## BILL 11042

## **ORDINANCE 10868**

AN ORDINANCE READOPTING A PROCEDURE TO DISCLOSE POTENTIAL CONFLICTS OF INTEREST AND SUBSTANTIAL INTERESTS FOR CERTAIN OFFICIALS AS SET FORTH IN CHAPTER 2, ARTICLE I, SECTION 2-5 OF THE KIRKWOOD CODE OF ORDINANCES.

WHEREAS, in Ordinance 8079, and as readopted in Ordinances 8340, 8445, 8641, 8745, 8840, 8941, 9063, 9185, 9327, 9418, 9529, 9619, 9698, 9788, 9868, 9943, 10030, 10144, 10218, 10282, 10352, 10427, 10512, 10620, 10678, 10723, 10768, 10823 the Council of the City of Kirkwood established a policy to disclose potential conflicts of interest and substantial interests for certain officials, and

WHEREAS, the Missouri Ethics Commission has issued an opinion indicating that this procedure must be readopted every two years in order to be effective, and

WHEREAS, the Council desires to annually readopt the existing procedure.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KIRKWOOD, MISSOURI, AS FOLLOWS:

SECTION 1. That Section 2-5, "Personal Financial Interest" shall be deleted in its entirety and the following inserted in lieu thereof:

## "Sec. 2.5. Conflicts of interest; Personal financial interest; Disclosure reports".

(a) All elected and appointed officials as well as employees of the city must comply with the applicable provisions of Section 105.450 through 105.498 of Missouri Revised Statutes on conflicts of interest as well as any other state law governing official conduct.

(b) Any city officer, board member, council member, commission member, committee member or employee who has a substantial financial interest, direct or indirect, or by reason of ownership of stock in any corporation, in any contract with the city or in the sale of any land, material, supplies or services to the city or to a contractor supplying the city, shall make known that interest and shall refrain from voting upon or otherwise participating as a city officer, board member, council member, commission member, committee member or employee in the making of such contract. Any person who is a city officer, board member, council member, committee member or employee who willfully conceals such a substantial financial interest or willfully violates the requirements of this subsection (b) shall be guilty of malfeasance in office or position and shall forfeit such person's office or position. Violation of this subsection (b) with the knowledge, express or implied, of the person or corporation contracting with or making a sale to the city hall render the contract or sale voidable by the chief administrative officer of the city council.

(c) Any member of the governing body of the city who has a "substantial or private interest" in any measure, bill, order or ordinance proposed or pending before such governing body must disclose that interest to the city clerk and such disclosure shall be recorded in the appropriate journal of the city. For the purposes of this Section, substantial or private interest is defined as ownership by the individual, his or her spouse, or his or her dependent children, whether singularly or collectively, directly or indirectly of: (1) 10% or more of any business entity; or (2) an interest having a value of \$10,000 or more; or (3) the receipt of a salary, gratuity, or other compensation or remuneration of \$5,000 or more, per year from any individual, partnership, organization, or association within any calendar year.

(d) Each elected official, the chief administrative officer, the chief purchasing officer as identified in Section 105.483(11) of the Missouri Revised Statutes, and the general counsel, if any, shall disclose the following information by May 1 if any such transactions occurred during the previous calendar year:

(1) For such person, and all persons within the first degree of consanguinity or affinity of such person, the date and the identities of the parties to each transaction with a total value in excess of five hundred dollars per transaction, if any, that such person had with the city, other than compensation received as an employee or payment of any tax, fee or penalty due to the city, and other than transfers for no consideration to the city.

(2) The date and the identities of the parties to each transaction known to the person with a total value in excess of five hundred dollars per transaction, if any, that any business entity in which such person had a substantial interest, had with the city, other than payment of any tax, fee or penalty due to the city or transactions involving payment for providing utility service to the city, and other than transfers for no consideration to the city.

