

Risk Management



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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, public liability claims management, loss recovery, and oversight of the insurance program, which are administered through the Finance and Administration, 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	FY2020 Target	FY2020 Actual	FY2021 Target	FY2021 Actual	FY2022 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	0.0424	0.0424	0.0424	0.0424	0.0424

Risk Management

Department Summary

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
FTE Positions (Budgeted)	89.23	85.23	78.23	(7.00)
Personnel Expenditures	\$ 10,023,463	\$ 10,042,143	\$ 10,109,612	\$ 67,469
Non-Personnel Expenditures	1,831,077	2,197,581	2,205,799	8,218
Total Department Expenditures	\$ 11,854,540	\$ 12,239,724	\$ 12,315,411	\$ 75,687
Total Department Revenue	\$ 12,713,539	\$ 11,000,000	\$ 12,084,323	\$ 1,084,323

Risk Management Administration Fund

Department Expenditures

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Risk Management	\$ 11,854,540	\$ 12,239,724	\$ 12,315,411	\$ 75,687
Total	\$ 11,854,540	\$ 12,239,724	\$ 12,315,411	\$ 75,687

Department Personnel

	FY2020 Budget	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Risk Management	89.23	85.23	78.23	(7.00)
Total	89.23	85.23	78.23	(7.00)

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	\$ 890,021	\$ -
One-Time Additions and Annualizations Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2021.	0.00	90,000	-
City's Claims Management System Addition of non-personnel expenditures related to the annual maintenance fee to support the City's claims management system.	0.00	30,964	-
Pay-In-Lieu of Annual Leave Adjustments Adjustment to expenditures associated with projected compensation to employees in-lieu of the use of annual leave.	0.00	30,332	-
Non-Standard Hour Personnel Funding Funding allocated according to a zero-based annual review of hourly funding requirements.	0.00	26	-
Equipment Rate Reduction Reduction in non-personnel expenditures associated with a rate reduction for equipment rentals.	0.00	(52)	-

Risk Management

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology requirements.	0.00	291,840	-
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	(305,772)	-
Safety and Environment Program Transfer of 7.00 FTE Positions and associated non-personnel expenditures from the Risk Management Department to the new Office of Compliance and Labor Standards.	(7.00)	(951,672)	-
One-Time Additions and Annualizations Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2021.	0.00	-	2,015,293
Reimbursable Revenue Adjustment of revenue associated with the discontinuation of the Service Level Agreement with the Public Utilities Department.	0.00	-	(139,031)
Revised Revenue Reduction of revenue associated with the restructure of the Safety and Environment Program.	0.00	-	(791,939)
Total	(7.00)	\$ 75,687	\$ 1,084,323

Expenditures by Category

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
PERSONNEL				
Personnel Cost	\$ 5,956,448	\$ 5,979,261	\$ 5,867,561	(111,700)
Fringe Benefits	4,067,015	4,062,882	4,242,051	179,169
PERSONNEL SUBTOTAL	10,023,463	10,042,143	10,109,612	67,469
NON-PERSONNEL				
Supplies	\$ 64,230	\$ 86,304	\$ 84,498	(1,806)
Contracts	957,320	1,404,808	1,093,687	(311,121)
Information Technology	796,106	685,969	1,008,773	322,804
Energy and Utilities	4,688	5,500	4,841	(659)
Other	8,734	15,000	14,000	(1,000)
NON-PERSONNEL SUBTOTAL	1,831,077	2,197,581	2,205,799	8,218
Total	\$ 11,854,540	\$ 12,239,724	\$ 12,315,411	\$ 75,687

Revenues by Category

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Charges for Services	\$ 16,697	\$ 159,031	\$ 20,000	(139,031)
Licenses and Permits	265	-	-	-
Other Revenue	12,616,307	10,840,969	12,064,323	1,223,354

Risk Management

Revenues by Category

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Rev from Money and Prop	25,582	-	-	-
Transfers In	54,687	-	-	-
Total	\$ 12,713,539	\$ 11,000,000	\$ 12,084,323	\$ 1,084,323

