

CITY OF YUBA CITY  
STAFF REPORT

**Date:** September 5, 2017

**To:** Honorable Mayor & Members of the City Council

**From:** Human Resources Department

**Presentation By:** Natalie Springer, Human Resources Director

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**Summary:**

**Subject:** Adoption of formal City of Yuba City Risk Management Policy Statement.

**Recommendation:** Approve a Resolution Adopting the City of Yuba City's Risk Management Policy

**Fiscal Impact:** There is no fiscal impact with adoption of this policy.

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**Purpose:**

To formally adopt a City-wide Risk Management Policy as required by Northern California Cities Self Fund (NCCSIF).

**Background:**

The City of Yuba City is a member of the Northern California Cities Self Insurance Fund (NCCSIF). NCCSIF is an association of cities and towns joined to protect member assets by stabilizing risk costs.

NCCSIF requires all member municipalities to have a Risk Management Program that defines a process to effectively identify, analyze and manage member risks. NCCSIF requires City Council adopt a resolution supporting a formal Risk Management Policy and Framework and provide appropriate resources to maintain it. The Risk Management Policy requires the City Manager endorse the Program and Policy and communicate this support to all City employees.

While the City currently has an active risk management program in place, the proposed policy formally recognizes these practices.

A Risk Management Policy has been created for the City of Yuba City identifying the City Manager as having overall responsibility for the Risk Management Program. The Human Resources Department has the responsibility for administering and implementing the Program. The Program will be a Human Resources document so that it can be updated as needed to reflect the changing risk environment.

**Fiscal Impact:**

There is no fiscal impact with the adoption of this policy.

**Alternatives:**

This is a required policy of the Northern California Cities Self Insurance Fund.

**Recommendation:**

Approve a Resolution Adopting the City of Yuba City's Risk Management Policy.

**Attachment:**

- Resolution
- Risk Management Policy Statement

**Prepared By:**

*/s/ Natalie Springer*

Natalie Springer  
Human Resources Director

**Submitted By:**

*/s/ Steven C. Kroeger*

Steven C. Kroeger  
City Manager

**Reviewed By:**

Finance  
City Attorney

RB

TH via email

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY  
APPROVING AND ADOPTING  
THE CITY OF YUBA CITY RISK MANAGEMENT POLICY**

**WHEREAS**, the City of Yuba City is a member of the Northern California Cities Self Insured Fund (NCCSIF); and

**WHEREAS**, NCCSIF has recommended that a risk management policy be adopted to ensure that risk management is an integral part of City governance; and

**WHEREAS**, it is the intent of the City of Yuba City to provide a safe environment for its residents, visitors, and employees in which to live and work;

**WHEREAS**, adoption of the Risk Management Policy demonstrates the City's commitment to fulfilling its purpose of ensuring that Risk Management is an integral part of the City's governance at the strategic and operational level;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Yuba City hereby approves and adopts the City of Yuba City Risk Management Policy attached hereto as Exhibit A.

The foregoing Resolution was duly and regularly introduced, passed and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 5<sup>th</sup> day of September, 2017.

AYES:

NOES:

ABSENT:

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Stanley M. Cleveland Jr., Mayor

ATTEST:

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Patricia L. Buckland, City Clerk

## City of Yuba City

Applies to City-Wide	Supersedes N/A	Effective Date
Manual Standard Operating Procedures	Source Human Resources	Key Subject Policy
Title <b><u>Risk Management Policy</u></b>		
Approved       Steven C. Kroeger, City Manager		

### **PURPOSE:**

The risk management policy statement is the City of Yuba City's commitment to ensuring that risk management is an integral part of the City's governance at both the strategic and operational level. When in place and working effectively the City can:

- Prevent and minimize injuries to employees and the public;
- Protect capital assets to ensure availability to provide public services;
- Minimize the total cost of risk to the City; and
- Protect the City against the financial consequences of catastrophic accidental loss.

This policy applies to all City employees.

### **POLICY:**

#### **Definitions:**

Risk is the consequence of action (or lack of action) taken.

Risk Management & Risk Management Practice is the forecasting and evaluation of risks combined with the identification of procedures to avoid or minimizing their impact.

Risk Management Process is a systematic application of management policies, procedures and practices to the tasks of identifying, analyzing, evaluating or ranking, treating and monitoring or reviewing the Risk.

Risk Controls are the methods implemented to prevent, eliminate or minimize the hazard.

Risk Management Culture is a shared system of values, beliefs, knowledge, attitudes and behaviors about risk.

### **Responsibilities:**

City Manager: Has the overall responsibility for the City's risk management program. The City Manager has delegated the administrative duties to the Human Resources Department.

Human Resources Department: Responsible for the administrative duties associated with the implementation of the City's risk management program including:

- Delegating responsibilities to City staff;
- Serving as the City's liaison with the Northern California Cities Self Insurance Fund (NCCSIF);
- Leading the City's Safety Team;
- Overseeing the development, facilitation and implementation of a risk management culture; and
- Evaluating and providing recommendations to the City Manager on risk tolerance.

Department Heads, Managers and Supervisors: Responsible for ensuring that the appropriate time and resources are allocated for identifying risk and developing management and/or operational processes or procedures to assist with minimizing or eliminating risk.

Safety Team: Responsible for participating in the development, facilitation and implementation of a risk management culture, as well as evaluating risks, and providing recommendations to the Human Resources Department on risk tolerance.

Employees: Responsible for applying risk management practices to their work areas and alert the City of risks associated with their job responsibilities or any other City operations they become aware of.

### **Procedures:**

The City of Yuba City will utilize a risk management process to mitigate potential negative outcomes of identified City operations. The risk management process is as follows:

1. Identify the risks associated with operation or task being considered:
  - List the potential hazards considering all aspects of current and future situations, environments and known historical data as well as possible future changes.
2. Assess the risk:
  - Evaluate the impact of each hazard in terms of the potential for loss and cost based on probability and severity.
3. Develop risk controls:
  - Create controls and make decisions on how to manage the risk. Controls may either eliminate the hazard or reduce the risk of harm to a level where the benefits outweigh the cost.
4. Implement Risk Controls:
  - Execute controls that either eliminate the hazard or reduce the risk to an acceptable level.
5. Evaluate Risk Control Measures:
  - Monitor the effectiveness of the Risk Controls and adjust/update as necessary.