

FISCAL YEAR 2008 BUDGET

Fund Summary

Fund Name : Property and Casualty
Fund No./Bus. Area No. : 1004 / 6500 / 9000

	<u>FY2007 Budget</u>	<u>FY2007 Estimate</u>	<u>FY2008 Budget</u>
Beginning Fund Balance	83,813	83,813	83,813
Current Revenues	29,617,176	21,562,024	31,335,585
Total Available Resources	<u>29,700,989</u>	<u>21,645,837</u>	<u>31,419,398</u>
Maintenance and Operations	29,617,176	21,562,024	31,335,585
Total Expenditures	<u>29,617,176</u>	<u>21,562,024</u>	<u>31,335,585</u>
Planned Ending Fund Balance	83,813	83,813	83,813
Total Budget	<u>29,700,989</u>	<u>21,645,837</u>	<u>31,419,398</u>

The information above summarizes the FY2007 Budget, FY2007 Estimate and FY2008 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 Section 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.

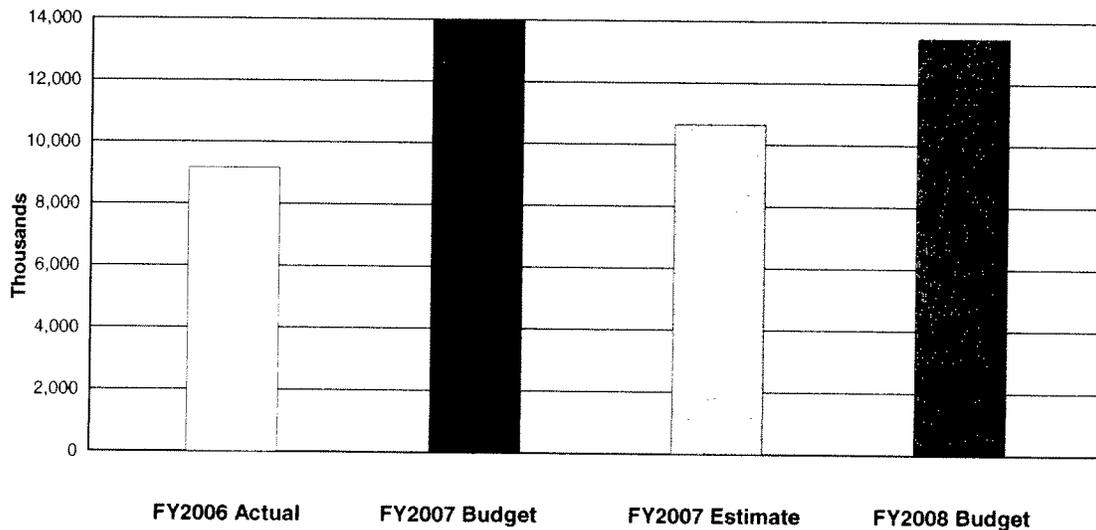
Goals for the divisions where the activity is accounted for in the Property and Casualty Fund are to:

- 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 2008 BUDGET

Business Area Budget Summary					
Fund Name : Property & Casualty Fund					
Business Area Name : Finance & Administration					
Fund No./Bus. Area No. : 1004 / 6500		FY2006 Actual	FY2007 Budget	FY2007 Estimate	FY2008 Budget
Expenditures	Personnel Services	320,840	380,555	398,257	431,711
	Supplies	2,725	5,994	4,350	6,563
	Other Services and Charges	8,834,990	13,566,297	10,250,445	13,021,033
	Total M & O Expenditures	<u>9,158,555</u>	<u>13,952,846</u>	<u>10,653,052</u>	<u>13,459,307</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	<u>9,158,555</u>	<u>13,952,846</u>	<u>10,653,052</u>	<u>13,459,307</u>
Revenues		9,157,951	13,952,846	10,653,052	13,459,307
Staffing	Full-Time Equivalents - Civilian	5.1	5.0	5.0	5.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>5.1</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0
Budget Highlights	o The FY2008 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 & Casualty Fund
Finance & Administration
Expenditure Summary**



FISCAL YEAR 2008 BUDGET

Business Area Cost Center Summary

Fund Name : Property & Casualty Fund
Business Area Name : Finance & Administration
Fund No./Bus Area No. : 1004 / 6500