Personnel Expenditures

Job Number	Job Title / Wages	FY2020 Budget	FY2021 Budget	FY2022 Proposed	Salary Range	Total
FTE, Salaries, and Wages						
20000011	Account Clerk	2.00	2.00	0.00	\$ 33,613 - 40,456	\$ -
20000024	Administrative Aide 2	1.00	1.00	2.00	45,448 - 54,766	92,976
20000119	Associate Management Analyst	2.00	2.00	2.00	57,699 - 69,722	129,026
20000277	Claims Aide	2.00	2.00	2.00	39,458 - 47,528	93,630
20000278	Claims Clerk	13.00	13.00	13.00	33,613 - 40,456	518,364
20000285	Claims Representative 2	9.00	6.00	6.00	56,493 - 68,328	396,083
90000539	Clerical Assistant 2- Hourly	0.23	0.23	0.23	31,928 - 38,480	8,090
20000013	Deputy Director	1.00	0.00	0.00	50,128 - 184,330	-
20001168	Deputy Director	1.00	2.00	2.00	50,128 - 184,330	288,122
20000383	Employee Benefits Specialist 2	7.00	6.00	6.00	57,699 - 69,722	406,309
20000293	Information Systems Analyst 3	2.00	2.00	2.00	63,336 - 76,586	153,172
20000172	Payroll Specialist 1	1.00	0.00	0.00	38,938 - 46,862	-
20001234	Program Coordinator	9.00	9.00	9.00	30,160 - 147,160	924,012
20001222	Program Manager	6.00	6.00	4.00	50,128 - 184,330	483,350
20001122	Risk Management Director	1.00	1.00	1.00	33,862 - 185,640	176,051
20000847	Safety Officer	3.00	3.00	0.00	61,797 - 74,630	-
20000854	Safety Representative 2	2.00	2.00	0.00	53,851 - 65,125	-
20001016	Senior Claims Representative	2.00	3.00	3.00	62,150 - 75,150	224,323
20000927	Senior Clerk/Typist	1.00	1.00	1.00	38,480 - 46,426	45,730
20000015	Senior Management Analyst	1.00	1.00	1.00	63,336 - 76,586	76,586
21000188	Senior Workers' Compensation Claims Representative	5.00	5.00	4.00	75,213 - 90,958	361,104
20000358	Supervising Claims Representative	1.00	1.00	1.00	68,307 - 82,514	82,514
21000189	Supervising Workers' Compensation Claims Representative	0.00	0.00	1.00	82,638 - 99,819	99,819
21000190	Workers' Compensation Claims Aide	4.00	3.00	4.00	39,458 - 47,528	179,192
21000186	Workers' Compensation Claims Representative 2 Bilingual - Regular	13.00	14.00	14.00	68,349 - 82,659	1,147,743
	Budgeted Personnel					5,824
	Expenditure Savings					(142,605)
	Overtime Budgeted					35,824
	Sick Leave - Hourly					752
	Vacation Pay In Lieu					81,570

Risk Management

Personnel Expenditures

Job Number	Job Title / Wages	FY2020 Budget	FY2021 Budget	FY2022 Proposed	Salary Range	Total
FTE, Salaries, and Wages Subtotal		89.23	85.23	78.23		\$ 5,867,561

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Fringe Benefits				
Employee Offset Savings	\$ 47,021	\$ 44,701	\$ 42,679	\$ (2,022)
Flexible Benefits	990,670	1,059,607	1,021,737	(37,870)
Insurance	1,181	-	-	-
Long-Term Disability	-	20,732	24,065	3,333
Medicare	92,079	86,686	83,373	(3,313)
Other	74,364	-	-	-
Other Post-Employment Benefits	511,849	490,854	466,350	(24,504)
Retiree Medical Trust	8,163	8,593	8,029	(564)
Retirement 401 Plan	3,085	2,635	2,031	(604)
Retirement ADC	1,779,724	1,782,642	2,017,185	234,543
Retirement DROP	10,755	11,410	16,705	5,295
Risk Management Administration	98,789	82,602	80,775	(1,827)
Supplemental Pension Savings Plan	414,437	435,407	423,129	(12,278)
Unemployment Insurance	9,300	9,189	8,724	(465)
Workers' Compensation	25,598	27,824	47,269	19,445
Fringe Benefits Subtotal	\$ 4,067,015	\$ 4,062,882	\$ 4,242,051	\$ 179,169
Total Personnel Expenditures			\$ 10,109,612	

Risk Management

Revenue and Expense Statement (Non-General Fund)

Risk Management Administration Fund	FY2020 Actual	FY2021* Budget	FY2022** Proposed
BEGINNING BALANCE AND RESERVES			
Balance from Prior Year	\$ 596,354	\$ 1,455,353	\$ 622,244
TOTAL BALANCE AND RESERVES	\$ 596,354	\$ 1,455,353	\$ 622,244
REVENUE			
Charges for Services	\$ 16,697	\$ 159,031	\$ 20,000
Licenses and Permits	265	-	-
Other Revenue	12,616,307	10,840,969	12,064,323
Revenue from Use of Money and Property	25,582	-	-
Transfers In	54,687	-	-
TOTAL REVENUE	\$ 12,713,539	\$ 11,000,000	\$ 12,084,323
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 13,309,893	\$ 12,455,353	\$ 12,706,567
OPERATING EXPENSE			
Personnel Expenses	\$ 5,956,448	\$ 5,979,261	\$ 5,867,561
Fringe Benefits	4,067,015	4,062,882	4,242,051
Supplies	64,230	86,304	84,498
Contracts	957,320	1,404,808	1,093,687
Information Technology	796,106	685,969	1,008,773
Energy and Utilities	4,688	5,500	4,841
Other Expenses	8,734	15,000	14,000
TOTAL OPERATING EXPENSE	\$ 11,854,540	\$ 12,239,724	\$ 12,315,411
TOTAL EXPENSE	\$ 11,854,540	\$ 12,239,724	\$ 12,315,411
BALANCE	\$ 1,455,353	\$ 215,629	\$ 391,156
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ 13,309,893	\$ 12,455,353	\$ 12,706,567

* At the time of publication, audited financial statements for Fiscal Year 2021 were not available. Therefore, the Fiscal Year 2021 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2021 Adopted Budget, while the beginning Fiscal Year 2021 balance amount reflects the audited Fiscal Year 2020 ending balance.

** Fiscal Year 2022 Beginning Fund Balance reflect the projected Fiscal Year 2021 Ending Fund Balance based on updated Revenue and Expenditures projections for Fiscal Year 2021.



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