

BILL NO. 24-118

AN ORDINANCE APPROVING THE FY2025 WORKERS' COMPENSATION EXCESS RENEWAL POLICY, AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH MIDWEST EMPLOYERS FOR THE DEPOSIT PREMIUM OF \$138,516, AND AUTHORIZING THE CITY ATTORNEY TO APPROVE CLAIM SETTLEMENTS IN AMOUNTS NOT TO EXCEED \$20,000.00 PER CLAIM AND THE CITY MANAGER TO APPROVE CLAIM SETTLEMENTS UP TO \$75,000.00 PER CLAIM ALL AS AN EMERGENCY ORDINANCE PURSUANT TO SECTIONS 3.13 (F)(1) AND (3) OF THE CHARTER FOR THE CITY OF LEE'S SUMMIT, MISSOURI.

WHEREAS, the City of Lee's Summit, Missouri is a constitutional charter City, organized and existing under the laws of the State of Missouri (hereinafter "City"); and,

WHEREAS, the City currently maintains a Workers' Compensation insurance program, wherein the City contracts with Thomas McGee Group for claims management services; and,

WHEREAS, the City's current Workers' Compensation manager Thomas McGee Group conducted marketing efforts this spring on behalf of the City for its Excess Workers' Compensation insurance; and,

WHEREAS, Midwest Employers Insurance has provided desirable proposals and quotes for renewal of the City's excess Workers' Compensation insurance program for FY2025; and,

WHEREAS, Thomas McGee Group has reviewed the proposed policy from Midwest Employers Insurance and recommends renewal with this carrier for FY2025; and,

WHEREAS, the City has budgeted funds to account for the premium costs, brokerage fees, and anticipated claims expenses and losses for FY2025, which specifically includes budgeted funds to cover various losses to be determined through the claims process; and,

WHEREAS, the City desires to accept the quote from Midwest Employers Insurance and enter into an agreement to procure Excess Workers' Compensation coverage for FY2025; and,

WHEREAS, this ordinance is necessary as an emergency ordinance to continue insurance coverage which expire on June 30, 2024 and such an ordinance is considered an emergency use under Section 3.13 (f)(1) and (3) of the Charter as necessary to preserve public property and appropriate current expenses for uninterrupted excess Workers' Compensation for the City; and,

WHEREAS, the City desires to convey authority upon the City Attorney to approve individual settlements or claims expenses in amounts not to exceed \$20,000.00 per claim and to the City Manager for individual settlements, or claims expenses, up to \$75,000.00 per claim

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, AS FOLLOWS:

SECTION 1. The FY2025 Workers' Compensation excess insurance program for the City of Lee's Summit as reflected in Exhibit "A" is hereby accepted and the City Manager is authorized to execute any and all agreements and other documents necessary to effectuate the procurement

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of coverage for excess Workers' Compensation insurance and related services with Midwest Employers Insurance on behalf of the City of Lee's Summit.

SECTION 2. The City Attorney is hereby authorized to approve claims expenses, payments or settlements up to \$20,000.00 per claim, subject to the annually budgeted maximum of \$200,000 for all claims and expenses for FY2025. The City Manager is hereby authorized to approve claims expenses, payments or settlements up to \$75,000.00 per claim.

SECTION 3. This Ordinance is necessary as an emergency ordinance to continue Excess Workers' Compensation insurance coverage which expire on June 30, 2024 and such an ordinance is considered an emergency use under Section 3.13 (f)(1) and (3) of the Charter as necessary to preserve public property and appropriate current expenses for the uninterrupted coverage is insurance on the assets and possible liability of the City.

SECTION 4. There is hereby appropriated from account no. 65077100016-7203 in the FY 2025 budget the amount of \$1,300,000 for the purposes set forth on Section 1 above. The City Manager is further empowered to adjust this appropriation as may be needed to conform this ordinance to the FY25 Budget when it is adopted.

SECTION 5. This Ordinance shall be in full force and effect from and after the date of its passage and adoption, and approval by the Mayor.

SECTION 6. Should any section, sentence, or clause of this Ordinance be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining sections, sentences or clauses.

PASSED by the City Council of Lee's Summit, Missouri this _____ day of _____, 2024.

ATTEST:

Mayor William A. Baird

City Clerk Trisha Fowler Arcuri

APPROVED by the Mayor of said City this _____ day of _____, 2024.

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Mayor William A. Baird

City Clerk Trisha Fowler Arcuri

APPROVED AS TO FORM:

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City Attorney *Brian W. Head*