

**AN ORDINANCE REGARDING BONDS FOR CITY OFFICIALS**

WHEREAS, the Illinois Municipal Code provides that all officers of the City, excepting Alderpersons, shall provide a bond conditioned upon "the faithful performance of the duties of the office and the payment of all monies received by the officer according to the law and the ordinances of the City", with security thereon, "to be approved by the corporate authorities,"; and

WHEREAS, the City of Urbana, following a more modern practice of protecting the City against misappropriation of public funds, has purchased insurance coverage protection against theft covering all city employees, including elected and appointed officials; and

WHEREAS, the Urbana City Council deems the insurance coverage protection against misappropriation of public funds is a better method of protecting public funds against theft than the somewhat obsolete provisions of the Illinois Municipal Code; and

WHEREAS, it is within the Home Rule powers of the City of Urbana to provide for its government and affairs;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, that:

1. That the City of Urbana City Council hereby finds and determines that the insurance coverage against theft of public funds in an amount of not less than \$300,000.00 (with a deductible of not greater than \$5,000.00) for each official of the City of Urbana, whether elected or appointed, is sufficient compliance with the Illinois Municipal Code requirements regarding bonds for all City officers subject, however, to the exceptions set forth in paragraph 2 below, and further finds that such insurance coverage is

sufficient security to protect the City from a misappropriation of public funds.

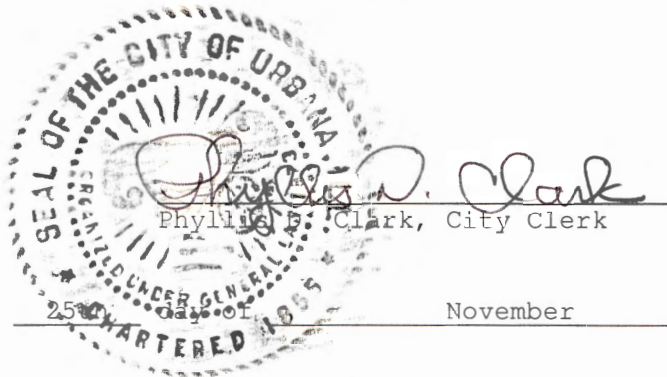
2. The above provisions shall not apply, however, to the position of the department head for financial matters, whether such department head be titled as Treasurer, Comptroller, or Director of Finance, or some other term. Such officer must be covered by insurance coverage against theft of public funds in an amount of not less than \$1 million with a deductible of not greater than \$5,000.00, and such coverage is hereby declared by the Urbana City Council to be sufficient security to protect the City from misappropriation of public funds.

PASSED by the City Council this 17th day of November,  
2003 .

AYES: Chynoweth, Hayes, Huth, Otto, Patt, Whelan, Wyman

NAYS:

ABSTAINS:



APPROVED by the Mayor this 25th day of November,  
2003 .

Tod Satterthwaite  
Tod Satterthwaite, Mayor