

# FINANCE

## Mission Statement

To effectively manage the fiscal affairs of the City in a legal, professional, ethical and responsible manner and to provide accurate, timely, practical and appropriate financial information to all interested parties.

## Description of Operations

The Finance Department manages the day to day financial functions of the City such as budgeting, investments, revenue collection, cash management, debt administration and financial reporting. The Finance Department also oversees the activities of the Accounting and Payroll Department which includes accounting, accounts payable, fixed asset accounting, payroll and financial reporting. The Accounting and Payroll Department, which organizationally reports to the Finance Department, is presented in the budget as a separate department. The department provides timely, practical and appropriate financial information and analysis to City management in order to promote informed decisions regarding the efficient and effective use of the City's financial resources. All financial transactions are recorded and reported in accordance with generally accepted accounting principles, Governmental Accounting Standards Board pronouncements and all applicable state and federally mandated standards.

The Finance Department also includes the City's Risk Management Program which includes the Safety Program and the Claims Administration Program. The Risk Management Program manages third party insurance coverage for buildings, boiler and machinery, theft and burglary, public officials and petroleum storage. The City is self-insured in the areas of fleet liability, workers' compensation and minor appurtenance liability. The program investigates, monitors and processes all claims made upon the City's self insurance funds except employee medical and dental claims.

## Department Expenditures by Cost Center

	FY 2003 Actual	FY 2004 Budget	FY 2005 Continuation	FY 2005 Issues	FY 2005 Totals
037661 FINANCE ADMINISTRATION	395,596	423,277	436,797	0	436,797
037663 BUDGET	124,270	145,554	152,401	0	152,401
037664 TREASURY OPERATIONS	132,671	142,775	148,067	0	148,067
037672 SAFETY PROGRAMS	59,366	70,868	73,890	0	73,890
037673 CLAIMS ADMINISTRATION	187,596	216,389	219,597	0	219,597
Totals	\$899,499	\$998,863	\$1,030,752	\$0	\$1,030,752

## Department Expenditures By Category

	FY 2003 Actual	FY 2004 Budget	FY 2005 Continuation	FY 2005 Issues	FY 2005 Totals
Personal Expenditures	629,310	685,393	710,592	0	710,592
Non Personal Expenditures	264,093	301,140	306,230	0	306,230
Capital Expenditures	6,096	12,330	13,930	0	13,930
Totals	\$899,499	\$998,863	\$1,030,752	\$0	\$1,030,752

## Personnel Summary

Actual Positions	8.50	8.50	0.00	8.50
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# FINANCE

## Revenue Summary

	FY 2003 Actual	FY 2004 Budget	FY 2005 Continuation	FY 2005 Issues	FY 2005 Totals
OTHER TAXES	13,996,354	13,830,875	13,412,550	0	13,412,550
INTERGOVERNMENTAL	5,524,098	5,400,100	5,755,600	0	5,755,600
CHARGES FOR SERVICES	3,606	0	0	0	0
OTHER MISCELLANEOUS REVENUES	252	0	0	0	0
Totals	\$19,524,310	\$19,230,975	\$19,168,150	\$0	\$19,168,150

# FINANCE

## FINANCE ADMINISTRATION

### Mission Statement

To provide financial policy direction, guidance and assistance to the operating programs within the Department of Finance and to advise the City administration on the budget and the financial condition of all City operations.

### Description of Operations

The Finance Administration Program provides financial policy direction, guidance and assistance to the operating programs in the Department of Finance in addition to a wide variety of financial information to citizens, the City Commission, the City Manager, the City Auditor and Clerk, City departments and other governmental agencies. Finance Administration advises the City administration on the budget and the financial condition of all City operations and provides strategy to guide the financial operations of the City. Administration staff conduct special analyses and projects that ensure the financial integrity of the City by providing the highest standards in services through the development of sound planning, policies, practices and procedures. The result ensures a clear division of duties and necessary internal controls over the City's cash and investments, revenues, expenditures, fixed assets, accounts receivable, accounts payable, accounting and payroll.

