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**CITY OF ALLENTOWN  
PROGRAM BUDGET**

**081 RISK MANAGEMENT  
02 FINANCE  
8001 RISK MANAGEMENT  
0001 PROPERTY & CASUALTY**

<b>Account Number</b>	<b>2020 Budget</b>	<b>2020 Adj. Budget</b>	<b>2020 A&amp;E</b>	<b>2021 Budget</b>
0001-02 PERMANENT WAGES	212,004	212,004	212,004	215,163
0001-04 TEMPORARY WAGES	15,800	15,800	0	5,800
<b>Line Item Detail</b>				
1 Safety Intern currently in College and would be a three month assignment.				5,800.00
		Line Items Total		5,800.00
0001-06 PREMIUM PAY	1,425	1,425	0	1,425
<b>Line Item Detail</b>				
1 Premium Pay				1,500.00
2 5% Reduction per Council Amendment				-75.00
		Line Items Total		1,425.00
0001-08 LONGEVITY	0	0	0	128
0001-11 SHIFT DIFFERENTIAL	250	250	0	250
<b>Line Item Detail</b>				
1 Shift Differential				250.00
		Line Items Total		250.00
0001-12 FICA	17,561	17,561	17,561	17,042
<b>Line Item Detail</b>				
1 FICA				17,041.60
		Line Items Total		17,041.60
0001-14 PENSION	27,627	27,627	27,627	26,822
<b>Line Item Detail</b>				
1 PENSION				26,822.04
		Line Items Total		26,822.04
0001-15 Employee - Health Insurance Opt Out	1,500	1,500	1,500	1,508
<b>Line Item Detail</b>				
1				
		Line Items Total		
0001-16 INSURANCE - EMPLOYEE GRP	89,968	89,968	89,968	89,817
<b>Line Item Detail</b>				
1 INS				89,817.00

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		Line Items Total		89,817.00
0001-26 PRINTING	500	500	0	500
<i>Line Item Detail</i>				
1 Printing costs				500.00
		Line Items Total		500.00
0001-28 MILEAGE REIMBURSEMENT	0	500	150	500
<i>Line Item Detail</i>				
1 Travel to trainings				500.00
		Line Items Total		500.00
0001-30 RENTALS	1,200	1,200	0	1,200
<i>Line Item Detail</i>				
1 Safety Day Location				1,200.00
		Line Items Total		1,200.00
0001-32 PUBLICATIONS & MEMBERSHIP	1,000	500	500	1,000
<i>Line Item Detail</i>				
1 PRIMA membership for three employees- Risk Manager, Claims Coordinator, and Financial Analyst				1,000.00
		Line Items Total		1,000.00
0001-34 TRAINING & PROF. DEVELOP	5,400	5,400	3,000	5,500
<i>Line Item Detail</i>				
1 City-Wide Task Authorized Training				5,000.00
2 Planned travel for training				500.00
		Line Items Total		5,500.00
0001-36 INS - PROPERTY & CASUALTY	480,000	564,000	564,000	540,000
<i>Line Item Detail</i>				
1 Commercial Property Insurance (CNA)				70,000.00
2 Public Officials/EPL Liability (Ironeshore)				72,000.00
3 Law Enforcement Liability				250,000.00
4 Marine Inland (Nationwide)				35,000.00
5 Auto Physical Damage Policy (Seneca)				63,000.00
6 Cyber Attack Insurance (Chubb)				50,000.00

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		Line Items Total		540,000.00
0001-44 LEGAL SERVICES	1,000,000	1,000,000	638,000	1,000,000
<b>Line Item Detail</b>				
1 Professional Service Fees Attorney Fees for Police Liability				600,000.00
2 Professional Service Fees Attorney Fees General Liability				300,000.00
3 Professional Service Fees Attorney Fees for Workers Comp				100,000.00
		Line Items Total		1,000,000.00
0001-46 OTHER CONTRACT SERVICES	274,150	220,150	175,000	171,150
<b>Line Item Detail</b>				
1 Auto Liability Claim Handling (PMA)				58,650.00
2 Insurance Broker (EHD)				27,500.00
3 Hazmat Clean Up for City Property				10,000.00
4 Cintas Mat Cleaning Service				5,000.00
5 Risk Management Software for online reporting and transition our internal process.				40,000.00
6 IH Testing Program				10,000.00
7 Exposure Control Management				10,000.00
8 Auto Body Services				10,000.00
		Line Items Total		171,150.00
0001-50 OTHER SERVICES & CHARGES	21,000	18,500	21,000	21,000
<b>Line Item Detail</b>				
1 DOT-required random drug screening service for employees				21,000.00
		Line Items Total		21,000.00
0001-54 REPAIR & MAINT SUPPLIES	0	97	97	0
0001-56 UNIFORMS	5,000	5,000	4,300	2,000
<b>Line Item Detail</b>				
1 Uniforms				2,000.00
		Line Items Total		2,000.00
0001-58 OFFICE SUPPLIES	500	500	0	500
<b>Line Item Detail</b>				
1 Office supplies for EMC and Risk				500.00

