

# Insurance & Claims

Led by: City Solicitor & General Counsel

## Service Description

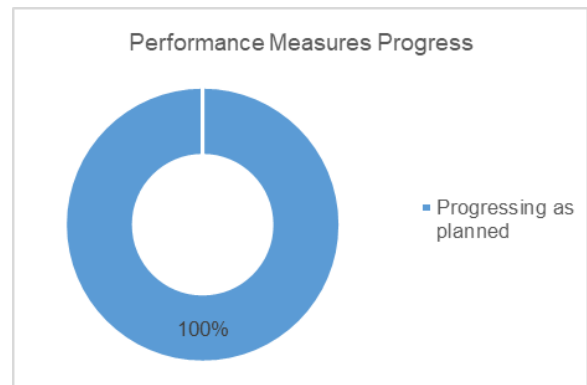
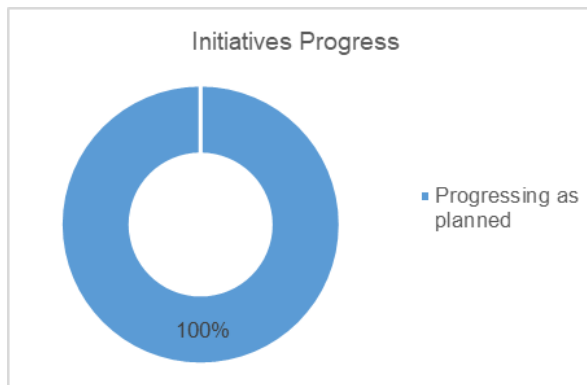
Insurance & Claims monitors the operational risks of The City and associated boards and authorities to determine cost-effective ways to eliminate, reduce, manage, transfer or insure such risks. We also manage the adjustment of claims either brought forward by the public or The Corporation in a fair and equitable manner.

## Service Updates

### Key service results

- Successfully renewed the corporate insurance program, incorporating multiple enhancements to terms, conditions, deductibles, and sub-limits.
- Offered extensive support to business units and Calgarians in handling the rise in pothole claims this year.
- Continued to support major cross-corporate capital projects, including Event Centre and Green Line
- Provided substantial support in managing first party and third party claims related to the watermain break, and continue to work on recovery efforts.

### Progress summary



### Risk(s) impacting the progress

Not Applicable



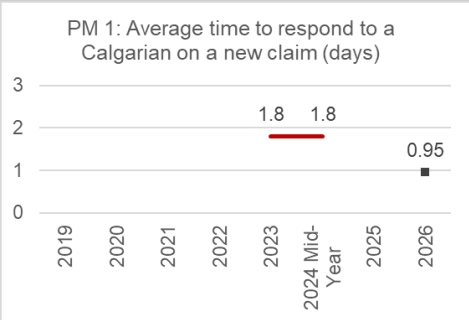
# Measuring Our Performance

**Legend**      — Actuals      ■ Expected Future Performance       Progressing as planned       Not progressing as planned

Performance Measures

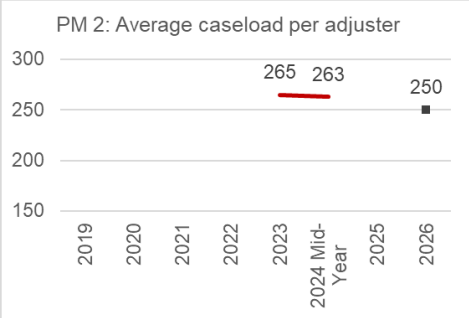
Story behind the numbers

Status



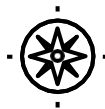
Through automation and service improvement initiatives, the average time to respond to a Calgarian on a new claim is now 1.8 business days. At the end of this budget cycle (2026), the target is to achieve an average time of 1 business day and we are currently progressing as planned.





The decrease in the average number of files per adjuster is progressing as planned, and is trending towards 250 active files by the end of this budget cycle. The increase in reported pothole claims this year has not significantly affected progress on this measure.





