

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

**Lead Agency:** County Management  
**Program Contact:** Marc R Anderson

**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 \$250,000 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 \$622.5 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 (FY07-08)	Current Year Purchased (FY08-09)	Current Year Estimate (FY08-09)	Next Year Offer (FY09-10)
Output	Annual number of property insurance policies	6	7	7	7
Outcome	Annual premium rate for property ins. coverages-cents per\$100 in prop. value	8	8	8	8
Quality	Number of active claims managed	8	9	10	10

**Performance Measure - Description**

✔ **Measure Changed**

Output: Number of property insurance policies, 6, including primary property, Justice Center, Boiler & Machinery, Catastrophic vehicle, Marine, Terrorism, and Flood & Earthquake coverage.

Outcome: The average premium rate per \$100 in property value for Oregon public entities this year is 9 cents and the County's rate is 8 cents.

Quality: This is a measure of the number of active property claims managed. This indicates the ongoing management of this program and the interaction with the departments and insurance carriers for a successful outcome on the claim.

## Legal/Contractual Obligation

The Property Risk Program is mandated by County Code 7.100-7.104. The County is required by its debt 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
Program Expenses	2009	2009	2010	2010
Personnel	\$0	\$63,125	\$0	\$82,016
Contracts	\$0	\$91,000	\$0	\$91,000
Materials & Supplies	\$0	\$885,413	\$0	\$885,405
Internal Services	\$0	\$5,261	\$0	\$5,403
Subtotal: Direct Exps:	<b>\$0</b>	<b>\$1,044,799</b>	<b>\$0</b>	<b>\$1,063,824</b>
Administration	\$7,500	\$1,770	\$65,793	\$0
Program Support	\$1,341	\$0	\$1,164	\$0
Subtotal: Other Exps:	<b>\$8,841</b>	<b>\$1,770</b>	<b>\$66,957</b>	<b>\$0</b>
Total GF/non-GF:	<b>\$8,841</b>	<b>\$1,046,569</b>	<b>\$66,957</b>	<b>\$1,063,824</b>
Program Total:	<b>\$1,055,410</b>		<b>\$1,130,781</b>	
Program FTE	0.00	0.55	0.00	0.55
<b>Program Revenues</b>				
Fees, Permits & Charges	\$0	\$1,060,582	\$0	\$1,015,483
Program Revenue for Admin	\$0	\$0	\$0	\$0
<b>Total Revenue:</b>	<b>\$0</b>	<b>\$1,060,582</b>	<b>\$0</b>	<b>\$1,015,483</b>

## Explanation of Revenues

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

## Significant Program Changes

✔ Significantly Changed

Last year this program was: #72016, Property Risk Management