Cost Center Description	Cost Center Objectives
<p>F&A-Insurance Management 6500050003</p> <p>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>Procure commercial insurance. Ensure 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 2008 BUDGET

Business Area Cost Center Summary

Fund Name : Property & Casualty Fund
Business Area Name : Finance & Administration
Fund No./Bus Area No. : 1004 / 6500

Performance Measures	FY2006 Actual			FY2007 Estimate			FY2008 Budget		
	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$
Insurance Policies		12			12			14	
Notary Bonds		346			651			522	
Public Official Bonds		8			7			10	
		5.1	9,158,555		5.0	10,653,052		5.0	13,459,307
Total		<u>5.1</u>	<u>9,158,555</u>		<u>5.0</u>	<u>10,653,052</u>		<u>5.0</u>	<u>13,459,307</u>

FISCAL YEAR 2008 BUDGET

Fund Name : Property & Casualty Fund
Business Area Name : Finance & Administration
Fund No./Bus Area No. : 1004 / 6500

JOB DESCRIPTION	PAY GRADE	FY2007 Budget FTE	FY2008 Budget FTE	Change
ADMINISTRATIVE ASSOCIATE	13	1.0	1.0	
DIVISION MANAGER	29	1.0	1.0	
FINANCIAL ANALYST IV	25	2.0	3.0	1.0
MANAGEMENT ANALYST III	21	1.0	0.0	(1.0)
Total FTEs		<u>5.0</u>	<u>5.0</u>	<u>0.0</u>
Less adjustment for Civilian Vacancy Factor		<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Full-Time Equivalents		<u>5.0</u>	<u>5.0</u>	<u>0.0</u>

FISCAL YEAR 2008 BUDGET

Business Area Revenue Summary

Fund Name : Property & Casualty Fund
Business Area Name : Finance & Administration
Fund No./Bus Area No. : 1004 / 6500

Commit Item	Description	FY2007 Budget	FY2007 Estimate	FY2008 Budget
6500050003	F&A-Insurance Management			
424070	Interfund Legal Services	13,952,846	10,653,052	13,459,307
Total	Finance & Administration	<u>13,952,846</u>	<u>10,653,052</u>	<u>13,459,307</u>

FISCAL YEAR 2008 BUDGET

Business Area Expenditure Summary

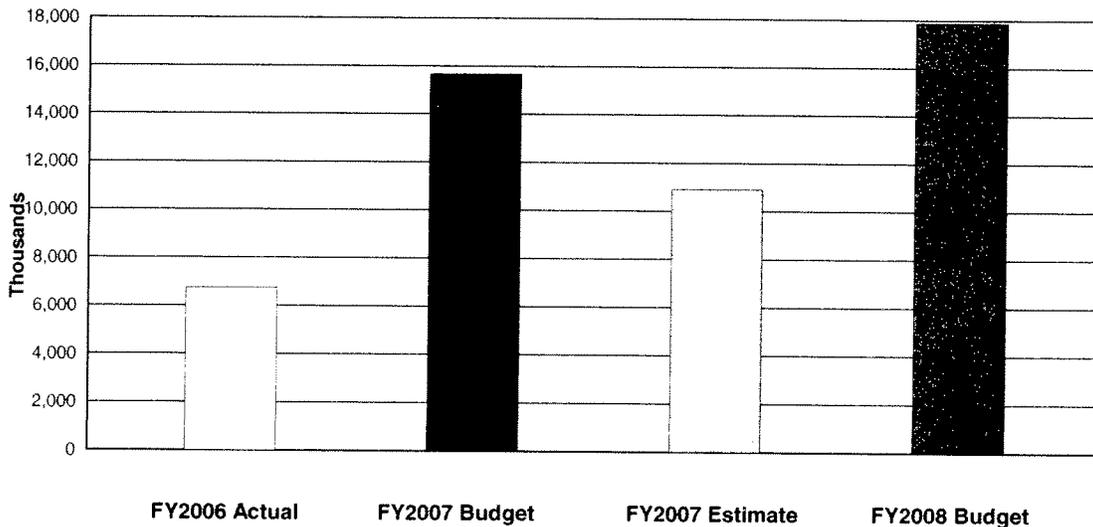
Fund Name : Property & Casualty Fund
Business Area Name : Finance & Administration
Fund No./Bus. Area No. : 1004 / 6500

