

Risk Management



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Risk Management



Department 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, and loss recovery which are administered through the Finance and Administration, Safety and Environmental Health, Employees Benefits, Public Liability and Loss Recovery, and Workers' Compensation Divisions.

The Department's 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.

The Department's 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.

Risk Management

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	FY2017 Target	FY2017 Actual	FY2018 Target	FY2018 Actual	FY2019 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	1:1	1:1	1.1:1	1:1

1. The target was not met in FY 2018 due to implementation of State regulations.

Risk Management

Department Summary

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
FTE Positions (Budgeted)	87.23	85.23	86.23	1.00
Personnel Expenditures	\$ 8,187,826	\$ 8,693,142	\$ 9,778,299	\$ 1,085,157
Non-Personnel Expenditures	2,107,026	2,314,124	2,143,079	(171,045)
Total Department Expenditures	\$ 10,294,852	\$ 11,007,266	\$ 11,921,378	\$ 914,112
Total Department Revenue	\$ 11,219,163	\$ 10,529,309	\$ 11,130,932	\$ 601,623

Risk Management Administration Fund

Department Expenditures

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Risk Management	\$ 10,294,852	\$ 11,007,266	\$ 11,921,378	914,112
Total	\$ 10,294,852	\$ 11,007,266	\$ 11,921,378	914,112

Department Personnel

	FY2017 Budget	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Risk Management	87.23	85.23	86.23	1.00
Total	87.23	85.23	86.23	1.00

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Salary and Benefit Adjustments Adjustments to reflect savings resulting from vacant positions for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiations.	0.00	\$ 1,002,201	-
Addition of Non-Personnel Expenditures Addition of non-personnel expenditures to support information technology enhancements to maximize the City's Claims Management System and claims management process.	0.00	112,476	-
Addition of Supervising Claims Representative Addition of 1.00 Supervising Claims Representative and associated revenue to support the Public Utilities Department public liability claims management program.	1.00	112,279	119,629

Risk Management

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Contract Administration Fees Addition of non-personnel expenditures for administration fees of contracted employee benefit programs.	0.00	85,000	-
Addition of Account Clerk Addition of 1.00 Account Clerk and associated non-personnel expenditures to support accounts payable functions.	1.00	62,050	-
Rental Compensation Addition of non-personnel expenditures for rental compensation to the General Fund for Non-General Fund use of Civic Center Plaza.	0.00	17,072	-
Non-Standard Hour Personnel Funding Funding allocated according to a zero-based annual review of hourly funding requirements.	0.00	93	-
Investment Consulting Services Reduction of non-personnel expenditures due to anticipated savings in investment consulting services.	0.00	(25,000)	-
Non-Discretionary Adjustment 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.	0.00	(46,167)	-
Reduction of Clerical Assistant 2 Reduction of 1.00 Clerical Assistant 2 in the Finance and Administration Division.	(1.00)	(86,466)	-
Workers' Compensation Temporary Staffing Reduction of non-personnel expenditures for workers' compensation temporary staffing.	0.00	(110,000)	-
Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements.	0.00	(209,426)	-
Revised Revenue Adjustment to reflect revised revenue projections.	0.00	-	481,994
Total	1.00 \$	914,112 \$	601,623

Expenditures by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
PERSONNEL				
Personnel Cost	\$ 4,911,472	\$ 5,110,677	\$ 5,716,585	605,908
Fringe Benefits	3,276,354	3,582,465	4,061,714	479,249
PERSONNEL SUBTOTAL	8,187,826	8,693,142	9,778,299	1,085,157
NON-PERSONNEL				
Supplies	\$ 85,134	\$ 79,882	\$ 89,092	9,210
Contracts	1,280,811	906,426	1,383,311	476,885

Risk Management

Expenditures by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Information Technology	710,602	842,132	632,706	(209,426)
Energy and Utilities	7,284	5,413	5,898	485
Other	22,754	24,125	15,000	(9,125)
Transfers Out	-	456,146	17,072	(439,074)
Capital Expenditures	441	-	-	-
NON-PERSONNEL SUBTOTAL	2,107,026	2,314,124	2,143,079	(171,045)
Total	\$ 10,294,852 \$	11,007,266 \$	11,921,378 \$	914,112

Revenues by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Charges for Services	\$ 75,415 \$	39,402 \$	159,031 \$	119,629
Other Revenue	11,127,092	10,489,907	10,969,908	480,001
Rev from Money and Prop	16,656	-	-	-
Transfers In	-	-	1,993	1,993
Total	\$ 11,219,163 \$	10,529,309 \$	11,130,932 \$	601,623

Personnel Expenditures

Job Number	Job Title / Wages	FY2017 Budget	FY2018 Budget	FY2019 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
20000011	Account Clerk	0.00	0.00	1.00	\$ 32,530 - 39,170 \$	35,496
20000024	Administrative Aide 2	1.00	1.00	1.00	43,983 - 53,028	43,344
20000119	Associate Management Analyst	2.00	1.00	1.00	55,843 - 67,489	52,673
20000188	Benefits Representative 2	5.00	0.00	0.00	34,056 - 41,125	-
20000277	Claims Aide	2.00	2.00	2.00	38,181 - 46,002	91,314
90000277	Claims Aide - Hourly	0.35	0.00	0.00	38,181 - 46,002	-
20000278	Claims Clerk	13.00	13.00	13.00	32,530 - 39,170	476,662
20000285	Claims Representative 2	7.00	8.00	8.00	54,683 - 66,135	525,684
90000285	Claims Representative 2 - Hourly	0.38	0.00	0.00	54,683 - 66,135	-
20000539	Clerical Assistant 2	2.00	1.00	0.00	30,919 - 37,257	-
90000539	Clerical Assistant 2 - Hourly	0.50	0.23	0.23	30,919 - 37,257	7,833
20001168	Deputy Director	1.00	1.00	1.00	48,516 - 178,445	126,026

