

ORDINANCE NO. 140578

Amending Section 2-302, Code of Ordinances entitled "Settlement of claims" and Section 2-1688, Code of Ordinances entitled "Claims against fund" subsection (e) to increase settlement authority of the City Attorney from up to \$10,000.00 to \$25,000.00, and of the Risk Management Committee from up to \$30,000.00 to \$50,000.00.

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That Section 2-302 and Section 2-1688(e), Code of Ordinances, are amended to read as follows:

Sec. 2-302. Settlement of claims.

The city attorney may adjust, settle, compromise or submit to arbitration any action, causes of action, accounts, debts, claims, demands, disputes and matters in favor of or against the city or in which the city is concerned as debtor or creditor, now existing or which may hereafter arise and not involving or requiring payment to exceed \$25,000.00, and, with the approval of the risk management committee, may do likewise in matters not involving or requiring payment of in excess of \$50,000.00. Claim payments in excess of \$50,000.00 shall be subject to approval by the city council upon the recommendation of the risk management committee and the city attorney, provided that funds to settle claims generally have been appropriated therefor.

Sec. 2-1688. Claims against fund.

(a) *Submission.* All claims which are payable from the city legal expense and workers' compensation funds shall be submitted in the manner and form as set out in the rules and regulations promulgated by the risk management committee pursuant to section 2-1686. No claim or expenses shall be paid except as authorized by this section. The city counselor shall have authority to solicit bids or proposals and employ experts to aid in determining the amount of any loss.

(b) *Payment.* Losses claimed by a city department against the funds shall, upon approval by the risk management committee, be paid by interfund transfer in such amount and under such conditions as is deemed appropriate by the committee.

(c) Any dispute between a department and the committee concerning a loss shall be referred to the city manager for final determination.

(d) Each city department shall cooperate with the city counselor or his designee, in the investigation, negotiation or other proceedings relating to the handling of claims or litigation against the department. Refusal of a department to cooperate in the handling of claim matters may bar the payment of that department's claims from the fund.

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(e) Third party losses covered by the legal expense fund and claims payable from the workers' compensation fund shall be handled for denial, or compromise and payment, by the city attorney, pursuant to authority granted that office under section 2-302, where payment does not exceed \$25,000; and, with the approval of the committee, the city attorney may do likewise in matters not requiring payment in excess of \$50,000.00. Claim payments in excess of \$50,000.00 shall be subject to approval by the city council upon the recommendation of the risk management committee and the city attorney.

(f) *Review by committee.* All proposed payments for claims or litigated matters from the city legal expense and workers' compensation funds shall be reported to the risk management committee in such manner and detail as the committee shall direct. The committee may authorize the requested payment, request more information, or decline the request for payment.

(g) The committee regulations shall recognize that timely payment of claims or litigation settlements, if any is to be made, is essential to avoid encroachment upon or impeding the city attorney's settlement authority under section 2-302.

Approved as to form and legality:

William Geary
City Attorney