

CITY OF GEORGETOWN, KENTUCKY

ORDINANCE NO. 16-013

AN ORDINANCE AMENDING THE GEORGETOWN CODE OF ETHICS

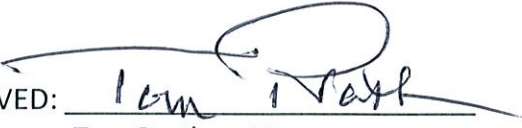
SUMMARY

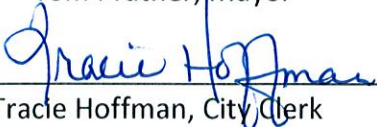
Amends the Georgetown Code of Ethics to: make various alterations to definitions; add definitions for financial benefit, financial interest, household, official act, personal benefit, personal interest, relative, subordinate, and transaction; clarify throughout the code that ethics rules apply to officers and employees of city agencies; strengthen provisions prohibiting officers and employees from using position or influence for personal or business gain; add civic organizations of which the officer or employee is a member to the list of persons prohibited from obtaining personal or financial benefits from the officer's action or failure to act; expand the list of those persons and businesses with whom the officer may have a financial interest; modify the conflicts of interest in contract provisions to match state law requirements; clarify rules on receipt of gifts to indicate the \$100 threshold is per year, per source and to replace exception rules with a specific list of exceptions; strengthen post-employment restriction language to prohibit compensation for services rendered on behalf of any person in relation to matters on which the officer or employee worked while in service of the city; make technical change to misuse of confidential information language; change title of Honoraria section to Fees and Honoraria; create a new section prohibiting complicity with or undisclosed knowledge of others' violations of the Code; create a new section mirroring state incompatible office requirements; create a new section requiring withdrawal from participation in actions or discussions where the officer or employee has a conflict of interest and establishing parameters for withdrawal; expands requirement for filing financial interests statements to all board members with policymaking roles and to those employees and officers with certain responsibilities; add "memberships on any board whatsoever," to information required to be disclosed in financial interests statement; change penalty for noncompliance with filing requirement from misdemeanor criminal charge to civil penalty of no more than \$1,000; make clarification to nepotism language to correct ambiguity; require any board of ethics member who files to run for city office to resign from the Board of ethics as soon as possible thereafter; eliminates requirement that no more than three of the ethics board members be of the same political party;

The full text of Ordinance 16-013 is available for examination in the City Clerk's Office, 100 North Court Street, Georgetown, Kentucky 40324 or at www.georgetownky.gov.

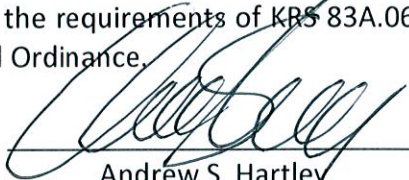
INTRODUCED AND PUBLICLY READ FIRST TIME: November 14, 2016

PUBLICLY READ SECOND TIME AND PASSED: November 28, 2016

APPROVED: 
Tom Prather, Mayor

ATTEST: 
Tracie Hoffman, City Clerk

I, Andrew S. Hartley, hereby certify I am an Attorney licensed to practice law in the Commonwealth of Kentucky. My office is located at 100 North Court Street, Georgetown, Kentucky 40324. I further certify the foregoing Summary of Ordinance 16-013, of the City of Georgetown, Kentucky, was prepared in accordance with the requirements of KRS 83A.060(9), and is a true and accurate summary of the contents of said Ordinance.


Andrew S. Hartley

CITY OF GEORGETOWN, KENTUCKY

ORDINANCE NO. 16-013

AN ORDINANCE AMENDING THE GEORGETOWN CODE OF ETHICS

Sponsor: Council member Mark Showalter

NOW THEREFORE, be it ordained by the City of Georgetown, Kentucky:

ONE

Section 2-313 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-313 Purpose and authority.

(a) It is the purpose of this article to provide a method of assuring that standards of ethical conduct and financial disclosure requirements for officers and employees of the city shall be clearly established, uniform in their application, and enforceable, and to provide the officers and employees of the city with advice and information concerning potential conflicts of interest which might arise in the conduct of their public duties.

(b) It is the further purpose of this article to meet the requirements of KRS 65.003 as enacted by the 1994 Kentucky General Assembly.

