



Board Agenda Item 36

DATE: August 9, 2022

TO: Board of Supervisors

SUBMITTED BY: Hollis Magill, Director of Human Resources

SUBJECT: Resolution increasing the minimum amount of claims that must be reviewed by the Claims Review Committee from \$5,000 to \$25,000

RECOMMENDED ACTION(S):

Adopt a Resolution increasing the minimum amount of claims that must be reviewed by the Claims Review Committee from \$5,000 to \$25,000.

Approving the recommend action would increase the threshold amount for claims reviewed by the Claims Review Committee from \$5,000 to \$25,000 and further clarify the responsibilities and advisory role of the Claims Review Committee ("CRC"). This item is countywide.

ALTERNATIVE ACTION(S):

If the Board does not approve the recommended action, current review thresholds would not be in line with inflation since the original Resolution was adopted in 1976.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action.

DISCUSSION:

The Board established the CRC in 1976, by Resolution No. 76-1117B. The membership of the CRC includes County Counsel or their designee, the CAO or their designee, a representative of the staff of any independent contractor retained to investigate claims, and, when the CAO deems it necessary, outside, independent legal counsel actively engaged in providing legal defense of the County against claims for damage.

Currently, the CRC is required to review each claim against the County, the payment of which is estimated to exceed \$5,000. That dollar amount threshold was set in 1976 and is no longer practical, given the intervening several decades of inflation and the number of claims received by the County. Given the sheer number of claims that are filed against the County that are valued between \$5,000 and \$25,000, this requirement is untenable and creates unnecessary workload for staff.

Also, Fresno County Ordinance Code Chapter 5.02 provides the CAO and the Human Resources Director (HR Director) with Board authority to settle, reject, or otherwise resolve certain claims against the County in amounts not to exceed \$50,000.

The Risk Manager recommends that the Board adjust the dollar amount threshold for CRC review. By

approving the recommended resolution, the Board would provide that the CRC is only required to review claims that seek, or are estimated by the Risk Manager to seek, payment of more than \$25,000. The recommended resolution would also clarify that the CRC is permitted to review claims for smaller amounts. Upon reviewing each claim, the CRC would present a recommendation to your Board whether to pay or reject the claim, except that if the claim seeks an amount of less than \$50,000, the CRC may instead present a recommendation to the CAO or the HR Director, consistent with Chapter 5.02 of the County's Ordinance Code.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution

CAO ANALYST:

Yussel Zalapa