

# Risk Management

Office of the City Attorney



# Creation of the Risk Manager Position

## 2017:

In an effort to curb the number of civil lawsuits filed against the city, five Milwaukee aldermen sponsored budget amendments that would create risk management positions within the Fire and Police Commission (FPC).

The commission is tasked with overseeing the Police and Fire Departments, and the risk manager would be responsible for reviewing policies, training, complaints and other areas that can be grounds for civil lawsuits.

## 2018-2020:

Position was housed within the FPC. During that time, the Risk Manager managed and worked with the risk auditor to analyze police litigation and claims data. Briefly managed three Investigators and the Research and Policy Analyst. Assisted in the Testing and Recruiting sections when needed, and briefly worked with CJI on the Collins settlement.

# Current Role of the Risk Manager

- Work with departments to identify opportunities to share data, resources, or educational materials.
- Manage development of risk management plans on a department by department basis.
- Develop long-term goals and strategies regarding risk management.
- Develop and implement a system to track and maintain data.
- Data Analysis
- Analyze department training, operations and disciplinary actions.
- Conduct research on how to minimize departments susceptibility to risk.

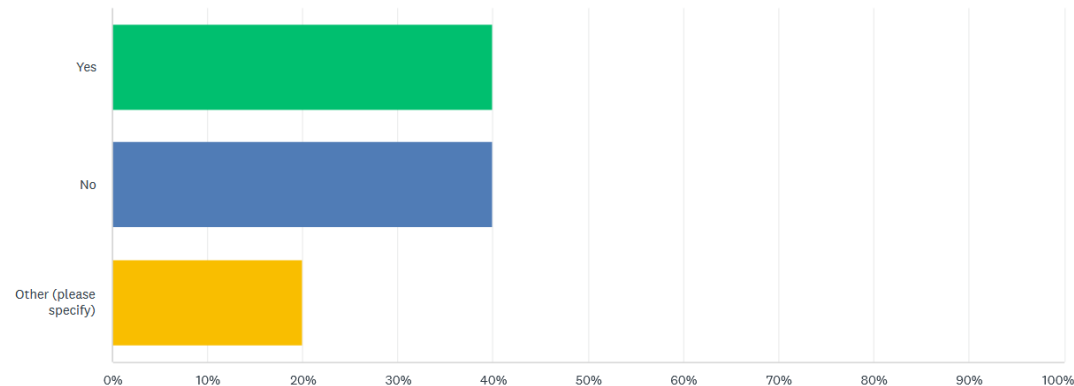
# City-wide Risk Management Survey

Conducted a city-wide risk management survey consisting of 15 questions were sent to city department leaders.

## Highlights:

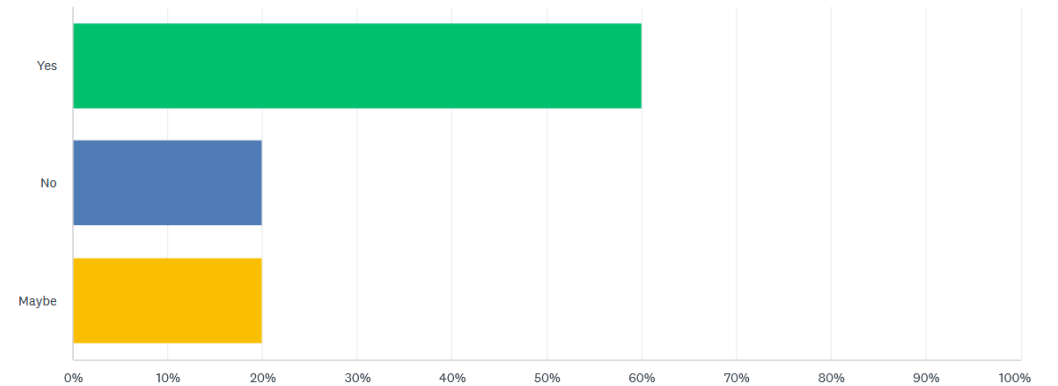
Would your department like to meet with the Risk Manager located in the City Attorney's Office?

Answered: 5 Skipped: 0



Is your department open to participating in a city-wide risk management committee?

