

FISCAL YEAR 2006 BUDGET

Fund Summary

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

	<u>FY2005 BUDGET</u>	<u>FY2005 ESTIMATE</u>	<u>FY2006 BUDGET</u>
Beginning Fund Balance	80,002	80,002	80,002
Current Revenues	<u>23,618,786</u>	<u>13,326,595</u>	<u>20,791,084</u>
Total Available Resources	<u><u>23,698,788</u></u>	<u><u>13,406,597</u></u>	<u><u>20,871,086</u></u>
Maintenance and Operations	<u>23,686,888</u>	<u>13,326,595</u>	<u>20,791,084</u>
Total Expenditures	<u>23,686,888</u>	<u>13,326,595</u>	<u>20,791,084</u>
Planned Ending Fund Balance	<u>11,900</u>	<u>80,002</u>	<u>80,002</u>
Total Budget	<u><u>23,698,788</u></u>	<u><u>13,406,597</u></u>	<u><u>20,871,086</u></u>

The information above summarizes the FY2005 Budget, FY2005 Estimate and FY2006 Budget of the Property and Casualty Fund. 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 against the City, minimize the City's financial exposure and file affirmative claims on behalf of the City for property damage and subrogation. The Claims/Subrogation 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 2006 BUDGET

Department Budget Summary

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

	<u>FY2004 Actual</u>	<u>FY2005 Budget</u>	<u>FY2005 Estimate</u>	<u>FY2006 Budget</u>
Personnel Services	269,171	288,110	287,260	374,067
Supplies	1,078	4,300	3,350	3,800
Other Services and Charges	6,828,967	8,083,199	6,690,136	7,233,055
Total M & O Expenditures	7,099,216	8,375,609	6,980,746	7,610,922
Debt Service & Other Uses	0	0	0	0
Total Expenditures	7,099,216	8,375,609	6,980,746	7,610,922

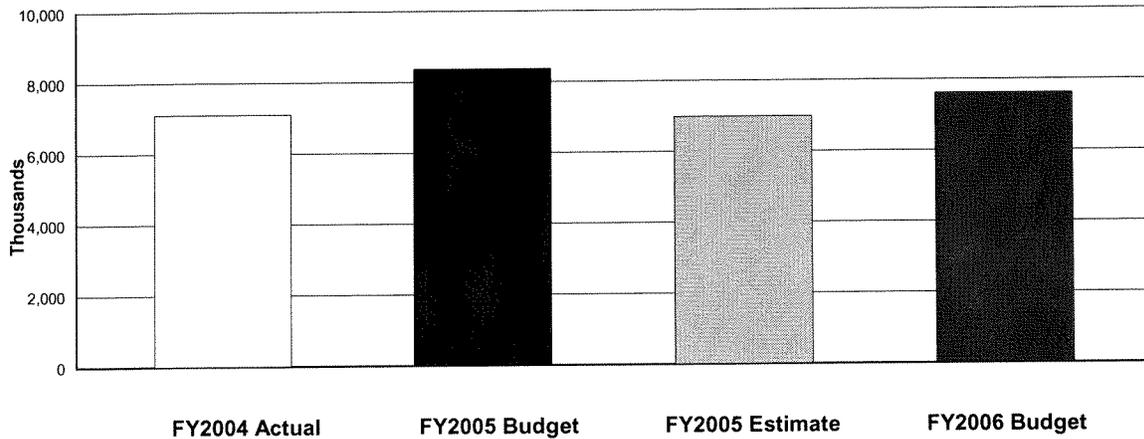
Revenue Summary	7,099,494	8,367,297	6,980,746	7,610,922
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Staffing Summary	Full-Time Equivalents - Civilian	4.0	4.0	4.0	5.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Total	4.0	4.0	4.0	5.0
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0

Budget Highlights

- o The FY2006 Budget includes funding for:
 1. The City's Property and Flood Insurance Premium
 2. Terrorism Insurance Premium
 3. Boiler & Machinery Insurance Premium
 4. Crime Policy Insurance Premium (Public Employee Dishonesty Coverage)
 5. Broker of Record Services Contract
 6. Notary Bonds, Miscellaneous Bonds, and Miscellaneous Insurance Premiums

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



FISCAL YEAR 2006 BUDGET

Department Program Summary	
Fund Name : Property and Casualty Department Name : Finance & Administration Fund/Department No. : 936 / 65	
Program Description	Program Objectives
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.	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.