The office provides analysis, research and fiscal planning regarding the City's debt structure and enhancement of non-tax revenue sources. This includes the calculation and preparation of financial data for bond issues and the preparation of the annual continuing disclosure reports required by various bond covenants. The office also pursues enhanced methods of collecting and reporting financial data and investigates ways to provide meaningful information to citizens of the City, the City Commission, the City Manager, the City Auditor and Clerk and City staff. Revenue forecasting requires an accurate estimate of City taxable property values in order to estimate future revenues due from ad valorem taxes, special assessment districts and the Community Redevelopment Areas. Technological advances in information processing are employed to assist in the enhancement of revenue and in implementing operating efficiencies. The staff also prepare daily cash receipts for all monies received by the Department of Finance and prepare, invoice and collect all billings of City owned lease properties, agreements and pre-annexation contracts. Additional activities include assisting in the preparation of the City's Comprehensive Annual Financial Report (CAFR).

The Finance Administration Program provides managerial and administrative support to all of the operating programs in the Department of Finance.

### Strategic Concern - Fiscal Responsibility

#### Strategy

Enhance Capital Improvement Plan Process

Task	Current Funding	Fiscal Year Completed	Funds Required
Hire a dedicated Grants Coordinator to assess and seek funding. Status - One "Assistant to City Manager/Grants Coordinator" position is funded in the FY2005 Proposed Budget in the City Manager's office.	Yes	2005	\$0

<u>Indicator</u>	<u>Status</u>
Grant Coordinator in place with performance expectations.	This indicator will reflect the presence of a Grants Coordinator employed by the City. Performance expectations will be developed and implemented by the City Manager when the position is filled.

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Output Measure</b> Grants Coordinator FTE's	Number	0.0	0.0	0.0	1.0

# FINANCE

## FINANCE ADMINISTRATION

### Strategic Concern - Fiscal Responsibility

#### Strategy

Develop New Revenue Sources

Task	Current Funding	Fiscal Year Completed	Funds Required
Expand usage of special assessment or taxing districts. Status - The extent to which the City is involved in special assessment and taxing districts is determined by interest and initiative from non-City entities. The Department of Finance provides financial support, on an ongoing basis, to other City departments, such as Planning, Neighborhoods and Public Works which communicate with and support non-City groups seeking special taxing district status.	Yes	2005	\$0
Consider overall policies governing payment for City provided parking. Status - The Department of Finance provides related financial activities, on an ongoing basis, to other City departments, such as Planning, Engineering and Public Works which develop and implement City master plans such as City-owned parking and the development of policies governing various City functions. At the conclusion and acceptance of the Downtown Parking Master Plan, the Department of Finance will develop and recommend policies governing payment for City-owned parking.	Yes	2005	\$0

#### Indicator

New special districts in place.

#### Status

This indicator measures the number of active special assessment districts managed by the department. The special taxing districts currently active are the Hudson Bayou Maintenance Dredging District and the St. Armands Parking Improvement District. In addition, one special taxing district, St. Armands BID, is managed by the department.

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Effectiveness Measure</b>					
Special assessment and taxing districts	Number	2	3	3	3

### Strategic Concern - Economic Development Strategies

#### Strategy

Support for Community Redevelopment

Task	Current Funding	Fiscal Year Completed	Funds Required
Determine funding sources for Neighborhood Response Team. Status - A study will be conducted in FY 2006 to address potential funding sources to implement a Neighborhood Response Team concept whereby various City staff are teamed together to solve neighborhood issues. It is conceivable that a tax increase will be sought to fund this effort.	Yes	2006	\$0

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## FINANCE ADMINISTRATION

### Strategic Concern - Transportation Innovation and Collaboration

#### Strategy

Expand Walking, Bicycling and Public Transportation

Task	Current Funding	Fiscal Year Completed	Funds Required
Pursue non-City funding sources such as grants. Status - This task is assumed to be within the purview of the Grants Coordinator funded in the City Manager's Office. Refer to Grants Coordinator in the City Manager's office.	Yes	2005	\$0
Evaluate and develop a transit impact fee. Status - A budget issue will be requested in the FY 2006 budget to fund one full-time Financial Management Analyst in the Department of Finance to evaluate, develop and promote a transit impact fee.	No	2006	\$48,680

<u>Indicator</u>	<u>Status</u>
Grant funds received.	The Department of Finance will request an annual report from the Grant Coordinator in the City Manager's office enumerating the grant funds received by the City.

