

FISCAL YEAR 2005 BUDGET

Fund Summary

Fund Name : Property and Casualty
Fund/Department No.: 936 / 65 / 90

	<u>FY2004 BUDGET</u>	<u>FY2004 ESTIMATE</u>	<u>FY2005 BUDGET</u>
Beginning Fund Balance	65,002	65,002	65,002
Current Revenues	<u>24,983,898</u>	<u>14,714,026</u>	<u>23,618,786</u>
Total Available Resources	<u>25,048,900</u>	<u>14,779,028</u>	<u>23,683,788</u>
 Maintenance and Operations	 <u>24,983,898</u>	 <u>14,714,026</u>	 <u>23,618,786</u>
Total Expenditures	24,983,898	14,714,026	23,618,786
Planned Ending Fund Balance	<u>65,002</u>	<u>65,002</u>	<u>65,002</u>
Total Budget	<u>25,048,900</u>	<u>14,779,028</u>	<u>23,683,788</u>

The information above summarizes the FY2004 Budget, FY2004 Estimate and FY2005 Budget. Also included are the beginning and ending fund balances, total available resources and total expenditures. The Property and Casualty Fund was established to monitor the financial requirements of the Property and Risk Management Programs. Revenue in this fund is generated from assessed premiums to the other funds. These premiums are based upon projected expenditures.

The Property and Casualty Fund has two distinct parts, one managed by the Legal Department to account for claims against the City, and one managed by Finance and Administration to account for property insurance costs.

The mission of the Legal Department's portion of the Property and Casualty Fund (Claims/Subrogation and Defense Litigation) is to defend the City against claims and tort lawsuits filed and minimize the financial exposure prior to entering, as well as during the judicial process. The Claims Subrogation, Claims Settlement, and Defense Litigation Divisions of the Legal Department are responsible for the investigation and defense of claims against the City, case settlement, and payment of claims and judgments.

The Insurance Management Division of the Finance and Administration Department is responsible for administering all citywide insurance services including, but not limited to property and flood, boiler and machinery, crime and electronic equipment protection insurance; notary, fidelity and surety bond insurance. All risk to the City's assets (except Workers Compensation, Life, Health Benefits and Long-Term Disability) falls within the scope of this fund.

Goals for the divisions where the activity is accounted for in the Property and Casualty Fund are to:

- manage risk through identification and analysis of exposure to determine level of risk assumption or transfer of risk through commercial insurance for City departments and related agencies;
- procure, monitor and maintain property/casualty insurance policies to minimize the City's exposure to financial risk;
- reduce the average amount paid per liability claim and civil rights lawsuits filed against the City'
- advise City departments on risk management issues to reduce or eliminate tort claim exposure;
- aggressively defend the City in all matters filed against it to deter meritless lawsuits with exaggerated claims;
- reduce tort claims exposure by working with the Human Resources Department to identify safety problems and educate employees on how to perform their jobs safely to avoid incidents that damage City property, employees and third parties;
- identify delinquent accounts owed to the City and increase recoveries on affirmative claims.

FISCAL YEAR 2005 BUDGET

Department Budget Summary

Fund Name : Property and Casualty
 Department Name : Finance & Administration
 Fund/Department No. : 936 / 65

		<u>FY2003 Actual</u>	<u>FY2004 Budget</u>	<u>FY2004 Estimate</u>	<u>FY2005 Budget</u>
Expenditure Summary	Personnel Services	291,259	250,583	264,647	279,798
	Supplies	2,637	5,400	2,800	4,300
	Other Services and Charges	7,264,990	8,886,250	6,934,752	8,083,199
	Non-Capital Equipment	0	0	0	0
	Total M & O Expenditures	7,558,886	9,142,233	7,202,199	8,367,297
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	7,558,886	9,142,233	7,202,199	8,367,297

