



## Board of Alderman Request for Action

**MEETING DATE:** 6/21/2022

**DEPARTMENT:** Administration

**AGENDA ITEM:** Approval of Ordinance 2947-22, Creation of the Donation Fund on First Reading

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**REQUESTED BOARD ACTION:**

Approval of Ordinance 2947-22, Creation of the Donation Fund on First Reading by title only.

**SUMMARY:**

In 2013, the Smithville Legacy Fund Advisory Committee was created for the purpose of fundraising for city related items.

In 2019, the Legacy Fund opened an account with Greater Kansas City Community Foundation (GKCCF) for the purposes of having a location outside of the City funds to hold the donated funds through the Legacy Fund Committee's efforts. Along with having the account, other maintenance fees are associated, and access to the funds are limited and time consuming.

The City Attorney has advised that the City is permitted to have a separate donation fund for all donations to be placed. With the creation of the City's own donation fund, there would be no fees associated with the holding of the funds and the funds are not limited.

Due to sunshine law anonymous donations directly to the City are not possible. Because of this, staff recommends that we continue to keep the GKCCF for anonymous donations.

If a donation is to be made directly to the City donation fund, a donation agreement signed by the donor is recommended. A draft agreement, reviewed by the City Attorney, is attached.

**PREVIOUS ACTION:**

**POLICY OBJECTIVE:**

[Click or tap here to enter text.](#)

**FINANCIAL CONSIDERATIONS:**

[Click or tap here to enter text.](#)

**ATTACHMENTS:**

- |   |                                   |
|---|-----------------------------------|
| <input checked="" type="checkbox"/> Ordinance                       | <input type="checkbox"/> Contract |
| <input type="checkbox"/> Resolution                                 | <input type="checkbox"/> Plans    |
| <input type="checkbox"/> Staff Report                               | <input type="checkbox"/> Minutes  |
| <input checked="" type="checkbox"/> Other: Draft Donation Agreement |                                   |

**AN ORDINANCE CREATING THE DONATION FUND**

**WHEREAS**, in 2013, the City of Smithville Board of Aldermen approved the formation of the Smithville Legacy Fund Advisory Committee, and;

**WHEREAS**, the Smithville Legacy Fund Advisory Committee was formed for the purposes of fundraising for certain City/Park's projects defined by the committee, and;

**WHEREAS**, the City Attorney has drafted a form setting out the terms pursuant to which the City will accept donations. Said form is attached hereto as Exhibit A and incorporated herein by reference.

**WHEREAS**, in the event that a donation is received by the City, pursuant to the Donation Agreement, the funds shall be placed in a fund separate from the General Fund.

**WHEREAS**, the City will hold and use the donation for the intended purpose under the terms of said Donation Agreement.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI AS FOLLOWS:**

The Donation Fund is hereby established in the City's treasury and shall be held and administered by the City's Finance Director. The Mayor or City Administrator is hereby authorized to execute for the City the Donation Agreement in the form attached hereto as Exhibit A for the stated purpose and under the terms set forth therein.

Passed this 19<sup>th</sup> day of July, 2022.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk

First Reading: 6/21/2022

Second Reading: 7/19/2022

## Exhibit A

### Donation Agreement

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, 2022 by and between the City of Smithville, MISSOURI, a political subdivision in the State of Missouri (hereinafter referred to as "City"), and \_\_\_\_\_ (hereinafter referred to as "Donor").

Whereas Donor is a citizen or resident of the United States of America pursuant to 26 USCS § 2522. Donor intends to donate \$\_\_\_\_\_ to the City for the public purpose of \_\_\_\_\_ and City intends to accept said donation for said public purpose.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein the parties agree as follows:

1. Donor donates \$\_\_\_\_\_ to the City for the public purpose of \_\_\_\_\_ and City accepts the donation for that public purpose.
2. The donation will be deposited by the City in a separate city fund for the donated purpose. The City and the Donor acknowledge that the current Board of Aldermen does not have the Authority to bind future boards to any particular action. Therefore, City and the Donor agree that if for any reason within ten (10) years from the Effective Date of the donation the City has not used or spent the donated funds for the stated reason the City may use the donated funds for any public purpose.
3. City and Donor understand and agree that upon the Effective date and receipt of the Donation, the city owns and has the right to manage, pursuant to the terms of this agreement, the donation. Donor will have no further say in the use or right to the donated funds. If the City receives multiple donations for the same purpose, the City may hold the donations in the same fund on a First In First Out (FIFO) basis.
4. This Agreement shall be null and void and of no effect unless and until the City Board of Alderpersons City has agreed to its terms.
5. The effective date of the Agreement shall be when all the required signatures have been executed by the City and the Donor and the Condition Precedent set forth in preceding Paragraph has been meet.

### **DONOR**

\_\_\_\_\_  
Name Date

### **THE CITY OF SMITHVILLE**

By: \_\_\_\_\_  
Mayor (or) City Administrator Date