

294 - PROPERTY AND CASUALTY RISK INTERNAL SERVICE FUND

Operational Summary

Description:

The Property & Casualty Risk Internal Service Fund is a division of the CEO/Office of Risk Management whose mission is to preserve and protect the human and capital assets of the County of Orange.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	12,874,646
Total Final FY 2003-2004 Budget:	34,930,364
Percent of County General Fund:	N/A
Total Employees:	12.00

Strategic Goals:

- It is the goal of the Property & Casualty Risk Internal Service Fund to reduce costs associated with property damage, personal injury, and litigation. This goal is achieved by acquiring commercial insurance, effective liability claims management, prudent administration of the self-insured Liability Program, and providing risk assessment and risk avoidance consultation services.

Key Outcome Indicators:

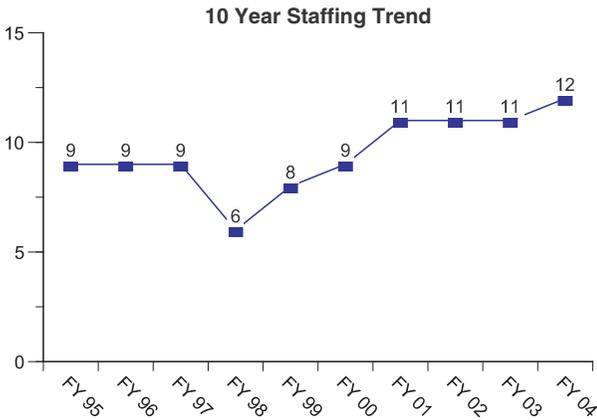
Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
RELATIVE COST OF LIABILITY CLAIMS AND INSURANCE PROGRAM. What: Shows the total expenditures of this program as a percent of total county expenditures. Why: Provides a constant measure of program costs.	Cost of Liability Claims and Insurance Program was less than 1% of total county expenditures (.39%).	Remain less than 1% of total county expenditures.	Liability Claims and Insurance Program costs for FY 2001-2002 were .39% of total county expenditures, far less than the benchmark.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Successfully placed commercial insurance in a challenging market.
- Increased individual consultations on contract structure, insurance requirements, and program design to reduce risk of loss.

PROPERTY & CASUALTY RISK ISF - The Property & Casualty Risk ISF administers and manages the County's Liability Claims Management Program, the Insurance and Financial Management Program, and the Americans with Disabilities Act (ADA II) Compliance Program.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Overall expansion in case complexity, shortened time frames for claim management and increasing responsibilities of the program required additional staff.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Support the overall mission of the County Executive Office and Strategic Financial Plan.

Changes Included in the Base Budget:

Increased commercial insurance premium costs.

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	12	12	12	0	0.00
Total Revenues	36,049,359	34,487,263	34,016,473	34,930,364	913,891	2.69
Total Requirements	12,641,275	34,466,112	12,873,175	34,930,364	22,057,189	171.34
Net County Cost	23,408,084	21,151	21,143,298	0	(21,143,298)	-100.00

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Property and Casualty Risk Internal Service Fund in the Appendix on page 621.

Highlights of Key Trends:

- FY 2003-2004 "requirements" have increased because retained earnings are being appropriated to present a balanced budget.
- Increasing complexity of liability claims.
- Continuing cost increases in commercial insurance coverage.
- Increased use of technology-online resources and forms for county users.

