

ORDINANCE NO. 9

Series 2022

April 5, 2022: Introduced as Council Bill 9, Series 2022 by Mayor Pro Tem Katy Brown, seconded by Councilor Randy Weil and considered in full text on first reading. Passed by a vote of 5 yes and 0 no.

April 19, 2022: Considered in full text on second reading. Passed by a vote of 5 yes and 0 no.

A BILL FOR AN ORDINANCE OF THE CITY OF CHERRY HILLS VILLAGE AMENDING ARTICLE III OF CHAPTER 2 OF THE CHERRY HILLS VILLAGE MUNICIPAL CODE CONCERNING THE FIDELITY BOND REQUIREMENT FOR EMPLOYEES THAT HANDLE CITY FUNDS

WHEREAS, the City of Cherry Hills Village ("City") is a home rule municipal corporation organized in accordance with Article XX of the Colorado Constitution; and

WHEREAS, Section 13.4 of the City's Home Rule Charter ("Charter"), which section was adopted as part of the original Charter in 1966, states that, "before any officer or employee of the City who handles City funds shall be permitted to enter upon the duties of his office or employment, he shall obtain and file with the Clerk a fidelity bond from a bonding company authorized to do business in the State of Colorado, in any amount to be fixed by the Council"; and

WHEREAS, Section 2-3-30(c) of the Cherry Hills Village Municipal Code ("Municipal Code") requires any officer or employee other than the Municipal Judge who handles City funds to obtain and file with the Clerk a fidelity bond from a bonding company authorized to do business in the State in the amount of not less than twenty thousand dollars (\$20,000.00) nor more than one hundred thousand dollars (\$100,000.00), as specified from time to time by the City Council; and

WHEREAS, the City annually purchases "Excess Crime Coverage" from the City's insurer, Colorado Intergovernmental Risk Sharing Agency ("CIRSA"), which coverage is currently set in the amount of up to \$500,000.00 and covers employee dishonesty, including numerous forms and sources of financial loss, thereby protecting the City against the potential financial loss by unlawful or fraudulent actions of City employees; and

WHEREAS, City Council finds that the purpose of Section 13.4 of the Charter can be adequately and sufficiently addressed through maintaining such insurance coverage; and

WHEREAS, therefore, City Council desires to amend Section 2-3-30(c) of the Municipal Code to fix the fidelity bond amount at zero dollars (\$0) and authorize the purchase of additional Excess Crime Coverage in lieu of a fidelity bond.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CHERRY HILLS VILLAGE, COLORADO, ORDAINS:

Section 1. Section 2-3-30 of the Municipal Code, entitled Oath of Office; bond, is hereby amended to read as follows, with additions in underline and deletions shown in ~~strikethrough~~, with the remainder of Section 2-3-30 to remain intact:

Sec. 2-3-30. – Oath of Office; bond

(c) Pursuant to Section 13.4 of the City Charter, prior to entering upon the duties of his or her office or employment, any officer or employee other than the Municipal Judge who handles City funds shall obtain and file with the Clerk a fidelity bond from a bonding company authorized to do business in the State in the an amount of not less than twenty thousand dollars (\$20,000.00) nor more than one hundred thousand dollars (\$100,000.00), as specified from time to time by the City Council; provided, however, that the City Council may set this amount at zero dollars (\$0.00) if the City, through its annual budget process, approves, appropriates funds, and purchases additional insurance in forms and types of coverages that protects the City against financial loss from employee dishonesty in the amount of no less than \$500,000.00 or in such other amount as may be recommended by the City Manager.

Section 2. Severability. If any provision of this Ordinance should be found by a court of competent jurisdiction to be invalid, such invalidity shall not affect the remaining portions or

applications of this Ordinance that can be given effect without the invalid portion, provided that such remaining portions or applications of this ordinance are not determined by the court to be inoperable. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, despite the fact that any one or more section, subsection, sentence, clause, phrase, or portion be declared invalid.

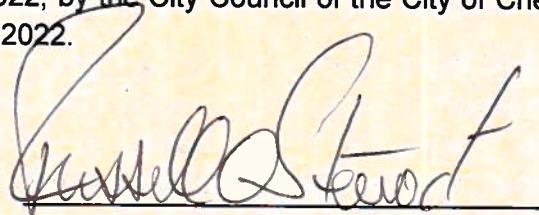
Section 3. Safety. This Ordinance is deemed necessary for the protection of the health, welfare, and safety of the community.

Section 4. Codification Amendments. The codifier of the City's Municipal Code, Municode, is hereby authorized to make such numerical and formatting changes as may be necessary to incorporate the provisions of this Ordinance within the Cherry Hills Village Municipal Code.

Section 5. Effective Date. This Ordinance shall become effective ten (10) days after publication after second reading in accordance with Section 4.5 of the Charter for the City of Cherry Hills Village.

Adopted as Ordinance No. 9 Series 2022, by the City Council of the City of Cherry Hills Village, Colorado this 19th day of April, 2022.

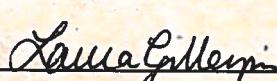
(SEAL)



Russell O. Stewart

Russell O. Stewart, Mayor

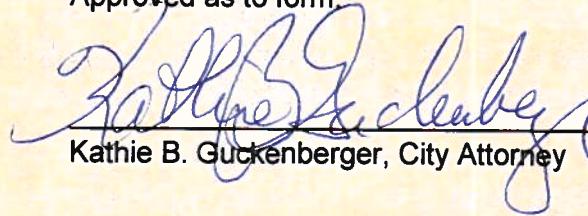
ATTEST:



Laura Gillespie

Laura Gillespie, City Clerk

Approved as to form:



Kathie B. Guckenberger

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CITY OF CHERRY HILLS
VILLAGE
ADOPTION OF ORDINANCE
ORDINANCE 9, SERIES 2022

A BILL FOR AN ORDINANCE OF
THE CITY OF CHERRY HILLS
VILLAGE AMENDING ARTICLE III
OF CHAPTER 2 OF THE CHERRY
HILLS VILLAGE MUNICIPAL
CODE CONCERNING THE
FIDELITY BOND REQUIREMENT
FOR EMPLOYEES THAT HANDLE
CITY FUNDS

Copies of the Ordinances are on
file at the office of the City Clerk
and may be inspected during
regular business hours.

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