(c) This article is enacted under the power vested in the city by KRS 82.082 and pursuant to requirements of KRS 65.003 and any amendments thereto made subsequently.

TWO

Section 2-314 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-314. Definitions. As used in this article, unless the context clearly requires a different meaning:

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, Limited Liability Entity or any legal entity through which business is conducted [~~for profit~~].

Board of Ethics means the City of Georgetown Board of Ethics which is created and vested by this article with the responsibility of enforcing the requirements of the city's code of ethics.

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 secretary of state, or is nominated for office by a political party, or files a declaration of intent to be a write-in candidate with the county clerk or secretary of state.

City refers to the city of Georgetown, Kentucky.

City agency means any board, commission, authority, nonstock corporation, or other entity created, either individually or jointly, by this city.

Employee means any person, whether full-time or part-time, whether seasonal and/or temporary and whether paid or unpaid, who is employed by or provides service to the city, any city agency and, to the extent permitted by law, any joint city/county agency. The term "employee" shall not include any contractor or subcontractor or any of their employees.

Family member means a spouse, parent, child, step-child, brother, sister, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent or grandchild, aunt, uncle, first cousin, niece, nephew, sister-in-law, brother-in-law, stepmother, stepfather, stepdaughter, stepson, stepsister, stepbrother, half-sister, [or] half-brother or domestic partner.

Immediate family member means a spouse, an unemancipated child or step-child residing in the officer's or employee's household, or a person claimed by the officer or employee, or the officer's or employee's spouse, as a dependent for tax purposes.

Officer means any person, whether full-time or part-time, and whether paid or unpaid, who is one (1) of the following:

- (1) The mayor;
- (2) A legislative body member;
- (3) The city clerk;
- (4) Administrative assistant to the mayor;
- (5) The chiefs of fire and police;
- (6) Any person who occupies a non-elected office created under KRS 83A.080;
- (7) A member of any city or joint city/county board or commission who has been appointed to that body by the city.

Financial benefit includes 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. This term does not include campaign contributions authorized by law.

Financial interest is a relationship to something such that a direct or indirect financial benefit has been, will be, or might be received as a result of it.

Household includes anyone whose primary residence is in the officer or employee's home, including non-relatives who are not rent payers or servants.

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.

Personal benefit includes benefits other than those that are directly financially advantageous. These include financial benefits to relatives, and business associates as well as non-financial benefits to these people and to oneself.

Personal interest means a relationship to something such that a personal benefit has been, will be, or might be obtained by certain action or inaction with respect to it.

Relative means a spouse, child, step-child, brother, sister, parent or step-parent, or a person claimed as a dependent on the officer or employee's latest individual state income tax return.

Subordinate means another official or employee over whose activities an official or employee has direction, supervision or control.

Transaction means any matter, including but not limited to, contracts, work or business with the City, the sale or purchase of real estate by the City, and any request for zoning amendments, variances, or special permits pending before the City, upon which a public officer or employee performs an official act or action.

THREE

Section 2-325 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-325. Conflicts of interest in general. Every officer and employee of the city and every city agency shall comply with the following standards of conduct:

(1) No officer or employee, or any immediate family member of any officer or employee, shall have an interest in a business or engage in any business, transaction, or activity, which is in substantial conflict with the proper discharge of the officer's or employee's public duties.

(2) No officer or employee shall intentionally use or attempt to use his or her official position with the city to secure unwarranted (or solicited) privileges or advantages for himself or herself or others.

(3) No officer or employee shall intentionally take, ~~or~~ refrain from taking, or fail to take any discretionary action, or agree to take, ~~or~~ refrain from taking, or fail to take any discretionary action, or ~~[induce or attempt to induce]~~ influence or attempt to influence any other officer or employee to take or refrain from taking any discretionary action, on any matter before the city in order to obtain a personal or financial benefit [of substantial value] for any of the following:

a. The officer or employee;

b. A family member;

c. An outside employer;

d. Any business in which the officer or employee or any family member has a financial interest, including but not limited to:

1. an outside employer or business of his or hers, or of his or her family member, or someone who works for such outside employer or business;

2. a customer or client;

3. a substantial debtor or creditor of his or hers, or of his or her family member;

e. Any business with which the officer or employee or any family member is negotiating or seeking prospective employment or other business or professional relationship~~[-];~~ or

f. A nongovernmental civic group, social, charitable, or religious organization of which he or she (or his or her immediate family member) is an officer or director.