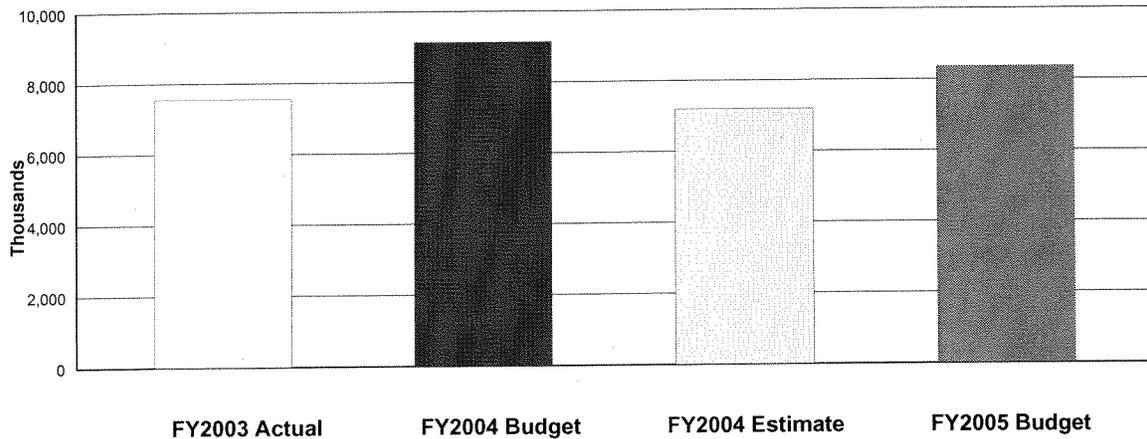
Revenue Summary		7,555,950	9,142,233	7,202,199	8,367,297
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Staffing Summary	Full-Time Equivalents - Civilian	4.6	4.0	4.0	4.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Total	4.6	4.0	4.0	4.0
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0

Budget Highlights

o The FY2005 Budget is somewhat higher than FY2004 estimated spending primarily due to additional property being insured and an expected rate increase.

**Property and Casualty
 Finance & Administration
 Expenditure Summary**



FISCAL YEAR 2005 BUDGET

Department Program Summary

Fund Name : Property and Casualty
Department Name : Finance & Administration
Fund/Department No. : 936 / 65

Program Description	Program Objectives
<p> Administrative Services 1400 Insurance Management 1890 Administer all non-health related insurance to the City and associated groups including, but not limited to, property, boiler and machinery, notary, fidelity, surety, inland marine, and directors and officers liability insurance. </p>	<p> Ensure that all insurance policies and bonds are in accordance with contracts, bond covenants, ordinances and state/federal regulations. Ensure that all non-health insurance needs are met. </p>

FISCAL YEAR 2005 BUDGET

Department Program Summary									
Fund Name : Property and Casualty Department Name : Finance & Administration Fund/Department No. : 936 / 65									
Program Performance Measures	FY2003 Actual			FY2004 Estimate			FY2005 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
Notary bond renewals	483			189			299		
		4.6	7,558,886		4.0	7,202,199		4.0	8,367,297
Total		<u>4.6</u>	<u>7,558,886</u>		<u>4.0</u>	<u>7,202,199</u>		<u>4.0</u>	<u>8,367,297</u>

FISCAL YEAR 2005 BUDGET

Fund Name : : Property and Casualty
Department Name : : Finance & Administration
Fund / Department No. : 936 / 65

NO. of POSITIONS	JOB DESCRIPTION	JOB CLASS CODE	PAY GRADE
1	ADMINISTRATIVE ASSOCIATE	3021	13
1	DIVISION MANAGER	3030	29
1	FINANCIAL ANALYST IV	3564	25
1	MANAGEMENT ANALYST III	3084	20
<hr/> 4.0	Total Positions		
0.0	Less adjustment for Vacancies and Part-Time Employees		
<hr/> 4.0	Full-Time Equivalent		

FISCAL YEAR 2005 BUDGET

Department Revenue Summary

Fund Name : Property and Casualty
Department Name : Finance & Administration
Fund/Department No. : 936 / 65

Source	Description	Program Org	Program Name	FY2004 Budget	FY2004 Estimate	FY2005 Budget
7330	Intfd,Legal Services	1890	Insurance Management	9,142,233	7,202,199	8,367,297
Total Finance & Administration				<u>9,142,233</u>	<u>7,202,199</u>	<u>8,367,297</u>

FISCAL YEAR 2005 BUDGET

Fund Name : Property and Casualty
 Department Name : Finance & Administration
 Fund/Department No. : 936 / 65