Commit Item	Description	FY2006 Actual	FY2007 Budget	FY2007 Estimate	FY2008 Budget
500010	Salary Base Pay - Civilian	221,845	260,031	274,320	276,217
501070	Pension - Civilian	36,338	42,654	45,263	43,642
501120	Termination Pay - Civilian	0	0	2,213	2,213
502010	FICA - Civilian	16,230	19,892	20,985	21,131
503010	Health/Life Insurance - Active Civilian	34,412	41,927	41,948	43,378
503050	Health/Life Insurance - Retiree Civilian	10,100	10,816	10,816	24,894
503060	Long Term Disability	755	870	715	715
503090	Workers Compensation-Civilian-Admin	1,160	4,190	1,822	1,180
503100	Workers Compensation-Civilian-Clm	0	0	0	1,050
504020	Compensation Contingency	0	0	0	17,116
504030	Unemployment Claims	0	175	175	175
Total	Personnel Services	320,840	380,555	398,257	431,711
511045	Computer Supplies	0	1,800	1,300	1,650
511050	Paper & Printing Supplies	366	445	400	365
511055	Publications & Printed Materials	328	1,250	550	800
511060	Postage	927	1,000	1,000	1,000
511070	Miscellaneous Office Supplies	1,104	1,499	1,100	2,748
Total	Supplies	2,725	5,994	4,350	6,563
520100	Temporary Personnel Services	0	50,000	50,000	50,000
520115	Real Estate Lease/Office Rental	11,631	19,767	19,767	21,766
520121	IT Application Svcs	142	325	332	325
520510	Mail/Delivery Services	0	200	200	200
520515	Print Shop Services	77	340	150	300
520520	Printing & Reproduction Services	0	100	100	100
520605	Advertising Services	5,030	6,904	2,100	6,000
520705	Insurance Fees	8,544,368	13,167,010	9,910,071	12,637,108
520765	Membership & Professional Fees	140	310	140	600
520770	Insurance Administration Fees	162,765	207,500	172,752	207,500
520805	Education & Training	99	1,000	880	2,250
520905	Travel - Training Related	225	500	500	2,200
520910	Travel - Non-Training Related	0	250	250	250
521305	Indirect Cost Recovery Payment	108,000	108,000	88,515	88,515
521605	Data Services	55	500	369	373
521610	Voice Services	(17)	220	1,067	175
521725	Other Rental	52	52	52	52
521730	Parking Space Rental	0	625	625	625
522205	Metro Commuter Passes	2,394	2,634	2,515	2,634
522430	Miscellaneous Other Services & Charges	29	60	60	60
Total	Other Services and Charges	8,834,990	13,566,297	10,250,445	13,021,033
Grand Total Expenditures		9,158,555	13,952,846	10,653,052	13,459,307

FISCAL YEAR 2008 BUDGET

Business Area Budget Summary					
Fund Name		: Property & Casualty Fund			
Business Area Name		: Legal			
Fund No./Bus. Area No.		: 1004 / 9000			
		FY2006 Actual	FY2007 Budget	FY2007 Estimate	FY2008 Budget
Expenditures	Personnel Services	1,863,957	2,246,030	1,998,860	2,327,022
	Supplies	36,462	51,400	76,927	87,219
	Other Services and Charges	4,842,108	13,366,900	8,833,185	15,462,037
	Total M & O Expenditures	<u>6,742,527</u>	<u>15,664,330</u>	<u>10,908,972</u>	<u>17,876,278</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	<u>6,742,527</u>	<u>15,664,330</u>	<u>10,908,972</u>	<u>17,876,278</u>
Revenues		6,742,821	15,664,330	10,908,972	17,876,278
Staffing	Full-Time Equivalents - Civilian	27.2	32.0	27.3	32.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>27.2</u>	<u>32.0</u>	<u>27.3</u>	<u>32.0</u>
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0
Budget Highlights	<ul style="list-style-type: none"> o The larger budget requested for FY2008 is primarily attributable to a sizeable increase in the expenditure line for the payment of claims and judgments. The Legal Department establishes the budget based on estimated settlements, the timing of which is difficult to project. 				

