

**Priority:** Accountability  
**Program Offer Type:** Existing Operating  
**Related Programs:**

**Lead Agency:** County Management  
**Program Contact:** Mindy Harris

**Program Characteristics:**

**Executive Summary**

The Property Risk Program (PRP) manages the County property and insurance programs in accordance with related legal requirements and County policies and procedures. It focuses on property insurance, loss control/prevention, and risk management-related issues.

**Program Description**

The Property Risk Program (PRP) negotiates and purchases property insurance for 80 County-owned buildings and their contents, County contents in leased facilities, catastrophic fleet coverage, marine coverage, and other specialized insurance coverage for the County. The PRP consults and advises on property-related risk exposures, researches & makes recommendations regarding the purchase of specialized insurance coverage, and develops policies and procedures. The PRP then implements risk management strategies for the prevention or reduction of property losses. This program adjusts property loss claims up to the County's self-insured retention of \$100,000 and for losses over the retention, utilizes a contracted insurance broker/risk consultant.

**Program Justification**

The Property Risk Program's mission is to protect the County's assets. This is done by the purchase and retention of the appropriate types and levels of insurance, recommending and implementing sound loss control/prevention measures, appropriate and timely adjusting of property loss claims, and providing effective risk financing techniques. All input and information received by internal and external customers is thoroughly and clearly analyzed, providing for the opportunity to make informed decisions with respect to the County's Property Risk Program. The customers actively participate in the decision-making process and are kept informed of the progress made and ultimate outcome of the issue. Current County insured assets are valued at approximately \$565 million. By protecting the County's assets and achieving the program's priorities, the program is being accountable to the employees and citizens of Multnomah County, minimizing loss to departments - reducing their costs so they can provide more resources for direct services to customers.

**Performance Measures**

Measure Type	Primary Measure	Previous Year Actual (FY06-07)	Current Year Purchased (FY07-08)	Current Year Estimate (FY07-08)	Next Year Offer (FY08-09)
Output	Annual number of property insurance coverages purchased & renewed	6	6	6	6
Outcome	Annual premium rate for property ins. coverages-cents per\$100 in prop. value	9	8	8	8
Quality	Annual visits w/Property insurance carriers to successfully market County's risk	3	4	4	4

**Performance Measure - Description**

The Property Risk Program's performance measures provide confirmation that the County is safeguarding its assets, and remaining in compliance with County Code 7.100-7.104, and the mandatory insurance requirements of the State of Oregon and the County's debt financing agreements. The desired level of insurance renewals indicates strong marketing of the County's property portfolio. Factors affecting property renewal, premiums/rates are insurance market conditions, County property values and condition of property, types/limits of insurance purchased, and property loss claims. The average premium rate per \$100 in property value for Oregon self-insured public entities this year is 8.6 cents and the County's rate is 8.3 cents. We have improved our rate this year and are now below the average rate. We have made a conscious decision to continue purchasing excellent limits on our "all risk" coverages as well as maintain our low deductible of \$100,000.

## Legal/Contractual Obligation

The Property Risk Program is mandated by County Code 7.100-7.104. The County is required by its financing agreements to have specific property insurance in place. The level of expenditures is based on market value of insurance to cover the County's property risk.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
<b>Program Expenses</b>	2008	2008	2009	2009
Personnel	\$0	\$52,421	\$0	\$63,125
Contracts	\$0	\$91,000	\$0	\$91,000
Materials & Supplies	\$0	\$910,128	\$0	\$885,413
Internal Services	\$0	\$7,033	\$0	\$5,261
Subtotal: Direct Exps:	<b>\$0</b>	<b>\$1,060,582</b>	<b>\$0</b>	<b>\$1,044,799</b>
Administration	\$3,853	\$717	\$3,436	\$556
Program Support	\$612	\$0	\$770	\$0
Subtotal: Other Exps:	<b>\$4,465</b>	<b>\$717</b>	<b>\$4,206</b>	<b>\$556</b>
Total GF/non-GF:	<b>\$4,465</b>	<b>\$1,061,299</b>	<b>\$4,206</b>	<b>\$1,045,355</b>
Program Total:	<b>\$1,065,764</b>		<b>\$1,049,561</b>	
Program FTE	0.00	0.50	0.00	0.55
<b>Program Revenues</b>				
Fees, Permits & Charges	\$0	\$1,060,582	\$0	\$1,060,582
Program Revenue for Admin	\$717	\$0	\$556	\$0
<b>Total Revenue:</b>	<b>\$717</b>	<b>\$1,060,582</b>	<b>\$556</b>	<b>\$1,060,582</b>

## Explanation of Revenues

Revenues for this program are recovered through Internal Service Reimbursements from departments to the Risk Management Fund.

## Significant Program Changes

Last year this program was: #72014, Property Risk Management