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Effectiveness Measure</b>					
Grant funds received	Dollars	n/a	n/a	n/a	n/a

### Strategic Concern - Intergovernmental Collaboration

#### Strategy

Influence Regional Meeting Frequency and Schedules

Task	Current Funding	Fiscal Year Completed	Funds Required
Budget for Planning Council membership. Status - The Department of Finance will respond to requests on the part of City departments to fund membership fees through the annual budget process.	Yes	2006	\$0

### Strategic Concern - Aesthetics

#### Strategy

Provide for Adequate Maintenance

Task	Current Funding	Fiscal Year Completed	Funds Required
Establish funding to support LOS standards. Status - The Department of Finance is prepared to assist appropriate City agencies in defining adequate funding to support LOS standards established by those agencies.	Yes	2007	\$0

<u>Indicator</u>	<u>Status</u>
Funding approved to meet service levels.	This indicator will reflect whether the Department of Finance has defined adequate amount and source of funding to provide adequate maintenance.

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## FINANCE ADMINISTRATION

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Effectiveness Measure</b>					
LOS standards funded	Y/N	Y	Y	Y	Y

**Strategic Concern - Recognizing the Needs of the Barrier Islands**

**Strategy**

Improve Infrastructure

Task	Current Funding	Fiscal Year Completed	Funds Required
Assess progress of special taxing district.	No	2008	\$50,000

Status - The Department of Finance will respond to requests for financial services regarding the establishment of a special taxing district to fund improvements to infrastructure. A budget issue will be requested in the FY 2008 budget to fund one full-time Financial Management Analyst in the Department of Finance to manage financial considerations of a special taxing district.

**Strategic Concern - Public Space and Recreation**

**Strategy**

Develop Citywide Pocket Parks

Task	Current Funding	Fiscal Year Completed	Funds Required
Prepare financing plan.	Yes	2008	\$0

Status - The Department of Finance will prepare a financing plan when such a plan is defined and established.

**Indicator**

Funding established to implement plan.

**Status**

This indicator will reflect whether funding has been defined and established to develop Citywide pocket parks.

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Effectiveness Measure</b>					
Funding defined	Y/N	N	N	N	N

**Strategic Concern - Arts, Culture and Entertainment**

**Strategy**

Review Fiscal Investment in Public Art

Task	Current Funding	Fiscal Year Completed	Funds Required
Determine funding sources.	Yes	2008	\$0

Status - The Department of Finance will respond to information furnished by the Planning Department and/or the City Manager regarding funding of investments in public art in the City.

**Strategic Concern - Operational Focus**

**Strategy**

To accurately report the financial condition of the City, to establish and maintain prudent fiscal policies and practices and to exercise leadership among all Department of Finance staff.

# FINANCE

## FINANCE ADMINISTRATION

### Task

To maintain and manage an effective computerized financial management system (FMS).  
 To maintain daily, monthly and annual financial reports on demand.  
 To provide accurate revenue and expenditure forecasts on a timely basis.  
 To monitor and accurately forecast financial trends.  
 To identify and pursue new and alternative sources of revenue.  
 To promote and encourage pursuit of annual GFOA certificates.  
 To conduct department staff meetings at least twice per month.

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Output Measure</b>					
Invoices billed and collected	Number	1,536	1,740	2,250	2,450
Continuing disclosure reports issued	Number	9	11	12	14
Special assessment district parcels	Number	346	346	346	346
<b>Effectiveness Measure</b>					
GFOA award - Budget	Y/N	Y	Y	Y	Y
Budget/actual revenue forecast	Percent	106.6	101.2	106.0	100.0
Bond rating - Moody's	Number	AA3	AA3	AA3	AA3
Bond rating - Standard & Poor's	Number	AA-	AA-	AA-	AA-
GFOA award - Finance	Y/N	Y	Y	Y	Y
<b>Efficiency Measure</b>					
City FTE per Finance Admin FTE	Number	195.5	223.1	219.4	219.4

### Expenditures By Category

	FY 2003 Actual	FY 2004 Budget	FY 2005 Continuation	FY 2005 Issues	FY 2005 Totals
Personal Expenditures	296,144	310,816	319,814	0	319,814
Non Personal Expenditures	97,588	108,761	113,403	0	113,403
Capital Expenditures	1,864	3,700	3,580	0	3,580
Totals	\$395,596	\$423,277	\$436,797	\$0	\$436,797

### Personnel Summary

Actual Positions	3.40	3.40	0.00	3.40
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### Revenue Summary

	FY 2003 Actual	FY 2004 Budget	FY 2005 Continuation	FY 2005 Issues	FY 2005 Totals
OTHER MISCELLANEOUS REVENUES	96	0	0	0	0
Totals	\$96	\$0	\$0	\$0	\$0

# FINANCE BUDGET

## **Mission Statement**

To develop and manage an annual city budget process that accurately reflects the City's financial position, provides appropriate information to interested parties and supports sound financial decisions.

