Added - Computer 6-17-03

## CITY OF UNIONTOWN P. O. BOX 51 UNIONTOWN, KANSAS 66779

June 12, 2003

Insurance Commissioner 420 S.W. 9<sup>th</sup> Street Topeka, Kansas 66612

Re: Insurance Proceeds Ordinance

Dear Sir:

Enclosed please find a copy of our Ordinance #120 to amend Ordinance #119 concerning insurance proceeds in Uniontown. Please let me know if more information is needed.

Sincerely,

Kinda C. Nier

Linda E. Gier, City Clerk

Mel- Sorthis OK-amounts, etc.

Enclosures

morenos, 2-Roberta 1,20 223 24 756 242 1,742

	FILE MEMORANDUM	
	Office Conference	CALENDAR YEAR 2003
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	File Notes	
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	DATE 4-22-03	
	CITY AND STATE CALLED OR CALLED FROM	
4.	TITLE OF FILING, COMPLAINT OR SUBJECT DISCUSSED	
5.	TELEPHONE NUMBER CALLED OR CALLED FROM	
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	SIGNATURE	

Ordinance No. <u>120</u>

AN ORDINANCE AMENDING SECTION 1 OF ORDINANCE NO. 119 OF THE THE CITY OF UNIONTOWN, KANSAS.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF UNIONTOWN, BOURBON COUNTY, KANSAS THAT SECTION 1 OF ORDINANCE NO. 119 SHALL BE AMENDED TO READ AS FOLLOWS:

**SECTION 1. SCOPE AND APPLICATION.** The City is hereby authorized to utilize the procedures established by K.S.A. 40-3901 *et seq.*, whereby no insurance company shall pay a claim of a named insured for loss or damage to any building or other structure located within the City, arising out of fire, explosion, or windstorm, where the amount recoverable for the loss or damage to the building or other structure under the policies is in excess of 75 percent of the face value of the policy covering such building or other insured structure, unless there is compliance with the procedures set out in this ordinance.

**SECTION 2.** This ordinance shall be published and become effective after its passage and publication in the official City newspaper.

**INTRODUCED, PASSED AND APPROVED** by the Governing Body of the City of Uniontown, Kansas this  $\underline{13^{\pm}}^{h}$  day of  $\underline{May}$ , 2003.

THE CITY OF UNIONTOWN, KANSAS

BY: Ales Berlow

(SEAL)

ATTEST:

LINDA GIER, CITY CLERK

## **Proof of Publication**

basis in Bourbon County,

5

day of

being,

of the Fort Scott

STATE OF KANSAS, BOURBON COUNTY, ss.

list duly sworn on oath, deposes and says: That she is the

Tribune, a <u>daily</u> newspaper printed and published in the

City of Fort Scott, County of Bourbon, State of Kansas, which

said newspaper has been published for more than five years

prior to this date at least fifty times a year during said period,

and is and has been entered in the Post Office of Fort Scott,

Kansas as second mail matter, and has a general paid circula-

Kansas and is not a trade, religious or fraternal publication;

and she further states that the annexed copy was published in

said newspaper once a week for **Consecutive** weeks.

the first publication there of being on the\_\_\_

 $\sqrt{2002}$ 

Janice Cagle

**Circulation Manager** 

tion on a monthly

(Published in The Fort Scott, Kansas, Daily Tribune-Monitor, Friday, May 16, 2003)

Ordinance No. 120

AN ORDINANCE AMENDING SECTION 1 OF ORDINANCE NO. 119 OF THE CITY OF UNIONTOWN, KANSAS

BE IT ORDAINED BY THE GOVERN-ING BODY OF THE CITY OF UNION-COUNTY. BOURBON KANSAS THAT SECTION 1 OF ORDINACE NO. 119 SHALL BE AMENDED TO READ AS FOL-LOWS:

SECTION 1. SCOPE AND APPLICA-TION. The City Is hereby authorized to utilize the procedures established by K.S.A. 40-3901 *et seq.*, whereby no insurance company shall pay a claim of a named insured for loss or damage to any building or other structure located within the City, arising out of life, explosion, or windstorm, where the amount recoverable for the loss or damage to the builliding or other structure under the policies is in excess of 75 percent of the face value of the policy covering such building or other Insured structure, unless there is compliance with the procedures set out in this ordinance.

SECTION 2. This ordinance shall be published and become effective after its passage and publication in the official City newspaper.

