

Risk Management



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Risk Management



Description

The Risk Management Department provides central risk management services to City of San Diego residents, visitors, and employees to limit the risk exposure of the City's network of departments and infrastructure. The Department also provides data on workers' compensation, vehicle accidents, and public liability claims to City departments. This data provides City departments the information needed to monitor risk activities and implement business process improvements.

Central risk services provided by the Risk Management Department include workers' compensation claims management, flexible benefits, employee savings plan administration, safety and environmental health oversight, public liability claims management, loss recovery, and oversight of the insurance program, which are administered through the Finance and Administration, Safety and Environmental Health, Employees Benefits, Public Liability and Loss Recovery, and Workers' Compensation Divisions.

The vision is:

To continue to improve the City's risk management program through close collaboration with City departments in identifying, analyzing, and implementing risk prevention and safety programs that reduce or mitigate exposure for the City.

The mission is:

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.

Goals and Objectives

Goal 1: *Safeguard public assets through strong financial management*

- Establish fiscally sound financial policies
- Produce transparent financial reporting
- Prepare fiscally sound, balanced budgets and capital plans

Goal 2: *Provide excellent customer service*

- Own the problem until it is resolved

Goal 3: *Strengthen the City's financial knowledge, skills, and abilities*

- Maximize use of the City's financial data

Key Performance Indicators

Performance Indicator	FY2019 Target	FY2019 Actual	FY2020 Target	FY2020 Actual	FY2021 Target
Percentage of Public Liability Reports completed on schedule per Council Policy 000-09	100%	100%	100%	100%	100%
Ratio of open claims to closed claims for Workers' Compensation	1:1	1:90	1:1	1:1	1:1

Risk Management

Department Summary

	FY2019 Actual	FY2020 Budget	FY2021 Adopted	FY2020-2021 Change
FTE Positions (Budgeted)	86.23	89.23	85.23	(4.00)
Personnel Expenditures	\$ 9,088,103	\$ 10,815,276	\$ 10,042,143	\$ (773,133)
Non-Personnel Expenditures	2,094,887	2,300,875	2,197,581	(103,294)
Total Department Expenditures	\$ 11,182,990	\$ 13,116,151	\$ 12,239,724	\$ (876,427)
Total Department Revenue	\$ 10,847,007	\$ 13,200,293	\$ 11,000,000	\$ (2,200,293)

Risk Management Administration Fund

Department Expenditures

	FY2019 Actual	FY2020 Budget	FY2021 Adopted	FY2020-2021 Change
Risk Management	\$ 11,182,990	\$ 13,116,151	\$ 12,239,724	\$ (876,427)
Total	\$ 11,182,990	\$ 13,116,151	\$ 12,239,724	\$ (876,427)

Department Personnel

	FY2019 Budget	FY2020 Budget	FY2021 Adopted	FY2020-2021 Change
Risk Management	86.23	89.23	85.23	(4.00)
Total	86.23	89.23	85.23	(4.00)

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Non-Discretionary Adjustment	0.00	\$ 723,874	\$ -
Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.			
Flexible Benefit Plan Adjustments	0.00	85,000	-
Adjustments to the Flexible Benefit plan as a result of negotiated changes in how the plan will be administered for new and existing employees, including changes to tiers and cash-back options.			
Pay-in-Lieu of Annual Leave Adjustments	0.00	51,238	-
Adjustment to expenditures associated with projected compensation in-lieu of the use of annual leave.			
Non-Standard Hour Personnel Funding	0.00	(53)	-
Funding allocated according to a zero-based annual review of hourly funding requirements.			
One-Time Additions and Annualizations	0.00	(46,508)	-
Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2020.			

Risk Management

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Transportation Alternatives Program (TAP)	0.00	(70,000)	-
Administration			
Reduction of contractual expenditures associated with the Transportation Alternatives Program.			
Reduction of Payroll Specialist	(1.00)	(74,270)	-
Reduction of 1.00 Payroll Specialist from the Administration and Finance Division.			
Reduction of Employee Benefits Specialist 2	(1.00)	(136,261)	-
Reduction of 1.00 Employee Benefits Specialist 2 in the Employee Benefits Division.			
Reduction of Claims Representative 2s	(2.00)	(188,331)	-
Reduction of 2.00 Claims Representative 2s from the Public Liability & Loss Recovery Division.			
Temporary Staffing	0.00	(190,000)	-
Reduction of non-personnel expenditures associated to temporary staffing.			
Reduction of Non-Personnel Expenditures	0.00	(289,105)	-
Reduction of non-personnel expenditures associated with miscellaneous supplies, contracts, and support staff in the Worker's Compensation, Employee Benefits and Public Liability & Loss Recovery sections.			
Support for Information Technology	0.00	(368,063)	-
Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements.			
Salary and Benefit Adjustments	0.00	(373,948)	-
Adjustments to reflect savings resulting from vacant positions for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiations.			
Revised Revenue	0.00	-	(2,200,293)
Adjustment to reflect revised revenue projections.			
Total	(4.00)	\$ (876,427)	\$ (2,200,293)

