

Risk Management

Expenditures: 18,573,192

FTEs 19.0

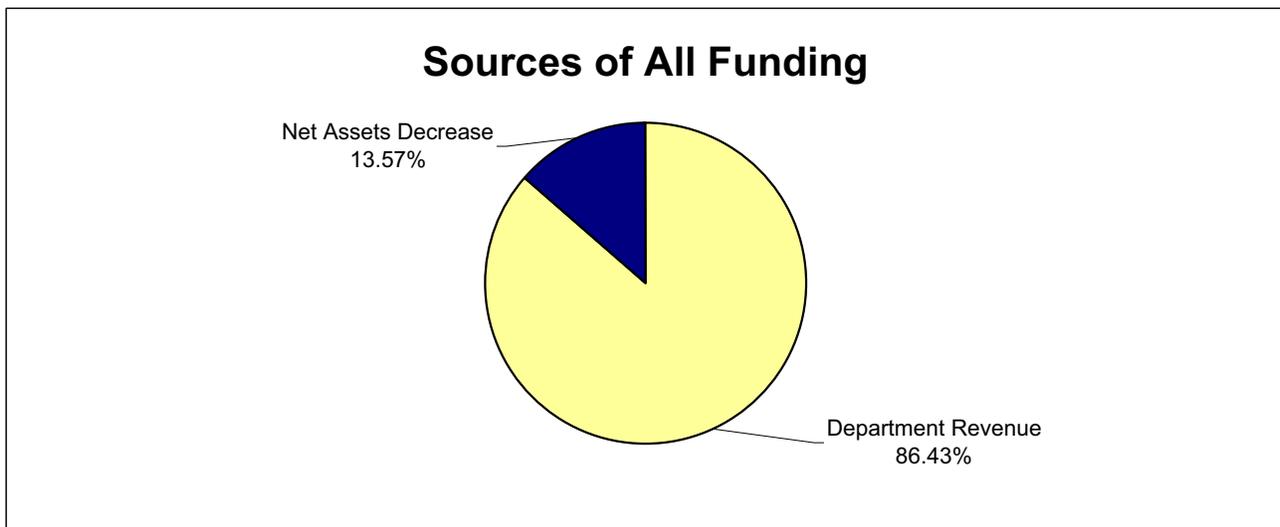
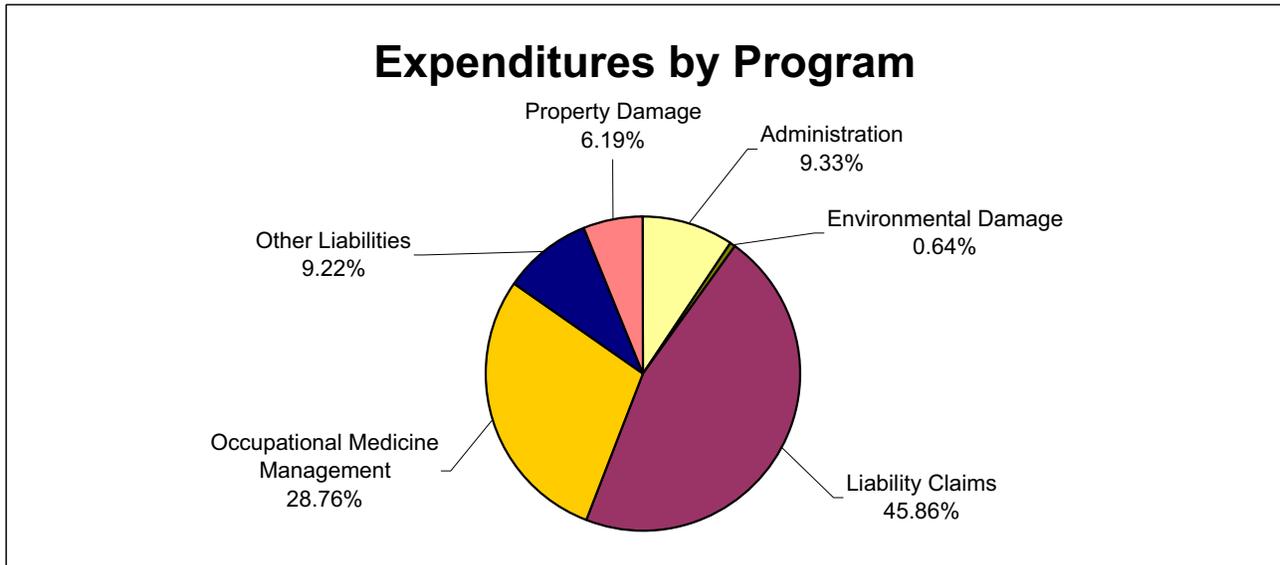
Revenues: 16,053,493

