

ORDINANCE NO. 422-1987

AN ORDINANCE APPROVING A JOINT AND COOPERATIVE PROGRAM FOR SELF-INSURANCE AND ESTABLISHING AN INTERLOCAL AGREEMENT TO SET UP THE KENTUCKY MUNICIPAL RISK MANAGEMENT ASSOCIATION.

This Ordinance deals with the City of Dry Ridge, Kentucky, joining a program to establish the Kentucky Municipal Risk Management Association for the study of self-insurance for cities.

This Summary of Ordinance is made by Thomas M. Funk, Attorney for the City of Dry Ridge, Kentucky. A copy of the full ordinance will be on file at the Dry Ridge City Building, 31 Broadway, Kentucky.

This ordinance was discussed, read, and passed at the Dry Ridge City Council meeting on the 5th day of October, 1987.

First Reading September 8, 1987

Second Reading October 5, 1987

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*Norman Ferguson*  
NORMAN FERGUSON, MAYOR

ATTEST:

*Cindy L. Harris*  
CINDY L. HARRIS, CLERK/TREASURER

ORDINANCE NO. 422-1987

AN ORDINANCE OF THE CITY OF DRY RIDGE, KENTUCKY, 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" (the "INTERLOCAL AGREEMENT") UNDER WHICH THE PROGRAM WILL BE ORGANIZED AND FINANCED; AUTHORIZING THE ISSUANCE OF REVENUE BONDS UNDER THE TERMS AND CONDITIONS SET FORTH IN THE INTERLOCAL AGREEMENT.

WHEREAS, the City of Dry Ridge has experienced and is likely to continue to experience drastically rising insurance costs and the increasing unavailability of traditional insurance coverages and the elected officials of the City of Dry Ridge are desirous of finding a stable, long-term solution to this problem; and

WHEREAS, the City of Dry Ridge is authorized by various sections of the Kentucky Revised Statutes to expend public funds to insure its public properties and its officers and employees against various public liability and property damage risks; and

WHEREAS, the City of Dry Ridge is authorized by various sections of the Kentucky Revised Statutes to join together with other public agencies for the purpose of self-insuring various public liability and property damage risks and investing public funds; and

WHEREAS, the Kentucky Interlocal Cooperation Act (the "Act"), KRS 65.210 to 65.300, inclusive, authorizes the City of Dry Ridge 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 the City of Dry Ridge and the other public agencies; and

WHEREAS, the Act further authorizes the City of Dry Ridge and the other public agencies which are parties to an interlocal cooperation agreement to create a "separate legal or administrative entity," which may be delegated power for conducting and administering the joint and cooperative undertaking for and on behalf of the participating public agencies; and

WHEREAS, the elected officials of the City of Dry Ridge have determined that it would be in the best interests and welfare of the citizens of the city and to the advantage of the city in performing its public and governmental functions to join with various cities, urban-county governments and other public agencies of the Commonwealth of Kentucky for the purpose of undertaking joint and cooperative action to create and establish the KENTUCKY MUNICIPAL RISK MANAGEMENT

ASSOCIATION (the "Association") as a separate legal and administrative entity and through the Association to create and administer various self-insurance, insurance and investment trusts in order to provide self-insurance and/or third-party insurance coverages against certain public liability and property damage risks, including, but not limited to, general, professional and auto liability and related claims; to provide self-insurance coverage against workers' compensation and unemployment compensation liability; to provide life, health and health-related insurance coverages and to invest public funds; and

WHEREAS, the City of Dry Ridge has been provided a copy of the INTERLOCAL COOPERATION AGREEMENT TO ESTABLISH THE KENTUCKY MUNICIPAL RISK MANAGEMENT ASSOCIATION (the "Interlocal Agreement") and a copy of the Articles of Association and By-Laws of the Association and has reviewed said documents and found them to be acceptable.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF DRY RIDGE, KENTUCKY AS FOLLOWS:

SECTION 1. The City of Dry Ridge hereby approves the joint and cooperative program for self-insurance, insurance and the investment of public funds among the City of Dry Ridge and the other cities, urban-county governments and public agencies within the Commonwealth of Kentucky which become signatories to the Interlocal Agreement, including the financing of said program through the issuance of revenue bonds under the terms and conditions of the Interlocal Agreement.

SECTION 2. The Mayor and the City Clerk of the City of Dry Ridge are hereby authorized and directed to execute, acknowledge and deliver, on behalf of the City of Dry Ridge, the Interlocal Agreement, substantially in the form attached hereto.

SECTION 3. The City of Dry Ridge hereby approves and ratifies the Articles of Association and By-Laws of the Association, substantially in the form attached hereto as Exhibit A to the Interlocal Agreement.

SECTION 4. It is understood by the City of Dry Ridge that by executing the Interlocal Agreement and thereby becoming a member of the Association, 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 prior to becoming a "participating member" in any of the self-insurance, insurance or investment trusts which may be created by the Association.

SECTION 5. The effectiveness of this ordinance is expressly conditioned upon the final approval of the Interlocal Agreement, substantially in the form attached hereto, by the Attorney General of the Commonwealth of Kentucky, as required by KRS 65.260(2), and by any other officer or agency of the Commonwealth of Kentucky, as may be required by KRS 65.300.

SECTION 6. Subject to the limitation set forth in Section 5 above, this ordinance shall be in full force and effect upon its passage and approval.


INTRODUCED, SECONDED, AND GIVEN FIRST READING, at a duly convened meeting of the City Council (Commission) of the City of Dry Ridge, Kentucky, held on the 8th day of September, 1987.

INTRODUCED, SECONDED, AND GIVEN SECOND READING AND ENACTED, at a duly convened meeting of the City Council (Commission) of the City of Dry Ridge, Kentucky, held on the 5th day of October, 1987.

  
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MAYOR - NORMAN FERGUSON

(SEAL)

Attest:

  
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CITY CLERK - CINDY HARRIS

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Dry Ridge, Kentucky, and as such City Clerk I further certify that the foregoing is a true, correct and complete copy of an Ordinance duly adopted by the City Council of said City at a duly convened meeting held on the 5th day of October, 1987, and signed by the Mayor as evidence of his approval, and now in full force and effect, all as appears from the official records of said City in my possession and under my control.

WITNESS my hand and the Seal of said City as of the 6th day of October, 1987.

Cindy L. Harris  
CITY CLERK - CINDY HARRIS

(SEAL)