

**CITY OF HILLS AND DALES, KENTUCKY
ORDINANCE 2024-3**

**AN ORDINANCE AMENDING ORDINANCE NO. 3, SERIES 1994,
AN ORDINANCE ESTABLISHING A CODE OF ETHICAL CONDUCT APPLICABLE TO OFFICIALS AND
EMPLOYEES OF THE CITY OF HILLS AND DALES, KENTUCKY**

WHEREAS, the General Assembly of the Commonwealth of Kentucky has enacted legislation requiring the city to enact and enforce a code of ethics governing the conduct of city officials and employees; and

WHEREAS, the City Commission wishes to amend its code of ethics, Ordinance 3, Series 1994, incorporating improvements contained in the current model ethics ordinance promulgated by the Kentucky League of Cities; and

WHEREAS, the officials of the city are committed to operation of a city government that manifests the highest moral and ethical standards among its officials and employees and desires to comply with all requirements of the Commonwealth's local government ethics law.

NOW, THEREFORE, be it ordained by the City Commission of the City of Hills and Dales that an amended City of Hills and Dales code of ethics is hereby adopted and is to read as follows:

I. TITLE: This ordinance shall be known and may be cited as the "First Amended City of Hills and Dales Code of Ethics".

II. PURPOSE AND AUTHORITY.

- A.** It is the purpose of this ordinance to meet the requirements of KRS 65.003.
- B.** This ordinance is enacted under the power vested in the city by KRS 82.082 and pursuant to the requirements of KRS 65.003.

III. DEFINITIONS.

As used in this ordinance, unless the context clearly requires a different meaning:

- A.** "Benefit" means gain or advantage to the beneficiary or to a third person pursuant to the desire or consent of the beneficiary. (KRS 522.010(2)).
- B.** "Business" means any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, professional service corporation or any legal entity through which business is conducted for profit.

- C. "Candidate" means any individual who seeks nomination, or election to a city office. An individual is a candidate when the individual files a notification and declaration for nomination for office with the county clerk or files a declaration of intent to be a write-in candidate with the county clerk.
- D. "City" refers to the City of Hills and Dales, Kentucky.
- E. "City agency" means any board, commission, authority, non-stock corporation, or other entity created, either individually or jointly, by this city.
- F. "Confidential information" means information obtained in the course of holding public office or employment, which is not available to members of the public and which the official or employee is not authorized to disclose, except to designated individuals or bodies, including written and non-written information. When such information is also available through channels open to the public, officials and employees are not prohibited from disclosing the availability of those channels.
- G. "Domestic partner" is an adult, unrelated by blood, with whom an unmarried or separated official or employee has an exclusive committed relationship, maintains a mutual residence, and shares basic living expenses.
- H. "Employee" means any person, full or part-time, seasonal or temporary, paid or unpaid, who is employed by or provides services to the city. The term "employee" shall not include any contractor or subcontractor or any of their employees.
- I. "Ethics administrator" means the person appointed by the commission to fill the position created and vested by this ordinance with the responsibility of enforcing the requirements of the city's code of ethics.
- J. "Family member" means a spouse, domestic partner, and, whether by blood, adoption, marriage, guardianship, or domestic partnership, parent, child, brother, sister, grandparent, or grandchild.
- K. "Financial benefit" includes financial benefits such as any money, service, license, permit, contract, authorization, loan, discount, travel, entertainment, hospitality, gratuity, or any promise of any of these, or anything else of value.
- L. "Financial interest" is a relationship to something where a direct or indirect financial benefit has been, will be, or might be received as a result of the relationship.
- M. "Immediate family member" means a spouse, domestic partner, and, whether by blood, adoption, marriage, guardianship, or domestic partnership, a child who is not emancipated and who resides in the official's or employee's household, or a person claimed by the official or employee, or the official's or employee's spouse or domestic partner, as a dependent for tax purposes.

- N. "Official" means any person, whether compensated or not, full or part-time who is one of the following:
1. Mayor;
 2. Legislative body member;
 3. City Treasurer;
 4. City Clerk;
 5. Ethics Administrator, as created by this ordinance;
 6. Any other person that occupies a nonelected office created pursuant to KRS 82A.080;
- O. "Official act" means any legislative, administrative, appointive, or discretionary act of any public official or employee of the city or any agency, board, committee, or commission thereof.
- P. "Pecuniary benefit" means benefit in the form of money, property, commercial interests or anything else the primary significance of which is economic gain. (KRS 521.010(2)).
- Q. "Transaction" means any matter, including but not limited to, contracts, work, or business with the city, upon which a city official or employee performs an official act.