INTRODUCED, PASSED AND APPROVED by the Governing Body of the

City of Uniontown, Kansas this 13th day of

BY: /s/ Alvin Beerbower Alvin Beerbower, MAYOR 建设运行的 品

LINDA GIER, CITY CLERK

V. THE CITY OF UNIONTOWN, KANSAS

May, 2003.

(SEAL)

ATTEST:

/s/ Linda Gier

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Subscribed and sworn	to before me this
day of	, 20025.
NOTARY PUBLIC - State of Kansas TERESA A COOPER My Appt. Exp	Deresa Curpon
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My Commission expires	
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Publisher's Fee \$ 29. IN THE BOURBON	COURT OF COUNTY, KANSAS publication notice and proof thereof
Publisher's Fee \$ IN THE BOURBON The above and foregoing	COURT OF COUNTY, KANSAS publication notice and proof thereof
Publisher's Fee \$ IN THE BOURBON The above and foregoing	COURT OF COUNTY, KANSAS publication notice and proof thereof day of

Judge of the

Court of Bourbon County, Kansas

# **Proof of Publication**

STATE OF KANSAS, BOURBON COUNTY, ss.

1.1

	The second se
Kenneth Lyon being,	( Published in The Fort Scott, Kansas, Daily Tribune-Monitor, Friday, April 11, 2003)
list duly sworn on oath, deposes and says: That she is the	ORDINANCE NO. 119
Circulation Manager of the Fort Scott	AN ORDINANCE FOR ESTABLISHMENT OF
Tribune, a daily newspaper printed and published in the	AN INSURANCE PROCEEDS FUND FOR DAMAGED BUILDINGS FOR THE CITY OF UNIONTOWN, KANSAS.
City of Fort Scott, County of Bourbon, State of Kansas, which	BE IT ORDAINED BY THE GOVERN-
said newspaper has been published for more than five years	ING BODY OF THE CITY OF UNION- TOWN, BOURBON COUNTY,
prior to this date at least fifty times a year during said period,	KANSAS. SECTION 1. SCOPE AND APPLICA-
and is and has been entered in the Post Office of Fort Scott,	TION. The City is hereby authorized to utilize the procedures established by
Kansas as second mail matter, and has a general paid circula-	K.S.A. 49-3901 et seq., whereby no insurance company shall bay a claim of
tion on a monthly basis in Bourbon County,	a named insured for loss or damage to any building or other structure located
Kansas and is not a trade, religious or fraternal publication;	within the City, arising out of fire, explo- sion, or windstorm, where the amount recoverable for the loss or damage to
and she further states that the annexed copy was published in	the building or other structure under the policies is in excess of 75 percent of
said newspaper once a week for so consecutive weeks,	such building or other insured struct
the first publication there of being on the ll day of	ture, unless there is compliance with the procedures set out in this ordi-
$\underline{\text{Optio}}$ , 2003.	NANCE. SECTION 2. LIEN CREATED. The
(1)	governing body of the City hereby creates a lien in favor of the City on the
h KW Lyon	proceeds of any insurance policy based upon a covered claim payment
	or other structure located within the
Subscribed and sworn to before me this5	City, caused by or ansing out of any fire, explosion or windstorm, where the
day of <u>(2010</u> , 2003.	amount recoverable for all the loss or, damage to the building or other struc- ture under all policies is in excess of 75
	percent of the face value of the poli- cy(s) covering such building or other
A NOTARY PUBLIC - State of Kansas	Insured structure. The lien arises upon any unpaid tax, special ad, valorem
My Appl. Exp. 3,2000 0 1000 C C 1000	levy, or any other charge imposed upon real property by or on behalf of the City
Notary Public	which is an encumbrance on real prop- erty, whether or not evidenced by write
My Commission expires 11/2000 22 2020	ten Instrument, or such tax, levy, assessment, expense or other charge
Publisher's Fee $$152.52$	that has remained undischarged for at the least one year prior to the illing of a proof of loss.
IN THECOURT OF	
BOURBON COUNTY, KANSAS	Any claim covered by Section 2 the
· · · · · · · · · · · · · · · · · · ·	Treasurer for the City of Uniontown
The above and foregoing publication notice and proof thereof	whether any such encumbrances are
approved by me this day of	found to exist, the insurer or insurers shall execute and transmit in an
, 2003.	amount equal to that owing under the encumbrances a draft payable to the
Judge of the	
Court of Bourbon County, Kansas	<b>CITY</b> of UNIONTOW
	P. O. Box 51

P. O. Box 51 Uniontown, Kansas 66779

Treasurer for the City of Uniontown, Bourbon County, Kansas.