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		Line Items Total		500.00
0001-68 OPERATING MATERIALS & SUPP	28,000	78,990	82,000	41,000
<b>Line Item Detail</b>				
1 Training Materials				5,000.00
2 Safety PPE Related Equipment initial purchase				15,000.00
3 Safety Day				8,000.00
4 Additional funds needed for COVID Supplies as we move into 2021				10,000.00
5 First Aid Kit Refills				3,000.00
		Line Items Total		41,000.00
0001-72 EQUIPMENT	6,500	19,610	1,000	6,500
<b>Line Item Detail</b>				
1 Safety and Risk Equipment				6,500.00
		Line Items Total		6,500.00
0001-80 SELF-INSURED LOSSES	100,000	379,090	250,000	150,000
<b>Line Item Detail</b>				
1 Internal property losses due to third party				150,000.00
		Line Items Total		150,000.00
0001-81 PROPERTY LOSSES	125,000	124,093	124,092	150,000
<b>Line Item Detail</b>				
1 Internal property losses due to internal liabilities or other natural causes				150,000.00
		Line Items Total		150,000.00
0001-85 AUTO LOSSES	300,000	300,000	300,000	300,000
<b>Line Item Detail</b>				
1 Motorized equipment claim repair expenses (internal)				300,000.00
		Line Items Total		300,000.00
0001-86 GENERAL CITY CHARGES	60,868	60,868	60,868	63,911
<b>Line Item Detail</b>				
1 General City Charges				63,911.40
		Line Items Total		63,911.40
0001-87 PROFESSIONAL LOSSES	1,000,000	750,000	670,000	1,000,000

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<i>Account Number</i>	<i>2020 Budget</i>	<i>2020 Adj. Budget</i>	<i>2020 A&amp;E</i>	<i>2021 Budget</i>
<i>Line Item Detail</i>				
1 Lawsuit settlements with no insurance			1,000,000.00	
		Line Items Total	1,000,000.00	
<b>Total</b> PROPERTY & CASUALTY	3,775,253	3,895,133	3,242,667	3,812,716

## PROGRAM DETAIL

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<b>Bureau:</b> Risk Management	<b>No:</b> 02-8001	<b>Department:</b> Finance	<b>Program:</b> Property & Casualty	<b>No:</b> 0001
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### Program Description:

This program manages liability claims related to the damage of City property and those filed by third-parties alleging bodily injury, property damage, or other losses due to City negligence. The City has self-insured this risk since July 1979. This program provides funding for expenses such as legal defense costs, claims management and loss prevention expenses, and excess insurance premiums. Excess insurance coverage is held for cyber security, leased and high-value assets, law enforcement liability, public officials liability, employer practices liability, and crime bond insurance. Expenses for damage to city-owned property, including fleet and equipment, land, buildings and other assets, is covered under this program. In collaboration with the Solicitor's Office, restitution is sought for losses due to incidents caused by an outside party. This program is responsible for and manages the CDL drug and alcohol testing programs. This program also houses the Emergency Management Coordinator, who collaborates with various parties, both in and outside the City, to manage the City's emergency response preparations.

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### Goal(s):

- To protect City assets from loss.
- To offer effective management of Property/Casualty claims.
- To minimize costs related to litigation.
- To prepare the City's emergency response plans.

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### Measurable Budget Year Objectives and Long Range Targets:

- To improve claim monitoring and attempt to reduce cost of claims and claims administration by:
- Effectively managing the City's responsibility for property/casualty claims.
  - Inspecting and prioritizing environmental hazards and exposure control in city-owned buildings and property.
  - Reducing short- and long-term legal costs by working interdepartmentally to reduce liabilities.
  - Monitoring City contracts to ensure they meet insurance liability requirements.
  - Working with the Public Works department, claims TPA, and Accident Review Board to effectively manage damage to fleet vehicles resulting from accidents.
  - Utilizing Industry Safe software to track and analyze auto, internal liability, and external liability claims to help reduce future costs.
  - Utilize the EMC to strengthen the City's preparedness for emergency response.
  - Managing the CDL and other drug and alcohol testing program as deemed necessary and as required by PA DOT.

