

CITY OF GRAND RIVERS, KENTUCKY

ORDINANCE NO. 03-95

AN ORDINANCE APPROVING A JOINT AND COOPERATIVE PROGRAM FOR SELF-INSURANCE, INSURANCE, AND INVESTMENT OF PUBLIC FUNDS AMONG VARIOUS CITIES, URBAN-COUNTY GOVERNMENTS, AND OTHER PUBLIC AGENCIES WITHIN THE COMMONWEALTH OF KENTUCKY; AUTHORIZING THE EXECUTION OF THE "INTERLOCAL COOPERATION AGREEMENT TO ESTABLISH THE KENTUCKY MUNICIPAL RISK MANAGEMENT ASSOCIATION;" APPROVING THE ARTICLES OF ASSOCIATION AND BYLAWS OF THE KENTUCKY MUNICIPAL RISK MANAGEMENT ASSOCIATION; AND DECLARING AN EMERGENCY.

WHEREAS, Section 82.082 of the Kentucky Revised Statutes (KRS) authorizes cities to perform any function and exercise any power within their boundaries that is in the furtherance of a public purpose of the city and not inconsistent with a constitutional provision or statute; and

WHEREAS, cities are authorized by KRS 65.150 to expend public funds to insure their officers, employees, and properties against any liability or property damage and to associate with other public agencies pursuant to the Kentucky Interlocal Cooperation Act, KRS 65.210 to 65.300 for insurance purposes; and

WHEREAS, KRS 65.210 to 65.300 authorizes cities to jointly exercise with other public agencies under an interlocal cooperation agreement any power or powers, privileges or authority exercised or capable of exercise by cities, and further authorizes the parties to an interlocal cooperation agreement to create an administrative entity which may be delegated powers for conducting and administering joint and cooperative undertaking on behalf of the participating public agencies; and

WHEREAS, the elected officials of this city have determined that it would be in the best interest of the city to join with other cities, urban-county governments, and public agencies for the purpose of taking joint and cooperative action to create and establish the Kentucky Municipal Risk Management Association (KMRMA) as a separate administrative entity, and through KMRMA to create and administer various self-insurance, insurance, and investment programs to provide self-insurance and third party insurance coverage against all types of liability and property damage, and to establish programs for the investment of public funds; and

WHEREAS, the elected officials of this city have been provided copies of the Interlocal Agreement to Establish the KMRMA and the Articles of Association and Bylaws of the KMRMA and have reviewed these documents and found them to be acceptable.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF GRAND RIVERS AS FOLLOWS:

Section 1. The city hereby approves the joint and cooperative program for self-insurance, insurance, and the investment of public funds as set forth in the Interlocal Agreement to Establish the KMRMA.

Section 2. The Mayor and the City Clerk are hereby authorized and directed to execute the Interlocal Agreement to Establish the KMRMA on behalf of the city.

Section 3. The city hereby approves and ratifies the Articles of Association and Bylaws of the KMRMA, as amended.

Section 4. It is understood by the city that by executing the Interlocal Agreement to Establish the KMRMA the city shall incur no liability for payment of any funds, and that it shall be necessary

for the city to take further action before becoming a participating member in any of the self-insurance, insurance, or investment programs which may be created and operated by KMRMA.


Section 5. The city's current workers' compensation insurance coverage is due to expire on June 30, 1996. Under the laws of the commonwealth of Kentucky, the city is required to maintain workers' compensation insurance coverage on its employees. It is understood that KMRMA will begin operating a workers' compensation self-insurance group effective July 1, 1996, which will enable the city to obtain the necessary workers' compensation insurance coverage. However, unless the city acts immediately to enact this ordinance, there will be insufficient time for the city to take the steps necessary to become a member of KMRMA and a participant in the workers' compensation self-insurance group to be operated by KMRMA. Therefore, an emergency is declared to exist by the legislative body of the city. This ordinance shall become effective after its first reading and upon the affirmation vote of two-thirds (2/3) of the members of the legislative body.

Section 6. The City Clerk shall cause this ordinance to be published in accordance with KRS 83A.060(6) and KRS Chapter 424 within ten (10) days of its enactment by the legislative body.

INTRODUCED, SECONDED, GIVEN FIRST READING, AND APPROVED by a vote of two-thirds (2/3) of the members of the city legislative body at a duly convened meeting held on the 7th day of August, 1995.


Frank Buchanan, Mayor

Attest:


Joe Dry, City Clerk


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CERTIFICATION

I, Joe Dry, do hereby certify that I am the duly appointed and acting Clerk of the City of Grand Rivers, Kentucky, that the foregoing Ordinance is a true and correct copy of an Ordinance duly adopted at a meeting by the City Council on August 7, 1995 that the agreement referred to therein is in the form presented to said meeting and in the form executed, and that said ordinance appears as a matter of public record in the Official City Ordinance Book and is still in full force and effect.

IN TESTIMONY WHEREOF, witness my signature on this 7th day of August, 1995.


Joe Dry, City Clerk

Reference: Minutes Book 1, pg.20