Answered: 5 Skipped: 0

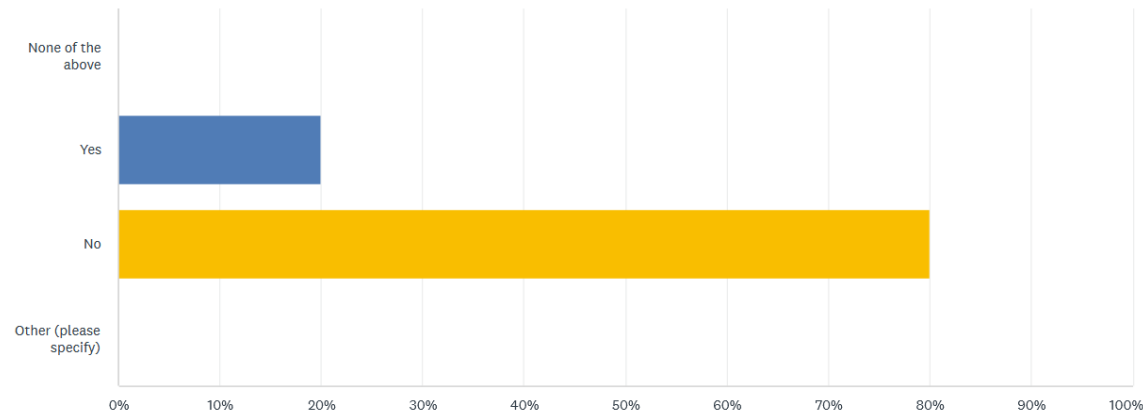


# City-wide Risk Management Survey

- Highlights

Is senior management provided departmental risk reports on an ongoing basis?

Answered: 5 Skipped: 0



Are there any concerns you would like to address related to risk management?

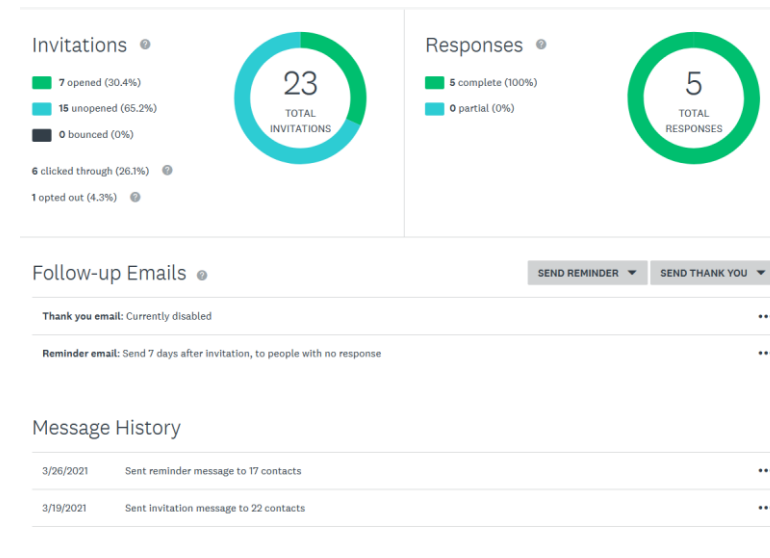
Answered: 4 Skipped: 1

“I would like for our senior managers to receive some training related to what is perceived as ideal or as best practices where risk management is concerned.”

# City-wide Risk Management Survey

- The risk management survey was sent to 23 department heads in March 2021 (over a 2 week period) with the following departments responding:

- Milwaukee Fire Department
- Election Commission
- Department of Neighborhood Services
- Environmental Collaboration Office
- Department of City Development



- Follow up discussions will take place with the departments that did not respond to the survey.

# Survey Conclusions

- Departments are unclear as to what risk management is.
- Departments were not responsive to the survey.
- The departments that affect the City's liability the most did not respond to the survey.
- The five departments that did respond are interested in forming a risk management committee.

# Data Analysis

- A plan was submitted to the City Attorney regarding the use of data to uncover issues in relation to the level of liability the city faces.
- Training began to extract data from ProLaw.
- Met with vendors regarding data visualization tools:
  - Microsoft Power BI
  - Sisense
  - ArcGIS (through ITMD)
- ArcGIS was chosen for cost efficiency, and ArcGIS training began with ITMD.



