

CITY OF SMITHS GROVE, KENTUCKY

ORDINANCE NO. 95-5 220.127

AN ORDINANCE APPROVING A JOINT AND COOPERATIVE PROGRAM FOR SELF-INSURANCE, INSURANCE, AND THE 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 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 undertakings on behalf of the participating public agencies; and

WHEREAS, the elected officials of this city have determined that it would be in the best interests 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 coverages 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 Smiths Grove, Kentucky 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 the 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, 1993. 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, 1993, 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 affirmative 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 27th day of November, 1993.

  
James R. Gilley Mayor  
MAYOR James R. Gilley

(S E A L)

Attest:

Dorothy J. Neal  
CITY CLERK Dorothy J. Neal

ACKNOWLEDGEMENT

COMMONWEALTH OF KENTUCKY )

COUNTY OF \_\_\_\_\_ ) : SS

The foregoing INTERLOCAL AGREEMENT TO ESTABLISH THE KENTUCKY  
MUNICIPAL RISK MANAGEMENT ASSOCIATION was acknowledged before me this  
\_\_\_\_\_ day of \_\_\_\_\_, by (*Insert titles of signatory officers*)

\_\_\_\_\_ and \_\_\_\_\_  
respectively, of (*Insert Name of Public Agency*) \_\_\_\_\_

Kentucky, on behalf of the public agency party thereto.

Shirley Williams  
NOTARY PUBLIC

My commission expires: 4-20-99

DRAFTSMAN'S CERTIFICATE

This instrument was prepared by:

\_\_\_\_\_  
William A. Thielen  
General Counsel  
Kentucky League of Cities  
2201 Regency Road, Suite 100  
Lexington, KY 40503  
(606) 277-2886

SIGNATURE PAGE

IN WITNESS WHEREOF, the undersigned a public agency and political subdivision of the Commonwealth of Kentucky, has caused this signature page to be executed as of this 27th day of November, 1995, and hereby becomes a party to the INTERLOCAL COOPERATION AGREEMENT TO ESTABLISH THE KENTUCKY MUNICIPAL RISK MANAGEMENT ASSOCIATION, dated as of April 15, 1995, among the cities, urban-county governments, and other public agencies and political subdivisions of the Commonwealth of Kentucky parties thereto.

CITY OF SMITHS GROVE, KENTUCKY

(Name of Public Agency)

By:

James R. Gilley Mayor

(Name and Title of Chief Executive Officer) JAMES R. GILLEY, MAYOR  
Executive Officer)

Attest:

Dorothy J. Neal

(Name and Title of Attesting Officer)  
DOROTHY J. NEAL, CITY CLERK

(SEAL)