



Policy Number:	2090
Policy Title:	Bonds for Directors and Officials

1. All Directors, Officers and other designated officials of the District shall execute a Public Officials Bond in the amount as required by law. The premium for the bond shall be paid by the District.
2. This policy should be reviewed annually to determine changes to bond coverage based upon changes in applicable laws, premium fees or organizational structure.
3. Water Code §21141 states the required bond coverage for the following positions are:
 - 3.1. Assessor \$5,000
 - 3.2. Collector \$20,000
 - 3.3. Treasurer \$100,000
4. According to Water Code §21120, these positions may be consolidated and the board may fix one bond to cover all three offices.
 - 4.1. Since these positions are consolidated, the fixed bond amount of \$100,000 will be set at the highest requirement of the three positions.
5. According to Water Code §21142, the district secretary's bond amount may be fixed at any amount.
 - 5.1. The district secretary has similar access and fiduciary responsibilities with the district financial accounts as does the Treasurer.
 - 5.2. Therefore the fixed bond amount is set at \$100,000.
6. Director's bond insurance premiums paid for by the district cannot exceed 0.5% per annum of the bond amount (Gov. Code §1652).