

RECEIVED

DEC 26 1994

BUTLER COUNTY
CODE OF ETHICS

COUNTY AND
MUNICIPAL ACCOUNTING

AN ORDINANCE RELATING TO THE ESTABLISHMENT OF A CODE OF ETHICS FOR ELECTED AND APPOINTED COUNTY OFFICIALS AND EMPLOYEES OR CANDIDATES FOR PUBLIC OFFICE IN BUTLER COUNTY, KENTUCKY.

WHEREAS, the Butler County Fiscal Court has the authority pursuant to KRS Chapter 65, to enact an ordinance establishing a code of ethics to guide the conduct of elected and appointed officials and employees of Butler County, including members of the Fiscal Court, County Judge/Executive, Sheriff, County Attorney, County Clerk, Jailer, Coroner, Surveyor, Constable; and

WHEREAS, public office and employment are a public trust and government has a duty both to provide their citizens with standards by which they may determine whether public duties are being faithfully performed and to apprise their officials and employees of the behavior which is expected of them while conducting their public duties; and

WHEREAS, it is the purpose of this ordinance to provide a method of assuring that standards of ethical conduct for local government officials and employees shall be clear, consistent, and uniform in their application, and to provide local officials and employees with advice and information concerning possible conflicts of interest which might arise in the conduct of their public duties.

NOW THEREFORE BE IT ORDAINED BY THE COUNTY OF BUTLER,
COMMONWEALTH OF KENTUCKY

I. DEFINITIONS

A. "Business associate" includes the following:

1. a private employer
2. a general or limited partnership, or a general or limited partner within the partnership;
3. a corporation that is family-owned or in which all shares of stock are closely held, and the shareholders, owners, and officers of such a corporation are either county government officers or employees, their spouses or members of their immediate families;
4. a corporation, business association, or other business entity in which the county government officer or employee serves as a compensated agent or representative.

B. "Business organization" 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. This definition specifically also includes any of the above listed entities not carried on for a profit.

C. "Candidate" means an individual who seeks nomination or election to a county government office. An individual is a candidate when the individual;

1. files a notification and declaration for nomination for office with the county clerk or the Secretary of State;
- or
2. is nominated for office by a political party under KRS 118.105, 118.115, 118.325, or 118.760.

D. "County" means Butler County, Kentucky.

E. "County government agency" means any board, commission, authority, non stock corporation, or other entity formed by the county government or a combination of local governments.

F. "County government employee" means any person, employed by or serving the county government, or county government agency for compensation who is not a county government officer, but shall not mean any employee of a school district or school board.

G. "County government office" means the offices of the County Judge Executive, the County Court Clerk, the County Attorney, the Sheriff, the Jailer, the Surveyor, the Coroner, the Magistrates, the Constables and any other county government office established by the Kentucky Constitution. Specifically, excluded from this definition are any officers, employees, or elected officials of the school district or school board, as well as, the Circuit Clerk, Property Valuation Administrator, State Senators, or State Representatives.

H. "County government officer" means any person, who is elected to any county government office; or any person who serves as a member of the governing body of any county government agency or special taxing or non taxing district.

I. "Court" means the county fiscal court.

J. "Family member" means any relative who is a 2nd cousin or closer in relationship.

K. All reference to "he", "his" or "him" shall include the masculine, feminine or neutered form.

L. "Material change" shall mean any change in a person's net worth which meets or exceeds the limits set forth in the Financial section of this ordinance that he feels would greatly influence his decision making capacity.

M. "Member of immediate family" means an unemancipated child residing in an individual's household, or a person claimed by the individual or individual's spouse as a dependent for tax purposes. A spouse is specifically not included in this definition.

N. All references to the "singular" shall include the plural and vice versa.

O. "Sustantial conflict" means that degree of close relationship which an individual feels would greatly influence his ability to carry out his official duties in the best interest of the public.

II.