(4) No officer or employee shall be deemed in violation of any provision in this section if, by reason of the officer's or employee's participation, vote, decision, action or inaction, no ~~[benefit of substantial value]~~ personal or financial benefit accrues to the officer or employee, a family member, an outside employer, or a business as defined in subsection (3)d. ~~[and e]~~ - g. of this section, as a member of any business, occupation, profession, or other group, to any greater extent than any gain could reasonably be expected to accrue to any other member of the business, occupation, profession or other group.

(5) Every officer or employee who has a prohibited financial interest which the officer or employee believes or has reason to believe may be affected by his or her participation, vote, decision or other action taken within the scope of his or her public duties shall disclose the precise nature and value of the interest, in writing, to the governing body of the city or city agency served by the officer or employee, and the disclosure shall be entered on the official

record of the proceedings of the governing body. The officer or employee shall refrain from taking any action with respect to the matter that is the subject of the disclosure.

FOUR

Section 2-326 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-326. Conflict of interest in contracts.

(a) Pursuant to KRS 61.252, [N]no officer or employee of the city or and city agency shall directly or through others undertake, execute, hold or enjoy, in whole or in part, any contract made, entered into, awarded, or granted by the city or a city agency, except as follows:

(1) The prohibition in subsection (a) of this section shall not apply to contracts entered into before an elected officer filed as a candidate for city office, before an appointed officer was appointed to a city or city agency office, or before an employee was hired by the city or a city agency. However, if any contract entered into by a city or city agency officer or employee before he or she became a candidate, was appointed to office, or was hired as an employee, is renewable after he or she becomes a candidate, assumes the appointed office, or is hired as an employee, then the prohibition in subsection (a) of this section shall apply to the renewal of the contract.

(2) The prohibition in subsection (a) of this section shall not apply if the contract is awarded after public notice and competitive bidding, unless the officer or employee is authorized to participate in establishing the contract specifications, awarding the contract, or managing contract performance after the contract is awarded. If the officer or employee has any of the authorities set forth in the preceding sentence, then the officer or employee shall have no interest in the contract, unless the requirements set forth in subpart (3) below are satisfied.

(3) The prohibition in subsection (a) of this section shall not apply in any case where the following requirements are satisfied:

- a. The specific nature of the contract transaction and the nature of the officer's or employee's interest in the contract are publicly disclosed at a meeting of the governing body of the city or city agency;
- b. The disclosure is made a part of the official record of the governing body of the city or city agency before the contract is executed;
- c. A finding is made by the governing body of the city or city agency that the contract with the officer or employee is in the best interests of the public and the city or city agency [~~because of price, limited supply, or other specific reasons~~] before the contract is executed;

d. The finding is made a part of the official record of the governing body of the city or city agency before the contract is executed.

(b) Any violation of this section shall constitute a Class A misdemeanor, and upon conviction, the court may void any contract entered into in violation of this section. Additionally, a violation of this section shall be grounds for removal from office or employment with the city in accordance with any applicable provisions of state law and ordinance, rules or regulations of the city.

FIVE

Section 2-327 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-327. Receipt of gifts.

No ~~[officer or employee,]~~ officer or employee of the City shall ~~[directly, or indirectly through any other person or business, accept any gift having a fair market value of more than one hundred dollars (\$100),]~~ directly or indirectly, solicit any gift or accept or receive any gift having a value of one hundred dollars (\$100) or more per year, per source, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise, or any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence, or could reasonably be expected to influence the officer, employee or appointee in the performance of his or her ~~[public]~~ official duties, or was intended as a reward for any official action. ~~[This inference arises when the gift is made by a person or entity for whom there is no other apparent motivation than the exercise of influence. No inference, therefore, would exist where the gift is received from family members.]~~

~~(b) — The acceptance of a gift having a fair market value of more than one hundred dollars (\$100) without such inference shall be reported to the Ethics board.~~

