

**TOWN OF FORT NELSON
FORT NELSON-LIARD REGIONAL DISTRICT
POLICY & PROCEDURE MANUAL**

**TOWN & REGIONAL DISTRICT
3500-02 RISK MANAGEMENT POLICY**

Background

Risk Management is defined as “a management tool, which can be used by local government, regardless of size, for the purpose of minimizing the adverse financial effects of accidental loss. In its most basic application, risk management is an ongoing, systematic effort to identify and control the risk of losses to which local governments are exposed; and to finance those losses which do occur, in a cost effective manner.”

Effective risk management will reduce hazards, evaluate coverages, and lead to savings of public funds. It will bring assurance that the Town/Regional District will be covered in the event of a significant loss. Public officials in many jurisdictions, are becoming painfully aware that traditional reliance on Insurance Policies alone to finance losses resulting from legal liability, is post-loss reaction - not pre-loss prevention, many of which are insufficient in light of the rising expectations of citizens and courts, towards safety generally.

<i>Policy Section: 35</i>	<i>Protective Services</i>
<i>Subject: 3500-02</i>	<i>Risk Management Policy</i>
<i>Prepared by: Walter Lutsiak</i>	<i>Approved by Mgmt Team: - April 15, 1999</i>
<i>By Administrator: -</i>	<i>By Council/Board: April 26, 1999</i>
<i>Revision Date: -</i>	<i>Page 1 of 3</i>

Policy/Objective

- 1. Council/Board recognises the importance of a Risk Management Program in developing and implementing policies and procedures aimed at reducing the financial exposure of the Town and Regional District, as it relates to controllable incidents of property damage and personal injury.**
- 2. The Risk Management Program will include the ongoing review of current operations as well as identifying and addressing future concerns.**
- 3. The Risk Management Program will be an integral part of the Budget and Capital planning process. Council/Board's judgement of the appropriate level of services to be provided fro each service will be reflected and determined in the annual budget review and approval process.**
- 4. The Risk Management Program will recognise the importance and necessity of involving all staff levels and positions, toward achieving a successful risk management program.**

Implementation

The components of the risk management process shall work together to accomplish the goals of the Risk Management Policy. If put together in the correct proportions, the components will work to produce the maximum protection against losses at minimum cost.

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The components should work together in the following manner:

- 1. Each department will identify and evaluate risks as far as possible.***
- 2. Some risks will be reduced.***
- 3. Some risks will be eliminated.***
- 4. Other risks will remain of which:***
 - (a) Some of these risks can be transferred to other parties through contracts and agreements.***
 - (b) Some of these risks can be retained through the use of deductibles or non-insurance.***
 - (c) Some risks will be transferred through insurance.***

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