ACCT	DESCRIPTION	FY2003 Actual	FY2004 Budget	FY2004 Estimate	FY2005 Budget
1100	Salary-Base Pay-Civilian	220,813	188,720	186,284	188,876
1130	Termination Pay-Civilian	1,172	0	0	0
1135	Pension-Civilian	22,978	18,873	27,500	22,664
1140	Social Security-Civilian	16,498	14,438	13,880	14,450
1145	Health/Life Ins Active Civilian	26,317	24,050	23,986	35,628
1146	Health/Life Ins Retiree Civilian	1,945	2,500	2,500	5,520
1405	Workers Compensation-Civilian	965	1,330	10,000	7,157
1415	Unemployment Claims	0	175	0	0
1420	Long Term Disability	571	497	497	402
1981	Compensation Contingency	0	0	0	5,101
Total Personnel Services		291,259	250,583	264,647	279,798
2305	Computer Supplies	278	300	300	300
2306	Paper & Printing Supplies	177	1,000	500	1,000
2315	Publications & Printed Materials	1,977	2,600	500	1,500
2323	Postage	95	500	500	500
2325	Miscellaneous Office Supplies	110	1,000	1,000	1,000
Total Supplies		2,637	5,400	2,800	4,300
3205	Insurance Fees	7,064,902	8,648,191	6,756,523	7,890,263
3206	Insurance Administration Fees	58,562	105,000	94,308	105,000
3305	Advertising Services	5,280	4,233	504	3,000
3335	Management Consulting Services	14,975	0	0	0
3400	Real Estate Lease/Office Rental	0	10,692	12,666	12,666
3404	Metro Commuter Passes	1,404	1,500	1,404	1,500
3420	Other Rental	43	72	72	72
3510	Telephone	143	1,000	500	750
3515	Communication Lines	794	1,000	1,000	1,000
3620	Enterprise Applications	0	0	138	324
3794	Print Shop Services	72	500	500	500
3798	Indirect Cost Recovery Payment	117,943	111,232	66,137	65,674
3805	Printing & Reproduction Svcs	0	100	100	100
3900	Education & Training	170	1,100	650	750
3905	Membership & Professional Fees	554	630	250	600
3910	Travel-Training Related	0	500	0	500
3950	Travel-Non-training Related	148	500	0	500
Total Other Services and Charges		7,264,990	8,886,250	6,934,752	8,083,199
Grand Total Expenditures		7,558,886	9,142,233	7,202,199	8,367,297





FISCAL YEAR 2005 BUDGET

Department Budget Summary

Fund Name : Property and Casualty
Department Name : Legal
Fund/Department No. : 936 / 90

	<u>FY2003 Actual</u>	<u>FY2004 Budget</u>	<u>FY2004 Estimate</u>	<u>FY2005 Budget</u>
Personnel Services	1,827,981	2,092,665	1,810,227	1,832,989
Supplies	38,478	37,100	33,600	36,200
Other Services and Charges	3,592,243	13,711,900	5,668,000	13,382,300
Total M & O Expenditures	5,458,702	15,841,665	7,511,827	15,251,489
Debt Service & Other Uses	0	0	0	0
Total Expenditures	5,458,702	15,841,665	7,511,827	15,251,489

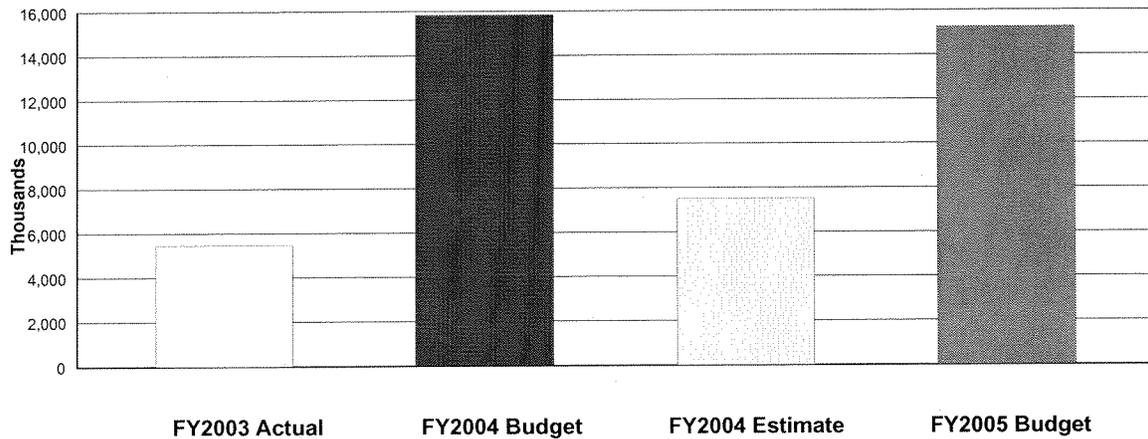
Revenue Summary	5,464,776	15,841,665	7,511,827	15,251,489
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Staffing Summary	Full-Time Equivalents - Civilian	32.0	36.0	30.5	31.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Total	32.0	36.0	30.5	31.0
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0

