



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: 4/19/2022

*= Mandatory, information must be provided

Click or tap the boxes to enter text. If not applicable, indicate "N/A".

***Title:**

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA, RELATING TO RISK MANAGEMENT; AMENDING THE PIMA COUNTY CODE, TITLE 3, REVENUE AND FINANCE, CHAPTER 3.04, SECTION 3.04.120 TO INCREASE THE APPROVAL AUTHORITY AMOUNTS FOR THE SETTLEMENT OF CLAIMS

***Introduction/Background:**

Section 3.04.120 of the Pima County Code was last modified in 1990. Since that time, the settlement value of property damage and personal injury claims has increased. As a result, Finance and Risk Management, in consultation with the Civil Division of the Pima County Attorney's Office, agreed that the settlement approval authority amounts should be increased to reflect the increases in market values of claims since the last code amendment and to improve efficiency by providing more flexibility in the settlement of claims at all levels. The amendment makes a modest increase in the settlement approval authority amounts at the Finance and Risk Management, County Attorney, and County Administrator levels. It also raises the dollar amount required for formal Board approval and makes minor wording changes to promote clarity and consistency in the language of the section.

***Discussion:**

Currently, the settlement approval amounts for the director of Finance and Risk Management is \$15,000. The settlement of claims between \$15,000 and \$30,000 requires the additional written approval of the Civil Division of the County Attorney's Office. Settlements between \$30,000 and \$50,000 require approval of the County Administrator. Board approval is required for all settlements over \$50,000.

After several meetings between Finance and Risk Management and Civil Division attorneys, it was agreed that it would be appropriate to make modest increases to the settlement approval authority amounts to allow for the more efficient resolution of claims. This amendment increases the settlement approval authority amounts as follows:

- From "up to \$15,000" to "up to \$30,000" for the director of Finance and Risk Management or designee;
- From "up to \$30,000" to "up to \$50,000" for the Civil Division of the County Attorney's Office;
- From "up to \$50,000" to "up to \$100,000" for the County Administrator or designee; and
- From any claim over "\$50,000" to "any claim over \$100,000" for the Board.

Other minor stylistic edits were made to make the section read consistently throughout.

The proposed increases should have a positive impact on the claims process. They will give Finance and Risk Management much needed flexibility in resolving valid claims prior to the initiation of costly litigation and should allow for a quicker settlement timeline by reducing the number of claims that will need to go through a multi-layer approval process. This should benefit both the County and claimants. It will also ensure that the Board remains fully informed about the settlement of all significant claims and plays an active role in the settlement of them.

***Conclusion:**

This amendment will facilitate the efficient resolution of claims filed against the County by providing modest increases to the settlement approval authority amounts for the director of Finance & Risk Management, the Civil Division of the County Attorney's Office, and the County Administrator. The board will retain settlement approval over all high value claims.

***Recommendation:**

Finance & Risk Management recommends the Board amend P.C.C. § 3.04.120 by increasing the settlement approval authority amounts for the settlement of claims filed against the County.

***Fiscal Impact:**

None.

***Board of Supervisor District:**



1 2 3 4 5 All

Department: Finance & Risk Management

Telephone: (520) 724-8144

Contact: Maria Luna

Telephone: (520) 724-4481

Department Director Signature:  Date: 3/18/2022
Deputy County Administrator Signature: _____ Date: _____
County Administrator Signature:  Date: 3/18/2022

ORDINANCE NO. 2022 – _____

**AN ORDINANCE OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA,
RELATING TO RISK MANAGEMENT; AMENDING THE PIMA COUNTY CODE, TITLE
3, REVENUE AND FINANCE, CHAPTER 3.04, SECTION 3.04.120 TO INCREASE THE
APPROVAL AUTHORITY AMOUNTS FOR THE SETTLEMENT OF CLAIMS**

BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA:

SECTION 1. Pima County Code, Title 3 Revenue and Finance, Chapter 3.04, Risk Management, Section 3.04.120, Settlement of Claims, is amended to read as follows:

**Chapter 3.04
RISK MANAGEMENT**

3.04.120 – Settlement of Claims

The civil division of the county attorney's office is authorized to provide a legal defense, by retainer or otherwise, to the county and any officer or employee of the county entitled to indemnification as provided in this chapter, in connection with claims against them. The adjusting and settlement of any claim ~~against the county under fifteen thousand dollars~~ up to thirty thousand dollars shall require the approval of the director of finance and risk management or designee. The settlement of any claim ~~against the county between fifteen thousand dollars and thirty thousand dollars~~ over thirty thousand dollars and up to fifty thousand dollars shall require the additional approval of the civil division of the county attorney's office. The settlement of any claim ~~against the County over thirty thousand dollars and up to fifty thousand dollars~~ fifty thousand dollars and up to one hundred thousand dollars shall require the written approval of the county administrator or his designee. The settlement of any claim ~~over fifty thousand dollars~~ one hundred thousand dollars requires approval of the board. The director of finance and risk management shall submit to the board and county administrator an annual financial report reflecting, among other things, the number of claims and amount of liability and other loss claim payments that have been made during that fiscal year. ~~Quarterly reports shall be submitted to the county administrator.~~

(Ord. 2009-31, 2009: Prior code § 33.04.030(H))

SECTION 2. This Ordinance is effective 30 days after the date of adoption.

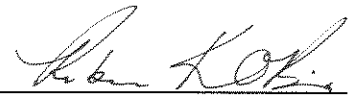
PASSED AND ADOPTED by the Board of Supervisors, Pima County, Arizona, this ____ day of _____, 202_.

Chair, Pima County Board of Supervisors

ATTEST:

Clerk of the Board

APPROVED AS TO FORM:



Civil Deputy County Attorney