

OK  
12/13/01  
Brewster

RESOLUTION NO. 2001 - 111

**A RESOLUTION AUTHORIZING A PROCEDURE FOR PAYMENT OF FIRE INSURANCE PROCEEDS PURSUANT TO K.S.A. 40-3903**

WHEREAS, the Board of County Commissioners of the County of Shawnee, Kansas, is authorized by K.S.A. 40-3903 to establish, by resolution, a procedure for payment to the County of not more than fifteen percent (15%) of the proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure, caused by or arising out of any fire, explosion, or windstorm, where the covered claim payment is in excess of seventy-five percent (75%) of the face value of the policy covering a building or other insured structure; and

WHEREAS, the Board of County Commissioners of the County of Shawnee, Kansas, finds it would be in the best interest of the public health, safety, and welfare to adopt a resolution pursuant to K.S.A. 40-3903.

NOW THEREFORE, the Board of County Commissioners of the County of Shawnee, Kansas, sitting in regular session on this 7<sup>th</sup> day of June, 2001, resolves to authorize the following:

1. A lien shall arise in favor of Shawnee County on the proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure caused by fire, explosion, or windstorm, which building or structure is located within the County.

2. The lien arises upon any unpaid tax, special ad valorem levy, special assessment, or other charge imposed upon real property by or on behalf of the County which is an encumbrance on real property, whether or not evidenced by written instrument, or such tax, levy, assessment, expense, or other charge that has remained undischarged for at least one (1) year prior to the filing of a proof of loss.

3. Such special assessment shall include the cost of removal of the building or structure, less salvage value, pursuant to K.S.A. 40-3903(c), in the event certification is not made pursuant to K.S.A. 40-3906.

4. Payment of insurance proceeds as authorized in K.S.A. 40-3903(a) shall not exceed fifteen percent (15%) of the proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure, caused by or arising out of any fire, explosion, or windstorm.

5. This resolution shall apply only to a covered claim payment which is in excess of seventy-five percent (75%) of the face value of the policy covering a building or other insured structure.

6. Payment made to the County pursuant to this resolution, after all amounts due the holder of a first real estate mortgage against the building or other structure pursuant to the terms of the policy and endorsements thereto are paid, shall be deposited into an interest-bearing account.

7. The County shall release the insured's proceeds and any interest which has accrued on such proceeds received within thirty (30) days after receipt of such moneys, unless the County has instituted proceedings, using the procedure under K.S.A. 12-1752, and amendments thereto. If the County has instituted legal proceedings, all moneys in


excess of that necessary for the removal of the building or structure, less salvage value, and such other liens on the property as referenced in K.S.A. 40-3904, shall be paid to the insured.

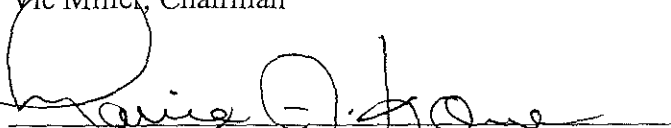
8. The County shall institute legal proceedings using the procedure under K.S.A. 12-1752 in the event the enforcing officer of the County deems the removal of a building or structure damaged by fire, explosion, or windstorm is necessary for the health, safety, and welfare of the public.

9. The enforcing officer for Shawnee County shall be and is the Zoning Administrator. The Zoning Administrator may seek the advice of experts in the field of structural engineering.

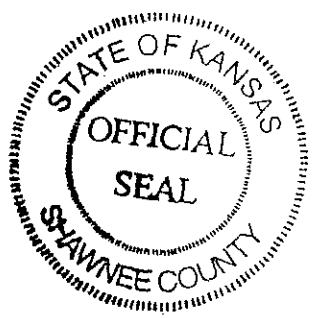
10. The Board of County Commissioners of the County of Shawnee, Kansas, shall notify the Commissioner of Insurance upon adoption of this resolution.

**BOARD OF COUNTY COMMISSIONERS  
SHAWNEE COUNTY, KANSAS**


  
Vic Miller, Chairman

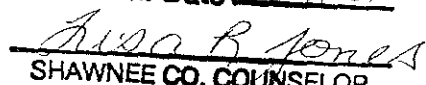
  
Marice A. Kane, Vice-Chair

  
Theodore D. Ensley, Member



ATTEST:

  
Cynthia A. Beck, Shawnee County Clerk

Approved as to Legality  
and Form: Date 6/4/01  
  
SHAWNEE CO. COUNSELOR