# Claims Dashboard

The purpose of the dashboard is to provide quarterly claims and liability information for claims filed against the city, as well as provide an opportunity for departments to review the dashboard in order to reduce liability within their departments. The dashboard allows us to:

- Track departmental exposures.
- Track claims payments.
- Uncover trends in liability related issues facing the city.
- Uncover patterns of behavior or poor processes that costs the city.

# Claims Dashboard

To date the dashboard reveals there are two departments with high numbers of claims:

- Milwaukee Police Department
  - Department of Public Works – Support Services/Fleet Division
- 
- Quarter 1 Dashboard: <https://www.arcgis.com/apps/dashboards/fa883b1df6bb411ea6199cac923b6877>
  - Quarter 2 Dashboard: <https://www.arcgis.com/apps/dashboards/33750486df9d4a078818105de07494ac>

# Police Related Projects and Discussions

- Analyzed claims and litigation data related to the Milwaukee Police Department
- Developed interactive dashboard with MPD information and shared the data with MPD.

<https://www.arcgis.com/apps/dashboards/214985309bb84c469c6827f098883127>

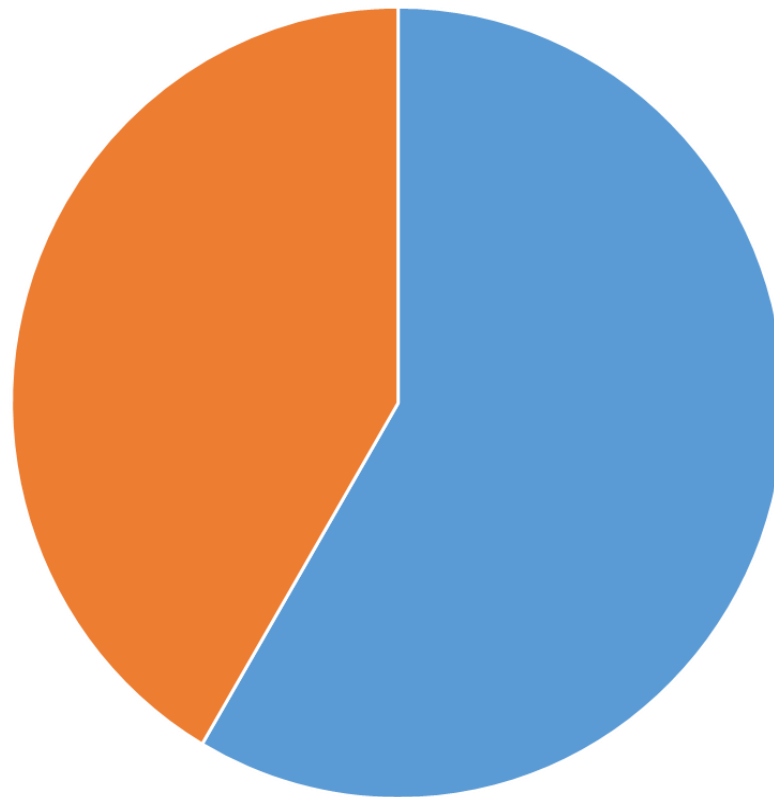
- After communications with MPD, the department felt that it would not be in the best interest of MPD or the City to have the information published publicly.
- Future meeting with MPD ( Inspector Waldner and Mr. DeSiato) on November 29, 2021 to review documents.
- Biennial EVOC (Emergency Vehicle Operations Course) in 2023 – attending as an observer.

# Police Related Liability Payments through 2020 – \$45.8 million



# What the Police Department Data Suggests

Milwaukee Police Department's Largest Areas of Liability



■ Vehicle Accident-Bodily Injury ■ Excessive Force

- Vehicle Accident Bodily Injury (38 settlements): \$3.61 million
- Excessive Force (27 settlements): \$11.68 million
- Both areas account for over 53.28% of liability settlements

# Additional Factors to Consider - MPD

- Search & Seizure/Unlawful & Unreasonable: 8 cases (6.5%) - \$1.058 million
- False Arrests: 5 cases (4.1%) - \$7.81 million
- Pattern and Practice: 3 cases (2.46%) - \$4.41 million

# MPD Police Risk Manager

- This role supports MPD by:
  - Serving as liaison with the Office of the City Attorney, the Milwaukee County District Attorney's Office, the U.S. Attorney's Office (USAO), and other legal entities.
  - Serving as liaison with other City departments relative to settlement agreements.
  - Proactively identifying and proposing solutions for systemic issues identified through lawsuit settlement agreements
- There is a benefit of having a person independent of MPD collecting and analyzing police related litigation/claims data.

