



TOQUERVILLE CITY
ORDINANCE 2018.03 BOND REQUIREMENTS

AN ORDINANCE AMENDING TITLE 1, CHAPTER 7, SECTION 1, REPLACING ARTICLES A, B, C and D.

WHEREAS, Policies governing Municipal bonding are set by the Utah State Money Management Council (MMC); and

WHEREAS, The MMC has only required bonding for a Municipal Treasurer; and

WHEREAS, The City has required bonding for all officers of the municipality; and

WHEREAS, The Utah Local Government Trust (ULGT), the City's Insurance Company, has provided bonds for the Mayor and City Council members as a blanket bond as allowed by Article D of this Title; and

WHEREAS, ULGT has also provided surety bonds for the City Recorder and City Treasurer specific to their positions as required by this Title; and

WHEREAS, the MMC recently passed new policy to allow for crime insurance to replace specific bonding for the Treasurer; and

WHEREAS, ULGT provides crime insurance for all Municipal Officers in an amount of \$5 million, far exceeding the MMC required amount of \$70,000 for the Treasurer; and

WHEREAS, ULGT has stated that they will non-renew the blanket and surety bonding under the MMC change in policy.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOQUERVILLE, UTAH THAT TITLE 1, CHAPTER 7, SECTION 1 SHOULD BE AMENDED AS FOLLOWS:

Chapter 7 OFFICERS AND EMPLOYEES

1-7-1: BOND REQUIREMENTS:

- A. In accordance with Utah State Money Management Council Policy, every public treasurer shall secure a fidelity bond or crime insurance in an amount provided by the Money Management Council. Bonds or crime insurance must be issued by a corporate surety licensed to do business in the state of Utah and having a current A.M. Best Rating of "A" or better. Crime insurance may be issued by an inter-local agency operating as a joint self-insurance fund. Such joint self-insurance fund providing crime coverage under this section must maintain a restricted account in the State PTIF equal to 50% of the per occurrence limit of coverage.**

- B. Bonds should be effective as of the date the treasurer assumes the duties of the office or is sworn in.
- C. The basis for the amount of coverage required shall be the budgeted gross revenue for the previous accounting year. Budgeted gross revenue includes all funds collected or handled by the public treasurer, and shall be in the amount as currently required by the Money Management Council.
- D. The bond or insurance shall be superseded by any rules, regulation or directive of the State Money Management Council when such would be binding on this Municipality.
- E. Any premium charged for bond or insurance required in this section shall be paid by Toquerville City.

SEVERABILITY: If any section, clause or portion of this Ordinance is declared invalid by a court of competent jurisdiction, the remainder shall not be affected thereby and shall remain in full force and effect.

CONFLICTS: This Ordinance repeals the provisions of any prior Ordinance in conflict herewith.

EFFECTIVE DATE/CERTIFICATION: This Ordinance shall become effective immediately upon adoption by the Toquerville City Council.

PASSED AND APPROVED THIS 12th DAY OF April 2018.

Paul Heideman	Aye <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Keen Ellsworth	Aye <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Justin Sip	Aye <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Mike Ruesch	Aye <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Ty Bringhurst	Aye <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>

CITY OF TOQUERVILLE a Utah Municipal Corporation



 Lynn A Chamberlain, Mayor

Date 7.25.2018



 Attest: Dana M. McKim, City Recorder