STANDARDS OF CONDUCT

A. No county government officer or employee, shall have an interest in a business organization or engage in any business, transaction, or professional activity, which is in substantial conflict with the proper discharge of his duties in the public interest;

B. No county government officer or employee shall use or attempt to use his official position to secure unwarranted privileges or advantages for himself, his spouse, any member of his immediate family, a business associate, or a business organization in which he has an interest.

C. No county government officer or employee shall act in his official capacity in any matter where he, his spouse, a member of his immediate family, a business associate, or a business organization in which he has an interest, has a direct or indirect financial or personal involvement that might reasonably be expected to impair his objectivity or independence of judgement.

D. No county government officer or employee shall undertake any employment or service, compensated or not, which might reasonably be expected to prejudice his independence of judgment in the exercise of his official duties.

E. No county government officer or employee shall be prohibited from giving or receiving an award publicly presented in recognition of public service, commercially reasonable loans made in the ordinary course of the lender's business, or reasonable hosting, including travel and expenses, entertainment, meals or refreshments furnished in connection with public events, appearances, ceremonies

or fact finding trips related to official county government business.

F. No county government officer shall be prohibited from accepting a gratuity for solemnizing a marriage.

G. No county government officer or employee shall use, or allow to be used, any information, not generally available to the members of the public, which he receives or acquires in the course of and by reason of his county government office or employment, for the purpose of securing financial gain for himself, his spouse, any member of his immediate family, any business associate or any business organization in which he has an interest.

H. No county government officer or employee or shall represent any person or party other than the local government in connection with any cause, proceeding, application or other matter pending before any agency in the local government in which he serves.

I. No county government officer shall be deemed in conflict with these provisions by reason of his participation in the enactment of any ordinance, resolution or other matter required to be voted upon or which is subject to executive approval or veto if no material or monetary gain accrues to him, his spouse, a member of his immediate family, a business associate, or any business organization in which he has an interest to any greater extent than any gain could reasonably be expected to accrue to any other entity similarly situated.

J. No elected county government officer shall be prohibited from making an inquiry for information or providing assistance on behalf of a constituent, if no fee, reward or other thing of value is promised to be given to or accepted by the officer, his spouse, a member of his immediate family, business associate or business organization in which he has an interest whether directly or indirectly, in return therefore.

K. Nothing shall prohibit any county government officer or employee, his spouse, any member of his immediate family, business associate or business organization in which he has an interest from representing themselves in negotiations or proceedings concerning their own interests.

L. If a county government officer or employee, his spouse, a member of his immediate family, a business associate, or a business organization in which he has an interest, shall have any private interest, financial or otherwise, directly or indirectly, in any

contract or other matter pending before the Court or before any department or agency of the county government, the county government officer or employee shall disclose such interest to the fiscal court or agency and shall disqualify himself from participating in any decision or vote relating thereto.

M. If a spouse, member of an immediate family or business associate of a county government officer or employee, or a business organization in which the county government officer or employee has an interest represents any person or party in connection with any cause, proceeding, application or other matter pending before the county government, the county government officer or employee shall disclose such representation and shall be disqualified from taking any official action related thereto.

N. No county government officer or employee shall disclose any information or discussion taken by the fiscal court or any county government agency or entity in closed session pursuant to the Kentucky Open Records Act (KRS 61.870 to 61.884) until such time as the disclosure of said information may be made without compromising the interests of county government.

III

NEPOTISM

After the effective date of this ordinance, a member of the immediate family of a county government officer shall not be initially employed or appointed to a full time position for compensation in a governmental agency in the same county in which the county government officer serves. Any family member of a county government officer employed by the county government shall not be compensated more than others in like job positions and all family members employed by the county must meet any applicable job qualifications.

