

## **ORDINANCE NO. 04-21**

### **AN ORDINANCE AUTHORIZING THE CITY OF CONNEAUT TO USE AN EMPLOYEE DISHONESTY AND FAITHFUL PERFORMANCE OF DUTY POLICY IN LIEU OF INDIVIDUAL SURETY BONDS, PURSUANT TO ORC 3.061, AND DECLARING AN EMERGENCY.**

WHEREAS, the City of Conneaut in Ashtabula County is a member of the Public Entities Pool (PEP), a political subdivision risk pool established pursuant to Ohio Revised Code hereinafter "ORC," 2744.081;

WHEREAS, House Bill 291 was signed into law on December 20, 2018 and became effective March 20, 2019 and authorizes the use of an, "employee dishonesty and faithful performance of duty policy," instead of individual surety bonds, for trustees, employees, and appointees who are otherwise required by law to acquire a bond before entering upon the discharge of duties; and

WHEREAS, in accordance with ORC 3.061, the "political subdivisions", (meaning counties, townships, "municipal corporations," including villages and cities) must adopt a policy by resolution to allow the use of an "employee dishonesty and faithful performance of duty" coverage document, rather than a surety bond, to cover loss by fraudulent or dishonest actions of employees and failure of employees to faithfully perform duties; the following shall apply to the policy:

1. An officer, employee, or appointee shall be considered qualified to hold the office or employment, without acquiring a bond, on the date the oath of office is taken, certified, and filed as required by law.
2. An officer, employee, or appointee shall have the employee dishonesty and faithful performance of duty policy in effect before the individual's term of office or employment and the officer, employee or appointee shall not commence the discharge of duties until coverage is documented.
3. All officers, employees, or appointees who would otherwise be required to file a bond before commencing the discharge of duties shall be covered by and are subject to the employee dishonesty and faithful performance of duty policy instead of a surety bond requirement.
4. The coverage amount for an officer, employee, or appointee under an employee dishonesty and faithful performance of duty policy shall be equal to or greater than the maximum amount of the bond otherwise required by law.
5. Elected officials, prior to taking the oath of office and holding office, shall obtain approval of the intent to use the PEP coverage agreement and affirm that the public entities coverage complies with ORC 3.061. Said approval shall be obtained by the City of Conneaut, Ashtabula County.

WHEREAS, the City of Conneaut's "employee dishonesty and faithful performance of duty policy" through the PEP coverage document complies with ORC 3.061: and

NOW, THEREFORE, BE IT ORDAINED, by the City of Conneaut, County of Ashtabula, and State of Ohio:

SECTION 1. Council of the City of Conneaut authorizes the public entity to purchase and use "employee dishonesty and faithful performance of duty policy" through PEP instead of individual surety bonds for officers, employees, and appointees who are otherwise required by law to acquire a bond before entering upon the discharge of duties.

SECTION 2. That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were adopted in an open meeting of this Council and that all deliberations of this Council or any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

SECTION 3. That this Ordinance is declared to be an emergency measure in the interests of public peace, health and safety and to comply with deadlines and, shall take effect immediately upon passage and signing by the President of Council.

Passed this 25<sup>th</sup> day of January, 2021.

Jon A. Crow  
President of Council

ATTEST:  
Pamela D'Connell  
Clerk of Council