

## Breakthrough Change Initiatives: Phase II: Opportunities and Recommendations

Initiative: Risk Management

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A. High Potential Opportunities	B. Recommendations/Alternatives	Analysis	Short-Term Outcomes  2005-2006	Projected Longer Term Outcomes		
				2007-2008	2009-2010	
<p>#1</p> <p>Over the last 10 years, of all liability claims filed against the city, vehicle accidents is the single largest claim category.</p> <ul style="list-style-type: none"> <li>1995-2004 all claims paid \$13.87 million, of that amount \$10.54 million is from the General Fund</li> <li>1995-2004 vehicle accident claims paid \$4.8 million</li> </ul>	Option #1:	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
				Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #2	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
				Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #3	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
			Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:	

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<p>#2</p> <p>Over the past 10 years the claims for workers compensation have decreased in terms of numbers from a high of 617 in 1995 to a low of 434 in 2004, but the average cost per claim has increased from \$2,856 in 1995 to \$4,465 in 2004.</p> <ul style="list-style-type: none"> <li>Average cost per year is \$2.4 million</li> </ul>	Option #1:	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
				Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #2	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
			Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:	

	Option #3	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:
		Cons:	Other:	Other:	Other:
			Non- financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:

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<p>#3</p> <p>Over the past 10 years there have been 77 claims related to employment practices totaling \$1.7 million.</p> <ul style="list-style-type: none"> <li>• Average claim for the 10 year period is \$22,500</li> <li>• Highest claim amount was \$188,689</li> </ul>	Option #1:	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:
		Cons:	Other:	Other:	Other:
			Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #2	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:
		Cons:	Other:	Other:	Other:
			Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
Option #3	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
	Cons:	Other:	Other:	Other:	
		Non- financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:	

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<p>#4</p> <p>The City's practice for reporting and processing liability claims are inconsistent and may not follow best practices of early intervention in the resolution of claims.</p> <ul style="list-style-type: none"> <li>Best practices indicate that early intervention may lead to a reduction in the average dollar amount of claims overall.</li> <li>The average annual total liability claims paid for 1995-2004 was \$1.39 million.</li> <li>The total liability claims paid for 1995-2004 was \$13.87 million.</li> </ul>	Option #1:	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
				Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #2	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
				Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #3	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
			Non- financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:	

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<p>#5</p> <p>Over the past 10 years the average cost per year for sidewalk claims is \$150,000. The number of claims filed ranges between 7 and 19. This is a Risk Management Issue that may not generate substantial savings through the Breakthrough Change process.</p> <ul style="list-style-type: none"> <li>Quality of Life issue</li> </ul>	Option #1:	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
				Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #2	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
				Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #3	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
		Cons:	Other:	Other:	Other:	
			Non- financial Outcomes:	Non-financial Outcomes:	Non-Financial Outcomes:	