# Department of Public Works – Support Services

- Analyzing DPW claims across all divisions due to an increase in the number of claims received (specifically Support Services-Fleet).
  - Met with DPW Training Manager and Supervisor to gather information and explain project.
  - DPW shared current challenges and concerns
- Observations contributing to the increase in claims:
  - Inexperienced drivers (less than 3 years of experience).
  - Frequency of accidents (5-7 fleet accidents per day).
    - Increase in poor driving behaviors putting all drivers at risk.
  - Employee retention impacted by pay (no pay progression).
  - Training may be an issue (because of constant churn, hard to implement changes to the training program or work on secondary skills).



# Risk Management Functions in Other Municipalities

## Chicago:

- Planning, organizing, directing and managing a comprehensive risk management program to protect the City against catastrophic losses.
- Formulating and implementing administrative policies and procedures necessary for carrying out City insurance activities.
- Developing programs to deal with risk through insurance, self-insurance, non-insurance, contractual risk transfer, reduction, prevention and protection.
- Developing, writing and implementing uniform and consistent terminology for City contracts, leases, permits and any associated agreements in order to minimize risk to the City.

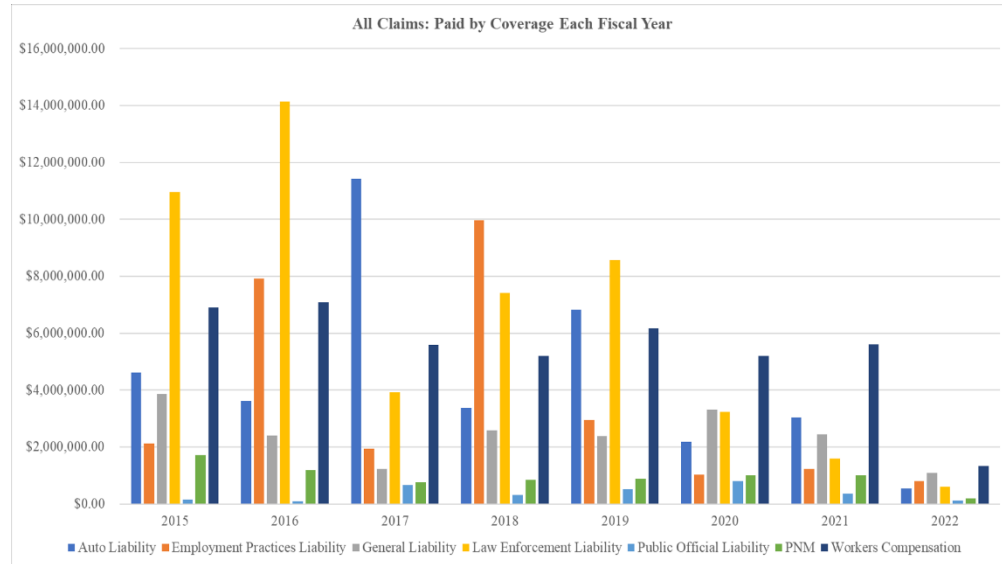
## Minneapolis:

- Promoting an accident-free workplace and a positive work experience for City employees;
- Ensuring that the public has a positive service experience with City employees;
- Initiating and developing risk management policies and procedures;
- Monitoring, analyzing and reassessing loss experience and exposure.

## Charlotte:

- Provides insurance, claims and loss control services
- Manages a 16-acre driver training facility.