(3) The chief administrative officer and the chief purchasing officer also shall disclose by May 1 for the previous calendar year the following information:

A. The name and address of each of the employers of such person from whom income of one thousand dollars or more was received during the year covered by the statement;

B. The name and address of each sole proprietorship that he/she owned, the name, address and the general nature of the business conducted of each general partnership and joint venture in which he/she was partner or participant; the name and address of each partner or coparticipant for each partnership or joint venture unless such names and addresses are filed by the partnership or joint venture with the secretary of state; the name, address and general nature of the business conducted of any closely held corporation or limited partnership in which the person owned ten percent (10%) or more of any class of the outstanding stock or limited partnership units; and the name of any publicly traded

corporation or limited partnership that is listed on a regulated stock exchange or automated quotation system in which the person owned two percent (2%) or more of any class of outstanding stock, limited partnership units or other equity interests;

C. The name and address of each corporation for which such person served in the capacity of a director, officer or receiver.

(e) The financial interest statements shall be filed at the following times, but no person is required to file more than one financial interest statement in any calendar year;

(1) Every person required to file a financial interest statement shall file the statement annually not later than May 1 and the statement shall cover the calendar year ending the immediately preceding December 31; provided that any member of the city council may supplement the financial interest statement to report additional interests acquired after December 31 of the covered year until the date of filing of the financial interest statement.

(2) Each person appointed to office shall file the statement within thirty (30) days of such appointment or employment.

Financial disclosure reports giving the financial information required in subsection (e) shall be filed with the city clerk and the Missouri Ethics Commission. The reports shall be available for public inspection and copying during normal business hours."

SECTION 2. A certified copy of this ordinance shall be sent within ten (10) days of its adoption to the Missouri Ethic's Commission.

SECTION 3. All ordinances or parts of ordinances in conflict herewith, are to the extent of such conflict hereby repealed.

SECTION 4. This ordinance shall be in full force and effect from and after the date of its passage and approval and shall remain in effect until amended or repealed by the city council.

PASSED AND APPROVED THIS 15<sup>TH</sup> DAY OF AUGUST 2024.

Deputy Mayor, City of Kirkwood

ATTEST:

City Clerk 1<sup>st</sup> Reading: August 1, 2024 2<sup>nd</sup> Reading: August 15, 2024

## **Legislation Request**

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Place On The Agenda Of: 8/1/2024

Step #1:

Strategic Plan Select... Goal # & Title

Background To Issue:

The Missouri Ethics Commission requires that a Conflict of Interest procedure must be readopted every two years in order to be effective. The City of Kirkwood desires to readopt the existing procedure annually.

**Recommendations and Action Requested:** 

Approve an Ordinance readopting a procedure to disclose potential conflicts of interest and substantial interests for certain officials as set forth in Chapter 2, Article I, Section 2-5 of the Kirkwood Code of Ordinances.

Alternatives Available:

Does this project have a public information component?  $\bigcirc$  Yes  $\bigcirc$  No

Cost:	\$0.00	Account #:	00000000000	0000		Project #:
If YES,	Budgeted Am	ount: \$0.00	If	NO, or if insufficient fu	Inding (Cor	mplete Step #3).
Depar	tment Head C	omments:		Budgeted: <u>YES</u>		
BY: <u>La</u>	urie Asche	Date:	7/11/2024	Authenticate	ed: asche	lb
		<u>You ca</u>	n attach up to	3 files along with this	s request.	
	Ŵ	File Attachment	Ű	File Attachment	Ŵ Fi	ile Attachment
•	2: If request in or's approval)		of bids, contr	acts, proposals, purch	ases, etc.	(Must have Purchasing

Select...

Purchasing Director's Comments:

BY: <u>Select</u>	Date:	Authent	icated:
	<u>You can attach u</u>	p to 3 files along with	this request.
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Step #3: If budgetary	approval is required (Mu	ust have Finance Depar	tment's approval).
Select	From Account # o	or Fund Name:	
o Account # or Fund ا	Name:		
inance Director's Con	nments:		
3Y: <u>Select</u>	Date:	Authentica	ted:
itep #4: All Requests I	Require Chief Administra	ative Officer Approval fo	or Placement on Meeting Agenda
Approve 🗌 Di	sapprove		
Chief Administrative O	fficer's Comments:		
iv:	affren -	Date: 7	-26-24