



TO: T.C. Broadnax, City Manager
FROM: Joy St. Germain, Human Resources Director
Saada Gegoux, Risk Manager
Karen Short, Senior Human Resources Analyst
COPY: City Council and City Clerk
SUBJECT: Resolution – Establishing a Special Project of Limited Duration – December 13, 2016
DATE: November 28, 2016

SUMMARY:

A resolution establishing a special project of limited duration, and designating general salary classifications and benefits for persons employed on a Loss Recovery Project pursuant to the provisions of Tacoma Municipal Code (TMC) Sections 1.12.155 and 1.24.187, and Section 6.1(h) of the Tacoma City Charter.

STRATEGIC POLICY PRIORITY:

The requested resolution aligns with the City Council’s Strategic Policy Priority to encourage and promote an efficient and results oriented organization, by investing in staff resources to recover funds lost due to acts by third parties.

BACKGROUND:

The Risk Management Division of the Human Resources Department oversees subrogation services and the Loss Control Program. It is the desire of the City to provide for the fair and equitable subrogation (recovery) of the City property damage and claim losses from responsible third parties.

A program would be established to effectively subrogate claims by identifying possible third party responsibilities and initiating appropriate action to recover funds paid for various medical expenses, property damage and other costs. Therefore, the City wishes to establish a special project of limited duration in order to address these outstanding issues.

The special project designation will be valid for a two year period beginning in 2017. Project staff will include one Risk Analyst to perform work needed to educate City departments of recoverable damage, and collecting loss dollars from third parties located in or outside the City.

ISSUE:

There is currently not a dedicated position to recover loss dollars due to negligent acts of third parties. There are a substantial amount of incidents annually resulting in property damage where loss costs have not been recouped and instead these costs been absorbed by City Departments. The project position and the outcomes from this recovery program will be assessed in 2018.

ALTERNATIVES:

The alternative is to not establish a special project and not to recover loss dollars.

RECOMMENDATION:

Staff recommends Council approve the Resolution as presented.



FISCAL IMPACT:

The special project is estimated to generate approximately \$200,000 in net revenues in the 2017/2018 biennial budget.

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5800-HR – Human Resources	598705	5110900	\$173,153
TOTAL			\$173,153

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Assessment	598705	5950386	\$173,153
TOTAL			\$173,153

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
Risk Analyst	Project	1.0	12/31/2018
TOTAL		1.0	

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: These revenues and expenditures are planned for the 2017/2018 budget.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.