## **Description of Operations**

The Budget Program manages the City's annual budget process through a variety of activities and functions that are consistent with established City policies and state statutes. The annual City budget is developed with significant input from the City Commission, the City Manager, the City Auditor and Clerk, the Finance Director, department directors and members of the budget staff. The Budget Program includes both the operating budget, which includes salaries, operating expenses and capital; and the Capital Improvement Plan (CIP), which includes significant multi-year capital expenditures of design, maintenance and construction projects.

A computerized budget system, managed and operated by the Deputy Finance Director, is utilized to collect, analyze, calculate and print the annual budget document. The annual budget instructions are developed and distributed and training is conducted to prepare City department staff to enter data into the windows based budget system. The annual budget calendar is established and maintained to ensure that the process is accomplished in a structured and timely manner.

Department budget requests are evaluated for consistency with submission requirements, reasonableness in light of financial and performance criteria and to ensure they are consistent with the City's budgeting philosophy. CIP requests are evaluated and prioritized in reference to revenue forecasts and community needs.

Finally, the budget package (operating and CIP) is presented to the City Manager and to the City Commission. Language and documentation for ordinances and resolutions is developed as necessary to establish appropriations, millage rates and supplemental budget issues.

## **Strategic Concern - Fiscal Responsibility**

### **Strategy**

Enhance Capital Improvement Plan Process

<b>Task</b>	<b>Current Funding</b>	<b>Fiscal Year Completed</b>	<b>Funds Required</b>
Ranking Committee evaluates LOS for each proposed project. Status - The Ranking Committee, made up of five City department directors and the Deputy City Manager, reviews LOS issues for each proposed CIP project and approves/disapproves/prioritizes projects on the basis of a multitude of criteria including goals and objectives, costs, neighborhood support, legal mandates, etc.	Yes	2005	\$0
Assess operating costs of all new facilities. Status - Operating costs of each new City structure is evaluated during the annual CIP and operating budget processes. Funding of operating costs is determined by the requesting City department. The identification of additional operating costs does not guarantee funding. Prioritization of new costs with other additional requests will be performed as part of the overall budget process.	Yes	2005	\$0
Assure adequate maintenance funding for capital projects. Status - Maintenance costs associated with each new capital project is evaluated during the annual CIP and operating budget processes. Funding of maintenance costs is determined by the requesting City department. The identification of additional maintenance costs does not guarantee funding. Prioritization of new costs with other additional requests will be performed as part of the overall budget process.	Yes	2005	\$0

# FINANCE BUDGET

Task	Current Funding	Fiscal Year Completed	Funds Required
Increase budget to provide program funding. Status - All increases to the budget will be prioritized and funding provided where appropriate and possible.	Yes	2005	\$0

<u>Indicator</u>	<u>Status</u>
Redesigned form in use that incorporates input from CIP Evaluation Committee on LOS and ongoing operating costs.	The form currently used to evaluate non-CIE capital projects will be revised to include LOS and ongoing operating costs.

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Output Measure</b> Form in use	Y/N	N	N	N	Y

<u>Indicator</u>	<u>Status</u>
Budgeted maintenance funds.	This indicator assesses whether the Department of Finance considers maintenance funding in the operating budget to support capital expenditures in the CIP.

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Effectiveness Measure</b> Maintenance funds defined	Y/N	Y	Y	Y	Y

### **Strategic Concern - Operational Focus**

#### **Strategy**

To develop and manage an annual city budget process that accurately reflects the City's financial position, provides appropriate information to interested parties and supports sound financial decisions and meets budget standards as promoted by the Government Finance Officers Association (GFOA) and others.

#### **Task**

- To refine the annual carryover process to minimize carryover levels.
- To continue to include performance measures in City department budget requests in FY 2005.
- To prepare the City's FY 2005 annual financial plan and submit to GFOA by October 31, 2004.
- To estimate projected/actual expenditure variance within 2% in FY 2005.
- To provide the adopted FY 2005 City operating budget on the City web site by October 31, 2004.
- To provide the proposed FY 2005 City operating budget on the City web site by July 31, 2004.