~~(c) — The acceptance of a gift having a fair market value of less than one hundred dollars (\$100), with or without such inference, shall be reported to the Ethics board.~~

~~(d) — No gift of any value shall be solicited directly or indirectly.~~

~~(e) — No report shall be required for gifts accepted from family members or gifts from others having a fair market value of one hundred dollars (\$100) or less if received in conjunction with a public function, e.g. reception or dinner.~~

~~(f) — The following shall be exempted from the operation of this section:~~

~~i. — The receipt of anything of value where it is incidental to a function of the City, of a municipal agency [e.g. Housing Authority], or an organization or~~

~~program directly related to the City or municipal agency [the Bluegrass Area Development District or the Sister Cities Program]. The items of value contemplated by this exemption include, but are not necessarily limited to, travel, lodgings and meals while on an official trip. An official trip is one sanctioned by express action of the Council, the municipal agency or the independent organization sponsoring the function.~~

~~ii. This exclusion is based upon:~~

- ~~a. The item of value being received from the City or municipally related organizations for municipal business and not from outside sources seeking influence within local government; and~~
- ~~b. The item of value being received by the office and only incidentally by any individual.]~~

Certain items are typically excluded from the prohibition. Examples of these items include:

- a. Gifts received from relatives.
- b. Gifts accepted on behalf of the city and transferred to the city.
- c. Reasonable travel and travel-related expenses, cost of admission, food and beverages, and entertainment furnished in connection with certain specified public events, appearances, ceremonies, economic development activities, or fact-finding trips related to official government business.
- d. Usual and customary loans made in the ordinary course of business.
- e. Awards, including certificates, plaques, and commemorative tokens presented in recognition of public service.
- f. Informational, promotional, and educational items.

SIX

Section 2-329 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-329. Representation of interests before city government.

(a) No officer or employee of the city or any city agency shall represent any person or business, other than the city, in connection with any cause, proceeding, application or other matter pending before the city or any city agency.

(b) Nothing in this section shall prohibit an employee from representing another employee or employees where the representation is within the context of official labor union or similar representational responsibilities.

(c) Nothing in this section shall prohibit any officer or employee from representing himself or herself in matters concerning his or her own interests.

(d) No elected officer shall be prohibited by this section from making any inquiry for information on behalf of a constituent, if no compensation, reward or other thing of value is promised to, given to, or accepted by the officer, whether directly or indirectly, in return for the inquiry.

SEVEN

Section 2-330 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-330. Post-employment restriction. No officer or employee of the city or any city agency shall appear [~~or practice before the city, any city agency or joint city/county agency with respect~~] before the city or any city agency or receive compensation for services rendered on behalf of any person in relation to any matter on which the officer or employee personally worked while in the service of the city, [city agency or joint city/county agency] city or city agency for a period of one (1) year after the termination of the officer's or employee's service with the city or city agency.

EIGHT

Section 2-331 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-331. Misuse of confidential information.

No officer or employee of the city or any city agency shall intentionally use or disclose information acquired in the course or his or her official duties, [~~for the purpose of~~] if the primary purpose of the use or disclosure is to further his or her personal or financial interest or that of another person or business. Information shall be deemed confidential, if it is not subject to disclosure pursuant to the Kentucky Open Records Act, KRS 61.872 to 61.884, at the time of its use or disclosure.

NINE

Section 2-332 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-332. Fees and honoraria.

(a) No officer or employee shall accept any compensation, honorarium or gift with a fair market value greater than one hundred dollars (\$100.00) in consideration of an appearance, speech or article unless the appearance, speech or article is both related to the officer's or employee's activities outside of municipal service and is unrelated to the officer's or employee's service with the city.

(b) Nothing in this section shall prohibit an officer or employee from receiving and retaining from the city or on behalf of the city actual and reasonable out-of-pocket expenses incurred by the officer or employee in connection with an appearance, speech or article, provided that the officer or employee can show by clear and convincing evidence that the expenses were incurred or received on behalf of the city or city agency and primarily for the benefit of the city or city agency and not primarily for the benefit of the officer or employee or any other person.

TEN

A new Section of the Code of Ethics is created to read as follows:

Complicity with or knowledge of others' violations.