Expenditures by Category

	FY2019 Actual	FY2020 Budget	FY2021 Adopted	FY2020-2021 Change
PERSONNEL				
Personnel Cost	\$ 5,255,875	\$ 6,360,667	\$ 5,979,261	(381,406)
Fringe Benefits	3,832,228	4,454,609	4,062,882	(391,727)
PERSONNEL SUBTOTAL	9,088,103	10,815,276	10,042,143	(773,133)
NON-PERSONNEL				
Supplies	\$ 86,557	\$ 86,287	\$ 86,304	17
Contracts	1,271,044	1,421,626	1,404,808	(16,818)
Information Technology	715,085	771,272	685,969	(85,303)
Energy and Utilities	5,922	6,690	5,500	(1,190)
Other	13,663	15,000	15,000	-
Capital Expenditures	2,616	-	-	-
NON-PERSONNEL SUBTOTAL	2,094,887	2,300,875	2,197,581	(103,294)
Total	\$ 11,182,990	\$ 13,116,151	\$ 12,239,724	\$ (876,427)

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Revenues by Category

	FY2019 Actual	FY2020 Budget	FY2021 Adopted	FY2020-2021 Change
Charges for Services	\$ 28,346	\$ 159,031	\$ 159,031	\$ -
Other Revenue	10,806,183	13,041,262	10,840,969	(2,200,293)
Rev from Money and Prop	10,486	-	-	-
Transfers In	1,993	-	-	-
Total	\$ 10,847,007	\$ 13,200,293	\$ 11,000,000	\$ (2,200,293)

Personnel Expenditures

Job Number	Job Title / Wages	FY2019 Budget	FY2020 Budget	FY2021 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
20000011	Account Clerk	1.00	2.00	2.00	\$ 33,605 - 40,459	\$ 72,093
20000024	Administrative Aide 2	1.00	1.00	1.00	45,444 - 54,769	51,847
20000119	Associate Management Analyst	1.00	2.00	2.00	57,691 - 69,723	120,893
20000277	Claims Aide	2.00	2.00	2.00	39,449 - 47,528	93,630
20000278	Claims Clerk	13.00	13.00	13.00	33,605 - 40,459	502,164
20000285	Claims Representative 2	8.00	9.00	6.00	56,488 - 68,327	388,880
90000539	Clerical Assistant 2 - Hourly	0.23	0.23	0.23	31,929 - 38,482	8,090
20000013	Deputy Director	0.00	1.00	0.00	50,128 - 184,332	-
20001168	Deputy Director	1.00	1.00	2.00	50,128 - 184,332	288,122
20000383	Employee Benefits Specialist 2	8.00	7.00	6.00	57,691 - 69,723	414,898
20000293	Information Systems Analyst 3	2.00	2.00	2.00	63,342 - 76,578	153,172
20000172	Payroll Specialist 1	1.00	1.00	0.00	38,938 - 46,862	-
20001234	Program Coordinator	8.00	9.00	9.00	28,080 - 147,160	893,300
20001222	Program Manager	6.00	6.00	6.00	50,128 - 184,332	705,286
20001122	Risk Management Director	1.00	1.00	1.00	33,863 - 185,643	176,051
20000847	Safety Officer	2.00	3.00	3.00	61,795 - 74,622	208,604
20000854	Safety Representative 2	3.00	2.00	2.00	53,845 - 65,125	128,296
20001016	Senior Claims Representative	2.00	2.00	3.00	62,160 - 75,159	224,323
20000927	Senior Clerk/Typist	1.00	1.00	1.00	38,482 - 46,432	45,730
20000015	Senior Management Analyst	1.00	1.00	1.00	63,342 - 76,578	63,336
21000188	Senior Workers' Compensation Claims Representative	5.00	5.00	5.00	75,213 - 90,958	450,698
20000358	Supervising Claims Representative	1.00	1.00	1.00	68,305 - 82,508	80,356
20000970	Supervising Management Analyst	1.00	0.00	0.00	71,249 - 86,311	-
21000190	Workers' Compensation Claims Aide	4.00	4.00	3.00	39,449 - 47,528	135,486
21000186	Workers' Compensation Claims Representative 2	13.00	13.00	14.00	68,349 - 82,659	1,136,741
	Adjust Budget To Approved Levels					(90,000)
	Bilingual - Regular					4,368
	Budgeted Vacancy Factor					(368,317)