**Property & Casualty Fund
Legal
Expenditure Summary**



FISCAL YEAR 2008 BUDGET

Business Area Cost Center Summary

Fund Name : Property & Casualty Fund
Business Area Name : Legal
Fund No./Bus Area No. : 1004 / 9000

Cost Center Description	Cost Center Objectives
<p>LGL-Claims&Subrog 9000100001</p> <p>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 payouts 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>Report litigation outcome statistics. Compile payment records that summarize financial data of settlements and judgments. Continue to improve the rate at which lawsuits are closed.</p> <p>Keep accurate accounting records for expenses related to the payments of claims and judgments.</p>
<p>LGL-Defense Litigation 9000110001</p> <p>Defend the City in personal injury, contractual, constitutional, and land use lawsuits. Represent the City in injunctions brought against it.</p>	
<p>LGL-PropCasualtyLoss 9000120001</p> <p>Capture costs directly related to the payment of claims and judgments including legal services and other services.</p>	

FISCAL YEAR 2008 BUDGET

Business Area Cost Center Summary

Fund Name : Property & Casualty Fund
Business Area Name : Legal
Fund No./Bus Area No. : 1004 / 9000

Performance Measures	FY2006 Actual			FY2007 Estimate			FY2008 Budget		
	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$
Claims closed - no paymts		1202			967			900	
Subrog. claims settled		1440			1255			1400	
Liability claims processed		1423			1211			1400	
Liability claims settled		373			361			380	
		10.8	739,123		11.0	707,546		12.0	784,994
Litigation payment reports		12			12			12	
Civil lawsuits closed		521			389			390	
		16.4	1,124,834		16.3	1,291,314		20.0	1,542,028
Liability Claims Settled					N/A			N/A	
		0.0	4,878,570		0.0	8,910,112		0.0	15,549,256
Total		<u>27.2</u>	<u>6,742,527</u>		<u>27.3</u>	<u>10,908,972</u>		<u>32.0</u>	<u>17,876,278</u>

FISCAL YEAR 2008 BUDGET

Fund Name : Property & Casualty Fund
Business Area Name : Legal
Fund No./Bus Area No. : 1004 / 9000

JOB DESCRIPTION	PAY GRADE	FY2007 Budget FTE	FY2008 Budget FTE	Change
ADMINISTRATION MANAGER	26	1.0	1.0	
ADMINISTRATIVE AIDE	10	0.0	1.0	1.0
ADMINISTRATIVE ASSISTANT	17	1.0	0.0	(1.0)
ADMINISTRATIVE SPECIALIST	20	0.0	1.0	1.0
ASSISTANT CITY ATTORNEY III	27	3.0	2.0	(1.0)
LEGAL INVESTIGATOR	18	1.0	2.0	1.0
LEGAL SECRETARY	13	1.0	1.0	
LEGAL WORD PROCESSOR	11	1.0	1.0	
LEGAL ASSISTANT II	14	3.0	1.0	(2.0)
LEGAL ASSISTANT III	16	1.0	1.0	
LEGAL ASSISTANT I	12	3.0	4.0	1.0
SENIOR ASSISTANT CITY ATTORNEY I	30	5.0	6.0	1.0
SENIOR ASSISTANT CITY ATTORNEY II	32	1.0	1.0	
SENIOR ASSISTANT CITY ATTORNEY III	34	1.0	0.0	(1.0)
SENIOR ASSISTANT CITY ATTORNEY IV	35	0.0	1.0	1.0
SENIOR CLAIMS COORDINATOR	21	5.0	4.0	(1.0)
SENIOR LEGAL WORD PROCESSOR	13	2.0	2.0	
SENIOR LEGAL ASSISTANT	19	1.0	1.0	
SENIOR ASSISTANT CITY ATTORNEY, DIV CHIEF	35	2.0	2.0	
Total FTEs		32.0	32.0	0.0
Less adjustment for Civilian Vacancy Factor		0.0	0.0	0.0
Full-Time Equivalent		32.0	32.0	0.0

FISCAL YEAR 2008 BUDGET

Business Area Revenue Summary

Fund Name : Property & Casualty Fund
Business Area Name : Legal
Fund No./Bus Area No. : 1004 / 9000

