

FISCAL YEAR 2021 BUDGET

Fund Summary

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

| | <u>FY2020</u> <u>Current Budget</u> | <u>FY2020</u> <u>Estimate</u> | <u>FY2021</u> <u>Budget</u> |
|----------------------------------|--|----------------------------------|--------------------------------|
| Beginning Fund Balance | 81,819 | 81,819 | 81,819 |
| Current Revenues | 49,749,580 | 46,521,052 | 49,986,161 |
| Total Available Resources | <u>49,831,399</u> | <u>46,602,871</u> | <u>50,067,980</u> |
| Maintenance and Operations | 49,749,580 | 46,521,052 | 49,986,161 |
| Total Expenditures | <u>49,749,580</u> | <u>46,521,052</u> | <u>49,986,161</u> |
| | | | |
| Planned Ending Fund Balance | <u>81,819</u> | <u>81,819</u> | <u>81,819</u> |
| | | | |
| Total Budget | <u><u>49,831,399</u></u> | <u><u>46,602,871</u></u> | <u><u>50,067,980</u></u> |
| | | | |
| <u>Fund Balance Distribution</u> | | | |
| Non-Spendable | 0 | 0 | 0 |
| Restricted | 81,819 | 81,819 | 81,819 |
| Committed | 0 | 0 | 0 |
| Assigned | 0 | 0 | 0 |
| Unassigned | 0 | 0 | 0 |

The above summarizes the FY2020 Budget, FY2020 Estimate and FY2021 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.

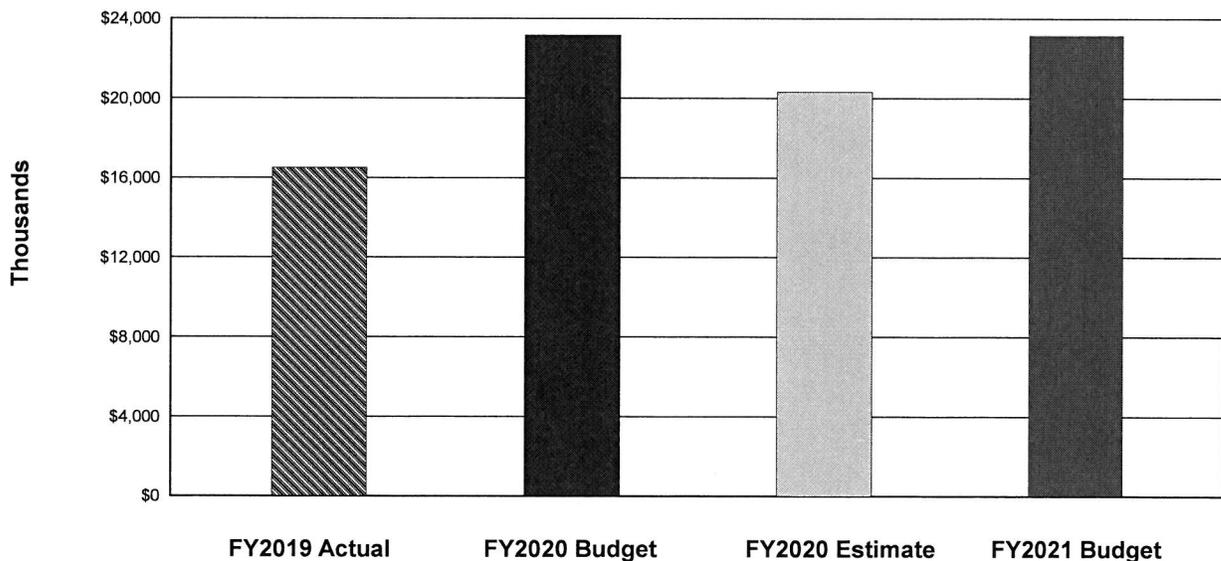
FISCAL YEAR 2021 BUDGET

Business Area Budget Summary

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

| | | FY2019 Actual | FY2020 Current Budget | FY2020 Estimate | FY2021 Budget |
|---|--|------------------|--------------------------|--------------------|------------------|
| Expenditures | Personnel Services | 701,157 | 725,729 | 725,729 | 842,141 |
| | Supplies | 2,566 | 2,740 | 2,740 | 2,940 |
| | Other Services and Charges | 15,799,337 | 22,441,330 | 19,585,343 | 22,302,668 |
| | Non-Capital Equipment | 211 | 0 | 0 | 0 |
| | Total M & O Expenditures | 16,503,271 | 23,169,799 | 20,313,812 | 23,147,749 |
| | Debt Service & Other Uses | 0 | 0 | 0 | 0 |
| | Total Expenditure | 16,503,271 | 23,169,799 | 20,313,812 | 23,147,749 |
| Revenues | | 16,503,271 | 23,169,799 | 20,313,812 | 23,147,749 |
| Staffing | Full-Time Equivalents - Civilian | 5.0 | 5.0 | 5.0 | 6.0 |
| | 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 | 6.0 |
| | 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 FY2021 Budget provides funding for health benefits, pension contribution, and municipal employees contractual pay increases. o The FY2021 Budget includes \$17.5 million in premium for property insurance coverage. This represents an increase of \$2.3 million from the FY2020 Budget of \$15.2 million. | | | | |

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



FISCAL YEAR 2021 BUDGET

| Division Summary | | | | | | | |
|---|----------------------|-------------------|------------------------|-------------------|----------------------|-------------------|--|
| Fund Name : Property & Casualty Fund | | | | | | | |
| Business Area : Administration and Regulatory Affairs | | | | | | | |
| Fund No. /Bus Area No. : 1004 / 6500 | | | | | | | |
| Division Description | FY2019 Actual | | FY2020 Estimate | | FY2021 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, cyber and Notary Public program. | 5.0 | 16,503,271 | 5.0 | 20,313,812 | 6.0 | 23,147,749 | |
| Total | 5.0 | 16,503,271 | 5.0 | 20,313,812 | 6.0 | 23,147,749 | |

FISCAL YEAR 2021 BUDGET

Business Area Revenues Summary

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

| Category | FY2019 Actual | FY2020 Current Budget | FY2020 Estimate | FY2021 Budget |
|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Direct Interfund Services | 16,503,271 | 23,169,799 | 20,313,812 | 23,147,749 |
| Grand Total Revenues | <u><u>16,503,271</u></u> | <u><u>23,169,799</u></u> | <u><u>20,313,812</u></u> | <u><u>23,147,749</u></u> |



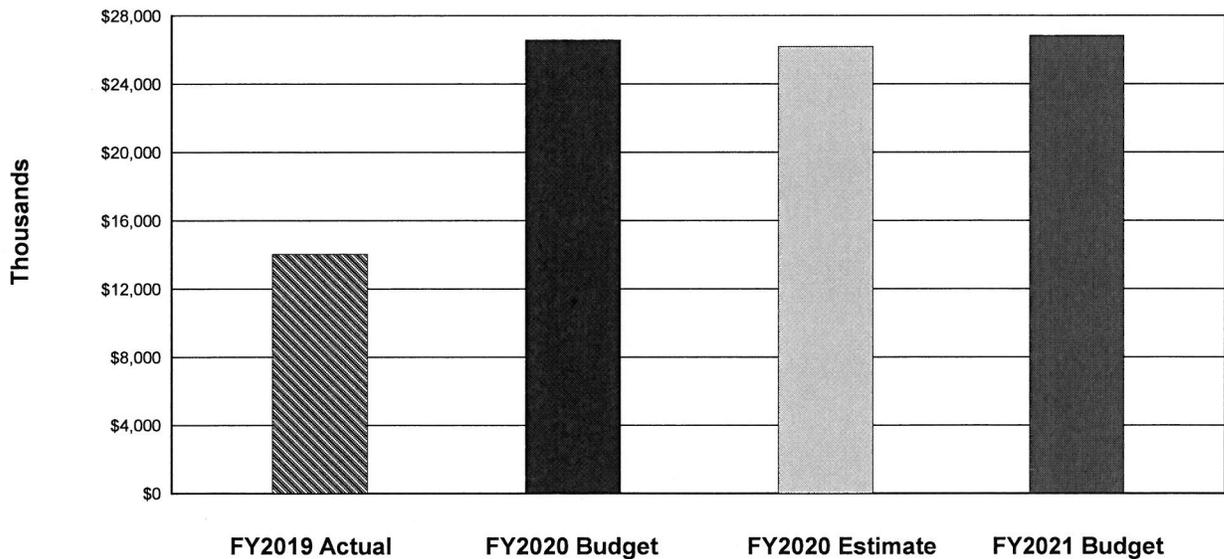
FISCAL YEAR 2021 BUDGET

Business Area Budget Summary

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

| | | FY2019 Actual | FY2020 Current Budget | FY2020 Estimate | FY2021 Budget |
|---|---|-------------------|--------------------------|--------------------|--------------------------|
| Expenditures | Personnel Services | 6,906,277 | 8,046,321 | 7,669,973 | 8,280,592 |
| | Supplies | 129,621 | 177,300 | 177,300 | 177,300 |
| | Other Services and Charges | 6,917,358 | 18,356,160 | 18,359,967 | 18,380,520 |
| | Total M & O Expenditures | <u>13,953,256</u> | <u>26,579,781</u> | <u>26,207,240</u> | <u>26,838,412</u> |
| | Debt Service & Other Uses | 81,788 | 0 | 0 | 0 |
| | Total Expenditure | <u>14,035,044</u> | <u>26,579,781</u> | <u>26,207,240</u> | <u>26,838,412</u> |
| Revenues | | 14,035,044 | 26,579,781 | 26,207,240 | 26,838,412 |
| Staffing | Full-Time Equivalents - Civilian | 48.1 | 52.0 | 49.2 | 52.0 |
| | 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>48.1</u> | <u>52.0</u> | <u>49.2</u> | <u>52.0</u> |
| | 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 FY2021 Budget provides funding for health benefits, pension contribution, and municipal employees contractual pay increases. o The budget for claims, settlements and judgments is approximately \$10.3 million, which represents 38% of the total budget. | | | | |

**Property & Casualty
Legal
Expenditure Summary**



FISCAL YEAR 2021 BUDGET

| Business Area Performance Measures | | | | |
|---|----------------------|----------------------|------------------------|----------------------|
| Fund Name : Property & Casualty Fund Business Area : Legal Fund No. /Bus. Area No. : 1004 / 9000 | | | | |