No officer or employee may, directly or indirectly, induce, encourage, or aid anyone to violate any provision of this code. If an officer or employee suspects that someone has violated this case, he or she is required to report it to the Board of Ethics pursuant to Section 2-375 of the Code of Ordinances.

ELEVEN

A new Section of the Code of Ethics is created to read as follows:

Incompatible offices.

(a) Pursuant to Section 165 of the Kentucky Constitution, no officer or employee of the city may also be a state officer, deputy state officer or member of the General Assembly or may fill more than one (1) municipal office at the same time, whether in the same or a different city.

(b) Pursuant to KRS 61.080, and effective until January 1, 2015, no city officer may also hold a county office. In addition, the statute also states that the following city and consolidated local government offices are incompatible with any other public office:

1. Member of the legislative body in cities of the home rule class;
2. Mayor and member of the legislative body in cities of the home rule class;
3. Mayor and member of council in cities of the home rule class; and
4. Mayor and member of the legislative council of a consolidated local government.

From January 1, 2015, no city officer may also hold a county office. In addition, the statute also states that the following city and consolidated local government offices are incompatible with any other public office:

1. Member of the legislative body of cities of the home rule class;
2. Mayor and member of the legislative council of a consolidated local government; and
3. Mayor and member of the legislative body in cities of the home rule class.

(c) In addition to the Constitution and statutory provisions, there are common law incompatibilities that have been defined by the courts. City officers and employment positions are deemed incompatible when one office or position of employment was inherently inconsistent in function with the other when there arises an implication that the duties and responsibilities of both cannot be performed at the same time with a necessary degree of impartiality and honesty.

(d) KRS 61.090 provides that the acceptance of an incompatible office operates to vacate the first office.

TWELVE

A new Section of the Code of Ethics is created to read as follows:

Withdrawal from participation.

(a) An officer or employee must refrain from acting on or discussing, formally or informally, a matter before the city, if acting on the matter, or failing to act on the matter, may personally or financially benefit any of the persons or entities listed in Section 5(C) above. Such an officer or employee should join the public if the withdrawal occurs at a public meeting, or leave the room if it is a legally conducted closed meeting (executive session) under KRS 61.810 and KRS 61.815.

(b) Withdrawal at a meeting requires the public announcement, on the record, of the withdrawal.

(c) Ongoing conflict: an officer or employee whose outside employment or other outside activity or relationship can reasonably be expected to require more than sporadic withdrawal must resign or cease such outside employment or activity. An officer or employee should not begin employment or an activity or relationship that can reasonably be expected to require more than sporadic withdrawal. If a prospective officer or employee is in such a situation, he or she should not accept the position with the city.

(d) Request to withdraw: If an officer or appointed board member is requested to withdraw from participation in a matter, for the reason that he or she has a conflict of interest, by

1. another member,
2. a party to the current matter, or
3. anyone else who may be affected by a decision relating to this matter,

the member must decide whether to withdraw on the official record.

(e) If the person is the only one authorized by law to act, the person must disclose the nature and circumstances of the conflict to the Board of Ethics and ask for a waiver or advisory opinion.

THIRTEEN

Section 2-343 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-343. Who must file.

The following classes of officers and employees of the city and city agencies shall file an annual statement of financial interests with the Board of Ethics:

- (a) Elected city officers.

(b) Candidates for elected office.

(c) ~~[Members of the city planning and zoning commission and water board.]~~ Officers and employees who hold policymaking positions, including members of municipal boards, such as boards of ethics, finance boards, planning and zoning boards, boards of zoning, buildings, and assessment appeals, wetlands and conservation boards, economic development boards, and parks and recreation boards;

(d) ~~[Members of the Board of Ethics created by this ordinance.]~~ Officers or employees whose job descriptions or whose actual responsibilities involve:

1. The negotiation, authorization, or approval of contracts, leases, franchises, revocable consents, concessions, variances, special permits, or licenses;
2. The purchase, sale, rental, or lease of real property, personal property, or services, or a contract for any of these; or
3. The obtaining of grants of money or loans.

(e) Non-elected officials, e.g. City Attorney

(f) Chiefs of Fire and Police, the City Engineer and all Department Heads.

FOURTEEN

Section 2-347 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-347. Contents of the financial interests statement.