IV

FINANCIAL DISCLOSURE

SECTION 1 - REQUIREMENT FOR FILING FINANCIAL DISCLOSURE STATEMENT

- A. The following individuals shall be required to file a financial disclosure statement:
1. Elected county government officers;
 2. Candidates for office;
 3. County government employees with procurement authority exceeding five hundred dollars (\$500) per purchase;
 4. Compensated members of boards and commissions which set tax rates, have procurement authority, or vote to adopt budgets. (Normal business expense reimbursement shall not be considered as compensation)

B. The financial disclosure statement shall include the following information;

1. name of filer;
2. current business address, business telephone number and home address of filer;
3. title of filer's public office, government position or office sought;
4. occupations of filer and spouse
5. positions held by the filer, his spouse and any member of the filer's immediate family in any business organization from which the filer, his spouse or any member of the filer's immediate family received income in excess of \$5,000 during the preceding calendar year, and the name, address, and telephone number of the business organization;
6. name and address of each source of income of the filer and his spouse from within the commonwealth of Kentucky which exceeded \$5,000 during the preceding calendar year;
7. name and address of each business organization located within the Commonwealth of Kentucky in which the filer, his spouse or any member of the filer's immediate family had an interest of ten thousand dollars (\$10,000) or more during the preceding calendar year;
8. the location of all commercial property within Butler County, in which the filer, his spouse or any member of the filer's immediate family had an interest of fifty thousand dollars (\$50,000) or more during the preceding calendar year.

C. It shall be the responsibility of every individual required to file a financial disclosure statement to secure the proper form for the disclosure statement from the office of the county court clerk. The county court clerk is under no duty to distribute the financial disclosure statement forms to any individual who may be required to file same.

D. Each financial disclosure statement shall be signed and dated by the individual filing the same.

SECTION 2 - WHEN TO FILE FINANCIAL DISCLOSURE STATEMENTS AND AMENDED FINANCIAL DISCLOSURE STATEMENTS

(A) Pursuant to the Memorandum of Agreement between the county and the Barren River Area Development District, the individual financial disclosure statements required by Section I shall be

maintenance of the Barren River Board of Ethics appropriate thereto are hereby delegated provided;

- (1) that the Board shall comply with all terms and conditions as set forth in the Act establishing a Code of Ethics for counties,
- (2) that any hearings or related procedures shall comply with the Kentucky Rules of Civil Procedure and the Kentucky Rules of Evidence,
- (3) that any regulations adopted by the Board for governing its procedures shall be consistent with the Kentucky Open Records Law and,
- (4) that the county shall bear its proportionate share of any costs for investigations, hearings, preparation of findings, and the issuance of any advisory opinions by the Board.
- (5) That no member of the Regional Board of Ethics shall hold a position in any local government or be subject to the terms of this ordinance.

SECTION 2 - Reprisals against Persons Disclosing Violations Prohibited

- (A) No individual shall be subject to reprisal for filing a report of a violation of the Code of Ethics. No county government officer or employee shall directly or indirectly use, or threaten to use, any official authority or influence in any manner whatsoever which tends to discourage, restrain, deter, prevent, interfere with, coerce, punish, or discriminate against any person who in good faith reports, discloses, divulges, or otherwise brings to the attention of any person or entity, any facts or information relative to an actual or suspected violation of this ordinance.
- (B) This section shall not be construed as: Prohibiting disciplinary or punitive action if a county government officer or employee discloses information which he knows:
 - (1) To be false or which is disclosed with reckless disregard for its truth or falsity.
 - (2) Is confidential under any other provision of law.

SECTION 3 - PENALTIES

- (A) Except when another penalty is specifically set forth in this ordinance, any individual who is found by the Barren River Board of Ethics to have violated any provision of the standards of conduct shall be deemed guilty of a civil offense

at which a candidate for elected county office was not elected or nominated, the Board shall cause to be destroyed any statements of financial interests or copies of those statements filed by the person.