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Personnel Expenditures

Job Number	Job Title / Wages	FY2017 Budget	FY2018 Budget	FY2019 Adopted	Salary Range	Total
20000393	Employee Benefits Administrator	2.00	0.00	0.00	68,971 - 83,561	-
20000383	Employee Benefits Specialist 2	5.00	7.00	8.00	55,843 - 67,489	480,662
20000293	Information Systems Analyst 3	1.00	2.00	2.00	61,322 - 74,128	148,256
20000172	Payroll Specialist 1	1.00	1.00	1.00	35,039 - 42,175	41,073
20001234	Program Coordinator	2.00	8.00	8.00	23,764 - 142,455	774,786
20001222	Program Manager	6.00	6.00	6.00	48,516 - 178,445	653,889
20001122	Risk Management Director	1.00	1.00	1.00	32,788 - 179,712	165,280
20000847	Safety Officer	2.00	2.00	2.00	59,818 - 72,237	138,495
20000854	Safety Representative 2	4.00	3.00	3.00	52,126 - 63,041	181,555
20001016	Senior Claims Representative	2.00	2.00	2.00	60,183 - 72,753	145,506
20000927	Senior Clerk/Typist	1.00	1.00	1.00	37,257 - 44,950	44,276
20000015	Senior Management Analyst	0.00	1.00	1.00	61,322 - 74,128	74,128
21000188	Senior Workers' Compensation Claims Representative	3.00	5.00	5.00	63,193 - 76,391	378,517
20000358	Supervising Claims Representative	1.00	0.00	1.00	66,114 - 79,865	79,865
20000970	Supervising Management Analyst	0.00	1.00	1.00	68,971 - 83,561	82,841
21000189	Supervising Workers' Compensation Claims Representative	3.00	1.00	0.00	69,419 - 83,858	-
21000190	Workers' Compensation Claims Aide	5.00	5.00	4.00	38,181 - 46,002	180,564
21000186	Workers' Compensation Claims Representative 2	14.00	12.00	13.00	57,417 - 69,442	851,643
	Bilingual - Regular					7,280
	Budgeted Vacancy Savings					(115,639)
	Overtime Budgeted					39,224
	Sick Leave - Hourly					752
	Termination Pay Annual Leave					4,600
FTE, Salaries, and Wages Subtotal		87.23	85.23	86.23		\$ 5,716,585

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
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Fringe Benefits

Employee Offset Savings	\$ 50,650	\$ 37,294	\$ 50,429	13,135
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	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Flexible Benefits	800,724	958,076	1,031,990	73,914
Insurance	1,165	-	-	-
Long-Term Disability	12,889	-	-	-
Medicare	73,760	73,631	82,287	8,656
Other Post-Employment Benefits	450,123	468,078	514,416	46,338
Retiree Medical Trust	4,865	6,905	7,363	458
Retirement 401 Plan	3,409	3,107	3,864	757
Retirement ADC	1,432,319	1,543,404	1,794,375	250,971
Retirement DROP	9,650	8,282	9,580	1,298
Risk Management Administration	78,430	78,858	88,452	9,594
Supplemental Pension Savings Plan	303,420	349,650	386,826	37,176
Unemployment Insurance	8,787	9,067	9,512	445
Workers' Compensation	46,162	46,113	82,620	36,507
Fringe Benefits Subtotal	\$ 3,276,354	\$ 3,582,465	\$ 4,061,714	\$ 479,249
Total Personnel Expenditures			\$ 9,778,299	

Risk Management

Revenue and Expense Statement (Non-General Fund)

Risk Management Administration Fund	FY2017 Actual	FY2018* Budget	FY2019 Adopted
BEGINNING BALANCE AND RESERVES			
Balance from Prior Year	\$ 596,472	\$ 1,520,783	\$ 890,588
TOTAL BALANCE AND RESERVES	\$ 596,472	\$ 1,520,783	\$ 890,588
REVENUE			
Charges for Services	\$ 75,415	\$ 39,402	\$ 159,031
Other Revenue	11,127,092	10,489,907	10,969,908
Revenue from Use of Money and Property	16,656	-	-
Transfers In	-	-	1,993
TOTAL REVENUE	\$ 11,219,163	\$ 10,529,309	\$ 11,130,932
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 11,815,635	\$ 12,050,092	\$ 12,021,520
OPERATING EXPENSE			
Personnel Expenses	\$ 4,911,472	\$ 5,110,677	\$ 5,716,585
Fringe Benefits	3,276,354	3,582,465	4,061,714
Supplies	85,134	79,882	89,092
Contracts	1,280,811	906,426	1,383,311
Information Technology	710,602	842,132	632,706
Energy and Utilities	7,284	5,413	5,898
Other Expenses	22,754	24,125	15,000
Transfers Out	-	456,146	17,072
Capital Expenditures	441	-	-
TOTAL OPERATING EXPENSE	\$ 10,294,852	\$ 11,007,266	\$ 11,921,378
TOTAL EXPENSE	\$ 10,294,852	\$ 11,007,266	\$ 11,921,378
BALANCE	\$ 1,520,783	\$ 1,042,826	\$ 100,142
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ 11,815,635	\$ 12,050,092	\$ 12,021,520

* At the time of publication, audited financial statements for Fiscal Year 2018 were not available. Therefore, the Fiscal Year 2018 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2018 Adopted Budget, while the beginning Fiscal Year 2018 balance amount reflects the audited Fiscal Year 2017 ending balance.