

### **COUNCIL POLICY NO. B-3**

**TITLE:** SETTLEMENT OF CLAIMS BY THE CITY

**POLICY:** This policy applies to all instances in which the City of Salem has or may assert a monetary claim against any other person, firm, corporation or other entity, and then only to the extent that the City has the discretion to pursue recovery and to determine the amount of the claim or settlement.

It is in the public interest that claims which are the City of Salem has or May assert be resolved and settled to the City's best interest, considering such factors as value of the City's loss, damage, services, or other basis for the claim, the likelihood of achieving full recovery in light of the circumstances of the person or entity against whom the claim is made, the City's cost in pursuing recovery, and the precedent which may be set in the way the claim is resolved.

It is also in the public interest that all such claims be valued and settled expeditiously, and at the administrative level of the City government unless there are other factors present which involve significant public policy issues such that Council decision is appropriate.

To further these goals the City Manager, and such City staff as the Manager may designate, are authorized to evaluate, adjust and compromise or settle on behalf of the City of Salem, and on such terms as they deem in the City's best interest, any and all claims described in the first paragraph of this policy.

The City Manager is directed to refer to the City Council for its resolution, such claims as the Manager deems to involve significant policy issues, and such claims as the Council may, from time to time, direct to be so referred for its consideration.

**REFERENCE:** City Attorney/City Manager Staff Report July 22, 1996 (Agenda Item 9.2r)