

RESOLUTION NO 2024-6

RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRINITY CENTER
COMMUNITY SERVICES DISTRICT (TCCSD) AUTHORIZING PURCHASE OF
INSURANCE OR MASTER BOND IN LIEU OF PURCHASING INDIVIDUAL OFFICIAL
BONDS

WHEREAS, Government Code 53226.3 states that "The legislative body of a district, other than a school district, may, by resolution, insure against losses caused by an employee or officer of the district in lieu of providing a bond or bonds. After the resolution is adopted, any requirements of law regarding faithful performance or revolving fund bonds shall be inapplicable to the district or any officer or employee of the district. The amount of the insurance shall be determined pursuant to Sections 1480 and 1481 and shall give the same or greater protection to the district that a bond would provide in indemnifying the district against any loss caused by the employee or officer of the district; and

WHEREAS, Government Code section 1481 provides in part: "[W]hen deemed expedient by the legislative body of a local public agency, a master official bond or other form of master bond may be used which shall provide coverage on more than one officer, employee, or agent of the local public agency, whether elected or appointed, who is required by statute, regulation, the appointing power, the governing board of a local public agency, or the board of supervisors of a chartered or general law county to give bond;" and,

WHEREAS, Government Code section 1463 provides in part: "An insurance policy procured pursuant to this section may be used as a master bond as though it were an official bond, subject to approval of the appointing power or the legislative body;" and,

WHEREAS, the TCCSD purchased an Insurance Policy that covers all TCCSD officers, volunteers, Board members and employees for theft, fraud or crime up to ten million dollars, (\$10,000,000); and

WHEREAS, this policy covers all TCCSD officers, volunteers, Board members and employees, including those usually required to be bonded, and provides broader and higher coverage at limited increase in costs.

NOW, THEREFORE, BE IT RESOLVED by the TCCSD Board that the use of a master bond in lieu of individual bonds on TCCSD officers and employees is expedient and therefore a master bond may be substituted for individual bonds;

BE IT FURTHER RESOLVED that the TCCSD is authorized to acquire insurance for its officers, volunteers and/or employees in lieu of a master bond in an amount not less than One million dollars (\$1,000,000);

BE IT FURTHER RESOLVED that from time-to-time, the TCCSD Board of Directors shall review the costs involved in insuring TCCSD officer, volunteers and employees, and should it be more reasonable to separately bond TCCSD officers, volunteers and/or employees, the TCCSD Board is authorized to acquire bonds for the following officers and employees in the following minimum amounts:

\$1 million Secretary/Treasurer

\$1 million Any officer or volunteer responsible for investing or transferring TCCSD funds into banks or investment accounts

BE IT FURTHER RESOLVED that any prior resolutions establishing bonding requirements for TCCSD officers, volunteers or employees are hereby repealed.

IN COUNCIL DULY PASSED this 10th day of December, 2024

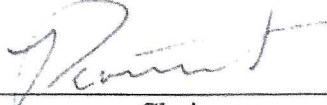
AYES: Pat Frost, Martie Mullen, Steve Finley, Drew Rusnak

NOES: none

ABSENT: Kristin Halliday

ABSTAIN: none

ATTEST: 
CSD Secretary

APPROVED: 
Chairman