

A RESOLUTION BY THE CITY OF CHARLOTTE SETTING THE FINANCE  
OFFICER'S FAITHFUL PERFORMANCE BOND AMOUNT

the finance officer's faithful performance bond amount in accordance with state law  
or G.S. 159-29 and authorize the payment of premium for a bond with coverage  
in that amount.

**WHEREAS**, G.S. § 159-29(a) requires the finance officer of a unit of local government to "give a true accounting and faithful performance bond" in favor of the local government for which the individual serves as a finance officer; and

**WHEREAS**, a faithful performance bond is a surety bond that creates obligations between (1) the finance officer, (2) the bonding company, and (3) a unit of local government; and

**WHEREAS**, through the faithful performance bond, the bonding company agrees to pay up to a certain amount of money to the unit of government in the event that (1) the finance officer fails to "faithfully perform" the duties of his or her office or honestly account for all monies which may come under the finance officer's control, and (2) the action or inaction of the finance officer causes a loss to the government; and

**WHEREAS**, effective as of January 1, 2023, the governing board must fix the amount of a finance officer's faithful performance bond to equal or exceed the greater of (1) \$50,000, or (2) an amount equal to 10 percent of the unit or authority's "annually budgeted funds," up to a cap of \$1,000,000.

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Charlotte hereby sets the Finance Officer's Faithful Performance Bond in accordance in accordance with G.S. § 159-29.

Adopted this the \_\_\_\_\_ day of \_\_\_\_\_ 2022.