

# Risk Management Update

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May, 2009

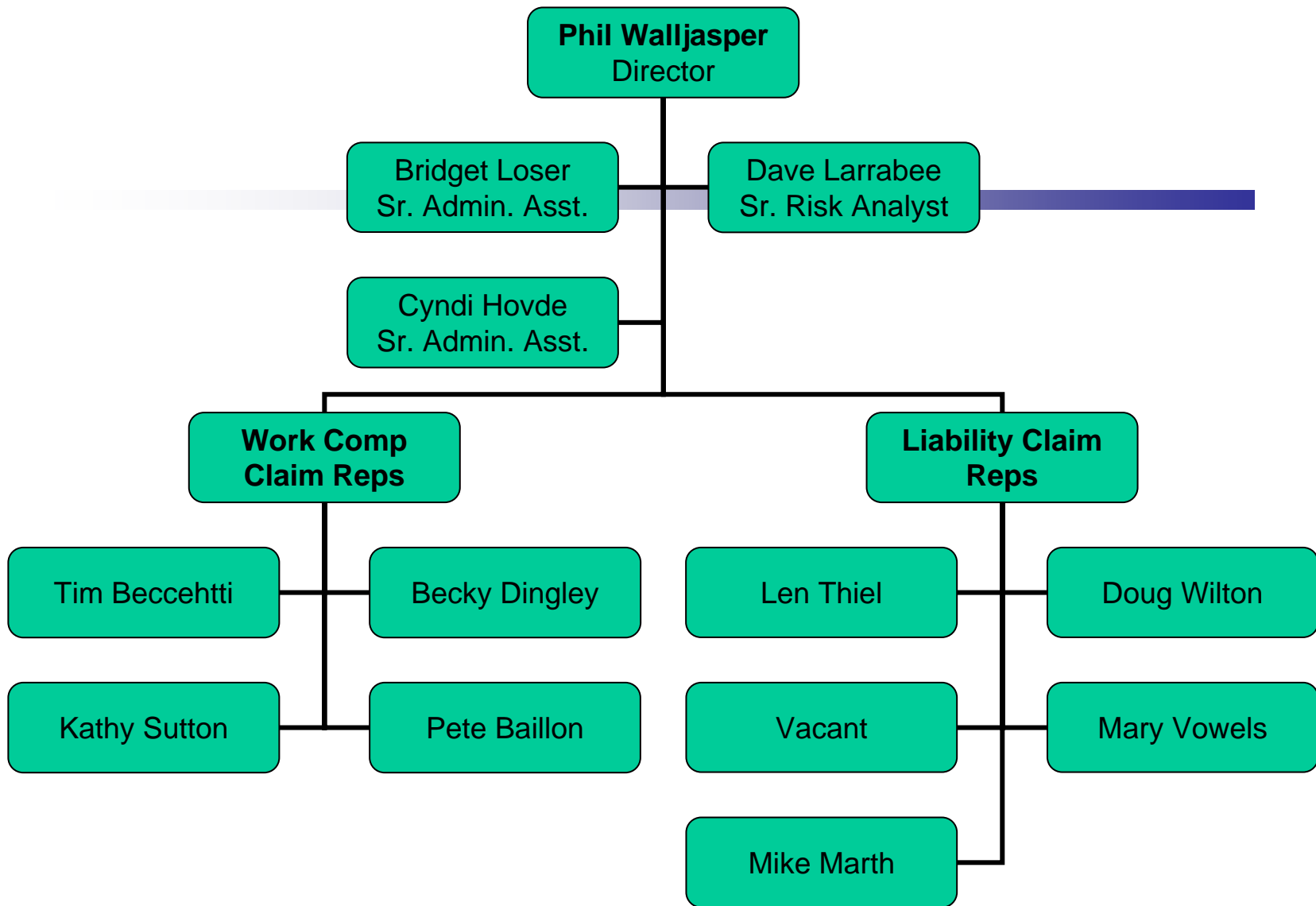
# Discussion Points

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1. Overview of Risk department
2. Council's risk exposures
  - ⊕ Risk financing
  - ⊕ Risk control
3. Council's self-insured loss statistics
4. Looking Ahead

# 1. Risk Overview

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# Primary Risk Department Services

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- ④ Administering the Council's self-insured claims
  - ④ Liability
  - ④ Workers' Compensation
- ④ Contract review
- ④ Provide risk analysis for Council projects
- ④ Partner with other departments in claim management
- ④ Property and Casualty Insurance procurement