SECTION 4. SAME; PRO RATA BASIS. Such transfer of proceeds shall be on a pro rata basis by all insurance companies measuring the building or other structure, 用计算领导

### SECTION 5. PROCEDURE.

(a)

 $\mathcal{A}^{(i)}$ 

(b)

(a)

When final settlement on a covered claim has been agreed to or arrived at between the named insured or insureds and the company or companies, and the final set tlement exceeds 75 percent of the face value of the policy covering any building or other Insured structure, and when 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, shall have been paid, the Insurance company or companies shall execute a draft payable to the City Treasurer in an amount equal to the sum of 15 percent of the covered claim payment, unless the chief building inspector of the City has issued a certificate to the insurance company or companies that the insured has femoved the damaged building or other structure, as well as all associated debris, or repaired, rebuilt, or other wise made the premises safe and secure.

Such transfer of funds shall be on a pro rate basis by all companies insuring the building or other structure. Policy proceeds remaining after the transfer to the City shall be disbursed in accordance with the policy terms.

Upon the transfer of the funds as required by subsection (a) of this ordinance, the insurance company shall provide the City with the name and address of the named insured or insureds, the total insurance coverage applicable to said building or other structure, and the amount of the final settlement acreed to or arrived at between the insurance company or companles and the insured or insureds, whereupon the chief building inspector shalls contact the named insured or insureds by certified mail, return receipt requested, notify

ing them that said insurance proceeds have been received

by the city and apprise them of

### 波动动的东京 78-2010

the procedures to be followed States South under this ordinance. SHOW AND and winned e this init

*额给*种 <sup>关</sup> SECTION 6. FUND CREATED; e. DEPOSIT OF MONEYS. The City trea-10 Official surer is hereby authorized and shall stank) Setser New create a fund to be known as the 13.313 Insurance Proceeds Fund, All moneys received by the City treasurer as 1 provided for by this ordinance shall be placed in said fund and deposited in an 1.25 interest-bearing account. S INSTONY ... ricié me gripper

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#### 网络 韩国 SECTION 7. BUILDING INSPECTOR, INVESTIGATION, REMOVAL OF 200 DO STRUCTURE.

(a)

Sec. 2.

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Upon receipt of moneys as provided for by this ordinance, the City treasurer shall immediately notify the chief building inspector of said receipt, and transmit all documentation received from the insurance company or the insurance company or stand to the chief building inspector. (b) 🦗

Within 20 days of the receipt of 2011、1月1日日 inspector shall determine, after and the incurred. prior investigation, whether the 1. 1. 1. 6 6 5 1 5 City shall instigate proceedings under the provisions of K.S.A. 12-1750 et seq., as amended. 5 1210 ····· Prior to the expiration of the 20 as a second days established by subsection 1073260 (b) of this ordinance, the chief building inspector shall notify QUA 668 the city treasurer whether he or she intends to initiate proceed-Ings under K.S.A. 12-1750 et 市场 经常的利用 seq., as amended. 网络拉拉拉拉 (d) If the chief building inspector has determined that proceed-())。114年4月 ings under K.S.A. 12-1750 er seq., as amended, shall be ini-Gillericht a tlated, he or she will do so immediately but no later than n an the second second 30 days after receipt of the 44.16年,42、987,889 moneys by the City treasurer. · (e) Upon notification to the City treasurer by the chief building Inspector that no proceedings shall be initiated under K.S.A. 12-1750 et seq., as amended, the City treasurer shall return all such moneys received,

plus accrued interest; to the, insured or insureds as identi fied in the communication from 1233 the insurance company or companies. Such return shall be accomplished within 30 days of the receipt of the moneys from the insurance company or companles.

SECTION 8. REMOVAL OF STRUC-TURE; EXCESS MONEYS. If the chief building inspector has proceeded under the provisions of K.S.A. 12-1750 et seq. as amended, all moneys in excess of that which is ultimately necessary to comply with the provisions for

the removal of the building or structure less salvage value, if any, shall be paid to the insured or insureds.