SECTION 5 - NONCOMPLIANCE WITH REQUIREMENT TO FILE FINANCIAL DISCLOSURE STATEMENTS

- (A) The Barren River Board of Ethics, or the records administrator, shall notify by certified mail each person required to file a financial disclosure statement who fails to file the statement by the due date, files an incomplete statement, or files a statement in a form other than 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 financial disclosure statement or who fails or refuses to remedy a 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) per day, up to a maximum total civil fine of five hundred dollars (\$500). Any civil fine imposed by the Board under this section may be recovered by the county in a civil action in the nature of a debt if the offender fails to pay the penalty within a prescribed period of time. All pay and benefits of a county government officer or employee shall be withheld until a non-complying individual is in compliance with the filing requirements. All fines imposed and collected may be used to offset the costs of any related proceedings.
- (C) Any person who intentionally files a statement of financial interests which he knows to contain false information or intentionally omits required information shall be guilty of a Class A misdemeanor.

V. ENFORCEMENT OF THE CODE OF ETHICS

SECTION 1 - BOARD OF ETHICS

(A) Pursuant to the Memorandum of Agreement between the county and the Barren River Area Development District establishing the Barren River Regional Board of Ethics, the Barren River Regional Board of Ethics shall have all responsibility, power, and authority to enforce this Code of Ethics including but not limited to receiving complaints alleging possible violations of the Code of Ethics, issuing opinions in response to inquiries relating to the Code of Ethics, investigating possible violations of the Code of Ethics, and imposing penalties provided for in the Code of Ethics, and all authority for the establishment of procedures for formation and

filed with the Barren River Regional Board of Ethics, c/o Barren River Area Development District Records Administrator no later than 3:00 p.m. March 1, 1995. All subsequent statements of financial interest shall be filed no later than 3 p.m. on March 1 of each year thereafter, provided that:

- (1) An individual newly elected, appointed, employed or promoted to a position for which a financial disclosure statement is required under Section I above shall file his initial financial disclosure statement no later than 30 days after the date of assuming the position.
- (2) A candidate for county government office shall file his initial financial disclosure statement no later than thirty (30) days after the date on which the person becomes a candidate.

(B) The Barren River Regional Board of Ethics may grant a reasonable extension of time for filing a financial disclosure statement for good cause shown.

SECTION 3 - FORM OF FINANCIAL DISCLOSURE STATEMENT


The financial disclosure statement shall be filed on a form prescribed by the Barren River Regional Board of Ethics. The Board shall deliver to the county court clerk a copy of the form for each officer and employee required to file the statement, no later than February 15 of each year. The failure to deliver the form shall not relieve an individual of the obligation to file the financial disclosure statement.

SECTION 4 - CONTROL AND MAINTENANCE OF THE FINANCIAL DISCLOSURE STATEMENT

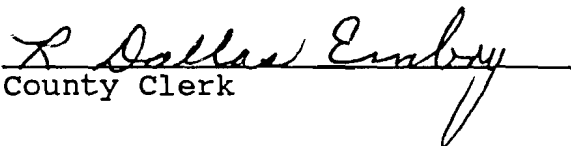
- (A) The Barren River Regional Board of Ethics shall be the "official custodian" of the financial disclosure statements. The financial disclosure statement shall be maintained by the Board, or the Records Administrator designated by the Board as "custodian," of public documents, and shall be available for public inspection immediately upon filing
- (B) A financial disclosure statement shall be retained by the Board, or the "Custodian," for a period of five (5) years after filing, provided that:
 - (1) Upon the expiration of three (3) years after an individual ceases to hold a position with the county government for which a financial disclosure statement is required under Section 1 above, the Board shall cause to be destroyed any financial disclosure statements or copies of those statements filed by the individual.
 - (2) Upon the expiration of three (3) years after any election

Given first reading on the 14 day of November, 1994.

Given second reading and duly enacted by the Fiscal Court of
the County of Butler on the 12th day of December, 1994.


County Judge Executive

ATTEST:


County Clerk