## 2. Key Risk Exposures

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- ⊕ Property losses
- ⊕ General Liability claims
- ⊕ Workers' Compensation claims
- ⊕ Auto Liability claims
- ⊕ Professional
- ⊕ Crime

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# Risk Financing

- ③ “Traditional” Insurance
- ③ Self-Insurance

# "Traditional" Insurance

- ③ Property insurance

  - ③ FM Global

  - ③ Lexington (Rail cars/locomotives while in service)

- ③ General Liability Insurance

  - ③ Robert Street

  - ③ ES after higher deductible

- ③ Police Professional

- ③ Crime Policy

- ③ Property/Liability insurance with League of MN Cities

  - ③ FAHP program



# Self-Insurance

## ⊕ Workers' Compensation

- ⊕ Self-insure up to \$1,720,000 per claim. Statutory reinsurance above that limit.
- ⊕ ES, Transit, RA

## ⊕ General Liability

- ⊕ Tort Cap of \$400,000/person, \$1,200,000/occ.

## ⊕ Auto Liability

- ⊕ Tort Liability cap protection

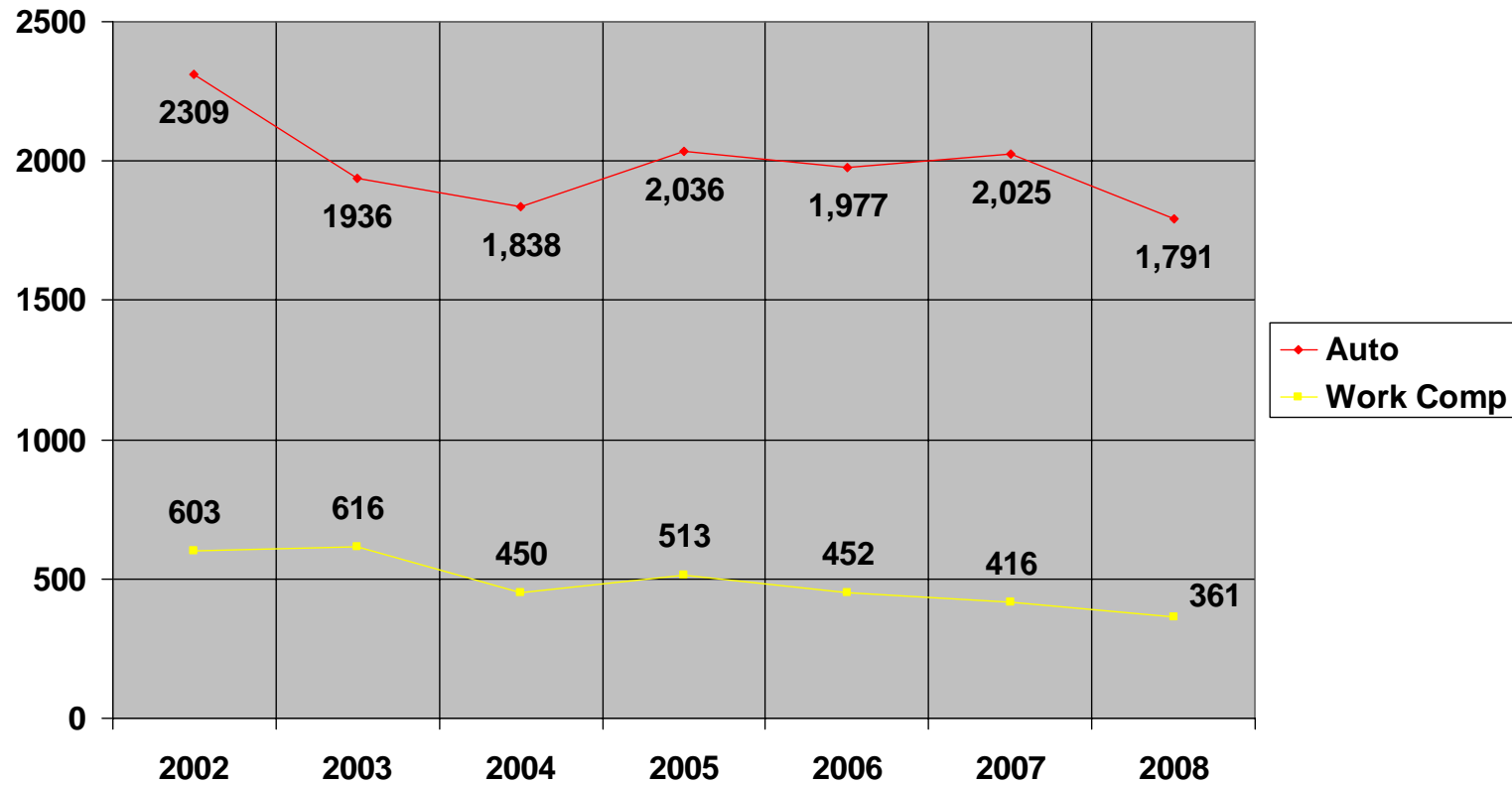
# Risk Control

- ④ Property Management
- ④ Quarterly Risk Control Meetings
- ④ Quarterly Executive Management Risk Meetings
- ④ Training
- ④ Claim Audits
- ④ Trend Analysis