# FINANCE BUDGET

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Output Measure</b>					
Dept staff attended budget training	Number	50	42	42	42
GFOA mandatory categories met	Number	13	13	13	13
<b>Effectiveness Measure</b>					
City depts budgeted with perf measures	Number	30	35	35	34
City depts budgeted with perf measures	Percent	78.9	92.1	92.1	94.4
GFOA mandatory categories met	Percent	100	100	100	100
<b>Efficiency Measure</b>					
City FTE per budget program FTE	FTE	619.2	505.7	497.3	497.3

## Expenditures By Category

	FY 2003 Actual	FY 2004 Budget	FY 2005 Continuation	FY 2005 Issues	FY 2005 Totals
Personal Expenditures	97,928	115,694	117,850	0	117,850
Non Personal Expenditures	24,342	26,960	29,151	0	29,151
Capital Expenditures	2,000	2,900	5,400	0	5,400
Totals	\$124,270	\$145,554	\$152,401	\$0	\$152,401

## Personnel Summary

Actual Positions	1.50	1.50	0.00	1.50
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# FINANCE

## TREASURY OPERATIONS

### **Mission Statement**

To effectively manage the City's financial resources through the timely and accurate collection, deposit, monitoring, transferring and investment of City funds.

### **Description of Operations**

The Treasury Operations Program manages the City's financial resources to ensure sufficient funds are available where and when they are required to pay the City's financial obligations including operating expenses, payroll and debt service. The program accomplishes this through consistent monitoring of the City's funding needs, receiving and depositing receipts in a timely manner and transferring funds among appropriate accounts to permit expenditures to be made when necessary. Many administrative and banking activities are necessary to permit this process to proceed without delay. Electronic banking is utilized extensively to permit greater control and flexibility over the City's accounts including electronic transmission for Positive Pay (both payroll and accounts payable) as well as on-line processing of fund transfers for debt service and other recurring disbursements. In addition, it is utilized to wire funds and transmit data for deferred compensation, sales and use taxes, payroll taxes and to third party administrators handling workers compensation and medical/dental insurance. The City also transmits payroll through the Automated Clearing House (ACH) process of the Federal Reserve System. Treasury functions also include managing the City's investment program, managing the City's electronic banking function, processing all fund transfers between City accounts, monitoring City debt service requirements and collecting and processing all daily deposits citywide.

The Treasury Operations Program also manages the City's investment portfolio. This activity is conducted within the strict guidelines promulgated by the City's investment policy as established by the Investment Committee, which consists of the City Manager, City Auditor and Clerk, Finance Director and the Cash and Investment Manager. This program must comply with the City's investment policy, which emphasizes safety and liquidity while maximizing the annual rate of return. The portfolio consists of U.S. Treasuries, U.S. Government agencies, Local Government Surplus Trust (LGST) Funds, Repurchase Agreements, Certificates of Deposit and approved money market accounts. With the exception of U.S. Treasuries and LGST Funds, no portion may exceed 35% of the total portfolio. The Investment Committee reviews the portfolio performance at the conclusion of each quarter and issues an annual report.

The Treasury Operations Program also handles the filing of federally required arbitrage reports on the investments of all debt issues of the City. If the City earns more than allowed on its investments of a construction fund or debt service fund, the City must rebate excess earnings to the Federal Government every five years. The City's policy is to maximize earnings, and as a result, sometimes rebates are required.

### **Strategic Concern - Operational Focus**

#### **Strategy**

To maximize investment yield while operating within investment guidelines and ensure there is sufficient funds to maintain operating and debt needs on a timely and effective basis.

#### **Task**

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To maintain an overall annual investment yield equal to, or greater than, the benchmark yield for the operating portfolio as established in the investment policy.

To review and improve investment policies to ensure the safety of funds in the changing investment markets.

To collect and deposit all revenue in accordance with statutory provisions and within established time frames.

To file arbitrage reports annually and on a timely basis.

# FINANCE

## TREASURY OPERATIONS

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Output Measure</b>					
Investment reports issued	Number	5	5	5	5
Average funds invested ~ millions	Dollars	49.5	51.0	55.5	57.0
Cash reports processed	Number	5,185	5,200	2,205	1,200
Arbitrage reports filed	Number	6	2	4	4
<b>Effectiveness Measure</b>					
Annual rate of return	Percent	2.29	2.06	2.25	3.0
Annual rate of return vs. benchmark	Percent	169.0	89.6	175.0	275.0
Investment report issued following end of quarter	Days	30	34	34	34
<b>Efficiency Measure</b>					
City FTE per Finance Treasury FTE	Number	495.3	474.1	466.3	466.3