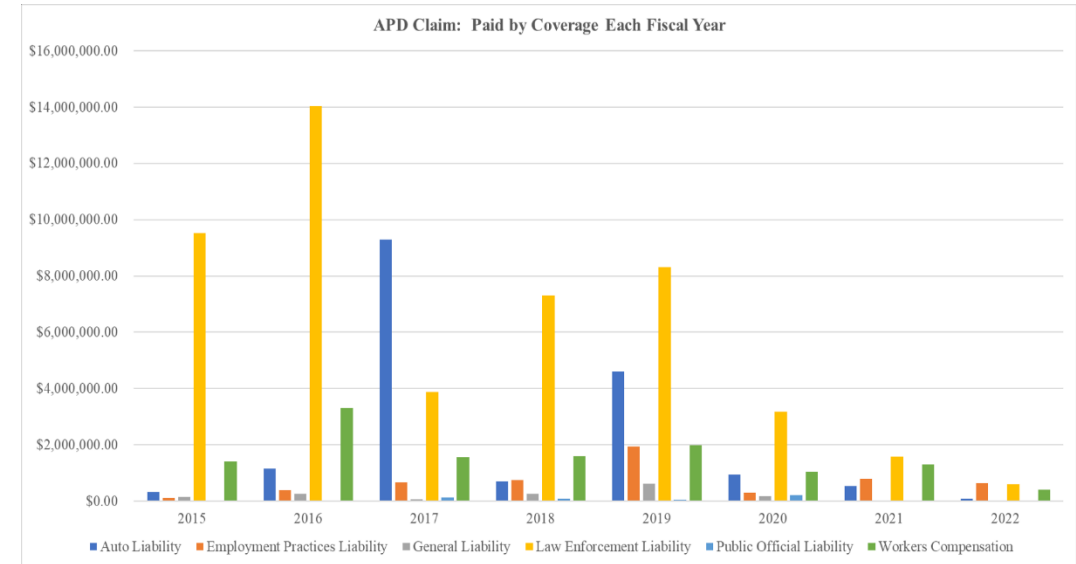
# City of Albuquerque as a Model



**Table: All Claims Paid**

NOTE: The Amounts are Reduced for Subrogations/Recoveries.

Fiscal Year	Auto Liability	Employment Practices Liability	General Liability	Law Enforcement Liability	Public Official Liability	PNM	Workers Compensation
FY15	\$4,612,008	\$2,128,119	\$3,861,105	\$10,955,263	\$164,003	\$1,722,660	\$6,898,596
FY16	\$3,612,428	\$7,922,147	\$2,401,419	\$14,147,400	\$95,631	\$1,196,267	\$7,092,807
FY17	\$11,427,539	\$1,948,381	\$1,225,813	\$3,922,489	\$656,818	\$762,923	\$5,591,013
FY18	\$3,380,546	\$9,967,263	\$2,591,921	\$7,408,227	\$324,766	\$850,421	\$5,210,840
FY19	\$6,832,275	\$2,947,364	\$2,375,494	\$8,555,581	\$522,023	\$889,606	\$6,164,390
FY20	\$2,189,584	\$1,018,812	\$3,314,987	\$3,226,842	\$810,027	\$1,015,977	\$5,192,913
FY21	\$3,037,691	\$1,230,616	\$2,455,369	\$1,592,956	\$356,766	\$1,011,637	\$5,608,521
FY22	\$548,024	\$813,571	\$1,081,787	\$608,584	\$123,042	\$199,874	\$1,328,677



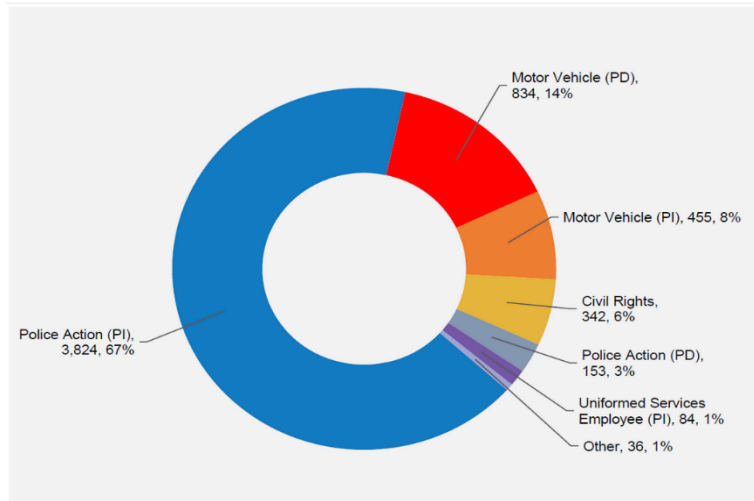
**Table: ABQ Police Only Claims Paid**

NOTE: The Amounts are Reduced for Subrogations/Recoveries.

