

POLICY ON SETTLEMENT OF CLAIMS

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Section 1: PURPOSE

To effectively respond to all claims alleging city liability for damages or injuries, and to delegate settlement authority of undisputed liability claims against the City.

Section 2: POLICY

- 2.1 All claims shall be filed with the Administrative Services Director.
- 2.2 The City is a member of the Municipal Pooling Authority of Northern California (MPA) and self-insures its liability claims programs, and must, therefore, pay all losses up to the respective self-insured retentions.
- 2.3 The Administrative Services Director, or designee, shall coordinate all activities of the City’s self-insured general liability claims program. Chief among those activities is the prompt and effective response to individuals and entities that file claims with the City.
- 2.4 MPA shall act as the primary investigator of liability claims and make recommendations on the appropriate disposition (settlement or denial) of claims.
- 2.5 Staff will work with MPA in their capacity as a third party administrator of liability claims as necessary to effectively adjust claims.

Section 3: AUTHORITY AND RESPONSIBILITY

3.1 City Council

The City Council provides overall policy guidance and approval on risk management issues and serves as the ultimate claims settlement authority. City Council is required to approve the rejection of claims equal to or exceeding \$50,000. Additionally, Council will evaluate staff recommendation for payment or settlement of any claim equal to or exceeding \$50,000.

3.2 Administrative Services Department

The Risk Management Division of the Administrative Services Department is the receiving point, as authorized under State law, for general liability claims made against the City of Manteca. The Division is solely responsible for thoroughly evaluating the sufficiency and form of all claims against the City and for giving notices relative to the investigation of claims and any deficiency of such claims to the claimant(s). The Administrative Services

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Director is delegated authority to reject any claim under \$10,000, and provide all other forms of notice to a claimant.

3.3 City Attorney

The City Attorney is responsible for reviewing and approving recommendations from the Administrative Services Director for payment, settlement, or compromise of any claim of up to \$50,000. Rejection of claims more than \$10,000, but less than \$50,000 shall be reviewed and approved by the City Attorney. In addition, the City Attorney is responsible for reviewing all claims recommended to City Council for denial or approval.

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