### Expenditures By Category

	FY 2003 Actual	FY 2004 Budget	FY 2005 Continuation	FY 2005 Issues	FY 2005 Totals
Personal Expenditures	123,150	129,565	133,955	0	133,955
Non Personal Expenditures	8,703	12,110	13,012	0	13,012
Capital Expenditures	818	1,100	1,100	0	1,100
Totals	\$132,671	\$142,775	\$148,067	\$0	\$148,067

### Personnel Summary

Actual Positions	1.60	1.60	0.00	1.60
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# FINANCE

## SAFETY PROGRAMS

### Mission Statement

To provide a safe and healthy environment for City employees and citizens and to minimize losses due to personal injury and/or property damage which cause personal suffering and reduce the City's capacity to effectively fulfill its obligation to the citizens of the City.

### Description of Operations

Under the direction of the Finance Director, the Risk Management Division administers the City of Sarasota's Safety Program through the education of employees, inspection of facilities, and the implementation of mandated state and federal safety and health procedures and practices.

The three basic elements of the Safety Program are 1) the avoidance of injuries to employees, 2) the avoidance of injuries to the public and their property, and 3) the avoidance of damages to property and equipment. The avoidance of these elements results in substantial dollar savings for the City. The most accurate measurement of the City's Safety Program is the State of Florida's Workers' Compensation claims modifier. This state uses a modifier base of 1.00 for the average combined salary and job classification structure of the City. The state calculates the City's modifier by comparing the expected number of claims and cost per claim to the number and cost of claims actually filed. For example, a modifier rate of .75 would indicate the City is experiencing three-fourths of the losses in comparable classifications and payroll statewide. The City's current modifier rate is .67.

### Strategic Concern - Operational Focus

#### Strategy

To reduce loss, both personal injury and property damage.

#### Task

To maintain the Workers' Compensation modifier rate at .65 for FY 2005.

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Output Measure</b>					
Safety training sessions conducted	Number	38	40	46	40
<b>Effectiveness Measure</b>					
Workers' compensation claims	Number	110	97	88	88
Workers' compensation claims modifier	Number	.66	.67	.65	.65

### Expenditures By Category

	FY 2003 Actual	FY 2004 Budget	FY 2005 Continuation	FY 2005 Issues	FY 2005 Totals
Personal Expenditures	56,044	62,043	66,870	0	66,870
Non Personal Expenditures	3,322	6,295	5,270	0	5,270
Capital Expenditures	0	2,530	1,750	0	1,750
Totals	\$59,366	\$70,868	\$73,890	\$0	\$73,890

### Personnel Summary

Actual Positions	1.00	1.00	0.00	1.00
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# FINANCE

## CLAIMS ADMINISTRATION

### Mission Statement

To effectively administer claims filed against the City and to provide a safe and healthy environment for City employees and its citizens through aggressive investigation of losses and prudent settlement of claims.

### Description of Operations

Risk Management is charged with the responsibility of liability claims administration. Claims are paid through the City's fleet, public liability and workers' compensation self-insured funds. Through the education of employees, investigation of incidents, and the monitoring of state and federal statutes and court decisions help to minimize the impact of these claims.

Claims administration involves investigations, monitoring specific incident trends and accurate processing of all claims dealing with the self-insurance funds, except medical and dental claims. Risk Management utilizes all available resources, including legal representation, to defend the City against claims involving personal injury and/or property damage.

### Strategic Concern - Operational Focus

#### Strategy

To control the costs of claims through aggressive investigation of all claims and rectifying potential problems.

#### Task

To reduce the payout of at-fault accidents involving City vehicles by 5% from the previous year.

Description	Unit	FY2002	FY2003	FY2004	FY2005
<b>Output Measure</b>					
At-fault claims processed	Number	15	23	19	19
<b>Effectiveness Measure</b>					
Total claims cost	Dollars	\$96,104	\$73,086	\$90,000	\$90,000
<b>Efficiency Measure</b>					
Cost per claim	Dollars	\$6,046	\$3,177	\$4,736	\$4,736

### Expenditures By Category

	FY 2003 Actual	FY 2004 Budget	FY 2005 Continuation	FY 2005 Issues	FY 2005 Totals
Personal Expenditures	56,044	67,275	72,103	0	72,103
Non Personal Expenditures	130,138	147,014	145,394	0	145,394
Capital Expenditures	1,414	2,100	2,100	0	2,100
Totals	\$187,596	\$216,389	\$219,597	\$0	\$219,597

### Personnel Summary

Actual Positions	1.00	1.00	0.00	1.00
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