



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: MAY 16, 2017**
FROM: FINANCE DEPARTMENT **WARDS: ALL**
SUBJECT: PROPOSED ORDINANCE TO ADD CHAPTER 3.18, RISK MANAGEMENT ADMINISTRATION, TO TITLE 3 OF THE RIVERSIDE MUNICIPAL CODE

ISSUE:

Adoption of an ordinance to amend Riverside Municipal Code Title 3 to include proposed Chapter 3.18, Risk Management Administration.

RECOMMENDATIONS:

That the City Council adopt the attached Ordinance of the City of Riverside, California, amending Title 3 of the Riverside Municipal Code to include Chapter 3.18, Risk Management Administration.

BACKGROUND:

While the Risk Management Division over the last 30 years has played a vital role in ensuring the City has a formal process to identify, evaluate and mitigate risk within the City, administer the City's Insurance Program, and administer the City's Claims Program (i.e. property and injury claims against the City), there is no formal authorization or formation language to do any of these functions within the City Charter, Municipal Code nor authorizing ordinance. The Risk Manager is mentioned in the City's Purchasing Resolution, # 22576, but only in terms of authority as it relates to purchasing items in emergency situations and contractor insurance requirements.

Acknowledging the breadth and depth of the Risk Management Division's responsibilities and after surveying how other cities have recognized their Risk Management functions, staff felt that these functions should be defined and authorized in the City's Municipal Code. Risk Management activities are authoritative in nature, affect multiple City departments and functions, and yet are not mentioned in the City's legislative record.

DISCUSSION:

Since there is no acknowledgement of the duties and responsibilities of the Risk Management Division in the City's Legislative Record, staff recommends that Chapter 3.18, titled Risk Management Administration be added to the Riverside Municipal Code. This new chapter

1. Authorizes the Chief Financial Officer/Treasurer to establish a Risk Management function in the Finance Department;

2. Defines the scope of the risk management function; and
3. Delineates the powers and responsibilities of the Risk Manager.

As with other general powers and function, specific and detailed rules and procedures will be developed in the City's Administrative Manual and the Finance Department's Fiscal Manual.

FISCAL IMPACT:

There is no fiscal impact resulting from the proposed ordinance.

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Approved by: Marianna Marysheva, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Ordinance to Amend Riverside Municipal Code Title 3 by adding Chapter 3.18, Risk Management Administration
2. Presentation