

RISK MANAGEMENT

DEPARTMENT MISSION

We partner with customer departments to maximize their human resources so they can deliver the greatest possible level of services to our citizens.

PROGRAM DESCRIPTION

Risk Management

Risk management assists departments in efforts to minimize major negative consequences of their operations. Responsible for the administration of Workers' Compensation, Third Party Liability claims, Purchased Insurance and workplace safety assistance programs.

OBJECTIVES FOR FY 2004-2005

- Provide quality Worker's Compensation and Liability claims administration in a responsive, respectful manner by decreasing the time to resolve claims and respond to customer inquiries
- Minimize negative impact of losses due to contract related risks by reviewing procurement specifications and applying appropriate risk transfer methods
- Protect City assets through appropriate risk management techniques including the purchase and maintenance of insurance policies and establishing a self-inspection program

MAJOR BUDGET ITEMS

- Add \$12,758 for increased cost of employee health benefits
- Savings of \$250,000 anticipated for property insurance

RISK MANAGEMENT

	FY 2002-03 Actual	FY 2003-04 Budget	FY 2003-04 Estimate	FY 2004-05 Adopted
BEGINNING FUND BALANCE				
	(23,337,668)	(22,986,000)	(22,986,000)	(27,571,220)
REVENUES				
Workers' Compensation (1)	19,528,857	21,785,858	21,890,794	21,808,329
Third Party Liability (2)	11,204,896	12,822,866	11,635,477	11,657,477
Purchased Insurance	3,494,466	4,613,740	4,613,740	4,430,429
Interest and Other	205,621	300,000	205,000	200,000
TOTAL REVENUES	34,433,840	39,522,464	38,345,011	38,096,235
EXPENDITURES (By Program)				
Workers' Compensation	19,344,260	21,228,667	21,650,858	21,203,000
Third Party Liability	9,074,360	12,265,676	14,972,145	11,052,148
Purchased Insurance	3,904,178	4,056,550	4,600,238	3,825,100
Risk Administration	1,759,374	1,734,773	1,706,990	1,804,788
TOTAL EXPENDITURES	34,082,172	39,285,666	42,930,231	37,885,036
ENDING FUND BALANCE ⁽³⁾	(22,986,000)	(22,749,202)	(27,571,220)	(27,360,021)
EXPENDITURES (By Category)				
Salaries and Benefits	1,336,588	1,257,375	1,218,854	1,291,829
Supplies and Materials	16,610	3,577	3,200	6,252
Other Services and Charges	32,777,085	38,072,825	41,756,288	36,635,066
Capital Outlays	0	0	0	0
Reimbursements	(48,111)	(48,111)	(48,111)	(48,111)
TOTAL	34,082,172	39,285,666	42,930,231	37,885,036
FTEs (By Type)				
Regular	21.0	21.0	21.0	21.0
Overtime	0.0	0.0	0.0	0.0
Temporary Help	0.0	0.0	0.0	0.0
Day Labor	0.0	0.0	0.0	0.0
TOTAL	21.0	21.0	21.0	21.0
FTEs (By Program)				
Risk Management	21.0	21.0	21.0	21.0
TOTAL	21.0	21.0	21.0	21.0

Note 1 - Workers' Compensation: FY2003-04 Estimated Revenue reflects a \$1,113,100 rebate to customer departments

Note 2 - Third Party Liability: FY 2003-04 Estimated Revenue reflects a \$3,568,689 rebate to customer departments

Note 3 - Includes liabilities of \$27.1 million for workers' compensation and other claims expected to be paid in the following year.

The Adopted budget includes funding to pay these claims.

RISK MANAGEMENT

	FY 2004-05 Adopted
RISK FUNDS	37,885,036
ADDITIONAL OPERATING RESOURCES	
NONE	0
TOTAL	0
TOTAL OPERATING RESOURCES	37,885,036