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Personnel Expenditures

Job Number	Job Title / Wages	FY2019 Budget	FY2020 Budget	FY2021 Adopted	Salary Range	Total
	Overtime Budgeted					39,224
	Sick Leave - Hourly					752
	Vacation Pay In Lieu					51,238
FTE, Salaries, and Wages Subtotal		86.23	89.23	85.23	\$	5,979,261

	FY2019 Actual	FY2020 Budget	FY2021 Adopted	FY2020-2021 Change
Fringe Benefits				
Employee Offset Savings	\$ 50,869	\$ 55,991	\$ 44,701	\$ (11,290)
Flexible Benefits	953,509	1,049,761	1,059,607	9,846
Insurance	1,113	-	-	-
Long-Term Disability	-	-	20,732	20,732
Medicare	82,503	90,975	86,686	(4,289)
Other Post-Employment Benefits	475,189	526,750	490,854	(35,896)
Retiree Medical Trust	6,332	8,261	8,593	332
Retirement 401 Plan	2,426	2,981	2,635	(346)
Retirement ADC	1,788,599	2,116,917	1,782,642	(334,275)
Retirement DROP	7,362	5,923	11,410	5,487
Risk Management Administration	80,516	103,630	82,602	(21,028)
Supplemental Pension Savings Plan	356,557	443,097	435,407	(7,690)
Unemployment Insurance	8,781	9,642	9,189	(453)
Workers' Compensation	18,471	40,681	27,824	(12,857)
Fringe Benefits Subtotal	\$ 3,832,228	\$ 4,454,609	\$ 4,062,882	\$ (391,727)
Total Personnel Expenditures			\$ 10,042,143	

Risk Management

Revenue and Expense Statement (Non-General Fund)

Risk Management Administration Fund	FY2019 Actual	FY2020* Budget	FY2021** Adopted
BEGINNING BALANCE AND RESERVES			
Balance from Prior Year	\$ 932,338	\$ 596,354	\$ 1,101,353
TOTAL BALANCE AND RESERVES	\$ 932,338	\$ 596,354	\$ 1,101,353
REVENUE			
Charges for Services	\$ 28,346	\$ 159,031	\$ 159,031
Other Revenue	10,806,183	13,041,262	10,840,969
Revenue from Use of Money and Property	10,486	-	-
Transfers In	1,993	-	-
TOTAL REVENUE	\$ 10,847,007	\$ 13,200,293	\$ 11,000,000
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 11,779,345	\$ 13,796,647	\$ 12,101,353
OPERATING EXPENSE			
Personnel Expenses	\$ 5,255,875	\$ 6,360,667	\$ 5,979,261
Fringe Benefits	3,832,228	4,454,609	4,062,882
Supplies	86,557	86,287	86,304
Contracts	1,271,044	1,421,626	1,404,808
Information Technology	715,085	771,272	685,969
Energy and Utilities	5,922	6,690	5,500
Other Expenses	13,663	15,000	15,000
Capital Expenditures	2,616	-	-
TOTAL OPERATING EXPENSE	\$ 11,182,990	\$ 13,116,151	\$ 12,239,724
TOTAL EXPENSE	\$ 11,182,990	\$ 13,116,151	\$ 12,239,724
BALANCE***	\$ 596,354	\$ 680,496	\$ (138,371)
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ 11,779,345	\$ 13,796,647	\$ 12,101,353

* At the time of publication, audited financial statements for Fiscal Year 2020 were not available. Therefore, the Fiscal Year 2020 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2020 Adopted Budget, while the beginning Fiscal Year 2020 balance amount reflects the audited Fiscal Year 2019 ending balance.

** Fiscal Year 2021 Beginning Fund Balance reflect the projected Fiscal Year 2020 Ending Fund Balance based on updated Revenue and Expenditures projections for Fiscal Year 2020.

*** The Risk Management Administration Fund results in a negative ending balance/beginning balance and will be monitored throughout Fiscal Year 2021 to address negative balances.



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