Function Statement:

Manage the Pima County Risk Management program to protect and conserve Pima County's human, financial, and physical assets while providing continuity of mandated services and fiscal integrity. Invest in long term risk reduction, through a comprehensive program designed to lessen the County's exposure to loss. Provide funding to pay for losses incurred without disrupting the County's budget. Minimize the total net impact of the program on the County's budget.

Mandates:

ARS Title 11-261: Authority to Procure Liability and Errors and Omissions Insurance Covering Officers, Agents and Employees; Title 11-952.01: Public Agency Pooling of Property, Liability, Workers' Compensation, Life, Health, Accident and Disability Coverage; Exemptions; Board of Trustees; Contract; Termination; Audit; Insolvency; Definition; Title 11-981: Payment of Benefits, Losses and Claims; Establishment of Trust Funds; and Pima County Code 3.04: Risk Management



Department Summary by Program

Department: **RISK MANAGEMENT**

<u>Expenditures by Program</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
ADMINISTRATION	1,472,054	1,818,437	1,731,999
ENVIRONMENTAL DAMAGE	(1,015,752)	122,238	119,070
LIABILITY CLAIMS	6,232,804	8,502,057	8,518,322
MOUNT LEMMON FIRE	199,211	0	0
OCCUPATIONAL MEDICAL MANAGEMENT	4,914,750	5,217,038	5,341,906
OTHER LIABILITIES	1,750,652	1,714,128	1,712,965
PROPERTY DAMAGE	959,565	1,084,461	1,148,930
TRUST FUND RESERVE	49	0	0
Total Expenditures	14,513,333	18,458,359	18,573,192
<u>Funding by Source</u>			
Revenues			
ADMINISTRATION	(3,554)	0	0
ENVIRONMENTAL DAMAGE	120,929	120,928	116,133
LIABILITY CLAIMS	6,396,590	7,058,042	7,395,417
MOUNT LEMMON FIRE	58,605	0	0
OCCUPATIONAL MEDICAL MANAGEMENT	5,814,243	5,163,563	5,186,017
OTHER LIABILITIES	1,411,276	1,714,129	1,712,966
PROPERTY DAMAGE	686,560	1,084,461	1,142,960
TRUST FUND RESERVE	653,929	800,000	500,000
Total Revenues	15,138,578	15,941,123	16,053,493
Net Operating Transfers In/(Out)	0	0	0
Other Funding Sources	0	0	0
Fund Balance Decrease/(Increase)	(625,245)	2,517,236	2,519,699
Total Program Funding	14,513,333	18,458,359	18,573,192
<u>Staffing (FTEs) by Program</u>			
ADMINISTRATION	10.0	10.0	8.0
ENVIRONMENTAL DAMAGE	0.0	0.0	1.0
LIABILITY CLAIMS	1.5	1.4	1.0
OCCUPATIONAL MEDICAL MANAGEMENT	7.6	7.6	9.0
Total Staffing (FTEs)	19.1	19.0	19.0

Program Summary

Department: RISK MANAGEMENT

Program: ADMINISTRATION

Function

Administer, direct, and fund the risk management, safety, and loss prevention programs for the County, Flood Control District, Stadium District, and Library District.

Description of Services

Provide planning, administration, and monitoring of the risk management program as directed by Pima County Code § 3.04 for Pima County, the Flood Control District, Stadium District, and Library District. Administer the self-insurance and insurance programs. Protect and conserve human, financial, and physical assets. Administer a comprehensive risk reduction program. Provide funding to pay for losses without disrupting entity budgets. Minimize the total net cost of the program. Provide safety and loss prevention regulatory administration, training, inspection, and consulting. Coordinate provisioning of personal protective equipment. Conduct safety investigations and analysis. Fund life safety and fire safety improvements.