Commit Item	Description	FY2007 Budget	FY2007 Estimate	FY2008 Budget
9000100001	LGL-Claims&Subrog			
424070	Interfund Legal Services	901,590	707,546	788,821
9000110001	LGL-Defense Litigation			
424070	Interfund Legal Services	1,334,989	1,291,314	1,547,207
9000120001	LGL-PropCasualtyLoss			
424070	Interfund Legal Services	13,427,751	8,910,112	15,540,250
Total Legal		<u>15,664,330</u>	<u>10,908,972</u>	<u>17,876,278</u>

FISCAL YEAR 2008 BUDGET

Business Area Expenditure Summary

Fund Name : Property & Casualty Fund
Business Area Name : Legal
Fund No./Bus. Area No. : 1004 / 9000

Commit Item	Description	FY2006 Actual	FY2007 Budget	FY2007 Estimate	FY2008 Budget
500010	Salary Base Pay - Civilian	1,353,187	1,650,870	1,450,662	1,728,735
500110	Bilingual Pay - Civilian	813	900	900	900
501070	Pension - Civilian	221,663	266,833	239,570	273,141
501120	Termination Pay - Civilian	28,539	3,500	36,579	0
502010	FICA - Civilian	103,866	122,668	108,355	129,960
503010	Health/Life Insurance - Active Civilian	103,307	145,151	116,525	123,137
503050	Health/Life Insurance - Retiree Civilian	35,854	33,022	33,000	33,000
503060	Long Term Disability	4,508	5,582	5,113	4,576
503090	Workers Compensation-Civilian-Admin	5,925	8,443	7,656	7,552
503100	Workers Compensation-Civilian-Clm	0	0	0	2,070
504020	Compensation Contingency	0	7,941	0	22,831
504030	Unemployment Claims	6,295	1,120	500	1,120
Total	Personnel Services	1,863,957	2,246,030	1,998,860	2,327,022
511045	Computer Supplies	7,881	15,000	19,982	38,769
511050	Paper & Printing Supplies	7,113	8,000	10,657	8,000
511055	Publications & Printed Materials	1,442	8,000	16,849	18,000
511070	Miscellaneous Office Supplies	19,679	20,000	26,642	22,000
511110	Fuel	347	400	302	450
511150	Miscellaneous Parts & Supplies	0	0	2,495	0
Total	Supplies	36,462	51,400	76,927	87,219
520108	Information Resource Services	24,267	28,000	28,000	28,000
520110	Management Consulting Services	33,363	225,000	70,000	225,000
520113	Photographic Services	1,050	1,300	0	1,300
520114	Miscellaneous Support Services	43,015	81,000	85,250	95,000
520119	Computer Equipment/Software Maintenance	93,275	125,000	101,856	125,000
520121	IT Application Svcs	2,039	0	0	0
520122	Office Equipment Services	849	1,200	0	0
520133	Private Investigative Services	0	2,500	0	2,500
520510	Mail/Delivery Services	2,627	3,300	3,762	4,000
520515	Print Shop Services	205	200	190	200
520520	Printing & Reproduction Services	49,826	45,000	34,655	45,000
520740	Document Recording/Filing Fees	84,898	140,000	116,497	135,000
520765	Membership & Professional Fees	3,500	3,200	3,200	3,500
520805	Education & Training	3,302	5,000	3,600	4,200
520905	Travel - Training Related	898	500	1,023	1,100
520910	Travel - Non-Training Related	4,054	12,500	14,121	10,000
521610	Voice Services	625	14,000	14,000	237
521730	Parking Space Rental	31,180	21,900	24,000	24,000
521905	Legal Services	869,132	2,725,000	2,335,831	2,500,000
522205	Metro Commuter Passes	846	3,800	636	1,000
522430	Miscellaneous Other Services & Charges	6,312	15,000	28,952	20,000
522620	Claims & Judgments	3,586,845	9,908,500	5,962,612	12,232,000
522780	Interfund Photo Copy Services	0	5,000	5,000	5,000
Total	Other Services and Charges	4,842,108	13,366,900	8,833,185	15,462,037
Grand Total Expenditures		6,742,527	15,664,330	10,908,972	17,876,278