(a) The statement of financial interests shall include the following information for the preceding calendar year:

(1) The name, current business address, business telephone number and home address of the filer.

(2) The title of the filer's office, office sought or position of employment.

(3) The occupation of the filer and the filer's spouse.

~~(4) Memberships of any boards whatsoever.~~

~~([4]5)~~ Information that identifies each source of income of the filer and the filer's immediate family members exceeding ten thousand dollars (\$10,000.00) during the preceding calendar year, and the nature, but not the amount, of the income (e.g., salary, commission, sales proceeds, dividends, etc.). Exempted from this requirement

are distributions from previously earned income such as IRAs, pension plans, profit-sharing plans and retirement funds.

(~~5~~6) The name and address of any business located within the state in which the filer or any member of the filer's immediate family had at any time during the preceding calendar year an interest of ten thousand dollars (\$10,000.00) at fair market value or five (5) percent ownership interest or more.

(~~6~~7) The name and address of any business located outside of the state, if the business has engaged in any business transactions with the city during the past three (3) years, or which is anticipated to engage in any business transactions with the city, in which the filer or any member of the filer's immediate family had at any time during the preceding calendar year an interest of ten thousand dollars (\$10,000.00) at fair market value or five (5) percent ownership interest or more.

(~~7~~8) A designation as commercial, residential or rural and the location of all real property within the county, other than the filer's primary residence, in which the filer or any member of the filer's immediate family had during the preceding calendar year an interest of ten thousand dollars (\$10,000.00) or more.

(~~8~~9) Each source by name and address of gifts or honoraria having an aggregate fair market value of one hundred dollars (\$100.00) or more from any single source where the gifts or honoraria are given because of the office or employment of the recipient and not because the recipient is the natural object of the giver's bounty. Excluded from this provision are gifts to the filer or any member of the filer's immediate family from other family members.

(~~9~~10) The name and address of any creditor owed more than ten thousand dollars (\$10,000.00), except debts arising from the purchase of a primary residence, the purchase of consumer goods which are bought or used primarily for person, family or household purposes and loans obtained in the ordinary course of business.

(b) Nothing in this section shall be construed to require any officer or employee to disclose any specific dollar amounts nor the names of individual clients or customers of businesses listed as sources of income.

FIFTEEN

Section 2-348 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-348. Noncompliance with filing requirement.

(a) The Board of Ethics, or the designated administrative official, shall notify by certified mail each person required to file a statement of financial interests who fails to file the statement by

the due date, files an incomplete statement, or files a statement in a form other than that prescribed by the board. The notice shall specify the type of failure or delinquency, shall establish a date by which the failure or delinquency shall be remedied, and shall advise the person of the penalties for a violation.

(b) Any person who fails or refuses to file the statement or who fails or refuses to remedy deficiency in the filing identified in the notice under subsection (a) within the time period established in the notice shall be guilty of a civil offense and shall be subject to a civil fine imposed by the board in an amount not to exceed twenty-five dollars (\$25.00) per day, up to a maximum total civil fine of five hundred dollars (\$500.00). Any civil fine imposed by the board under this section may be recovered by the city in a civil action in the nature of debt if the offender fails or refuses to pay the penalty within a prescribed period of time.

(c) Any person who intentionally files a statement of financial interests which he or she knows to contain false information or intentionally omits required information shall be fined no more than one thousand dollars (\$1,000)~~[guilty of a Class A misdemeanor]~~.

SIXTEEN

Section 2-361 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-361. Nepotism prohibited.

(a) No officer or employee shall advocate, recommend or cause the:

(1) Employment;

(2) Appointment;

(3) Promotion;

(4) Transfer; or

(5) Advancement of a family member to an office or position of employment with the city or a city agency, including any joint agency of the city and county.

(b) No officer or employee shall supervise or manage the work of a family member. Family members are permitted to work in the same department provided that there is at least one level of management or supervision between the family members or the family members working different divisions or on different shifts. A family member is prohibited from participating in any personnel action involving another family member.

(c) No officer or employee shall participate in any action relating to the employment or discipline of a family member, except that this prohibition shall not prevent an elected or

appointed official from voting on or participating in the development of a budget which includes compensation for a family member, provided that the family member is included only as a member of a class of persons or a group, and the family member benefits to no greater extent than any other similarly situated member of the class or group.

