

FISCAL YEAR 2017 BUDGET

Fund Summary

Fund Name : Property & Casualty Fund

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

	<u>FY2016</u> <u>Current Budget</u>	<u>FY2016</u> <u>Estimate</u>	<u>FY2017</u> <u>Budget</u>
Beginning Fund Balance	75,476	75,476	75,476
Current Revenues	35,397,636	35,397,636	35,396,345
Total Available Resources	<u>35,473,112</u>	<u>35,473,112</u>	<u>35,471,821</u>
Maintenance and Operations	35,397,636	35,397,636	35,396,345
Total Expenditures	<u>35,397,636</u>	<u>35,397,636</u>	<u>35,396,345</u>
Planned Ending Fund Balance	<u>75,476</u>	<u>75,476</u>	<u>75,476</u>
Total Budget	<u><u>35,473,112</u></u>	<u><u>35,473,112</u></u>	<u><u>35,471,821</u></u>
Fund Balance Distribution			
Non-Spendable	0	0	0
Restricted	75,476	75,476	75,476
Committed	0	0	0
Assigned	0	0	0
Unassigned	0	0	0

The information above summarizes the FY2016 Budget, FY2016 Estimate and FY2017 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. 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. injure employees and third parties; and
- Identify delinquent accounts owed to the City and increase recoveries on affirmative claims.

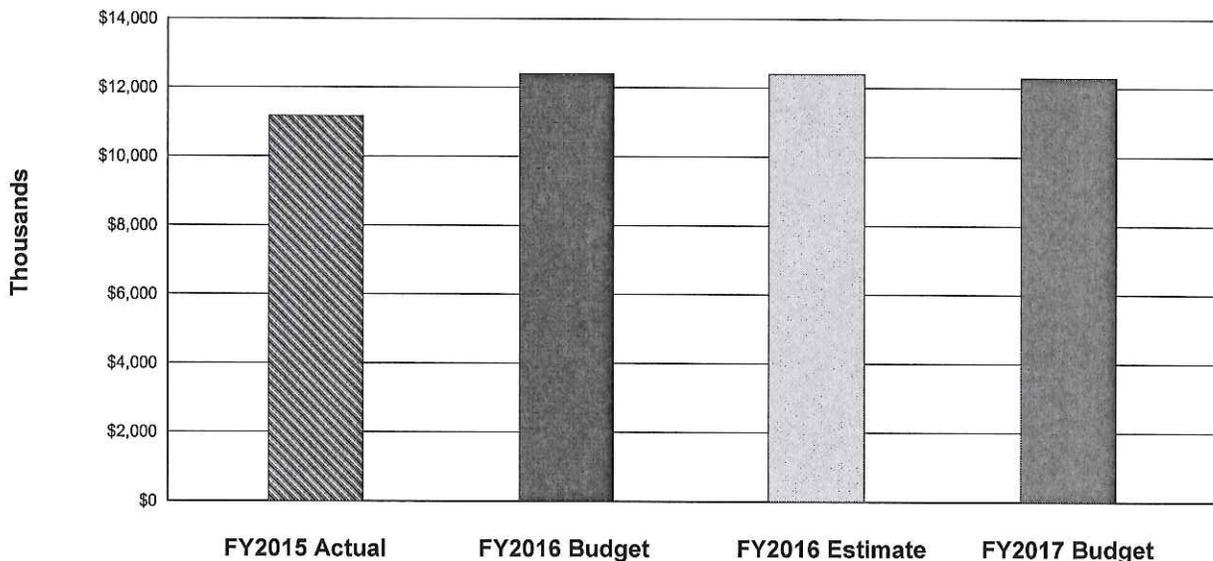
FISCAL YEAR 2017 BUDGET

Business Area Budget Summary

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

		FY2015 Actual	FY2016 Current Budget	FY2016 Estimate	FY2017 Budget
Expenditures	Personnel Services	655,527	679,953	679,953	691,675
	Supplies	1,890	2,977	2,977	2,862
	Other Services and Charges	10,511,734	11,724,512	11,724,512	11,614,654
	Total M & O Expenditures	<u>11,169,151</u>	<u>12,407,442</u>	<u>12,407,442</u>	<u>12,309,191</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>11,169,151</u>	<u>12,407,442</u>	<u>12,407,442</u>	<u>12,309,191</u>
Revenues		11,169,151	12,407,442	12,407,442	12,309,191
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	<u>5.0</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
Significant Budget Changes and Highlights	o The FY2017 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 2017 BUDGET

Division Summary							
Fund Name : Property & Casualty Fund							
Business Area : Administration and Regulatory Affairs							
Fund No. /Bus Area No. : 1004 / 6500							
Division Description	FY2015 Actual		FY2016 Estimate		FY2017 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	11,169,151	5.0	12,407,442	5.0	12,309,191	
Total	5.0	11,169,151	5.0	12,407,442	5.0	12,309,191	

FISCAL YEAR 2017 BUDGET

Business Area Revenues Summary

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

Category	FY2015 Actual	FY2016 Current Budget	FY2016 Estimate	FY2017 Budget
Direct Interfund Services	11,169,151	12,407,442	12,407,442	12,309,191
Grand Total Revenues	<u><u>11,169,151</u></u>	<u><u>12,407,442</u></u>	<u><u>12,407,442</u></u>	<u><u>12,309,191</u></u>



