

DETROIT CHARTER REVISION COMMISSION

PROPOSAL/ISSUE REVIEW SUMMARY

ISSUE NUMBER: BF 35

ISSUE CATEGORY: Budget & Finance

SOURCE: City Council

RELATED CHARTER SECTIONS: §9-702 ([Risk Management] Duties)

Letter dated 12/2/10

RELEVANT ORDINANCE SECTION:

RELEVANT LAW(S):

**ISSUE/PROPOSAL STATEMENT:** Create a Risk Management Department headed by a group executive accountable to the Mayor. Implementation of Risk Management directives must be approved by the Council. Remove the RMC's obligation to provide an annual evaluation of the effectiveness of the risk management function to the Mayor and Council. Instead of the RMC biannual investigation of the administration and effectiveness of risk management functions in each city agency require Director to annually investigate the administration and effectiveness of safety, liability and risk reduction functions in each city agency. Require the City to make an annual appropriation to operate the risk management department which is adequate to perform the enumerated functions.

Sec. 9-702. Duties.

*The risk management department shall be headed by a group executive risk management professional who is directly accountable to the mayor, with authority over safety, liability and risk reduction in all city government agencies and operations.*

The risk management ~~department~~ shall make recommendations to the mayor, ~~and shall have authority to implement the mayor's directives with the approval of city council~~, concerning implementation of policies, programs and activities to minimize exposure or liability of the city to claims and damages.

The risk management ~~director~~ shall ~~annually~~ investigate the administration and effectiveness of ~~safety, liability and risk reduction~~ functions in each city agency, and report findings and recommendations to the mayor and city council. The city shall make an annual appropriation for the operation of the risk management ~~department that is adequate to perform these functions~~.

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- Deleted: The council shall provide an annual evaluation of the effectiveness of risk management functions to the mayor and city council.
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**RATIONALE:** "The proposed language addresses the need for a stronger risk management system." – City Council Recommendations, dated November 19, 2010.

"The proposed language addresses the need for a stronger risk management system, and requires additional reporting responsibilities for the risk management council. Additionally, a city council representative is added to the members of the risk management council." -City Council's Rationale, Letter, dated December 13, 2010.

**ANALYSIS:** [COST AND COST-BENEFIT ANALYSIS]

DISPOSITION/COMMISSION ACTION:

NOTES: