

FISCAL YEAR 2018 BUDGET

Fund Summary

Fund Name : Property & Casualty Fund

Fund No./Bus. Area No. : 1004 / 6500 / 9000

	<u>FY2017 Current Budget</u>	<u>FY2017 Estimate</u>	<u>FY2018 Budget</u>
Beginning Fund Balance	74,570	74,570	74,570
Current Revenues	35,396,345	33,746,957	35,486,252
Total Available Resources	<u>35,470,915</u>	<u>33,821,527</u>	<u>35,560,822</u>
Maintenance and Operations	35,396,345	33,746,957	35,486,252
Total Expenditures	<u>35,396,345</u>	<u>33,746,957</u>	<u>35,486,252</u>
Planned Ending Fund Balance	<u>74,570</u>	<u>74,570</u>	<u>74,570</u>
Total Budget	<u><u>35,470,915</u></u>	<u><u>33,821,527</u></u>	<u><u>35,560,822</u></u>

Fund Balance Distribution

Non-Spendable	0	0	0
Restricted	74,570	74,570	74,570
Committed	0	0	0
Assigned	0	0	0
Unassigned	0	0	0

The above summarizes the FY2017 Budget, FY2017 Estimate and FY2018 Budget of the Property and Casualty Fund. Also included are the beginning and ending fund balances, total revenues 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. It has two distinct parts: one managed by the Legal Department to account for claims against the City, and one managed by Administration and Regulatory Affairs to account for property insurance costs.

The mission of the Legal Department's portion of the Property and Casualty Fund (Claims and Subrogation, General Litigation, and Labor, Employment and Civil Rights Sections) is to defend 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 and Subrogation, General Litigation, and Labor, Employment and Civil Rights Sections 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 Risk Management Division of the Administration and Regulatory Affairs Department is responsible for administering all citywide non-health related insurance services including, but not limited to: property, terrorism, boiler and machinery, crime, fine arts, electronic equipment protection, notary, fidelity and surety bond insurance. All risks to the City's assets (except Workers' Compensation, Life, and Long-Term Disability) fall 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;
- 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, injured employees and third parties; and
- Identify delinquent accounts owed to the City and increase recoveries on affirmative claims.

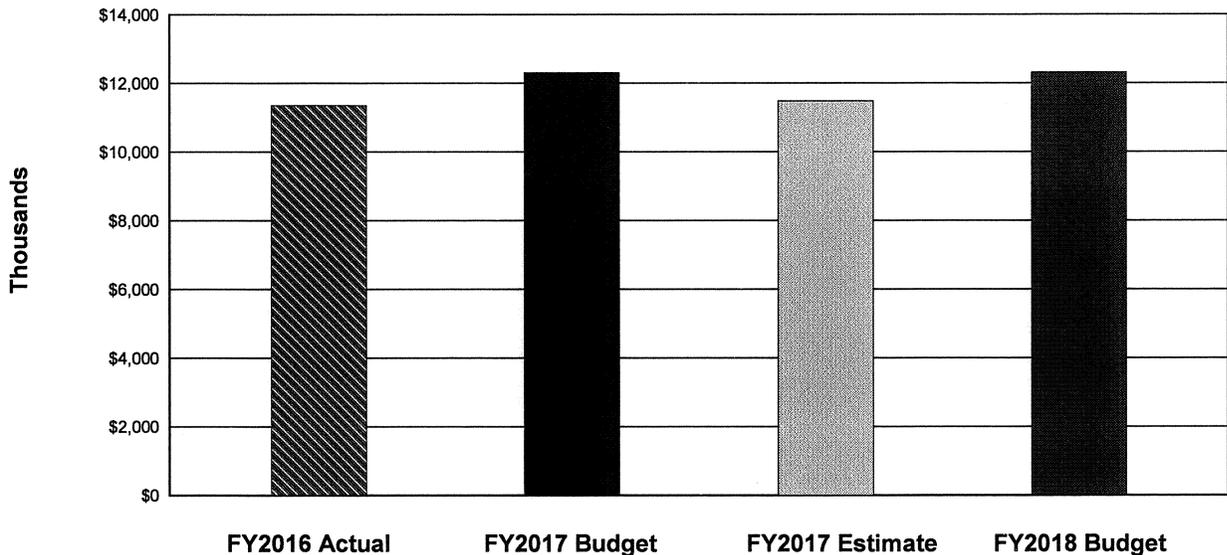
FISCAL YEAR 2018 BUDGET

Business Area Budget Summary

Fund Name : Property & Casualty Fund
Business Area : Administration and Regulatory Affairs
Fund No. /Bus. Area No. : 1004 / 6500

		FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Expenditures	Personnel Services	628,676	691,675	683,804	692,405
	Supplies	1,048	2,862	2,862	2,775
	Other Services and Charges	10,730,950	11,614,654	10,798,458	11,622,180
	Total M & O Expenditures	11,360,674	12,309,191	11,485,124	12,317,360
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	11,360,674	12,309,191	11,485,124	12,317,360
Revenues		11,360,674	12,309,191	11,485,124	12,317,360
Staffing	Full-Time Equivalents - Civilian	5.0	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	5.0	5.0	5.0	5.0
	Full-Time Equivalents - Overtime	0.0	5.0	5.0	0.0
Significant Budget Changes and Highlights	o The FY2018 Budget provides funding for health benefits, pension contribution and municipal employees contractual pay increases.				

**Property & Casualty Fund
Administration and Regulatory Affairs
Expenditure Summary**



FISCAL YEAR 2018 BUDGET

Division Summary							
Fund Name : Property & Casualty Fund							
Business Area : Administration and Regulatory Affairs							
Fund No. /Bus Area No. : 1004 / 6500							
Division Description	FY2016 Actual		FY2017 Estimate		FY2018 Budget		
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$	
Accounting Services Group 650005							
Administers all non-health related insurance to the City and associated groups including, but not limited to: property, terrorism, boiler and machinery, crime, fine arts, electronic equipment protection, fidelity, surety, inland marine, and Notary Public program.	5.0	11,360,674	5.0	11,485,124	5.0	12,317,360	
Total	5.0	11,360,674	5.0	11,485,124	5.0	12,317,360	

FISCAL YEAR 2018 BUDGET

Business Area Revenues Summary

Fund Name : Property & Casualty Fund
Business Area : Administration and Regulatory Affairs
Fund No./Bus. Area No. : 1004 / 6500

Category	FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Direct Interfund Services	11,360,557	12,309,191	11,485,124	12,317,360
Miscellaneous/Other	117	0	0	0
Grand Total Revenues	<u><u>11,360,674</u></u>	<u><u>12,309,191</u></u>	<u><u>11,485,124</u></u>	<u><u>12,317,360</u></u>