Budget Highlights

- o The FY2005 Budget is approximately the same as the FY2004 budget despite the apparent lower estimated spending in FY2004. The Legal Department establishes the budget based on estimated settlements, whose timing is difficult to project.

**Property and Casualty
Legal
Expenditure Summary**



FISCAL YEAR 2005 BUDGET

Department Program Summary	
Fund Name : Property and Casualty Department Name : Legal Fund/Department No. : 936 / 90	
Program Description	Program Objectives
Claims/Subrogation 1210 Prop/Casualty Administration Investigate and recommend the resolution of property and personal injury claims filed against the City. Process health, property damage, and workers compensation subrogations.	Reduce payout on claims. Maintain turnaround time for resolution of claims. Increase monetary recoveries from health, property damage, and workers compensation subrogations. Report litigation outcome statistics. Compile payment records that summarize financial data of settlements and judgements. Continue to improve the rate at which lawsuits are closed.
Defense Litigation 1215 Defend the City in personal injury, contractual, constitutional, and land use lawsuits. Represent the City in injunctions brought against it.	
Claims Settlement 1220 Prop/Casualty Losses (Legal) Capture costs directly related to the payment of claims and judgements including legal services and other services.	
	Keep accurate accounting records for expenses related to the payment of claims and judgments.

FISCAL YEAR 2005 BUDGET

Department Program Summary									
Fund Name : Property and Casualty Department Name : Legal Fund/Department No. : 936 / 90									
Program Performance Measures	FY2003 Actual			FY2004 Estimate			FY2005 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
Claims closed w/o payment	925			1,031			900		
Subrogation claims handled	1,355			1,390			1,500		
Liability claims processed	1,493			1,519			1,500		
Liability claims settled	384			397			400		
		11.8	644,925		11.8	681,854		12.0	689,309
Litigation payment reports	12			12			12		
Civil lawsuits closed	164			160			160		
		20.2	1,183,056		18.7	1,128,373		19.0	1,143,680
Liability Claims Settled	0			NA			NA		
		0.0	3,630,721		0.0	5,701,600		0.0	13,418,500
Total		<u>32.0</u>	<u>5,458,702</u>		<u>30.5</u>	<u>7,511,827</u>		<u>31.0</u>	<u>15,251,489</u>

FISCAL YEAR 2005 BUDGET

Fund Name : : Property and Casualty
 Department Name : : Legal
 Fund / Department No. : 936 / 90

NO. of POSITIONS	JOB DESCRIPTION	JOB CLASS CODE	PAY GRADE
1	ADMINISTRATION MANAGER	3029	26
1	ADMINISTRATIVE ASSISTANT	3022	17
1	ASSISTANT CITY ATTORNEY I	6031	21
1	ASSISTANT CITY ATTORNEY II	6032	24
5	ASSISTANT CITY ATTORNEY III	6034	27
1	CLAIMS COORDINATOR	4011	17
1	EXECUTIVE SECRETARY	4922	15
7	LEGAL ASSISTANT I	6021	12
1	LEGAL ASSISTANT II	6023	13
1	LEGAL INVESTIGATOR	6061	18
1	LEGAL WORD PROCESSOR	4936	11
2	SENIOR ASSISTANT CITY ATTORNEY I	6041	30
2	SENIOR ASSISTANT CITY ATTORNEY, DIV CHIEF	6046	35
3	SENIOR CLAIMS COORDINATOR	4012	21
1	SENIOR LEGAL ASSISTANT	6024	18
2	SENIOR LEGAL WORD PROCESSOR	4937	13
<hr/> 31.0	Total Positions		
0.0	Less adjustment for Vacancies and Part-Time Employees		
<hr/> 31.0	Full-Time Equivalent		

