of  
JOHN RUSSUM, Trustee, Humboldt  
General Hospital District, Humboldt  
County, State of Nevada,

Request for Opinion No.: 09-24C

Subject. /

INVESTIGATOR'S REPORT (Tab A):

Introduction:

On April 3, 2009, an Ethics Complaint was filed against John Russum (Russum), Trustee of Humboldt General Hospital District Board of Trustees (Hospital Board), alleging that he voted to approve a payment to himself.

Jurisdiction:

As a Trustee of the Board, no dispute exists that Russum is a public officer as defined by NRS 281A.160. Therefore, the Nevada Commission on Ethics (Commission) has jurisdiction to investigate and take appropriate action in this matter, pursuant NRS 281A.280 and NRS 281A.440.

Issues:

The first issue is whether Russum violated NRS 281A.420(4) when he failed to disclose his

1 pecuniary interest before voting on a "check run" that included a payment to himself.

2 The second issue is whether Russum violated NRS 281A.420(2) when he failed to abstain from  
3 voting on the alleged payment.

4  
5 **Request for Opinion No. 09-23C (Ethics Complaint). (Tab B):**

6  
7 On April 3, 2009 an Ethics Complaint was filed by Allen Violette (Violette). The following is  
8 the summary of the allegations:

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10 On February 24, 2009, Russum violated:

11  
12 1.) NRS 281A.420(4) when he failed to disclose his pecuniary interest in the Humboldt General  
13 Hospital where he serves as a trustee of the Board.

14 2.) NRS 281A.420(2) when he failed to abstain from voting on a payment for himself from the  
15 Humboldt General Hospital, where he serves as a trustee of the Board.

16  
17 **Response to Ethics Complaint. (Tab C):**

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19 On May 15, 2009, a response to Ethics Complaint 09-23C was received from Russum's legal  
20 counsel Kent Maher, Esq. (Maher). Maher stated that Russum was not required to disclose his  
21 pecuniary interest nor required to abstain from voting. The members of the Hospital Board are  
22 entitled to the compensation and they are the only individuals who can approve their own monthly  
23 payments.

24  
25 **Investigation Summary:**

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27 I interviewed the following individuals and reviewed the following documents:  
28

1 **Witnesses interviews and responses. (Tab D):**

- 2
- 3 • Allen Violette, requestor of an Ethics Complaint No. 09-24C, on May 22, 2009.
- 4 (Exhibit 1).
- 5 • John Russum, Subject of the Ethics Complaint 09-24C. (Included in a Response
- 6 to the Ethics Complaint, Tab C).
- 7

8 **Documents. (Tab E):**

9

10 I obtained and reviewed the following documents and materials relevant to the investigation:

11

- 12 • Minutes from the February 24, 2009, Hospital Board meeting. (Exhibit2).
- 13 • Information packet provided to the Board members for the February 24, 2009,
- 14 Hospital Board meeting. (Exhibit 3).
- 15

16 **Relevant Statutes and Commission's Opinions (Tab F).**

- 17
- 18 • NRS 281A.420(2), (4) and (8).
- 19 • Nevada Commission on Ethics Opinions No. 90-2C (Abstract) and 93-19C, In re
- 20 Guinchigliani.
- 21 • NRS 450.130.
- 22

23 **Investigative findings:**

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25 The following are my investigative findings:

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27 Russum is the Trustee of the Hospital Board. As a Trustee, Russum is entitled to a compensation

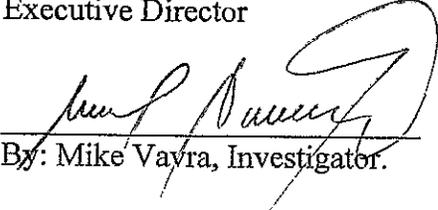
28 of \$80 for each Board meeting pursuant to NRS 450.130. (Tab C, page 2). The members of the

1 Hospital Board are the only individuals who can approve their own compensation, to which they  
2 are entitled by the statute. (Tab F).

3  
4 At the February 24, 2009 Hospital Board meeting, Russum voted on his own compensation that  
5 was included in the "check run." (Exhibit 3, page 18). Russum did not disclose his pecuniary  
6 interest in Humboldt General Hospital, nor did he abstain from voting. (Exhibit 2). However,  
7 each Hospital Board member is entitled to the compensation pursuant to statute. Russum did not  
8 receive any greater benefit than any other member of the Hospital Board. Russum is entitled to  
9 the compensation for performing his public service.

10  
11  
12 Dated this 22 day of May 2009.

13  
14 NEVADA COMMISSION ON ETHICS  
15 Patricia D. Cafferata, Esq.  
16 Executive Director

17   
18 By: Mike Vayra, Investigator.