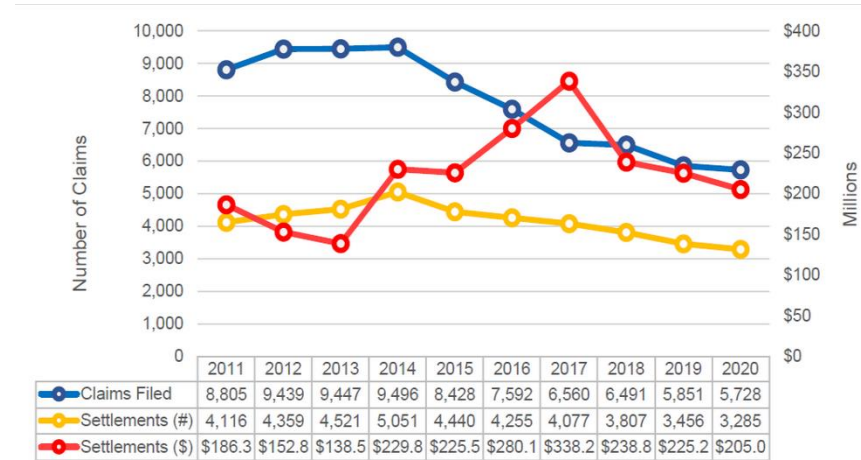
Fiscal Year	Auto Liability	Employment Practices Liability	General Liability	Law Enforcement Liability	Public Official Liability	Workers Compensation
FY15	\$321,805	\$105,107	\$143,318	\$9,532,363	\$13,979	\$1,409,314
FY16	\$1,144,749	\$381,286	\$267,467	\$14,033,381	\$31,014	\$3,308,763
FY17	\$9,284,909	\$658,374	\$63,888	\$3,884,703	\$132,150	\$1,560,973
FY18	\$702,363	\$754,661	\$249,962	\$7,319,405	\$80,365	\$1,602,064
FY19	\$4,613,691	\$1,939,761	\$617,301	\$8,312,754	\$42,599	\$1,990,865
FY20	\$942,242	\$309,701	\$167,146	\$3,185,804	\$203,970	\$1,037,071
FY21	\$523,705	\$793,747	\$25,599	\$1,585,712	\$9,942	\$1,293,989
FY22	\$86,550	\$640,263	\$2,413	\$605,585	\$1,047	\$401,405

# New York City as a Model

**Chart 12**  
Number and Percentage of NYPD Tort Claims Filed by Claim Type  
FY 2020



**Chart 13**  
NYPD Tort Claims Filed and Settled  
Fys 2011-2020



**Table 3**  
Wrongful Conviction Claims  
Fys 2016-2020

Fiscal Year	Major Wrongful Conviction Claims Resolved (Pre-litigation and Litigation)	Total Cost	NYPD Claims Total Settled (PI and PD)	NYPD Claims Total Payout (PI and PD)	Wrongful Conviction Percent of Total NYPD Claims Settled	Wrongful Conviction Percent of Total NYPD Claim Payout
2016	9	\$62.2M	4,255	\$280.1M	0.21%	22.2%
2017	14	\$99.93M	4,077	\$338.2M	0.34%	29.5%
2018	5	\$33.25M	3,807	\$238.8M	0.13%	14.0%
2019	7	\$30.93M	3,456	\$225.1M	0.20%	13.7%
2020	4	\$20.3M	3,285	\$205.0M	0.12%	10.0%
<b>TOTAL</b>	<b>39</b>	<b>\$246.61M</b>	<b>18,880</b>	<b>\$1,287.2M</b>	<b>0.20%</b>	<b>19.2%</b>

# How Can You Help?

- Getting clear on the expectations of this role.
  - The job description is weighty, and it carries a lot of duties for one person to handle.
- Assist with getting departments to understand the role of risk management.
- Providing your feedback on perceived risk management issues.
  - You may see and hear things the City Attorney's Office may have no knowledge of.
- Support and advocate transparent data sharing.

*“Transparency is all about letting in and embracing new ideas, new technology and new approaches. No individual, entity or agency, no matter how smart, how old or how inexperienced, can afford to stop learning.”*