



Personnel and Administrative Policy and Procedure

SUBJECT: Risk Management Policy	EFFECTIVE DATE: May 1, 2017
POLICY NUMBER: Administrative Policy 2-23	REVIEWED: None

PURPOSE

The purpose of the City of Oregon City's Risk Management Program is to preserve City assets against unforeseen or accidental losses, including those that are catastrophic in nature, that directly and negatively have financial consequence on City funds. The City's Risk Management program strives to be a State leader in organizational and community safety, which is accomplished through compliance, workforce training and measurement of controllable risks within the City.

APPLICABILITY

This policy is applicable to all City employees.

POLICY

This policy applies to all risks of accidental loss, including but not limited to fire, general liability, theft, negligence and other risks of property and liability losses, both direct and indirect. It is the City of Oregon City's intention to economically preserve and protect City assets from accidental loss, and to provide a safe, secure and healthful working environment for its employees. The Risk Management Program shall exist within the financial constraints of the City and consistent with requirements of law. The program will also implement risk techniques to properly assess and mitigate exposures.

The Risk Management Policy is intended to:

1. Standardize internal procedures for identifying and constantly reassessing the fluctuating exposures to risk, and implementing courses of action to minimize or eliminate that risk.

2. Proactively establish (to the extent possible), an exposure-free service environment; in which the City personnel and members of the public enjoy safety and security in the course of their daily pursuits.
3. Protect against the financial consequences of catastrophic loss through avoidance, risk transfer and/or purchased insurance.

A City-wide approach to risk management shall be approved and adopted by the Commission. It is expected that risk management processes will be embedded into the City's systems and processes. All risk management efforts will be focused on supporting the City's objectives. Therefore, the City shall develop a risk management framework and associated procedures that include:

1. Manage risk program effectively to protect public assets and resources.
 - a. Assess risk through identification of exposures
 - b. Determine appetite for risk
 - c. Proactive claims handling and reporting
 - d. Objectively retain, reduce, avoid, or transfer risk
2. Maintain reserves to meet operational and unanticipated expenses while funding the costs of the Risk Management program fairly.
 - a. Ensure adequate reserves are budgeted and attained
 - b. Routinely evaluate levels and types of coverage
 - c. Review methodology for allocating internal charges fairly and revise no less than every 3rd year
3. Develop and document policies to support risk management activities.
 - a. Personnel policies and protocols in operational activities
 - b. Establish protocol for reporting and documenting claims
 - c. Develop, review and implement best practices in key risk areas
4. Monitor and assess risk accountability.
 - a. Identify exposures through a review of operational activities and potential for losses
 - b. Study severity and frequency of claims and potential claims
 - c. Mitigate risk based on actual claims, trends, and perceived exposures
 - d. Regularly provide a summary report of risk management activities to policy makers/management for discussion and decision-making

We use the following Risk Rating Matrix to assess each risk:

		CONSEQUENCES				
		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
LIKELIHOOD	Almost Certain A	Medium	High	High	Extreme	Extreme
	Likely B	Medium	Medium	High	High	Extreme
	Possible C	Low	Medium	High	High	High
	Unlikely D	Low	Low	Medium	Medium	High
	Rare E	Low	Low	Medium	Medium	High

The City Manager has appointed the Human Resources Director as responsible for Risk Management. The Human Resources Director has developed a Risk Management Team consisting of the Human Resources Director, the Executive Assistant to the City Manager, the City Recorder, the Assistant to the City Recorder, and the City’s Agent of Record, whom all assist in maintaining the City’s risk management framework and procedures. The Risk Management Team shall have sufficient authority to manage the City’s risk management efforts.

Anthony J. Konkol, III, City Manager

Date