| Performance Measures | FY2019 Actual | FY2020 Target | FY2020 Estimate | FY2021 Target |
| EEOC and TX Workforce Commission Matters Handled | 363 | 700 | 200 | 300 |
| Liability Claims Processed (Claims & Subrogation Section) | 1,320 | 1,200 | 1,114 | 1,200 |
| Liability Claims-No Payment (Claims & Subrogation Section) | 850 | 950 | 827 | 950 |
| Expenditures Adopted Budget vs Actual Utilization | 61% | 100% | 99% | 100% |
| Revenues Adopted Budget vs Actual Utilization | 61% | 100% | 99% | 100% |
| | | | | |

FISCAL YEAR 2021 BUDGET

| Division Summary | | | | | | | |
|--|----------------------|-------------------|------------------------|-------------------|----------------------|-------------------|--|
| Fund Name : Property & Casualty Fund | | | | | | | |
| Business Area : Legal | | | | | | | |
| Fund No. /Bus Area No. : 1004 / 9000 | | | | | | | |
| Division Description | FY2019 Actual | | FY2020 Estimate | | FY2021 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. | 1.1 | 157,105 | 1.4 | 197,446 | 3.0 | 472,389 | |
| LGL - General Litigation Section 900002 Responsible for litigation and appeals involving contracts, construction, elections, eminent domain and inverse condemnation, constitutional challenges to ordinances, constitutional violations, auto accidents and premises defects, Texas Public Information Act, mandamus and ultra vires, real estate, probate, bankruptcy, and more. | 23.7 | 3,496,220 | 23.3 | 3,812,850 | 24.0 | 3,993,795 | |
| LGL - Labor, Empl. & Civil Rights Section 900005 Responsible for representing the City on all labor, employment and civil rights lawsuits, labor/employment matters and contract negotiations with employee associations. | 14.3 | 2,116,798 | 15.5 | 2,483,680 | 16.0 | 2,549,730 | |
| LGL - Claims & Subrogation Section 900010 Responsible for liability tort claims, subrogation matters and general affirmative claim matters at the claim stage. | 9.0 | 1,176,174 | 9.0 | 1,223,787 | 9.0 | 1,312,408 | |
| LGL - Litigation Costs Section 900012 Captures costs directly related to the payment of claims and judgments including legal services and other services. | 0.0 | 7,088,747 | 0.0 | 18,489,477 | 0.0 | 18,510,090 | |
| Total | 48.1 | 14,035,044 | 49.2 | 26,207,240 | 52.0 | 26,838,412 | |

FISCAL YEAR 2021 BUDGET

Business Area Revenues Summary

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

| Category | FY2019 Actual | FY2020 Current Budget | FY2020 Estimate | FY2021 Budget |
|-----------------------------|--------------------------|----------------------------------|----------------------------|--------------------------|
| Direct Interfund Services | 14,023,887 | 26,579,781 | 26,207,240 | 26,838,412 |
| Interest | 9,301 | 0 | 0 | 0 |
| Miscellaneous/Other | 1,856 | 0 | 0 | 0 |
| Grand Total Revenues | <u><u>14,035,044</u></u> | <u><u>26,579,781</u></u> | <u><u>26,207,240</u></u> | <u><u>26,838,412</u></u> |