(d) The prohibitions in this section shall not apply to any relationship or situation that would violate the prohibition, but which existed prior to the effective date of Ordinance 12-001[passed February 13, 2012] or six (6) months prior to the taking of office by [a]the newly elected or appointed official whose family member's employment is in question.

SEVENTEEN

Section 2-371 of the Georgetown Code of Ordinances is amended as follows:

Sec. 2-371. Board of Ethics created.

(a) There is hereby created a Board of Ethics which shall have the authorities, duties, and responsibilities as set forth in this article to enforce the provisions of this article.

(b) The Board of Ethics shall consist of five (5) members who shall be appointed by the executive authority of the city, subject to the approval of the legislative body. The initial members of the Board of Ethics shall be appointed within sixty (60) days of the effective date of this article. No member of the Board of Ethics shall hold any elected or appointed office, whether paid or unpaid, or any position of employment with the city, any city agency or any city/county joint board. Any Board of Ethics member who files to run for an elected city office shall resign from the Board of Ethics as soon after filing as possible.

The members shall serve a term of four (4) years; except that with respect to the members initially appointed, one (1) member shall be appointed for a term of one (1) year, one (1) member shall be appointed for a term of two (2) years, one (1) member shall be appointed for a term of three (3) years, and two (2) members shall be appointed for a term of four (4) years. Thereafter, all appointments shall be for a term of four (4) years. [~~No more than three (3) of the members shall be of the same political party.~~] Each member of the Board of Ethics shall have been a resident of Scott County for at least one (1) year prior to the date of the appointment and shall reside in the county throughout the term in office. The members of the Board of Ethics shall be chosen by virtue of their known and consistent reputation for integrity and their knowledge of local government affairs. The members may serve no more than two (2) consecutive terms.

(c) A member of the Board of Ethics may be removed by the executive authority, subject to the approval of the legislative body for misconduct, inability, or willful neglect of duties. Before any member of the Board of Ethics is removed from office under this section, the member shall be afforded the opportunity for a hearing before the executive authority and the legislative body.

(d) Vacancies on the Board of Ethics shall be filled within sixty (60) days by the executive authority, subject to the approval of the legislative body. If a vacancy is not filled by the executive authority within sixty (60) days, the remaining members of the Board of Ethics shall fill the vacancy. All vacancies shall be filled for the remainder of the unexpired term.

(e) Members of the Board of Ethics shall serve without compensation, unless otherwise approved by the legislative body. Members shall be reimbursed for all necessary and reasonable expenses incurred in the performance of their duties.

(f) The Board of Ethics shall, upon the initial appointment of its members, and annually thereafter, elect a chairperson from among the membership. The chairperson shall be the presiding officer and a full voting member of the board.

(g) Meetings of the Board of Ethics shall be held, as necessary, upon the call of the chairperson or at the written request of a majority of the members.

(h) The presence of three (3) or more members shall constitute a quorum and the affirmative vote of two (2) or more members shall be necessary for any official action to be taken. Any member of the Board of Ethics who has a conflict of interest with respect to any matter to be considered by the board shall disclose the nature of the conflict, shall disqualify himself or herself from voting on the matter, and shall not be counted for purposes of establishing a quorum.

(i) Minutes shall be kept for all proceedings of the Board of Ethics and the vote of each member on any issue decided by the board shall be recorded in the minutes.

EIGHTEEN

If any portion of this Ordinance is for any reason held invalid or unlawful such portion shall be deemed a separate provision and such holding shall not affect the validity of the remaining portions of this Ordinance.

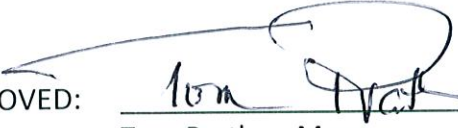
NINETEEN


All prior ordinances and parts of ordinances in conflict with this Ordinance are repealed.

TWENTY

This Ordinance shall become effective upon passage and publication.

PUBLICLY INTRODUCED AND READ FIRST TIME: November 14, 2016
PUBLICLY READ SECOND TIME AND PASSED: November 28, 2016

APPROVED: 
Tom Prather, Mayor

ATTEST: 
Tracie Hoffman, City Clerk