

Risk Management Department

Fiscal Year 2017 Proposed Budget

May 4, 2016

City Council Budget Review Committee Hearing

budget.sandiego.gov





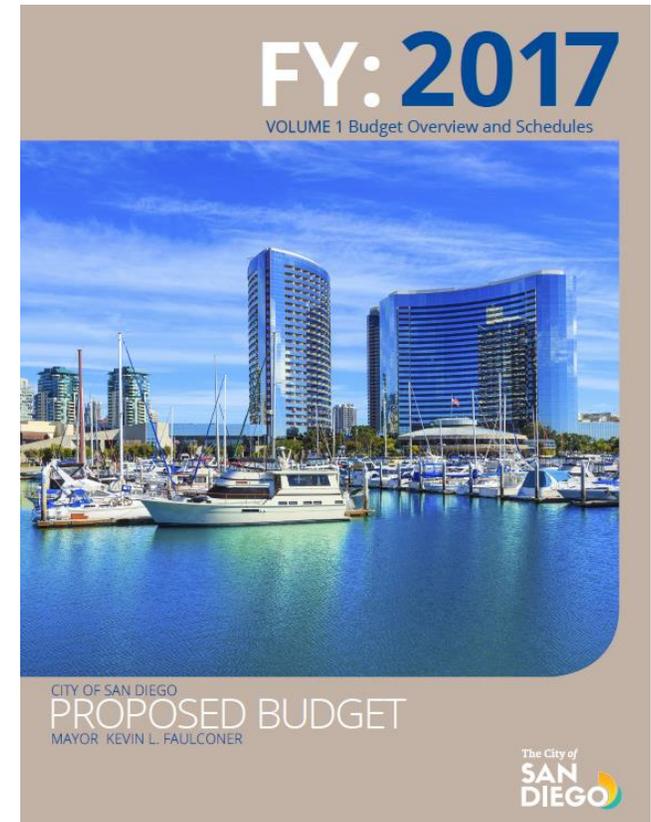
Department Overview

- ❖ Employee Benefits
- ❖ Public Liability and Loss Recovery
- ❖ Safety and Environmental Health
- ❖ Workers' Compensation

Mission - *To effectively prevent, control, and minimize the City's financial risk and provide optimum services to the City's employees and the public through the centralized administration of employee benefits, loss control, and safety*

Key Performance Indicators

- ❖ Percentage of Public Liability Reports completed on schedule – 100%
- ❖ Ratio of open claims to closed claims for Workers' Compensation – 1:1





NON-GENERAL FUNDS EXPENDITURES SUMMARY

Fund Name	FY 2016 Adopted		FY 2017 Proposed		Change from FY 2016 Adopted to FY 2017 Proposed	
	FTE	Budget	FTE	Budget	FTE	Budget
Risk Management Administration Fund	83.28	\$10,558,878	87.23	\$10,541,665	3.95	(\$17,213) ¹
TOTAL	83.28	\$10,558,878	87.23	\$10,541,665	3.95	(\$17,213)

¹Net budget decrease is primarily due to removal of one-time expenditures added in Fiscal Year 2016 and transfer of Employee Assistance Program to Human Resources Department.



RISK MANAGEMENT ADMINISTRATION FUND HIGHLIGHTS OF SIGNIFICANT BUDGET ADJUSTMENTS

Significant Budget Adjustments	FTE	Expenditures	Revenue
Workers' Compensation Support: Addition of 1.00 Program Coordinator, 1.00 Workers' Compensation Claims Aide, 2.00 Claims Clerk, and associated non-personnel expenditures to support state-mandated business functions in the Workers' Compensation Division.	4.00	\$306,966	-
Addition of Program Coordinator: Addition of 1.00 Program Coordinator and non-personnel expenditures for information technology support.	1.00	114,588	-
Addition of Claims Representative 2: Addition of 1.00 Claims Representative 2 and associated non-personnel expenditures to support the Public Liability & Loss Recovery Division.	1.00	84,977	-
Transfer of Employee Assistance Program: Transfer of the Employee Assistance Program from the Risk Management Department to the Human Resources Department.	(2.00)	(266,438)	-
One-Time Reductions and Annualizations: Adjustment to reflect the removal of one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2016.	0.00	(253,600)	-

Footnote: complete list of significant budget adjustments available at www.sandiego.gov/fm/proposed



Risk Management Reserves

- ❖ **Public Liability Fund Reserve:** Includes \$2.8 million to meet the 43% or \$39.5 million reserve target
- ❖ **Workers' Compensation Fund Reserve:** Includes \$2.5 million to maintain the 25% or estimated \$57.0 million reserve target
- ❖ **Long-Term Disability Fund Reserve :** The reserve target of 100% was reached in Fiscal Year 2015. No additional contribution are needed.