

RESOLUTION NO. 12-2016

Offered by All of Council

**A RESOLUTION TO AUTHORIZE A WARRANT FOR PAYMENT BASED ON A THEN AND NOW CERTIFICATE FOR PURCHASES, AND DECLARING AN EMERGENCY**

**WHEREAS**, Ohio Revised Code Section 5705.41 (d) provides a process for a Village Council, as a political subdivision of the state and a taxing unit, to authorize Then and Now Certificates to cover financial commitments made to vendors or other parties by the Village prior to a Fiscal Officer Certification, through formal purchase order or otherwise; and

**WHEREAS**, this Council has received from the village Finance Director within the prior thirty (30) days a certification, with respect to the item listed in Section 1 of this Resolution, that there was at the time of the making of such contract or order and at the time of the execution of such certificate a sufficient sum appropriated for the purpose of such contract and in the treasury, or in process of collection, to the credit of an appropriate fund free from any previous encumbrances; and

**WHEREAS**, Council now desires to authorize the drawing of a warrant in payment of the amounts due upon such contract or order.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the village of Richfield, State of Ohio:

Section 1. That the drawing of a warrant in payment of the following amount due is hereby authorized:

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>	<u>Fund Account Number</u>
Walter Haverfield, LLP	Legal services related to land appropriation @ 4034 Wheatley	\$46,834.59	D10-07E-234.01

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

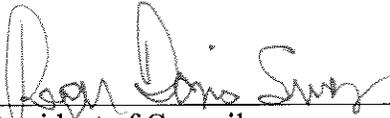
Section 3. This Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare, and for the further reason for the need to authorize the above payments; wherefore, provided this receives the affirmative vote of two-thirds of the members of Council elected or appointed, it shall take effect immediately upon its passage and execution by

2/10/2016 10:15 a.m.

Resolution 12-2016

the Mayor; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

Passed: 2-16-16

  
President of Council

ATTEST:

  
Clerk of Council

  
Mayor

Date: 2/16/16

**TO:** Village Council  
 Mayor Bobbie Beshara  
**CC:** Carolyn Sullivan  
 Bill Hanna  
**FROM:** Sandy Turk, Finance Director  
**RE:** Resolution No.12 -2016 to authorize payment based on "Then and Now Certificate"  
**Date:** February 10, 2016

ACTION BEING REQUESTED	TYPE OF REQUEST
Authorization Resolution	Then and Now Certificates

The Finance Department requests that the attached Resolution No. 12-2016 authorizing a warrant for payment based on then and now certificates for purchases and declaring an emergency. If possible, I respectfully ask that the second and third readings be suspended and approval of the resolution be granted at the February 16th meeting since this certification is for services rendered in December that will be paid in February.

The then and now certificate is for Walter Haverfield LLP for \$46,834.59 related to the appropriation of the parcel of property at 4034 Wheatley Road for the making of a road. In 2015, \$61,080 was expended for legal services related to various land acquisition activities and nothing was budgeted for 2016. I am working with the Mayor and Walter Haverfield to determine the need for 2016.

ORC 5705.41 (D) states that no taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached a certificate of the fiscal officer stating the amount required to meet the obligation has been lawfully appropriated. The certification must be obtained prior to entering into a contract or order involving the expenditure of funds. The items listed in the resolution were ordered or purchased prior to the certification taking place. If this occurs, instead of utilizing a standard certification through a purchase order, a "then and now certificate" must be utilized. This is a certification that states both at the time the contract or order was made ("then") and at the time the fiscal officer is completing the certification ("now") sufficient funds were available or in the process of collection, to the credit of a proper fund.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution upon completion of the "then and now" certificate, provided the expenditure is otherwise lawful. If the amounts are \$3,000 or more a resolution must be obtained.

Attachment

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- Serving only Ohio public entities, they stay abreast of the changing conditions affecting Ohio's public entities, while anticipating and planning for changes in state law, technological developments and new insurance services. If they feel coverage needs to be changed they roll that coverage out to their members at no cost in that coverage period.
- With increased cyber incidents, Ohio Plan offers cyber liability with limits of \$250,000 with a \$25,000 deductible. Argonaut did not offer any cyber coverage.
- Legal hot line for member inquiries with a panel of attorneys throughout Ohio specializing in public entity litigation; and
- A Plan Advantage program that is a renewal premium credit that may be rewarded to a member on an annual basis based upon the number of consecutive years of membership, loss ratio calculation, and risk management practices. Currently we get a 4% reward and that reward can increase up to 20%.

In 2008 our premium for P&C insurance was \$93,434. The premium declined to \$86,961 in 2010. In 2011, the first year we went with Ohio Plan, the premium declined to \$73,502 and the history of the Ohio Plan premiums are as follows:

<u>Year</u>	<u>Amount</u>	<u>% Change</u>
2010	\$86,961	
2011	\$73,502	(15.5%)
2012	\$65,949	(10.3%)
2013	\$66,814	1.3%
2014	\$67,612	1.5%
2015	\$69,779	3.2%
2016	\$59,802	(14.3%)

Ohio Plan has been in existence since 1988, and it is a not-for-profit entity that services only public entities. They have approximately 1,000 Ohio public entity clients with over a 95% retention rate. Services are provided from Toledo.

PEP also has been in existence since 1988 and also is only available to Ohio local governments. They currently have over 500 Ohio public entities. PEP indicates their coverage is an occurrence form. However, their intergovernmental agreement clearly states that if a member should leave, they are responsible for any open and unreported claims. Once you leave, you take any open and any unreported claims with you and the entity is responsible for the defense and loss payment of those open claims. This applies to all of the liability coverages offered by PEP. The Village of Hartville utilizes PEP and in their financial statements they disclose that "As of December 31, 2014, the Village's share of these unpaid claims collectible in future years is approximately \$18,310. The City of Massillon also utilizes PEP and in their financial statements they disclose that "The City's share of these unpaid claims collectible in future years is approximately \$389,662."

Let me know if you have any questions.