

CITY OF SPOKANE
DEPARTMENT POLICY

DEPT 5800-10-03
LGL 2010-0019

TITLE: **AUTHORIZED EXPENDITURES FROM THE RISK MANAGEMENT FUND**
EFFECTIVE DATE: June 17, 1998
REVISION EFFECTIVE DATE: June 4, 2010

1.0 GENERAL

1.1 This policy outlines the authorized expenditures which can be made from the Risk Management Fund.

1.2 This policy is divided into the following sections:

- 1.0 GENERAL
- 2.0 DEPARTMENTS/DIVISION AFFECTED
- 3.0 REFERENCES
- 4.0 DEFINITIONS
- 5.0 POLICY
- 6.0 PROCEDURE
- 7.0 RESPONSIBILITIES
- 8.0 APPENDICES

2.0 DEPARTMENTS/DIVISIONS AFFECTED

This policy shall apply to the Risk Management Department.

3.0 REFERENCES

SMC 7.08.502

4.0 DEFINITIONS

None

5.0 POLICY

5.1 Authorized expenditures from the Risk Management Fund, include, but are not limited to:

- a. general administration expenses, including broker's fees, and other assessment requirements for insurance purchasing and program management, including, but not limited to, actuarial fees.
- b. claims administration, including third party administrator and other expense requirements for claims and reserve management.
- c. risk transfer payments, including various insurance purchases including property, liability, bond coverage and others as approved by the city council.
- d. payments to claimants and beneficiaries, including:
 - Injury or property damage to third parties that the City is legally responsible for
 - liability arising from federal codes caused by an event, act, error or omission.
 - liability assumed under contract.
 - legal expenses incurred by a public official to defend professional and ethical complaints.
 - Legal expenses to indemnify City employees.
 - legal, consulting or professional expenses to defend the City from third party claims.
 - pollution related claims (not loss prevention or mitigation).
 - liability due to condemnation proceedings or eminent domain.
 - self-insured retention for physical damage to owned property.

5.2 Except as otherwise provided by state law, City charter or the municipal code, exceptions to this policy may be made upon recommendation by the Risk Manager and approval by the City Administrator.

6.0 PROCEDURE

6.1 Claim-related expenses are paid by the third party administrator (TPA) and reimbursed on a periodic basis.

6.2 Program administration costs are contracted and paid according to City of Spokane purchasing and accounting procedures.


7.0 RESPONSIBILITIES

The Risk Manager shall administer this policy.

8.0 APPENDICES

None


APPROVED BY:



City Attorney (Asst)

5-18-10

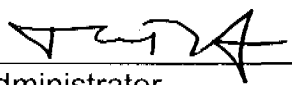
Date



Risk Manager

5/19/2010

Date



City Administrator

5/20/2010

Date