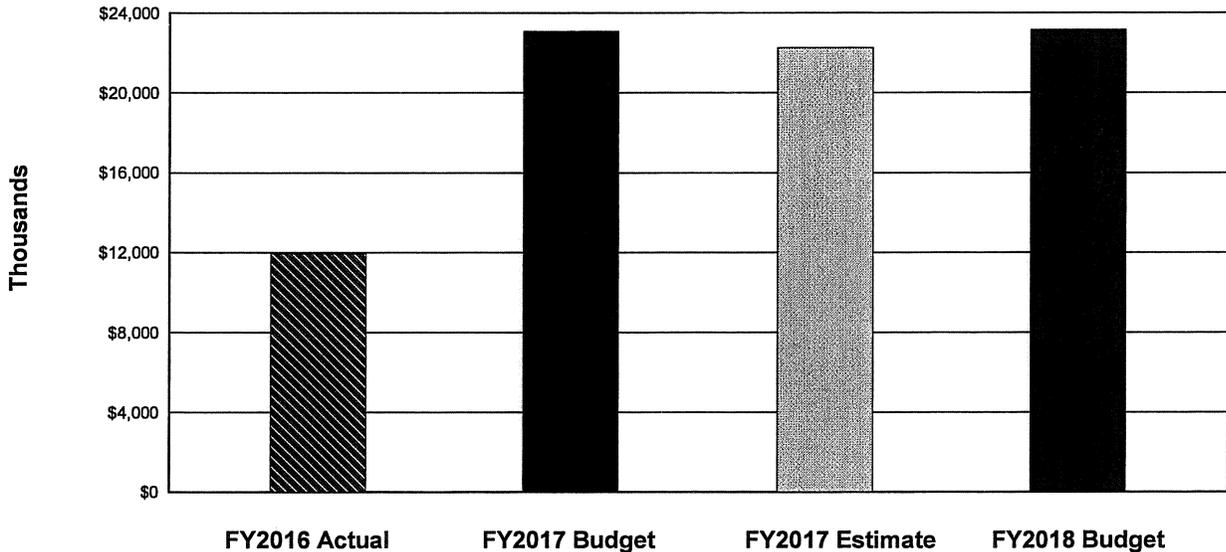
FISCAL YEAR 2018 BUDGET

Business Area Budget Summary

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

		FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Expenditures	Personnel Services	7,192,617	7,689,551	7,657,808	7,873,698
	Supplies	128,018	174,845	160,466	177,500
	Other Services and Charges	4,607,750	15,222,758	14,443,559	15,117,694
	Total M & O Expenditures	11,928,385	23,087,154	22,261,833	23,168,892
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	11,928,385	23,087,154	22,261,833	23,168,892
Revenues		11,928,537	23,087,154	22,261,833	23,168,892
Staffing	Full-Time Equivalents - Civilian	51.5	54.0	51.5	54.0
	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	51.5	54.0	51.5	54.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2018 Budget provides funding for health benefits, pension contribution and municipal employees contractual pay increases. o The budget for claims, settlements and judgments is approximately \$11.8 million which represents 51% of the total budget. o The budget provides for a continuation of expert witness and legal services expenditures relating to the department's aggressive pursuit of potentially significant damages in several lawsuits in which the City is the plaintiff. 				

**Property & Casualty Fund
Legal
Expenditure Summary**



FISCAL YEAR 2018 BUDGET

Business Area Performance Measures

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

Performance Measures	FY2016 Actual	FY2017 Budget	FY2017 Estimate	FY2018 Budget
EEOC and TX Workforce Commission Matters Handled	297	350	362	350
Liability Claims Closed without Payment	956	900	896	900
Liability Claims Processed	1120	1,100	1,200	1,100
Expenditures Adopted Budget vs Actual Utilization	51%	100%	96%	100%
Revenues Adopted Budget vs Actual Utilization	51%	100%	96%	100%

FISCAL YEAR 2018 BUDGET

Division Summary						
Fund Name : Property & Casualty Fund						
Business Area : Legal						
Fund No. /Bus Area No. : 1004 / 9000						
Division Description	FY2016 Actual		FY2017 Estimate		FY2018 Budget	
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
LGL - Staff Administration Section 900001 Captures personnel costs associated with broad oversight of all the litigation sections and activities related to those sections as well as special projects as they relate to risk management.	3.0	339,187	2.0	288,556	2.0	292,259
LGL - General Litigation Section 900002 Responsible for litigation related to animal law, annexation, bankruptcy, building and standards commission appeals, code enforcement, collections, constitutional challenges to ordinances, contract disputes, election contests, environmental, Federal False Claims Act, forcible entry and detainer, intergovernmental disputes, inverse condemnation, probate, Private Real Property Preservation Act, and more.	23.9	3,528,578	23.7	3,754,931	25.0	3,914,251
LGL - Labor, Empl. & Civil Rights Section 900005 Responsible for representing the City on all labor, employment and civil rights lawsuits.	15.5	2,265,312	16.8	2,480,396	18.0	2,560,730
LGL - Claims & Subrogation Section 900010 Responsible for liability tort claims, subrogation matters and general affirmative claim matters at the claim stage.	9.1	1,087,755	9.0	1,173,627	9.0	1,148,058
LGL - Litigation Costs Section 900012 Captures costs directly related to the payment of claims and judgments including legal services and other services.	0.0	4,707,553	0.0	14,564,323	0.0	15,253,594
Total	51.5	11,928,385	51.5	22,261,833	54.0	23,168,892

FISCAL YEAR 2018 BUDGET

Business Area Revenues Summary

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

Category	FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Direct Interfund Services	11,836,183	23,087,154	22,261,833	23,168,892
Interest	152	0	0	0
Miscellaneous/Other	92,202	0	0	0
Grand Total Revenues	<u>11,928,537</u>	<u>23,087,154</u>	<u>22,261,833</u>	<u>23,168,892</u>