SECTION 9. SAME; DISPOSITION OF FUNDS. If the chief building inspector, with regard to a building or other structure damaged by fire, explosion, or windstorm, determines that it is necessary to act under K.S.A. 12-1756, any proceeds received by the City treasurer under the authority of Section 5(a) relating to that building or other structure shall be used to reimburse the City for any expenses incurred by the City in proceeding under K.S.A. 12-1758. Upon reimbursement from the insurance proceeds, the chief building inspector shall immediately effect the release of the lien resulting therefrom. Should the expenses incurred by the City exceed the insurance proceeds paid over to the City treasurer under Section 5(a), the chief building inspector shall publish a new lien as authorized by K.S.A. 12-1756, in an amount said moneys, the chief building device a such excess expenses

> SECTION 10. EFFECT UPON INSUR-ANCE PROCEEDS. This ordinance shall not make the City a party to any insurance contract, nor is the insurer, llable to any party for, any amount in excess of the proceeds otherwise payable under its insurance policy.

> SECTION 11, INSURERS: LIABILITY Insurers complying with this ordinance or attempting in good faith to comply with this ordinance shall be immune from civil and criminal liability and such action shall be deemed in violation of K.S.A. 40-2404 and any amendments thereto, including withholding payment of any insurance proceeds pursuant to this ordinance, or releasing or disclosing any information pursuant to this ordinance.

SECTION 12. This ordinance shall be published and become effective after its passage and publication in the official City newspaper.

INTRODUCED. PASSED AND APPROVED by the Governing Body of the City of Uniontown, Kansas this 8th day of April, 2003 Augusta Augusta Augusta

THE CITY OF UNIONTOWN, KANSAS

> BY: s/Alvin Beerbower ALVIN BEERBOWER, MAYOR

ATTEST: 10 s/Linda E. Gier

LINDA GIER, CITY CLERK

(SEAL)

Ordinance No. <u>//9</u>

## AN ORDINANCE FOR ESTABLISHMENT OF AN INSURANCE PROCEEDS FUND FOR DAMAGED BUILDINGS FOR THE CITY OF UNIONTOWN, KANSAS.

## BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF UNIONTOWN, BOURBON COUNTY, KANSAS.

**SECTION 1. SCOPE AND APPLICATION.** The City is hereby authorized to utilize the procedures established by K.S.A. 49-3901 *et seq.*, whereby no insurance company shall pay a claim of a named insured for loss or damage to any building or other structure located within the City, arising out of fire, explosion, or windstorm, where the amount recoverable for the loss or damage to the building or other structure under the policies is in excess of 75 percent of the face value of the policy covering such building or other insured structure, unless there is compliance with the procedures set out in this ordinance. 40-3901

**SECTION 2.** LIEN CREATED. The governing body of the City hereby creates a lien in favor of the City on the proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure located within the City, caused by or arising out of any fire, explosion or windstorm, where the amount recoverable for all the loss or damage to the building or other structure under all policies is in excess of 75 percent of the face value of the policy(s) covering such building or other insured structure. The lien arises upon any unpaid tax, special ad valorem levy, or any other charge imposed upon real property by or on behalf of the City 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 year prior to the filing of a proof of loss.

**SECTION 3. SAME; ENCUMBRANCES.** Prior to final settlement on any claim covered by Section 2, the insurer or insurers shall contact the Treasurer for the City of Uniontown, Bourbon County, Kansas, to determine whether any such encumbrances are presently in existence. If the same are found to exist, the insurer or insurers shall execute and transmit in an amount equal to that owing under the encumbrances a draft payable to the Treasurer for the City of Uniontown, Bourbon County, Kansas. **SECTION 4. SAME; PRO RATA BASIS.** Such transfer of proceeds shall be on a pro rata basis by all insurance companies insuring the building or other structure.

### SECTION 5. PROCEDURE.

- When final settlement on a covered claim has been agreed to (a)or arrived at between the named insured or insureds and the company or companies, and the final settlement exceeds 75 percent of the face value of the policy covering any building or other insured structure, and when 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, shall have been paid, the insurance company or companies shall execute a draft payable to the City Treasurer in an amount equal to the sum of 15 percent of the covered claim payment, unless the chief building inspector of the City has issued a certificate to the insurance company or companies that the insured has removed the damaged building or other structure, as well as all associated debris, or repaired, rebuilt, or otherwise made the premises safe and secure.
- (b) Such transfer of funds shall be on a pro rate basis by all companies insuring the building or other structure. Policy proceeds remaining after the transfer to the City shall be disbursed in accordance with the policy terms.
- (c) Upon the transfer of the funds as required by subsection (a) of this ordinance, the insurance company shall provide the City with the name and address of the named insured or insureds, the total insurance coverage applicable to said building or other structure, and the amount of the final settlement agreed to or arrived at between the insurance company or companies and the insured or insureds, whereupon the chief building inspector shall contact the named insured or insureds by certified mail, return receipt requested, notifying them that said insurance proceeds have been received by the city and apprise them of the procedures to be followed under this ordinance.

