City of Dublin
Office of the City Manager
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Memo

To: Members of Dublin City Council
From: Dana L. McDaniel, City Manager
Date: October 29, 2015
Initiated By: Ron Whittington, Risk Manager
Re: Ordinance 84-15 – Public Employee Bonds

Summary

Attached is an ordinance authorizing individual bonds for specific City employees and setting the amount for those bonds. Although the City currently has a government crime insurance policy in place to provide coverage for these positions, the relevant sections of the Ohio Revised Code (705.27 and 705.60) require that bonds be obtained. Because of certain recent experiences of other public entities with auditors that questioned why they did not have such bonds in place, we believe the safest course would be for the City to purchase individual bonds for these positions. As a result of the current insurance coverage, staff believes nominal bonds should be purchased for the positions required under the Ohio Revised Code. These positions include:

- City Manager
- Director of Finance
- Deputy Director of Finance
- Director of Taxation

The level of coverage specified in this ordinance for each bond is $10,000.00. This is the amount the City's broker recommends we maintain.

Ordinance 91-95 is a previous ordinance that required different amounts for the positions noted above and did not acknowledge the government crime insurance policy the City now has in place. The proposed ordinance repeals Ordinance 91-95 and will govern bond requirements after adoption.

Recommendation

Staff recommends approval of Ordinance No. 84-15 at the second reading/public hearing on November 16, 2015.

RECORD OF ORDINANCES

Dayton Legal Blank, Inc. Form No. 30043

Ordinance No. 84-15 *Passed* _____, 20____

AN ORDINANCE AUTHORIZING BONDS TO BE OBTAINED FOR THE CITY MANAGER, THE DIRECTOR OF FINANCE, THE DEPUTY DIRECTOR OF FINANCE AND THE DIRECTOR OF TAXATION AND SETTING THE AMOUNT OF THOSE BONDS.

WHEREAS, Sections 705.27 and 705.60 of the Ohio Revised Code both require that certain employees of Municipal Corporations obtain bonds for the faithful performance of their duties; and

WHEREAS, the City of Dublin, similar to other cities, historically has required bond coverage for certain employees; and

WHEREAS, the Ohio Revised Code requires that the amounts of such bonds are to be set by City Council; and

WHEREAS, such coverage is now available as part of the City's Government Crime insurance coverage and, as a result, the City has elected to reduce the bond limits.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Dublin, State of Ohio, ____ of the elected members concurring that:

Section 1. The City Manager, the Director of Finance, the Deputy Director of Finance and the Director of Taxation shall each obtain individual bonds in the amount of $10,000 and shall renew such bonds each year.

Section 2. The premiums of such bonds shall be paid by the City of Dublin.

Section 3. Ordinance 91-95 is hereby repealed.

Section 4. This Ordinance shall take effect and be in force from and after the earliest date permitted by law.

Passed this _____ day of _____, 2015.

_____
Mayor – Presiding Officer

ATTEST:

_____
Clerk of Council