IV. STANDARDS.

- A. No elected official, appointed official, or employee of the city shall accept, solicit or condone the receipt of any benefit as that word is defined in KRS 522.010(2) or any pecuniary benefit as that term is defined in KRS 521.010(2) for any reason by virtue of their position with the city.
- B. All officials shall serve without financial compensation and as volunteers.
- C. Any employee shall receive only that compensation reflected therefor in the city budget.
- D. No gifts or honoraria offered to any official or employee shall be accepted if offered from someone doing business with the city or having official business with the City.
- E. Any city official or employee who shall have any private financial interest, directly or indirectly, in any contract or matter pending before or within the city commission shall disclose such interest to the commission.
- F. No city official or employee shall act in his official capacity in any matter where he or she, a family member, or a business in which he or she has an interest, has a direct or indirect financial or personal interest that might reasonably be expected to impair his or her objectivity or independence of judgment.

- G. No official or employee of the city, or any city agency, shall disclose or use confidential information for the benefit of another person or business as opposed to for the general good of the city. Information shall be deemed confidential if it is not subject to disclosure pursuant to the Kentucky Open Records Act at the time of its use or disclosure.

V. FINANCIAL DISCLOSURE

- A. Who Must File. The following classes of officials and employees of the city and any city agencies shall execute a financial disclosure statement:

1. elected city officials;
2. appointed city officials;
3. candidates for elected city office;
4. ethics administrator, as created by this ordinance; and
5. employees who are authorized to make purchases of materials or services, or award contracts, leases, or other agreements on behalf of the city or any city agency involving amounts in excess of \$1,000.

- B. When to File Financial Disclosure Statements.

1. The city clerk shall deliver a copy of the financial disclosure statement to each official or employee required to file the statement, by hand delivery, email or first-class mail no later than January 15th of each year and to candidates for elected office no later than 10 days after their date of nomination.
2. All financial disclosure statements shall be filed with the city clerk not later than January 31 of each year with the exception of candidates for elected office who shall file no later than 21 days after their date of nomination.

- C. Form of the Financial Disclosure Statement. The financial disclosure statements shall be filed on a form prescribed by the city commission and the ethics administrator and prepared by the city clerk.

- D. Control and Maintenance of Financial Disclosure Statement

1. The ethics administrator shall have full access to and ultimate control over the financial disclosure statements; however, the statements shall be filed with and maintained by the city clerk as the custodian of public documents and shall be available for public inspection immediately upon filing.

2. Disposal of the financial disclosure statements shall be pursuant to the Kentucky Department of Libraries and Archives schedule as follows:

- a. Upon the expiration of two (2) years after a person ceases to be an official or employee of the city, or a city agency, the ethics administrator shall cause to be destroyed any financial disclosure statements or copies of those statements filed by the person.
- b. Upon the expiration of two (2) years after any election at which a candidate for elected city office was not elected or nominated, the ethics administrator shall cause to be destroyed any financial disclosure statements or copies of those statements filed by the person.

E. Contents of the Financial Disclosure Statements

1. The statement of financial interest shall contain the following information:
 - a. the name of the filer;
 - b. the current home address of the filer;
 - c. the current business address of the filer;
 - d. the filer's office held or office being sought, or position of employment;
 - e. the occupation of the filer and the filer's spouse or domestic partner;
 - f. names and addresses of employers from whom the filer and any member of the filer's immediate family was paid salary and/or wages totaling more than \$10,000 during the previous calendar year;
 - g. the name and address of any business which has engaged in any business transactions with the city during the past three years, or is anticipated to engage in any business transactions with the city in the next 12 months, in which the filer or any member of the filer's immediate family, had a financial interest of \$10,000 at fair market value or 5% ownership interest or more.
2. Nothing in this section shall be construed to require the filer to disclose any specific dollar amounts, nor the names of individual clients, no customers of businesses listed as sources of income.

