



FLOYD COUNTY BOARD OF EDUCATION
Dr. Henry L. Webb, Superintendent
106 North Front Avenue
Prestonsburg, Kentucky 41653
Telephone (606) 886-2354 Fax (606) 886-8862
www.floyd.kyschools.us

Jeff Stumbo, Chair - District 3
Linda C. Gearheart, Member - District 1
Dr. Chandra Varia, Member - District 2
Rhonda Meade, Member - District 4
Sherry Robinson, Member - District 5

FLOYD COUNTY BOARD OF EDUCATION ISSUE PAPER

Date: May 18, 2016

Consent Item: Consider/Approve Performance Bond of Treasurer and Finance Officer for FY 2017.

Applicable Statute or Regulation: [KRS 160.560](#).


Budgetary Impact: Premium cost is approximately \$1,508.


Background and Major Policy Implications: [Bond of Treasurer](#) requirements are summarized in [KRS 160.560](#). Accordingly, at the beginning of each fiscal year the board treasurer shall execute an official bond for the faithful performance of the duties of his/her office to be approved by the local board and the commissioner of education. The bond shall be guaranteed by a surety company authorized to do business in this state, and shall be in an amount determined by the local board of education in accordance with the administrative regulations promulgated by the Kentucky Board of Education. The premium on the bond shall be paid by the local board of education. A copy of the bond shall be filed with the local board of education and with the Kentucky Board of Education. While it is not required by law for the finance officer to also be bonded it is believed prudent to do so.

The requirements for the penal sum of the Bond of Treasurer are summarized in [702 KAR 3:080](#). Accordingly, it shall be the duty of each local board of education, on the advice of the Commissioner of Education, to determine the amount of the penal sum of the Bond of Treasurer and that of other school employees who are responsible for board of education funds. No treasurer's bond shall be approved which, in the opinion of the Commissioner of Education, is inadequate to safeguard the funds of the local board of education. Presently the penal sum required is \$400,000-\$600,000. The penal sum on the proposed bond exceeds that and is \$800,000.

Recommended Action: Approve

Contact Person (s): Matt Wireman, Director of Finance


Director


Superintendent

Fidelity (Performance) Bond of Treasurer Form

Of the Floyd County Board of Education
We, Tiffany Warrix Campbell, (Treasurer, Finance Officer or Other), and the
THE OHIO CASUALTY INSURANCE COMPANY, (Surety Company), do hereby
acknowledge ourselves jointly and severally indebted to the Commonwealth of Kentucky in the
penal sum of \$ 800,000.00, that Tiffany Warrix Campbell, with the
Board of Education, shall discharge the duties of said office according to law, account for, to the
proper authorities, and pay over to all parties legally entitled thereto, on the proper vouchers
only, any and all funds that may come into his/her hands as the Treasurer
(Treasurer, Finance Officer or Other) of the Board of Education aforesaid, beginning
07 \ 01 \ 2016; and to be renewed 07 \ 01 \ 2017 on an annual basis or until his/her
successor is duly appointed and qualified. This bond can be terminated by the surety, upon
written notice to the Department of Education and school district given by registered mail sixty
(60) days in advance.

This joint agreement was WTINESSED on the 1st day of July, 2016.

Witnessed by: _____ Title _____
Tiffany Warrix Campbell

SURETY COMPANY: THE OHIO CASUALTY INSURANCE COMPANY

Witnessed by: Lauren Wilder Title Attorney-in-Fact
Lauren Wilder

Number of Bond 82C010540 Annual Premium of Bond \$ 1005.00

Approved _____, 20____

By the _____ Board of Education

Chairperson _____ Secretary _____

TO BE RETAINED AT THE LOCAL SCHOOL BOARD OFFICE

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 6075682

American Fire and Casualty Company
The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company
West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, John B. Nelson III; Kimberly Sexton Quintela; Lauren Wilder; Nicholas R. Clark

all of the city of LOUISVILLE, state of KY each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 10th day of April, 2013.

American Fire and Casualty Company
The Ohio Casualty Insurance Company
Liberty Mutual Insurance Company
West American Insurance Company

By: Gregory W. Davenport
Gregory W. Davenport, Assistant Secretary

STATE OF WASHINGTON ss
COUNTY OF KING

On this 10th day of April, 2013, before me personally appeared Gregory W. Davenport, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Seattle, Washington, on the day and year first above written.

By: KD Riley
KD Riley, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV – OFFICERS – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII – Execution of Contracts – SECTION 5. Surety Bonds and Undertakings. Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes Gregory W. Davenport, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, David M. Carey, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 1 day of July, 2014.

By: David M. Carey
David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

Fidelity (Performance) Bond of Treasurer Form

Of the Floyd County Board of Education

We, Matthew C. Wireman, (Treasurer, Finance Officer or Other), and the

THE OHIO CASUALTY INSURANCE COMPANY, (Surety Company), do hereby

acknowledge ourselves jointly and severally indebted to the Commonwealth of Kentucky in the
penal sum of \$ 800,000.00, that Matthew C. Wireman, with the

Board of Education, shall discharge the duties of said office according to law, account for, to the
proper authorities, and pay over to all parties legally entitled thereto, on the proper vouchers
only, any and all funds that may come into his/her hands as the ~~Treasurer~~ Finance Officer

(Treasurer, Finance Officer or Other) of the Board of Education aforesaid, beginning
06 30 20 16; and to be renewed 06 30 20 17 on an annual basis or until his/her

successor is duly appointed and qualified. This bond can be terminated by the surety, upon
written notice to the Department of Education and school district given by registered mail sixty
(60) days in advance.

This joint agreement was WTINESSED on the 30th day of June, 2016.

Witnessed by: _____ Title _____
Matthew C. Wireman

SURETY COMPANY: THE OHIO CASUALTY INSURANCE COMPANY

Witnessed by: Lauren Wilder Title Attorney-in-Fact
Lauren Wilder

Number of Bond LSF030579/3699912 Annual Premium of Bond \$ 503.00

Approved _____, 20____

By the _____ Board of Education

Chairperson _____ Secretary _____

TO BE RETAINED AT THE LOCAL SCHOOL BOARD OFFICE

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Certificate No. 6075681

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The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company
West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, John B. Nelson III; Kimberly Sexton Quintela; Lauren Wilder; Nicholas R. Clark

all of the city of LOUISVILLE, state of KY each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

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Gregory W. Davenport, Assistant Secretary

STATE OF WASHINGTON ss
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By: KD Riley
KD Riley, Notary Public

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ARTICLE IV – OFFICERS – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

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