

Policy 2-4 AUTHORITY TO EXECUTE RELEASES AND ENDORSE NEGOTIABLE INSTRUMENTS FOR PAYMENT IN SETTLEMENT OF CLAIMS

DISTRIBUTION: Mayor and City Council
All Departments

SUBJECT: Authority to execute releases and negotiable instruments for payment in settlement of claims.

PURPOSE: To establish a policy in which the City Manager or the City Attorney is authorized to execute general liability releases and accept the payment of monies on claims made on behalf of the City arising from damages to its property or subrogation on workers compensation claims, in cases where the City is a co-payee of insurance payments.

BACKGROUND: In some instances, the City receives payment by check or other negotiable instrument from an individual, a corporation or a third party indemnifier, pursuant to a claim or claims made or filed on behalf of the City for damages to its property on claims made against third parties for injuries to employees. Generally, payment of the claim is contingent upon the execution of a general release of the claim and related claims arising from the same transaction or occurrence. In other instances, the City may be a co-payee on payments made to the City or on behalf of a City employee, such as payment of medical insurance coverage on behalf of an injured employee. In most of these cases, time is of the essence. It would be in the best interest of the City to authorize the City Manager or the City Attorney to endorse these types of documents.

PROCEDURES: The City Council hereby delegates authority to the City Manager or the City Attorney to endorse negotiable instruments and execute general releases under the following conditions:

1. Upon full payment for reimbursement to damages to City property arising from claims made by the City Attorney against a person or persons responsible for the damage to City property, or their insurer.
2. On disputed claims for damage to City property where the tender of payment to the City is at least 75% of the amount claimed. Not to exceed \$10,000.00.
3. On full payment for reimbursements made by the City through any of its funded activities (health insurance benefits, worker's compensation benefits, etc) expended on behalf of an employee.

REFERENCES: None

EFFECTIVE DATE/

RESCISSION: February 23, 2009

RESPONSIBLE



DEPARTMENT: City Attorney

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MUSKOGEE,
OKLAHOMA, THIS 24th DAY OF February, 2009.



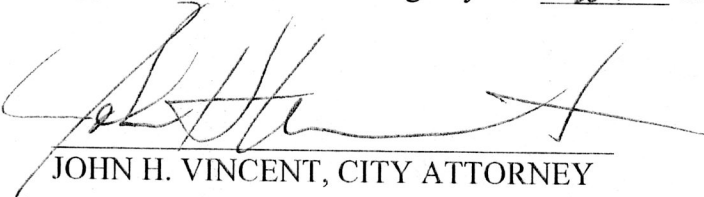
JOHN TYLER HAMMONS, MAYOR

ATTEST:

PAMELA S. BESH, CITY CLERK

Approved as to form and legality this 24th day of February, 2009.



JOHN H. VINCENT, CITY ATTORNEY