F. Noncompliance with the Filing Requirement.

1. Any person who fails, or refuses, to file the financial disclosure statement, or who fails, or refuses to remedy a deficiency in the filing of a financial disclosure statement, shall be subject to a civil fine imposed by the ethics administrator in an amount not to exceed \$25 per day, up to a maximum civil fine of \$500. Any civil fine imposed by the ethics administrator, under this section, may be recovered by the city in a civil action in the nature of a debt if the offender fails, or refuses, to pay the penalty within a prescribed period of time.
2. Any person who intentionally files a financial disclosure statement which they know to contain false information, or intentionally omits required information, shall be guilty of a Class A misdemeanor.

VI. NEPOTISM: No official or employee of the city, or a city agency, shall advocate, recommend, or cause the employment, appointment, promotion, transfer, or advancement of a family member to an office, or position of employment, with the city or a city agency.

VII. ETHICS ADMINISTRATOR: There is hereby created the position of ethics administrator who shall have the authorities, duties, and responsibilities, as set forth in this ordinance, to enforce the provisions of this ordinance.

- A. The ethics administrator shall consist of one (1) member who shall be appointed by the city commission within sixty (60) days of the effective date of this ordinance.
- B. The ethics administrator shall not hold an elected or appointed office, whether paid or unpaid, with the city.
- C. The ethics administrator shall serve for a term of four (4) years.
- D. The ethics administrator may be re-appointed for any number of consecutive terms.
- E. The ethics administrator shall have been a resident of the city for at least one (1) year prior to the date of the appointment.
- F. The ethics administrator shall reside in the city throughout the term in office.
- G. The ethics administrator shall be chosen by virtue of his or her known and consistent reputation for integrity and knowledge of local government affairs.

- I. The ethics administrator may be removed by the city commission for misconduct, inability, or willful neglect of duties. However, before such action is taken, the ethics administrator shall be afforded the opportunity for a hearing before the city commission.
- J. The ethics administrator shall serve without compensation, unless otherwise approved by the city commission, but shall be reimbursed for all necessary and reasonable expenses in the performance of his/her duties.

VIII. POWERS AND DUTIES OF THE ETHICS ADMINISTRATOR. The ethics administrator shall have the following powers and duties:

- A. receiving complaints alleging possible violations of this ordinance;
- B. issuing advisory opinions with the assistance of the Offices of the County Attorney and the Attorney General on inquiries relating to this ordinance;
- C. investigating possible violations of this ordinance;
- D. referring any information concerning violations of this ordinance to the mayor, the city commission, the governing body of any city agency, the county attorney, or other appropriate person(s), body, or bodies as necessary;
- E. imposing sanctions as allowed under this ordinance in a fair and consistent fashion;
- F. maintaining and making available for public inspection the financial disclosure statements referenced in V above; and
- G. preparing and submitting an annual report to the city commission summarizing the activities, decisions, and advisory opinions of the ethics administrator. The annual report must be submitted no later than August 31 of each year, covering the prior fiscal year ended June 30.

IX. ENFORCEMENT:

Sanctions available to the ethics administrator shall include:

- A. private reprimands;
- B. public reprimands documented in a public record such as city commission meeting minutes;

- C. civil proceedings in Jefferson Circuit Court for injunctive relief and/or monetary reimbursement; or
- D. filing of a criminal complaint under the Penal Code including KRS 521.020(1)(b), Bribery of a Public Servant, a class D felony; KRS 523.030, 517.090, or 522.010, et seq., Abuse of Public Office.
- E. Prior to the imposition of any sanction, the alleged violator shall have 30 days within which to seek appellate review in the Jefferson Circuit Court as to any private or public reprimand or regular legal recourse with respect to any civil or criminal proceedings initiated by the ethics administrator. Likewise, any person complaining of an alleged violation and who feels the action initiated by the ethics administrator was inadequate or contrary to law may appeal to Jefferson Circuit Court within 30 days.

X. SEVERABILITY: If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable.

XI. EFFECTIVE DATE. This ordinance shall take effect from and after its passage, signing and publication, as required by law.

First Reading held:	October 10, 2024
Second Reading held:	November 14, 2024
Passage on:	December 12, 2024
Publication on:	December 17, 2024

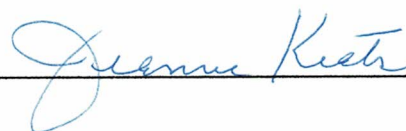
Passed and approved the 12th day of December, 2024, at a regular meeting of the City Commission pursuant to law.

Andreas Wokutch, Mayor



Date 12/12/2024

ATTEST: Jeanne Keats, City Clerk



Date 12/12/2024