

Risk Management Team

Opportunity #1: Vehicle accident claims are the largest category of liability claims filed against the City in the last 10 years. Industry studies indicate a minimum 20 percent reduction in vehicle accidents if all of these recommendations are implemented.

Option #1: Pre-employment screening of individual candidates that may be assigned to drive City vehicles.

Option #2: Scheduled vehicle operations training to include operating a simulator, operating an assigned vehicle on the Salishan Training Driver’s Course and a mandatory defensive driving training course.

Option #3: Develop and implement a city wide vehicle accident tracking system to establish trend data that can be used to mitigate problem areas, mitigate citizen complaints and claims and to determine where additional training is needed.

Option #4: Revise risk management policies to reflect best practices, including changing the make-up of the Accident Review Board to include members of senior management, defining and enhancing the policies that govern the Accident Review Board, redefining key terms related to accidents and implementing a city-wide cell phone policy.

Option	Cost Savings Per Biennium					
	2005-06		2007-08		2009-10	
	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>
1. Pre-employment screen						
2. Vehicle training						
3. Accident tracking						
4. Policy revision						
Combined Savings	\$72,900	\$129,600	\$105,300	\$187,200	\$145,800	\$259,200

Note: Savings presented are a total for all options recommended. There is no individual option breakdown available.

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Opportunity #2: Contain the rising costs of worker’s compensation claims by reviewing and changing the way the service is delivered.

Option #1: Outsource the worker’s compensation program and send claims administration to a third-party service bureau.

Option #2: Ensure compliance with return to work or modified work policies, establishing a process to place injured workers in light duty positions while they are injured.

Option #3: Implement increased safety promotion including training, education and awareness of safe work practices.

Option #4: Implement a City wide accident prevention and investigation process.

Option #5: Conduct proactive inspections of facilities and equipment.

Option #6: Convert to a policy of 95% payment of salary for claims versus computation of time loss.

Option	Cost Savings Per Biennium					
	2005-06		2007-08		2009-10	
	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>
1. Outsource	\$54,000	\$96,000	\$108,000	\$192,000	\$108,000	\$192,000
2. Ensure compliance	\$56,520	\$100,480	\$113,040	\$200,960	\$113,040	\$200,960
3. Increase safety promotion	\$32,400	\$57,600	\$64,800	\$115,200	\$64,800	\$115,200
4. Accident prevention	\$18,000	\$32,000	\$36,000	\$64,000	\$36,000	\$64,000
5. Inspections	\$10,800	\$19,200	\$21,600	\$38,400	\$21,600	\$38,400
6. 95% payment of salary	0	0	0	0	0	0

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Opportunity #3: Over the last 10 years there have been 77 employment practices claims totaling \$1.7 million. Industry experts indicate that the City could reduce the number of claims to four per year if these recommendations were implemented.

Option #1: Immediate supervisor training and information sharing on employment practice reporting.

Option #2: Employee performance evaluations become an integral and critical component of a Performance Management Plan.

Option #3: Implement regular performance evaluations of all employees.

Option #4: Mandate immediate human resource consultation prior to taking employee disciplinary action.

Option #5: Revise personnel policies that govern the workplace environment to reflect best practices for human resources.

Option	Cost Savings Per Biennium					
	2005-06		2007-08		2009-10	
	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>
1. Training						
2. Perf. Management Plan						
3. Performance evaluation						
4. HR before disciplinary						
5. Personnel policies						
Combined Savings	\$16,200	\$28,800	\$64,800	\$115,200	\$64,800	\$115,200

Note: Savings presented are a total for all options recommended. There is no individual option breakdown available.

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Opportunity #4: Revise the City’s practices for reporting and processing claims to create a more efficient system.

Option #1: Implement a City-wide claims tracking system, capturing data from the initial incident to the final settlement.

Option #2: Implement a claims review team to provide early claims adjustments and to develop claims adjustment strategies.

Option	Cost Savings Per Biennium					
	2005-06		2007-08		2009-10	
	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>
1. Tracking system						
2. Claims review team						
Combined Savings	\$28,800	\$51,200	\$57,600	\$102,400	\$57,600	\$102,400

Note: Savings presented are a total for all options recommended. There is no individual option breakdown available.

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Savings Summary from Recommendations

Savings from Recommendations						
Opportunity	2005-2006		2007-2008		2009-2010	
	General Fund	Other	General Fund	Other	General Fund	Other
1. Accident claims	\$72,900	\$129,600	\$105,300	\$187,200	\$145,800	\$259,200
2. Workers Comp	\$171,720	\$305,280	\$343,440	\$610,560	\$343,440	\$610,560
3. Emp. Practices	\$16,200	\$28,800	\$64,800	\$115,200	\$64,800	\$115,200
4. Claim processing	<u>\$28,800</u>	<u>\$51,200</u>	<u>\$57,600</u>	<u>\$102,400</u>	<u>\$57,600</u>	<u>\$102,400</u>
Total Savings	\$289,620	\$514,880	\$571,140	\$1,015,360	\$611,640	\$1,087,360

