Minute No. 39
Report - Executive Policy Committee - December 4, 2002

Item No. 9 Reporting of Claim Settlements - File GL-3 (Vol. 5)

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the following reporting requirements be rescinded:

   A. Requirement for the administration to provide an annual statistical report on settled claims less than $5,000 and a quarterly statistical report on settled claims between $5,000 and $10,000 (Recommendation III, Clause 1, of the Report of the Committee on Finance and Administration as adopted by Council on June 23, 1993);

   B. Requirement for the City Treasurer to report as information to the Committee on Finance on any claims in excess of $10,000 each against the Self-Insurance Fund (Recommendation (e) of Clause 3 of the Report of the Committee on Finance and Administration, dated June 19, 1973, as adopted by Council on July 4, 1973);

   C. Requirement for the City Treasurer to report on approving all charges to the Self-Insurance Fund and reviewing its adequacy (Recommendation (f) of Clause 3 of the Report of the Committee on Finance and Administration, dated June 19, 1973, as adopted by Council on July 4, 1973);

2. That the Chief Financial Officer be assigned responsibility for monitoring of all claims against the City and other charges to the Insurance Reserve Fund.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

Report - Executive Policy Committee - December 4, 2002

DECISION MAKING HISTORY:

Moved by His Worship Mayor Murray,
That the Executive Policy Committee recommendation be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 4, 2002, the Executive Policy Committee concurred in the administrative recommendation.

Re: REPORTING OF CLAIM SETTLEMENTS

For submission to: EXECUTIVE POLICY COMMITTEE

Submitted by: Chief Financial Officer

Report date: November 19, 2002

Recommendation(s):

~~1.~~ 1. That the following reporting requirements be rescinded:

Formatted: Bullets and Numbering

A. Requirement for the administration to provide an annual statistical report on settled claims less than $5,000 and a quarterly statistical report on settled claims between $5,000 and $10,000 (Recommendation III, Clause 1, of the Report of the Committee on Finance and Administration as adopted by Council on June 23, 1993);

B. Requirement for the City Treasurer to report as information to the Committee on Finance on any claims in excess of $10,000 each against the Self-Insurance Fund (Recommendation (e) of Clause 3 of the Report of the Committee on Finance and Administration, dated June 19, 1973, as adopted by Council on July 4, 1973);

C. Requirement for the City Treasurer to report on approving all charges to the Self-Insurance Fund and reviewing its adequacy (Recommendation (f) of Clause 3 of the Report of the Committee on Finance and Administration, dated June 19, 1973, as adopted by Council on July 4, 1973).

2. That the Chief Financial Officer be assigned responsibility for monitoring of all claims against the City and other charges to the Insurance Reserve Fund.

Report Summary

Key Issues:

The report recommends that the Chief Financial Officer assume responsibility for monitoring claim settlements and other charges against the Insurance Reserve consistent with current delegated authority as approved by Council.

Implications of the Recommendation(s):

General Implications

X None

☐ For the organization overall and/or for other departments

☐ For the community and/or organizations external to the City of Winnipeg

☐ Involves a multi-year contract

Comment:

Policy implications

X No

☐ Yes

Comment:

Financial Implications

X Within approved current and/or capital budget

☐ Current and/or capital budget adjustment required

Comment:

Report

Recommendation(s): ~~That the requirement for the administration to provide an annual statistical report on settled claims less than $5,000 and a quarterly statistical report on settled claims between $5,000 and $10,000 as adopted by Council on June 23, 1993 (Recommendation III, Clause 1, of the Report of the Committee on Finance and Administration) be rescinded.~~

~~2. That the requirement for the City Treasurer to report as information to the Committee on Finance on any claims in excess of $10,000 each against the Self-Insurance Fund as adopted by Council on July 4, 1973, (Recommendation (e) of Clause 3 of the Report of the Committee on Finance and Administration, dated June 19, 1973) be rescinded.~~

~~3. That the requirement of the City Treasurer to report on approving all charges to the Self-Insurance Fund and reviewing its adequacy as adopted by Council on July 4, 1973 (Recommendation (f) of Clause 3 of the Report of the Committee on Finance and Administration, dated June 19, 1973) be rescinded.~~

1. That the following reporting requirements be rescinded:

A. Requirement for the administration to provide an annual statistical report on settled claims less than $5,000 and a quarterly statistical report on settled claims between $5,000 and $10,000 (Recommendation III, Clause 1, of the Report of the Committee on Finance and Administration as adopted by Council on June 23, 1993);

B. Requirement for the City Treasurer to report as information to the Committee on Finance on any claims in excess of $10,000 each against the Self-Insurance Fund (Recommendation (e) of Clause 3 of the Report of the Committee on Finance and Administration, dated June 19, 1973, as adopted by Council on July 4, 1973);

C. Requirement for the City Treasurer to report on approving all charges to the Self-Insurance Fund and reviewing its adequacy (Recommendation (f) of Clause 3 of the Report of the Committee on Finance and Administration, dated June 19, 1973, as adopted by Council on July 4, 1973);

2. That the Chief Financial Officer be assigned responsibility for monitoring of all claims against the City and other charges to the Insurance Reserve Fund.

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Reason for the report:
To amend claims reporting consistent with current delegated authority as approved by Council.

History:
On May 27, 1998 Council delegated authority to the Chief Administrative Officer for settlement of claims brought by or against the City, and all claims arising out of expropriations (excluding interest and legal and appraisals fees) not to exceed $100,000 and to report such action on a statistical basis to the Executive Policy Committee. This authority was delegated to the Chief Financial Officer on May 29, 1998.

Discussion:
The report recommends rescinding the following:

- There is currently a requirement to report settlements of claims of $10,000 or less by the City Solicitor or Claims Branch pursuant to authority which is delegated under By-law No. 3349/83 as amended. That requirement arises pursuant to Clause 1 of the Report of the Committee on Finance and Administration, dated May 31, 1993 (adopted by Council on June 23, 1993) as follows:

  > "III. That your Committee on Finance and Administration be provided with an annual statistical report on settled claims less than $5,000 and quarterly statistical report on settled claims between $5,000 and $10,000."

- Further, Clause 3 of the Report of the Committee on Finance, dated June 19, 1973 (adopted by Council on July 4, 1973) required the City Treasurer to report on claims in excess of $10,000 against the Self-Insurance Fund and to provide a semi-annual report on the adequacy of this fund. The Chief Financial Officer in accordance with Council's direction of May 27, 1998 is now required to report on claims. It is therefore recommended that the 1973 clause be rescinded to remove this requirement.

- Finally, the former provisions required that the City Treasurer report annually on the adequacy of the Insurance Reserve Fund. Through business planning, Corporate Finance evaluates the adequacy of the Insurance Reserve Fund from an administrative perspective. Therefore no further review is required beyond those done by the Chief Financial Officer.

Financial Impact Statement **Date:** November 19, 2002

No financial impact

Carrie Erickson
Manager of Finance & Administration

This Report Submitted By:

Department Corporate Finance
Division Risk Management Division
Prepared by: Allan Smeall