## Progress on Service Delivery

### PROGRESS STATUS



Completed



Progressing as planned



Not progressing as planned



Not started

### FUNDING TYPE



Capital



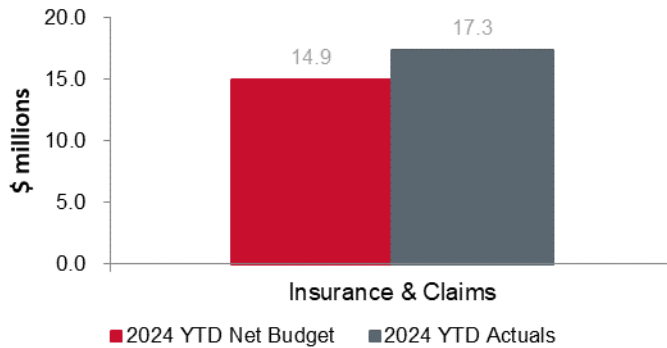
Operating

|                                                                                                                                                                    |                                                                                                                                                                                                                                                  |                           |                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--------------------------------------------------------------------------------------------------------|
| Initiative 1                                                                                                                                                       |                                                                                                                                                                                                                                                  | Impact Area:<br>City-wide | Funding Type:<br>   |
| Continue to build strong relationships within the insurance industry to reduce market risk and volatility in the corporate insurance program.                      |                                                                                                                                                                                                                                                  |                           |                                                                                                        |
| UPDATE<br>                                                                        | The Risk & Insurance team continues to market The City's risk profile to the insurance marketplace. As a result, our insurers continue to show their support through favourable terms & conditions, deductibles and limits.                      |                           |                                                                                                        |
| Initiative 2                                                                                                                                                       |                                                                                                                                                                                                                                                  | Impact Area:<br>City-wide | Funding Type:<br>   |
| Continuous improvement initiatives to automate and enhance claims data collection and continue corporate discussions about risk and claims reductions.             |                                                                                                                                                                                                                                                  |                           |                                                                                                        |
| UPDATE<br>                                                                        | Automation of our claims data collection have created efficiencies for both citizens and internal clients. We will continue to explore ways to improve our service delivery.                                                                     |                           |                                                                                                        |
| Initiative 3                                                                                                                                                       |                                                                                                                                                                                                                                                  | Impact Area:<br>City-wide | Funding Type:<br>  |
| Continue to conduct loss control inspections.                                                                                                                      |                                                                                                                                                                                                                                                  |                           |                                                                                                        |
| UPDATE<br>                                                                      | Loss control inspections continue in partnership with The City's insurance broker. These inspections occur at all critical infrastructure throughout The City.                                                                                   |                           |                                                                                                        |
| Initiative 4                                                                                                                                                       |                                                                                                                                                                                                                                                  | Impact Area:<br>City-wide | Funding Type:<br> |
| Support currency of replacement costs for the corporate property insurance policy and ensure ongoing compliance with Provincial automobile insurance requirements. |                                                                                                                                                                                                                                                  |                           |                                                                                                        |
| UPDATE<br>                                                                      | Property insurance values are updated regularly through discussions with business unit subject matter experts and through a contracted appraisal firm. The City continues to be in compliance with provincial automobile insurance requirements. |                           |                                                                                                        |
| Initiative 5                                                                                                                                                       |                                                                                                                                                                                                                                                  | Impact Area:<br>City-wide | Funding Type:<br> |
| Focus on the employee experience to support a high performing, healthy and engaged workforce.                                                                      |                                                                                                                                                                                                                                                  |                           |                                                                                                        |
| UPDATE<br>                                                                      | Metrics indicate that employees are taking well-deserved time off, sickness and accident numbers are down and team culture is thriving.                                                                                                          |                           |                                                                                                        |



## Service Updates on Financial Performance

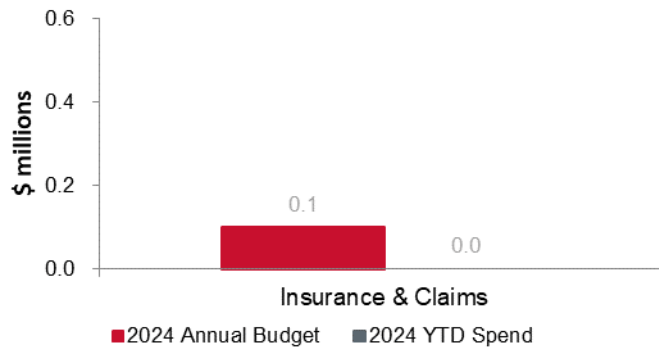
### Net Operating Budget and Actuals as of June 30, 2024



### Operating Budget Updates - 2024 YTD net operating budget vs actuals:

Insurance and Claims has an unfavourable operating variance of \$2.4 million. The main reason for the variance is higher than anticipated insurance claims paid to external parties at this time of the year. Given the unpredictable nature of claims, it is normal to observe such variances in a particular time period.

### Capital Budget and Spend as of June 30, 2024



### Capital Budget Updates - 2024 total capital budget vs 2024 YTD spend:

Insurance and Claims has spent 9.7 per cent of the 2024 approved capital budget. In 2024, the capital expenditures have been used to explore the feasibility of using a Microsoft Dynamics solution to replace the claims information database. The remaining capital is expected to be used before the end of 2024.