FISCAL YEAR 2006 BUDGET

Department Program Summary									
Fund Name : Property and Casualty Department Name : Finance & Administration Fund/Department No. : 936 / 65									
Program Performance Measures	FY2004 Actual			FY2005 Estimate			FY2006 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
Notary Bond Renewals	312			310			587		
	4.0	7,099,216		4.0	6,980,746		5.0	7,610,922	
Total	<u>4.0</u>	<u>7,099,216</u>		<u>4.0</u>	<u>6,980,746</u>		<u>5.0</u>	<u>7,610,922</u>	

FISCAL YEAR 2006 BUDGET

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

<u>NO. of POSITIONS</u>	<u>JOB DESCRIPTION</u>	<u>JOB CLASS CODE</u>	<u>PAY GRADE</u>
1	ADMINISTRATIVE ASSOCIATE	3021	13
1	DIVISION MANAGER	3030	29
2	FINANCIAL ANALYST IV	3564	25
1	MANAGEMENT ANALYST III	3084	21
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5.0	Total Positions		
0.0	Less adjustment for Vacancies and Part-Time Employees		
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5.0	Full-Time Equivalents		

FISCAL YEAR 2006 BUDGET

Department Revenue Summary						
Fund Name : Property and Casualty						
Department Name : Finance & Administration						
Fund/Department No. : 936 / 65						
Source	Description	Program Org	Program Name	FY2005 Budget	FY2005 Estimate	FY2006 Budget
7330	Intfd Legal Services	1890	Insurance Management	8,367,297	6,972,434	7,610,922
8901	Pension Oblig Bond Proceeds	1890	Insurance Management	0	8,312	0
Total Finance & Administration				<u>8,367,297</u>	<u>6,980,746</u>	<u>7,610,922</u>

FISCAL YEAR 2006 BUDGET

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

ACCT	DESCRIPTION	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget
1100	Salary-Base Pay-Civilian	186,283	188,876	196,960	249,722
1135	Pension-Civilian	27,500	30,976	32,938	40,954
1140	Social Security-Civilian	13,847	14,450	14,551	19,104
1145	Health/Life Ins Active Civilian	23,327	35,628	26,927	42,543
1146	Health/Life Ins Retiree Civilian	3,137	5,520	5,187	5,163
1405	Workers Compensation-Civilian	14,630	7,157	10,000	8,474
1415	Unemployment Claims	0	0	0	175
1420	Long Term Disability	447	402	697	500
1981	Compensation Contingency	0	5,101	0	7,432
Total Personnel Services		269,171	288,110	287,260	374,067
2305	Computer Supplies	0	300	300	300
2306	Paper & Printing Supplies	144	1,000	500	750
2315	Publications & Printed Materials	7	1,500	1,500	1,500
2323	Postage	(19)	500	250	250
2325	Miscellaneous Office Supplies	946	1,000	800	1,000
Total Supplies		1,078	4,300	3,350	3,800
3205	Insurance Fees	6,695,635	7,890,263	6,500,000	6,888,019
3206	Insurance Administration Fees	64,160	105,000	105,000	215,208
3305	Advertising Services	372	3,000	2,000	4,200
3400	Real Estate Lease/Office Rental	0	12,666	12,666	11,631
3402	Parking Space Rental	0	0	600	600
3404	Metro Commuter Passes	1,404	1,500	1,450	1,500
3420	Other Rental	58	72	72	72
3510	Telephone	134	750	400	300
3515	Communication Lines	147	1,000	400	500
3620	Enterprise Applications	165	324	324	325
3794	Print Shop Services	0	500	250	300
3798	Indirect Cost Recovery Payment	66,137	65,674	65,674	108,000
3799	Mail/Delivery Services	0	0	100	200
3805	Printing & Reproduction Svcs	0	100	100	100
3900	Education & Training	500	750	500	750
3905	Membership & Professional Fees	255	600	350	600
3910	Travel-Training Related	0	500	250	500
3950	Travel-Non-training Related	0	500	0	250
Total Other Services and Charges		6,828,967	8,083,199	6,690,136	7,233,055
Grand Total Expenditures		7,099,216	8,375,609	6,980,746	7,610,922