FISCAL YEAR 2005 BUDGET

Department Revenue Summary

Fund Name : Property and Casualty
Department Name : Legal
Fund/Department No. : 936 / 90

Source	Description	Program Org	Program Name	FY2004 Budget	FY2004 Estimate	FY2005 Budget
7330	Intfd Legal Services	1210	Prop/Casualty Administration	665,952	681,854	689,312
7330	Intfd Legal Services	1215	Defense Litigation	1,427,199	1,128,373	1,143,677
7330	Intfd Legal Services	1220	Prop/Casualty Losses (Legal)	13,748,514	5,701,600	13,418,500
Total Legal				<u>15,841,665</u>	<u>7,511,827</u>	<u>15,251,489</u>

FISCAL YEAR 2005 BUDGET

Fund Name : Property and Casualty
Department Name : Legal
Fund/Department No. : 936 / 90

ACCT	DESCRIPTION	FY2003 Actual	FY2004 Budget	FY2004 Estimate	FY2005 Budget
1100	Salary-Base Pay-Civilian	1,435,190	1,616,563	1,344,728	1,358,948
1113	Bilingual Pay-Civilian	903	924	900	910
1130	Termination Pay-Civilian	1,437	2,993	16,250	0
1135	Pension-Civilian	144,616	161,655	189,606	163,077
1140	Social Security-Civilian	107,332	122,643	102,468	103,039
1145	Health/Life Ins Active Civilian	117,479	166,378	132,531	145,025
1146	Health/Life Ins Retiree Civilian	8,249	8,000	14,291	15,600
1405	Workers Compensation-Civilian	6,274	9,009	6,065	6,200
1415	Unemployment Claims	3,218	1,500	0	0
1420	Long Term Disability	3,283	3,000	3,388	3,500
1981	Compensation Contingency	0	0	0	36,690
Total Personnel Services		1,827,981	2,092,665	1,810,227	1,832,989
2305	Computer Supplies	11,294	15,000	13,800	15,000
2315	Publications & Printed Materials	721	1,800	1,000	1,000
2325	Miscellaneous Office Supplies	26,304	20,000	18,600	20,000
2600	Fuel	159	300	200	200
Total Supplies		38,478	37,100	33,600	36,200
3330	Legal Services	970,295	1,500,000	725,000	1,500,000
3335	Management Consulting Services	211,357	300,000	60,000	225,000
3345	Miscellaneous Support Services	60,988	55,000	51,500	55,000
3402	Parking Space Rental	0	0	21,900	21,900
3404	Metro Commuter Passes	3,738	5,300	3,800	3,800
3615	Computer Eq/Software Maint Svc	(968)	25,000	1,400	125,000
3625	Office Equipment Services	919	1,000	0	0
3626	Vehicle & Motor Equip Services	142	500	0	0
3794	Print Shop Services	44	100	200	200
3799	Mail/Delivery Services	2,758	2,500	3,200	3,300
3805	Printing & Reproduction Svcs	77,002	45,000	45,000	45,000
3826	Private Investigative Services	1,015	2,200	400	2,200
3855	Document Recording/Filing Fees	138,181	120,000	137,100	138,000
3875	Claims and Judgements	2,107,096	11,622,000	4,572,700	11,217,000
3895	Misc Other Services & Charges	12,060	16,000	30,300	30,000
3900	Education & Training	5,208	7,500	9,100	9,000
3905	Membership & Professional Fees	631	4,300	2,800	3,000
3910	Travel-Training Related	0	1,000	100	100
3950	Travel-Non-training Related	1,777	4,500	3,500	3,800
Total Other Services and Charges		3,592,243	13,711,900	5,668,000	13,382,300
Grand Total Expenditures		5,458,702	15,841,665	7,511,827	15,251,489