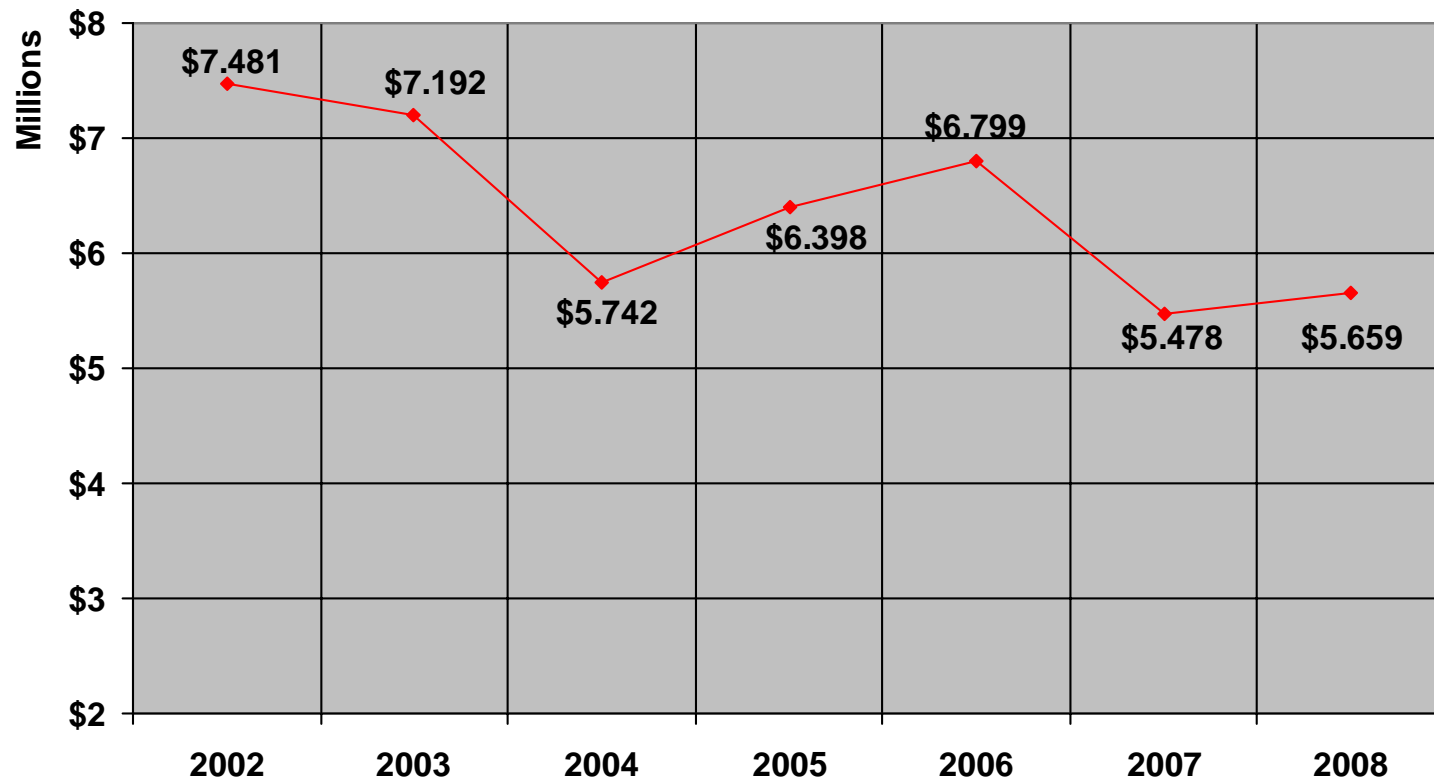
# 3. Self-Insured Loss Statistics

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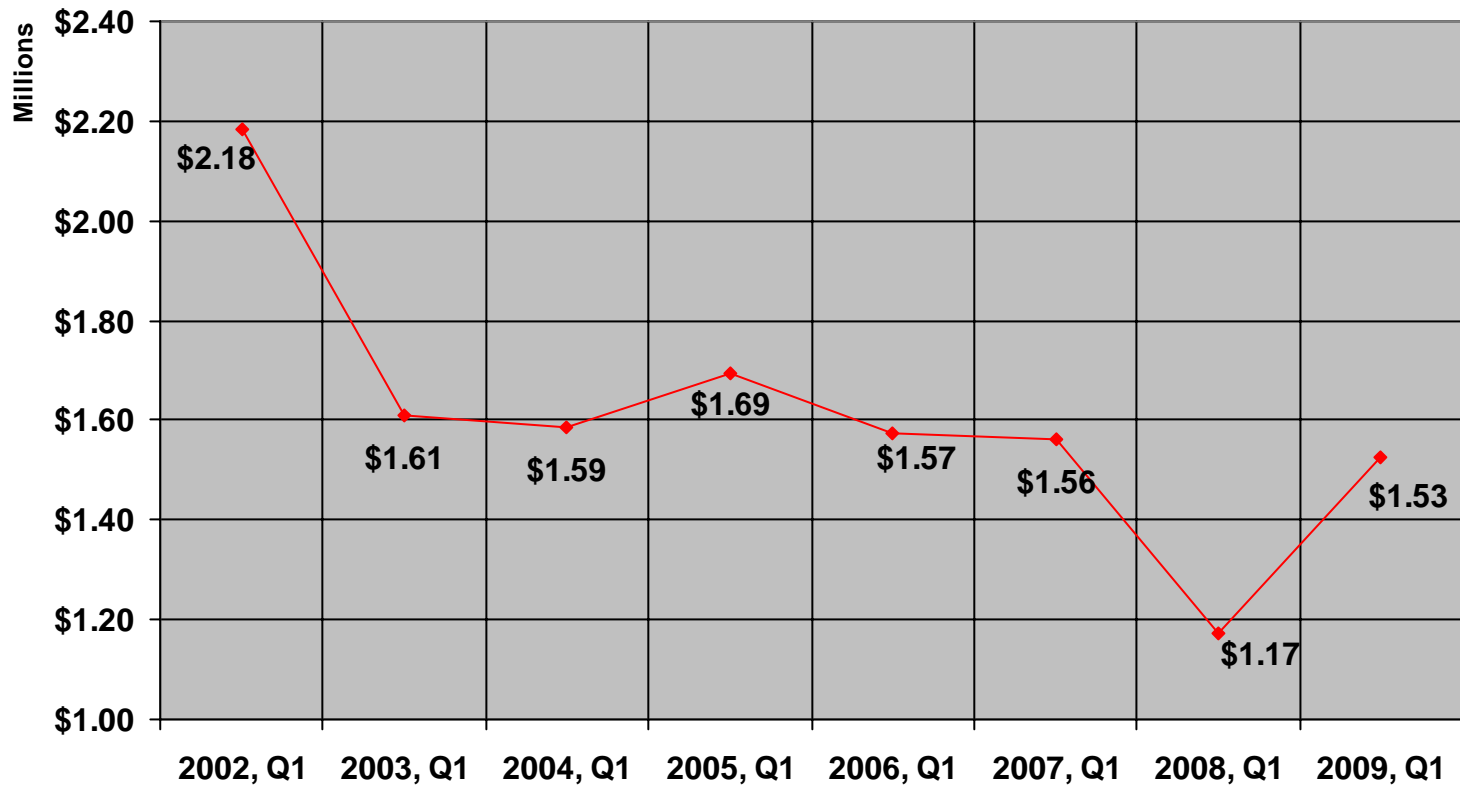
# New Claims



# Council Claim Expense- Risk Dept.



# Risk Claim Expense, Q1



# 4. Looking Ahead

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- ④ Northstar
- ④ Central Corridor
- ④ Technology
- ④ Partnerships

# Summary

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- ③ Claim Management

  - ③ Working with other departments

- ③ Insurance procurement

- ③ Contract review

- ③ Risk Analysis

- ③ Questions??