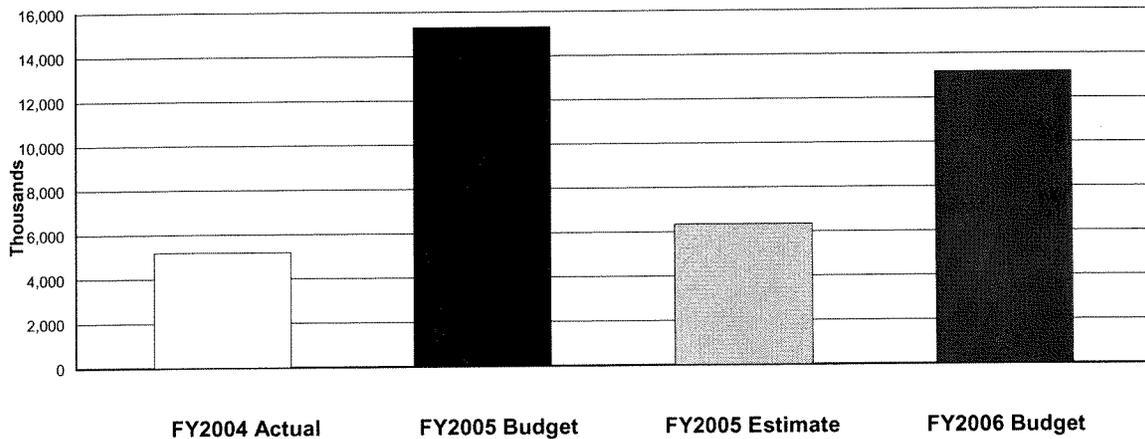
FISCAL YEAR 2006 BUDGET

Department Budget Summary

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

		<u>FY2004 Actual</u>	<u>FY2005 Budget</u>	<u>FY2005 Estimate</u>	<u>FY2006 Budget</u>
Expenditure Summary	Personnel Services	1,787,774	1,892,779	1,837,274	2,052,962
	Supplies	24,137	36,200	43,500	45,500
	Other Services and Charges	3,381,595	13,382,300	4,465,075	11,081,700
	Total M & O Expenditures	5,193,506	15,311,279	6,345,849	13,180,162
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	5,193,506	15,311,279	6,345,849	13,180,162
Revenue Summary		5,210,827	15,251,489	6,345,849	13,180,162
Staffing Summary	Full-Time Equivalents - Civilian	29.4	31.0	28.6	31.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Total	29.4	31.0	28.6	31.0
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0
Budget Highlights	<p>o The FY2006 Budget is approximately the same as the FY2005 budget despite the apparent lower estimated spending in FY2005. The Legal Department establishes the budget based on estimated settlements, whose timing is difficult to project.</p>				

**Property and Casualty
Legal
Expenditure Summary**



Department Program Summary

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

Program Description	Program Objectives
<p>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.</p>	<p>Reduce payout on claims. Maintain turnaround time for resolution of claims. Increase monetary recoveries from health, property damage, and workers compensation subrogations. Pursue execution on default judgments.</p>
<p>Defense Litigation 1215 Defend the City in personal injury, contractual, constitutional, and land use lawsuits. Represent the City in injunctions brought against it.</p>	<p>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.</p>
<p>Claims Settlement 1220 Prop/Casualty Losses (Legal) Capture costs directly related to the payment of claims and judgements including legal services and other services.</p>	<p>Keep accurate accounting records for expenses related to the payment of claims and judgments.</p>

FISCAL YEAR 2006 BUDGET

Department Program Summary									
Fund Name : Property and Casualty Department Name : Legal Fund/Department No. : 936 / 90									
Program Performance Measures	FY2004 Actual			FY2005 Estimate			FY2006 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
Claims closed w/o payment	1,032			1,477			900		
Subrogation claims handled	1,287			1,485			1,400		
Liability claims processed	1,704			1,849			1,500		
Liability claims settled	358			449			400		
	12.4	674,174		12.0	696,866		13.0	868,318	
Litigation payment reports	12			12			12		
Civil lawsuits closed	166			180			160		
	0			0			0		
	0			0			0		
	0			0			0		
	17.0	1,113,600		16.6	1,140,408		18.0	1,184,644	
Liability Claims Settled	0			0			0		
	0			0			0		
	0			0			0		
	0			0			0		
	0			0			0		
	0.0	3,405,732		0.0	4,508,575		0.0	11,127,200	
Total	<u>29.4</u>	<u>5,193,506</u>		<u>28.6</u>	<u>6,345,849</u>		<u>31.0</u>	<u>13,180,162</u>	