Program Goals and Objectives

- Comply with laws, rules, and policies
- Reduce/prevent losses
- Provide funding to pay losses without disrupting entity budgets

<u>Program Performance Measures</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Estimated</u>	<u>FY2004/05 Planned</u>
Annual high risk safety reviews performed	7	7	7
Biannual low risk safety reviews performed	12	12	12

<u>Program Expenditures by Object</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
PERSONAL SERVICES	561,161	684,427	727,988
SUPPLIES AND SERVICES	847,469	1,054,010	1,004,011
CAPITAL OUTLAY	63,424	80,000	0
Total Program Expenditures	1,472,054	1,818,437	1,731,999

<u>Program Funding by Source</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
Revenues			
INTEREST	(3,554)	0	0
Operating Revenue Sub-Total	(3,554)	0	0
Net Operating Transfers In/(Out)	0	0	0
Other Funding Sources	0	0	0
Fund Balance Decrease/(Increase)	1,475,608	1,818,437	1,731,999
Total Program Funding	1,472,054	1,818,437	1,731,999

<u>Program Staffing (FTEs)</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Estimated</u>	<u>FY2004/05 Planned</u>
Program Staffing (FTEs)	10.0	10.0	8.0

Program Summary

Department: RISK MANAGEMENT
Program: ENVIRONMENTAL DAMAGE

Function

Provide funding for losses. Comply with environmental laws and rules.

Description of Services

Provide technical support on environmental issues. Coordinate remedial action projects. Coordinate Underground Storage Tank (UST) regulatory issues. Provide advice and defend claims, suits, and administrative actions.

Program Goals and Objectives

- Comply with laws, rules, and policies
- Provide funding for the investigation and defense of environmental claims, suits, and administrative actions without disrupting entity budgets
- Fund a portion of the County Attorney's Civil Division handling environmental investigation and defense

<u>Program Performance Measures</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Estimated</u>	<u>FY2004/05 Planned</u>
Timely information provided	95%	95%	95%
Timely advice provided	95%	95%	95%

<u>Program Expenditures by Object</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
PERSONAL SERVICES	53,403	100,038	107,070
SUPPLIES AND SERVICES	(1,069,155)	22,200	12,000
Total Program Expenditures	(1,015,752)	122,238	119,070

<u>Program Funding by Source</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
Revenues			
CHARGES FOR SERVICES	120,929	120,928	116,133
Operating Revenue Sub-Total	120,929	120,928	116,133
Net Operating Transfers In/(Out)	0	0	0
Other Funding Sources	0	0	0
Fund Balance Decrease/(Increase)	(1,136,681)	1,310	2,937
Total Program Funding	(1,015,752)	122,238	119,070

<u>Program Staffing (FTEs)</u>	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>
	0.0	0.0	1.0

Program Summary

Department: RISK MANAGEMENT

Program: LIABILITY CLAIMS

Function

Defend and fund liability losses.

Description of Services

Adjust claims, defend suits, and provide funding for losses.

Program Goals and Objectives

- Defend and fund losses from general liability, auto liability, professional and medical malpractice claims, and lawsuits
- Provide funding for a portion of the County Attorney's Civil Division

<u>Program Performance Measures</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Estimated</u>	<u>FY2004/05 Planned</u>
Claims investigated thoroughly	95%	95%	95%
Small claims processed without statutory denial	85%	85%	85%

<u>Program Expenditures by Object</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
PERSONAL SERVICES	541,247	690,590	455,788
SUPPLIES AND SERVICES	5,691,557	7,811,467	8,062,534
Total Program Expenditures	6,232,804	8,502,057	8,518,322

<u>Program Funding by Source</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
Revenues			
CHARGES FOR SERVICES	6,364,876	7,058,042	7,395,417
MISCELLANEOUS	31,714	0	0
Operating Revenue Sub-Total	6,396,590	7,058,042	7,395,417
Net Operating Transfers In/(Out)	0	0	0
Other Funding Sources	0	0	0
Fund Balance Decrease/(Increase)	(163,786)	1,444,015	1,122,905
Total Program Funding	6,232,804	8,502,057	8,518,322

<u>Program Staffing (FTEs)</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
Program Staffing (FTEs)	1.5	1.4	1.0

Program Summary

Department: RISK MANAGEMENT
Program: MOUNT LEMMON FIRE

Function

Account for all costs associated with the Mount Lemmon fire, process reimbursements, and transfer unreimbursed costs to the originating department or BOS Contingency.

