

## **FINANCIAL AFFAIRS**

### **Must city officials be bonded? If so, where do we purchase the bonds?**

Various statutes require city officials to be bonded. However, the legislature has established a fidelity bond program in Ark. Code Ann. §§ 21-2-701 and following. This is administered by the Arkansas Insurance Department's Risk Management Division. Premiums are deducted from state turnback funds and a certificate is sent to each mayor. Therefore, there is no need to purchase bonds from another source.