**SECTION 6. FUND CREATED; DEPOSIT OF MONEYS.** The City treasurer is hereby authorized and shall create a fund to be known as the "Insurance Proceeds Fund". All moneys received by the City treasurer as provided for by this ordinance shall be placed in said fund and deposited in an interest-bearing account.

## SECTION 7. BUILDING INSPECTOR, INVESTIGATION, REMOVAL OF STRUCTURE.

(a) Upon receipt of moneys as provided for by this ordinance, the City treasurer shall immediately notify the chief building inspector of said receipt, and transmit all documentation received from the insurance company or companies to the chief building inspector.

- (b) Within 20 days of the receipt of said moneys, the chief building inspector shall determine, after prior investigation, whether the City shall instigate proceedings under the provisions of K.S.A. 12-1750 *et seq.*, as amended.
- (c) Prior to the expiration of the 20 days established by subsection (b) of this ordinance, the chief building inspector shall notify the city treasurer whether he or she intends to initiate proceedings under K.S.A. 12-1750 *et seq.*, as amended.
- (d) If the chief building inspector has determined that proceedings under K.S.A. 12-1750 *et seq.*, as amended, shall be initiated, he or she will do so immediately but no later than 30 days after receipt of the moneys by the City treasurer.
- (e) Upon notification to the City treasurer by the chief building inspector that no proceedings shall be initiated under K.S.A. 12-1750 *et seq.*, as amended, the City treasurer shall return all such moneys received, plus accrued interest, to the insured or insureds as identified in the communication from the insurance company or companies. Such return shall be accomplished within 30 days of the receipt of the moneys from the insurance company or companies.

**SECTION 8. REMOVAL OF STRUCTURE; EXCESS MONEYS.** If the chief building inspector has proceeded under the provisions of K.S.A. 12-1750 *et seq.*, as amended, all moneys in excess of that which is ultimately necessary to comply with the provisions for the removal of the building or structure, less salvage value, if any, shall be paid to the insured or insureds.

SECTION 9. SAME; DISPOSITION OF FUNDS. If the chief building inspector, with regard to a building or other structure damaged by fire, explosion, or windstorm, determines that it is necessary to act under K.S.A. 12-1756, any proceeds received by the City treasurer under the authority of Section 5(a) relating to that building or other structure shall be used to reimburse the City for any expenses incurred by the City in proceeding under K.S.A. 12-1756. Upon reimbursement from the insurance proceeds, the chief building inspector shall immediately effect the release of the lien resulting therefrom. Should the expenses incurred by the City exceed the insurance proceeds paid over to the City treasurer under Section 5(a), the chief building inspector shall publish a new lien as authorized by K.S.A. 12-1756, in an amount equal to such excess expenses incurred.

**SECTION 10. EFFECT UPON INSURANCE PROCEEDS.** This ordinance shall not make the City a party to any insurance contract, nor is the insurer liable to any party for any amount in excess of the proceeds otherwise payable under its insurance policy.

**SECTION 11. INSURERS; LIABILITY.** Insurers complying with this ordinance or attempting in good faith to comply with this ordinance shall be immune from civil and criminal liability and such action shall be deemed in violation of K.S.A. 40-2404 and any amendments thereto, including withholding payment of any insurance proceeds pursuant to this ordinance, or releasing or disclosing any information pursuant to this ordinance.

**SECTION 12.** This ordinance shall be published and become effective after its passage and publication in the official City newspaper.

**INTRODUCED, PASSED AND APPROVED** by the Governing Body of the City of Uniontown, Kansas this  $\underline{\mathcal{S}}^{\underline{th}}$  day of  $\underline{Apcil}$ , 2003.

## THE CITY OF UNIONTOWN, KANSAS

BY: Als Bulaer

MAYOR

(SEAL)

ATTEST:

LINDA GIER. CIT

RLF:vm/C-ord-un#3

CITY of UNIONTOWN P. O. Box 51 Uniontown, Kansas 66779