Description of Services

Track all costs associated with the Mount Lemmon fire and the federal and state reimbursements associated with them.

Program Goals and Objectives

- Identify all costs and reimbursements associated with the Mount Lemmon fire
- Process reimbursements

<u>Program Performance Measures</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Estimated</u>	<u>FY2004/05 Planned</u>
Percent of Mt Lemmon costs segregated	n/a	100%	
Percent of Mt Lemmon reimbursements processed	n/a	100%	
Percent of unreimbursed costs transferred	n/a	100%	

<u>Program Expenditures by Object</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
PERSONAL SERVICES	187,351	0	0
SUPPLIES AND SERVICES	11,860	0	0
Total Program Expenditures	199,211	0	0
Program Funding by Source			
Revenues			
INTERGOVERNMENTAL	58,605	0	0
Special Programs Revenue Sub-Total	58,605	0	0
Net Operating Transfers In/(Out)	0	0	0
Other Funding Sources	0	0	0
Fund Balance Decrease/(Increase)	140,606	0	0
Total Program Funding	199,211	0	0
Program Staffing (FTEs)	0.0	0.0	0.0

Program Summary

Department: RISK MANAGEMENT

Program: OCCUPATIONAL MEDICAL MANAGEMENT

Function

Manage Workers' Compensation, Return to Work, Occupational Medicine, and Ergonomics programs. Provide an Americans with Disabilities Act (ADA) coordinator.

Description of Services

Adjust, defend, and fund workers compensation claims, suits, and administrative actions. Return injured employees to work as early as possible. Administer the Job Retraining and Placement Program. Schedule and review pre-placement, return to work, special medical evaluation, household hazardous waste, asbestos, and special medical evaluations. Schedule and review Peace Officers Standards Training (POST) and Commercial Drivers License (CDL) pre-placement and biannual physicals. Schedule and review respirator fitness and audiograms for specific positions. Schedule and monitor drug testing for defined health related classifications, CDL, the Sheriff Department and Juvenile Court, and reasonable suspicion testing. Schedule alcohol testing for CDL and reasonable suspicion. Schedule and monitor TB skin testing and chest x-rays, hepatitis, measles, mumps, rubella, and rabies immunizations. Provide ergonomic services in support of safety and loss prevention. Provide training and coordination of ADA issues.

Program Goals and Objectives

- Ensure compliance with Arizona Workers' Compensation laws and rules
- Reduce workers compensation losses through early return to work, transitional duty, and the Job Retraining and Placement programs
- Provide occupational medical surveillance and services required by law, rule, or policy
- Provide ergonomic services in support of safety and loss prevention
- Provide coordination and compliance with the Americans with Disabilities Act

<u>Program Performance Measures</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Estimated</u>	<u>FY2004/05 Planned</u>
Percent of undisputed bills paid in 60 days	80%	70%	70%
Percent of claims accepted/denied within statutory period	90%	90%	90%

<u>Program Expenditures by Object</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
PERSONAL SERVICES	470,758	464,972	600,937
SUPPLIES AND SERVICES	4,443,061	4,752,066	4,740,969
CAPITAL OUTLAY	931	0	0
Total Program Expenditures	4,914,750	5,217,038	5,341,906

Program Funding by Source

Revenues			
CHARGES FOR SERVICES	5,735,962	5,163,563	5,186,017
MISCELLANEOUS	78,281	0	0
Operating Revenue Sub-Total	5,814,243	5,163,563	5,186,017
Net Operating Transfers In/(Out)	0	0	0
Other Funding Sources	0	0	0
Fund Balance Decrease/(Increase)	(899,493)	53,475	155,889
Total Program Funding	4,914,750	5,217,038	5,341,906

Program Staffing (FTEs)	7.6	7.6	9.0
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Program Summary

Department: RISK MANAGEMENT

Program: OTHER LIABILITIES

Function

Fund unemployment insurance and self-insured employee dental benefits.

