

**12-2615. Uninsured risks; payment of; funds.** (a) The governing body of any city, county or school district may pay the costs relating to any uninsured loss. The governing body of a city or county may pay such costs from the risk management reserve fund of the city or county. The board of education of any school district may pay such costs from the special reserve fund of the district. The resolution establishing such risk management reserve fund shall prescribe the purposes for which moneys in the fund may be used, and any expenditure therefrom shall require the approval of the governing body. Moneys may be paid into such risk management reserve fund or special reserve fund from any source which may be utilized for such purposes, including transfers from the general fund, from any special liability expense fund established in accordance with the provisions of K.S.A. 75-6110, and amendments thereto, or from any other fund or grant program account of the governmental unit in reasonable proportion to the estimated cost of self insuring the risk losses covered by such funds. Such funds shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In making the budget of such city, county or school district, the amounts credited to and the amount on hand in such reserve fund, and the amount expended therefrom, shall be included in the annual budget for the information of the residents. Interest earned on the investment of moneys in such reserve fund shall be credited to such fund.

(b) If the governing body of any city, county or school district determines on an actuarial basis that money which has been credited to such fund, or any part thereof, is no longer needed for the purposes for which it was established, the governing body may transfer such amount not needed to the funds or accounts from which the money was received. Any money so transferred shall be budgeted in accordance with the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.

**History:** L. 1980, ch. 145, § 2; L. 2003, ch. 116, § 4; July 1.