



**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: 04/23/2026	ITEM NO.	SUBJECT: Treasurer Bond Requirement – Code Review and Insurance Coverage
Presented by: Erica Romero Town Clerk		

Pursuant to Town Code Section 2.08.090, the Treasurer is required to provide a bond in the amount of \$1,000.00 and to perform duties in accordance with applicable state statutes.

- ***2.08.090. - Treasurer—Bond; conformance to state statute.***

The treasurer shall give bond in the amount of \$1,000.00 and shall be governed in all his official acts by the statutes of the state and such cases provided.

At the Board’s request, staff reviewed this requirement in coordination with the Town’s insurance provider, CIRSA. Through this review, it was determined that current insurance practices have evolved, and the Town’s existing policy includes a crime coverage provision that provides protection comparable to, and broader than, an individual bond.

The Town’s crime policy provides coverage to the organization as a whole in the event of fraudulent or criminal acts, including situations involving multiple employees. In contrast, a traditional bond applies only to a single individual. As a result, many municipalities have transitioned away from individual bonds and instead rely on comprehensive crime coverage policies.

The Town of Palmer Lake already maintains this coverage as part of its existing insurance policy. This approach not only provides broader protection but is also more cost-effective, as it is included within the Town’s overall insurance program and allows for adjustments in coverage limits as needed. This explains why individual bonds have not been issued in practice.

Staff recommends relying on the Town’s existing crime coverage in place of individual bonds and updating the Code accordingly to reflect this approach moving forward..