Description of Services

Adjust claims, defend administrative actions, provide funding for losses, and provide funding for benefits. (Note: There are no FTEs associated with this program, charges for personal services are attributed to interdepartmental salaries.)

Program Goals and Objectives

- Comply with laws
- Provide funding for losses without disrupting entity budgets
- Provide funding for benefits

<u>Program Performance Measures</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Estimated</u>	<u>FY2004/05 Planned</u>
Dental claims authorized	100%	100%	100%
Timely information provided	95%	95%	95%

<u>Program Expenditures by Object</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
PERSONAL SERVICES	39,182	39,900	42,617
SUPPLIES AND SERVICES	1,711,470	1,674,228	1,670,348
Total Program Expenditures	1,750,652	1,714,128	1,712,965

<u>Program Funding by Source</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
Revenues			
CHARGES FOR SERVICES	1,411,276	1,714,129	1,712,966
Operating Revenue Sub-Total	1,411,276	1,714,129	1,712,966
Net Operating Transfers In/(Out)	0	0	0
Other Funding Sources	0	0	0
Fund Balance Decrease/(Increase)	339,376	(1)	(1)
Total Program Funding	1,750,652	1,714,128	1,712,965

<u>Program Staffing (FTEs)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
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Program Summary

Department: RISK MANAGEMENT
Program: PROPERTY DAMAGE

Function

Provide property, boiler, and machinery coverage.

Description of Services

Adjust claims and provide funding for losses.

Program Goals and Objectives

- Provide funding to pay for losses without disrupting entity budgets

<u>Program Performance Measures</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Estimated</u>	<u>FY2004/05 Planned</u>
Claims adjusted	100%	100%	100%
Losses paid	100%	100%	100%

<u>Program Expenditures by Object</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
SUPPLIES AND SERVICES	959,565	1,084,461	1,148,930
Total Program Expenditures	959,565	1,084,461	1,148,930

<u>Program Funding by Source</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
Revenues			
CHARGES FOR SERVICES	686,560	1,084,461	1,142,960
Operating Revenue Sub-Total	686,560	1,084,461	1,142,960
Net Operating Transfers In/(Out)	0	0	0
Other Funding Sources	0	0	0
Fund Balance Decrease/(Increase)	273,005	0	5,970
Total Program Funding	959,565	1,084,461	1,148,930

<u>Program Staffing (FTEs)</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
Program Staffing (FTEs)	0.0	0.0	0.0

Program Summary

Department: RISK MANAGEMENT
Program: TRUST FUND RESERVE

Function

Provide funding for losses in accordance with Government Accounting Standards Board (GASB-10) and ARS § 11-981.

Description of Services

Provide funding without disrupting entity budgets. Provide interest on funds to allow funding at net present value instead of projected losses.

Program Goals and Objectives

- Provide funding for losses in accordance with GASB-10 and ARS § 11-981

<u>Program Performance Measures</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Estimated</u>	<u>FY2004/05 Planned</u>
GASB - 10 compliance	100%	100%	100%
Fund maintained at 75% confidence level	100%	100%	100%

<u>Program Expenditures by Object</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
SUPPLIES AND SERVICES	49	0	0
Total Program Expenditures	49	0	0

<u>Program Funding by Source</u>	<u>FY2002/03 Actual</u>	<u>FY2003/04 Adopted</u>	<u>FY2004/05 Adopted</u>
Revenues			
INTEREST	653,929	800,000	500,000
Operating Revenue Sub-Total	653,929	800,000	500,000
Net Operating Transfers In/(Out)	0	0	0
Other Funding Sources	0	0	0
Fund Balance Decrease/(Increase)	(653,880)	(800,000)	(500,000)
Total Program Funding	49	0	0

<u>Program Staffing (FTEs)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	0.0	0.0	0.0