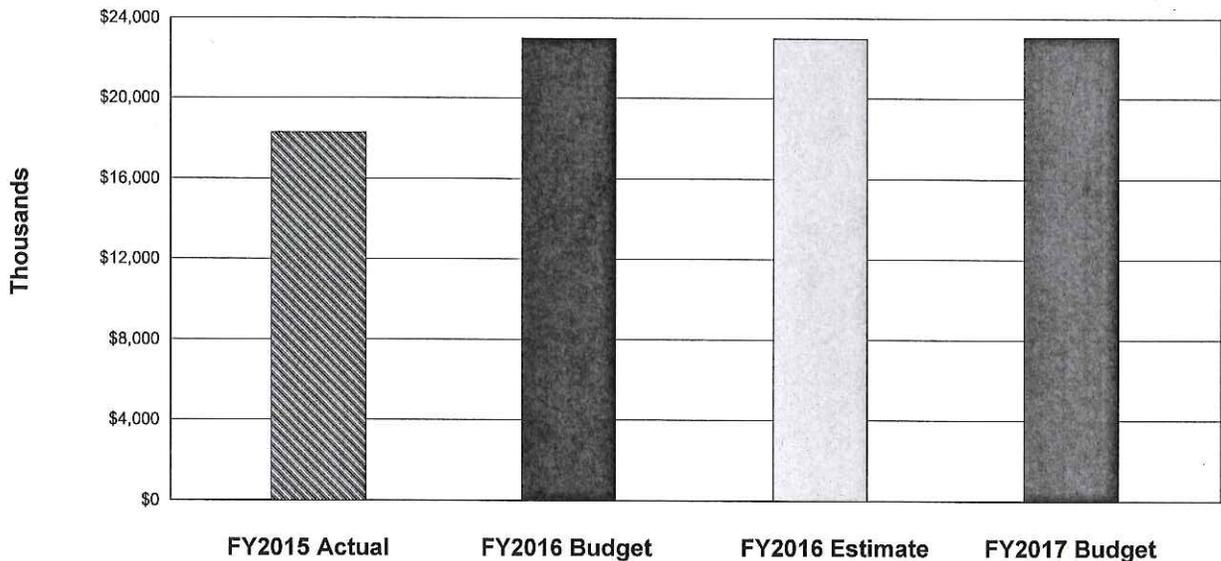
FISCAL YEAR 2017 BUDGET

Business Area Budget Summary

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

		FY2015 Actual	FY2016 Current Budget	FY2016 Estimate	FY2017 Budget
Expenditures	Personnel Services	7,364,050	7,616,209	7,616,209	7,689,551
	Supplies	75,190	154,000	154,000	161,845
	Other Services and Charges	10,838,631	15,219,985	15,219,985	15,235,758
	Total M & O Expenditures	<u>18,277,871</u>	<u>22,990,194</u>	<u>22,990,194</u>	23,087,154
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>18,277,871</u>	<u>22,990,194</u>	<u>22,990,194</u>	23,087,154
Revenues		18,281,356	22,990,194	22,990,194	23,087,154
Staffing	Full-Time Equivalents - Civilian	52.7	55.5	51.3	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	<u>52.7</u>	<u>55.5</u>	<u>51.3</u>	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 FY2017 Budget provides funding for health benefits, pension contribution and municipal employees contractual pay increases. o The budget for claims, settlements and judgments is approximately \$12 million which represents 52% 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 2017 BUDGET

Business Area Performance Measures

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

Performance Measures	FY2015 Actual	FY2016 Budget	FY2016 Estimate	FY2017 Budget
EEOC and TX Workforce Commission Matters Handled	345	350	342	350
Funds Recovered -- Affirmative Collections	\$5.7M	\$4.5M	\$13.2M	\$2.0M
Liability Claims Closed without Payment	983	800	988	900
Liability Claims Processed	1,306	1,100	1,078	1,100
Expenditures Adopted Budget vs Actual Utilization	82%	100%	99%	100%
Revenues Adopted Budget vs Actual Utilization	82%	100%	99%	100%

FISCAL YEAR 2017 BUDGET

Division Summary							
Fund Name : Property & Casualty Fund							
Business Area : Legal							
Fund No. /Bus Area No. : 1004 / 9000							
Division Description	FY2015 Actual		FY2016 Estimate		FY2017 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	543,411	2.0	334,445	2.0	273,944	
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.	23.6	3,441,172	23.7	3,722,554	25.0	3,847,925	
LGL - Labor, Empl. & Civil Rights Section 900005 Responsible for representing the City on all labor, employment and civil rights lawsuits.	17.0	2,359,572	16.6	2,525,494	18.0	2,494,097	
LGL - Claims & Subrogation Section 900010 Responsible for liability tort claims, subrogation matters and general affirmative claim matters at the claim stage.	9.1	1,059,467	9.0	1,082,116	9.0	1,111,685	
LGL - Litigation Costs Section 900012 Captures costs directly related to the payment of claims and judgments including legal services and other services.	0.0	10,874,249	0.0	15,325,585	0.0	15,359,503	
Total	52.7	18,277,871	51.3	22,990,194	54.0	23,087,154	

FISCAL YEAR 2017 BUDGET

Business Area Revenues Summary

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

Category	FY2015 Actual	FY2016 Current Budget	FY2016 Estimate	FY2017 Budget
Direct Interfund Services	18,277,836	22,990,194	22,990,194	23,087,154
Interest	1,065	0	0	0
Miscellaneous/Other	2,455	0	0	0
Grand Total Revenues	<u><u>18,281,356</u></u>	<u><u>22,990,194</u></u>	<u><u>22,990,194</u></u>	<u><u>23,087,154</u></u>