

ORDINANCE NO. 31-21

AN ORDINANCE of the City of Richland amending Chapter 2.24 of the Richland Municipal Code related to bonds for officers and employees.

WHEREAS, the City has need, from time to time, to update the Richland Municipal Code (RMC) to bring it into compliance with current practice; and

WHEREAS, consistent with state law, the Richland Municipal Code establishes bond obligations for certain officers of the City of Richland, codified in Chapter 2.24 RMC; and

WHEREAS, Chapter 2.24 RMC has not been substantively updated since 1998; and

WHEREAS, since the mid-1990s, the City has been covered by a blanket crime and fidelity insurance policy provided through Washington Cities Insurance Authority (WCIA) covering all employees and exceeding the bond liability limits identified in Chapter 2.24 RMC; and

WHEREAS, ambiguity will be eliminated by amending Chapter RMC 2.24 to specify that a crime and fidelity insurance policy such as the policy provided by WCIA satisfies the City's faithful performance bond requirements.

NOW, THEREFORE, BE IT ORDAINED by the City of Richland as follows:

Section 1. Chapter 2.24 of the Richland Municipal Code, entitled Bonds for Officers and Employees, as first enacted by Ordinance No. 92, and last amended by Ordinance No. 40-98, is hereby amended as follows:

**Chapter 2.24
BONDS FOR OFFICERS AND EMPLOYEES**

Sections:

- 2.24.010 Officer's bonds – General requirements.**
- 2.24.020 Positions – Amounts.**
- 2.24.030 Blanket bond.**
- 2.24.040 Bonds – Form – Sufficiency.**
- 2.24.050 Applicability.**
- 2.24.060 Persons serving in two or more offices.**
- 2.24.070 Blanket bond – Call for bids.**
- 2.24.080 Compliance - Crime and Fidelity Policy.**

2.24.010 Officer's bonds – General requirements.

Every officer of the city filling the positions designated in RMC 2.24.020, whether on a permanent, temporary or acting basis, shall each be bonded by a position bond conditioned on the faithful and proper performance of his or her duties and for the payment and delivery over of all monies and property belonging to the city, as provided by law.

2.24.020 Positions – Amounts.

The following officers shall be bonded in the following amounts:

City Manager	\$50,000.00
Director of Finance Director	\$50,000.00
Police Judge	\$5,000.00
Accounting Supervisor Treasurer	\$25,000.00
Purchasing <u>Manager</u> Supervisor	\$10,000.00

2.24.030 Blanket bond.

Every other officer and employee of the city shall be bonded by a public employee's faithful performance blanket position bond.

The bond shall be conditioned to indemnify and save the city harmless from any and all loss sustained by the city due to theft, dishonesty, fraudulent conduct, or failure of the officer or employee to faithfully perform the duties of his or her office or position.

The amount of liability for each officer or employee covered by the bond shall be \$5,000.

2.24.040 Bonds – Form – Sufficiency.

All bonds under this chapter shall be furnished with a surety company lawfully authorized to do business in the state of Washington as surety thereon; each bond shall be for no less than an annual period; ~~a two-year period~~; and the premiums on the bonds shall be paid by the city on vouchers duly certified as provided by law. The city attorney shall approve the form of all such bonds. The ~~director of~~ finance director shall approve the sufficiency of all such bonds except the bond of the ~~director of~~ finance director, the sufficiency of which shall be approved by the city manager. All such bonds shall be filed with the ~~director of~~ finance director, except that the bond of the finance director ~~of finance~~ shall be filed with the city manager.

No bond shall be held void because of any defect in form, recital, condition or substance, nor shall any principal or surety be discharged from liability thereon because of any such defect. This provision shall be included in every such bond.

2.24.050 Applicability.

No officer or employee shall enter upon his or her duties unless he or she is covered by a bond required herein. ~~except that officers and employees may enter upon their duties without being covered by bonds for a period not exceeding 30 days after the effective date of the ordinance codified in this chapter.~~

2.24.060 Persons serving in two or more offices.

Any person who shall serve at the same time in two or more offices or positions requiring bonds under this chapter shall only be bonded in an amount equal to that required for that office or position which he or she fills requiring the greatest amount of liability coverage, but the bond shall apply to all offices or positions filled by that person.

2.24.070 Blanket bond – Call for bids.

The city manager may call for bids to furnish a public employee’s faithful performance blanket position bond, which bond shall contain the conditions herein prescribed and such additional conditions as are usual and as are set forth in the form of any such bond which shall accompany each bid submitted.

2.24.080 Compliance - Crime and Fidelity Policy.

The individual faithful performance bond requirements in this Chapter 2.24 may be satisfied by the purchase of a crime and fidelity policy, endorsed to include faithful performance of duty coverage for the positions specified, in an amount of not less than \$1,000,000.

Section 2. This Ordinance shall take effect the day following its publication in the official newspaper of the City of Richland.

Section 3. Should any section or provision of this Ordinance be declared by a court of competent jurisdiction to be invalid, that decision shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid.

Section 4. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including but not limited to the correction of scrivener’s errors/clerical errors, section numbering, references, or similar mistakes of form.

PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the 19th day of October, 2021.

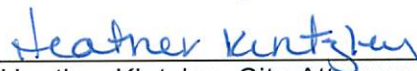


Ryan Lukson, Mayor

Attest:


Jennifer Rogers, City Clerk

Approved as to form:


Heather Kintzley, City Attorney

Date Published: October 24, 2021