FISCAL YEAR 2006 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
2	ASSISTANT CITY ATTORNEY II	6032	24
2	ASSISTANT CITY ATTORNEY III	6034	27
1	EXECUTIVE OFFICE ASSISTANT	4922	15
4	LEGAL ASSISTANT I	6021	12
2	LEGAL ASSISTANT II	6023	13
1	LEGAL ASSISTANT III	6022	15
1	LEGAL INVESTIGATOR	6061	18
1	LEGAL SECRETARY	4923	13
3	SENIOR ASSISTANT CITY ATTORNEY I	6041	30
1	SENIOR ASSISTANT CITY ATTORNEY II	6042	32
3	SENIOR ASSISTANT CITY ATTORNEY, DIV CHIEF	6046	35
4	SENIOR CLAIMS COORDINATOR	4012	21
1	SENIOR LEGAL ASSISTANT	6024	18
2	SENIOR LEGAL WORD PROCESSOR	4937	13
31.0	Total Positions		
0.0	Less adjustment for Vacancies and Part-Time Employees		
31.0	Full-Time Equivalents		

FISCAL YEAR 2006 BUDGET

Department Revenue Summary						
Fund Name : Property and Casualty						
Department Name : Legal						
Fund/Department No. : 936 / 90						
Source	Description	Program Org	Program Name	FY2005 Budget	FY2005 Estimate	FY2006 Budget
7330	Intfd Legal Services	1210	Prop/Casualty Administration	689,312	696,866	868,318
7330	Intfd Legal Services	1215	Defense Litigation	1,143,677	1,080,618	1,184,644
8901	Pension Oblig Bond Proceeds	1215	Defense Litigation	0	59,790	0
7330	Intfd Legal Services	1220	Prop/Casualty Losses (Legal)	13,418,500	4,508,575	11,127,200
Total Legal				<u>15,251,489</u>	<u>6,345,849</u>	<u>13,180,162</u>

FISCAL YEAR 2006 BUDGET

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

ACCT	DESCRIPTION	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget
1100	Salary-Base Pay-Civilian	1,329,563	1,358,948	1,320,020	1,523,977
1113	Bilingual Pay-Civilian	905	910	910	900
1130	Termination Pay-Civilian	19,118	0	46,000	0
1135	Pension-Civilian	194,976	222,867	211,203	249,931
1140	Social Security-Civilian	100,470	103,039	100,982	114,502
1145	Health/Life Ins Active Civilian	118,599	145,025	132,684	138,552
1146	Health/Life Ins Retiree Civilian	14,858	15,600	15,000	15,000
1405	Workers Compensation-Civilian	6,355	6,200	7,375	7,100
1420	Long Term Disability	2,930	3,500	3,100	3,000
1981	Compensation Contingency	0	36,690	0	0
Total Personnel Services		1,787,774	1,892,779	1,837,274	2,052,962
2305	Computer Supplies	12,136	15,000	14,200	15,000
2306	Paper & Printing Supplies	934	0	7,600	8,000
2315	Publications & Printed Materials	451	1,000	2,100	2,200
2325	Miscellaneous Office Supplies	10,412	20,000	19,300	20,000
2600	Fuel	204	200	300	300
Total Supplies		24,137	36,200	43,500	45,500
3323	Information Resource Services	24,379	0	15,000	15,000
3330	Legal Services	637,885	1,500,000	1,133,100	1,500,000
3335	Management Consulting Services	39,683	225,000	200,000	225,000
3345	Miscellaneous Support Services	60,959	55,000	55,000	58,000
3402	Parking Space Rental	21,900	21,900	21,900	21,900
3404	Metro Commuter Passes	3,555	3,800	3,800	3,800
3510	Telephone	0	0	0	14,000
3615	Computer Eq/Software Maint Svc	308	125,000	125,000	125,000
3625	Office Equipment Services	1,090	0	600	600
3626	Vehicle & Motor Equip Services	131	0	100	100
3794	Print Shop Services	198	200	200	200
3799	Mail/Delivery Services	2,834	3,300	3,200	3,300
3805	Printing & Reproduction Svcs	44,141	45,000	42,000	45,000
3826	Private Investigative Services	250	2,200	2,600	2,500
3855	Document Recording/Filing Fees	130,408	138,000	139,700	140,000
3875	Claims and Judgements	2,374,756	11,217,000	2,675,275	8,880,000
3895	Misc Other Services & Charges	24,059	30,000	30,500	30,000
3900	Education & Training	7,283	9,000	9,000	9,000
3905	Membership & Professional Fees	4,754	3,000	3,000	3,200
3910	Travel-Training Related	58	100	100	100
3950	Travel-Non-training Related	2,964	3,800	5,000	5,000
Total Other Services and Charges		3,381,595	13,382,300	4,465,075	11,081,700
Grand Total Expenditures		5,193,506	15,311,279	6,345,849	13,180,162