**CITY OF ALLENTOWN  
PROGRAM BUDGET**

**081 RISK MANAGEMENT**  
**02 FINANCE**  
**8001 RISK MANAGEMENT**  
**0002 WORKERS COMPENSATION**

<b>Account Number</b>	<b>2020 Budget</b>	<b>2020 Adj. Budget</b>	<b>2020 A&amp;E</b>	<b>2021 Budget</b>
0002-32 PUBLICATIONS & MEMBERSHIP	3,000	3,000	1,000	3,000
<b>Line Item Detail</b>				
1 ASSE, State Lead Cert, CRM, Advance Degree, National Safety Council, and ASP				3,000.00
		Line Items Total		3,000.00
0002-34 TRAINING & PROF. DEVELOP	10,000	10,000	2,000	8,000
<b>Line Item Detail</b>				
1 OHST Certification, Ergo Training, Risk Assessment Conference				3,000.00
2 Ins, Risk, Safety and WC				3,000.00
3 TPA Training to start bringing items back in house				2,000.00
		Line Items Total		8,000.00
0002-36 INS - PROPERTY & CASUALTY	136,458	136,458	136,458	136,458
<b>Line Item Detail</b>				
1 Excess WC Policy				105,000.00
2 State Renewal Fee				100.00
3 PA State Assessment				31,358.37
		Line Items Total		136,458.37
0002-38 INS - OTHER EMPLOYEE	25,000	25,000	10,000	25,000
<b>Line Item Detail</b>				
1 State Self-Insured Fund = Uninsured Emp, Supersedeas & Subsequent Inj, Admin Fund				25,000.00
		Line Items Total		25,000.00
0002-46 OTHER CONTRACT SERVICES	60,860	60,860	60,860	60,860
<b>Line Item Detail</b>				
1 Workers Comp Claim Handling (TPA) - Workman's Compensation - calculated with 2% increase on fees				38,609.55
2 Workers Comp Fee for Broker				22,250.00
		Line Items Total		60,859.55
0002-72 EQUIPMENT	0	0	0	10,000
<b>Line Item Detail</b>				
1 Miscellaneous safety purchases to help reduce workers comp costs				10,000.00
		Line Items Total		10,000.00
0002-80 SELF-INSURED LOSSES	600,000	515,500	515,500	600,000



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081 RISK MANAGEMENT  
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 0002 WORKERS COMPENSATION

<i>Account Number</i>	<i>2020 Budget</i>	<i>2020 Adj. Budget</i>	<i>2020 A&amp;E</i>	<i>2021 Budget</i>
<b><i>Line Item Detail</i></b>				
1 Medical and Indemnity for WC			600,000.00	
		Line Items Total	600,000.00	
0002-86 GENERAL CITY CHARGES	60,868	60,868	60,868	63,911
<b><i>Line Item Detail</i></b>				
1 General City Charges			63,911.40	
		Line Items Total	63,911.40	
<b>Total WORKERS COMPENSATION</b>	<b>896,186</b>	<b>811,686</b>	<b>786,686</b>	<b>907,229</b>

**PROGRAM DETAIL**

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<b>Bureau:</b> Risk Management	<b>No:</b> 02-8001	<b>Department:</b> Finance	<b>Program:</b> Workers' Compensation	<b>No:</b> 0002
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**Program Description:**

This program includes those safety functions intended to protect the City and its employees against loss and injury. The City has self-insured this risk since January 1978. This program includes the elimination of risks through analysis, inspections, incident investigation, employee training, contract review, and all the functions associated with safety management for the City. Payments include medical expenses, indemnity (66 2/3% of pay or 100% of pay for Heart & Lung claims), claims management, loss prevention, and the excess insurance premium. Our current excess Worker's Compensation policy includes a \$600,000 retention with a corridor deductible of \$200,000. This program also maintains the Worker's Compensation Trust as required by the state for being self-insured.

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**Goal(s):**

To reduce exposure to work-related injuries.

To offer the most effective management of Workers' Compensation claims.

To ensure employees receive quality care management for treatment under Worker's Compensation claims.

To monitor that supervisors and employees are knowledgeable and accountable for safety performance in carrying out their job duties.

To improve existing and initiate new safety programs and activities.

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**Measurable Budget Year Objectives and Long Range-Targets:**

To improve claim monitoring and attempt to reduce cost of claims and claims administration by:

- Continuing to train supervisors in use of new Industry Safe claims-reporting software for 100% utilization rate by the end of the year.
- Using Industry Safe software to analyze claims and better tailor prevention programs.
- Expanding the light-duty program.

To provide a safe and healthful work environment for City employees by:

- Reviewing existing safety programs and implementing new safety programs.
- Creating a "culture of safety" within the City
- Implementing mandatory safety trainings targeting specific job duties through the recently-purchased online training platform.
- Continuing initiatives through the Centralized Safety Committee, including the annual Safety Day, and monitoring department-specific Safety Committees.

**CITY OF ALLENTOWN  
PROGRAM BUDGET**

**081 RISK MANAGEMENT  
02 FINANCE  
8001 RISK MANAGEMENT  
0003 EMPLOYEE HEALTH BENEFITS**

<b>Account Number</b>	<b>2020 Budget</b>	<b>2020 Adj. Budget</b>	<b>2020 A&amp;E</b>	<b>2021 Budget</b>
0003-37 INS - DENTAL, LIFE, DRUG	21,500,000	21,502,310	20,336,714	22,500,000
<b>Line Item Detail</b>				
1 Medical Claims, Capital Blue Admin Costs, 32BJ for SEIU, Stop Loss Premiums and Reimbursements, Rx, Dental, Vision, Ancillary-Met Life				22,500,000.00
		Line Items Total		22,500,000.00
<b>Total EMPLOYEE HEALTH BENEFITS</b>	<b>21,500,000</b>	<b>21,502,310</b>	<b>20,336,714</b>	<b>22,500,000</b>

## PROGRAM DETAIL

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<b>Bureau:</b> Risk Management	<b>No:</b> 02-8001	<b>Department:</b> Finance	<b>Program:</b> Employee Health Benefits	<b>No:</b> 0003
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### Program Description:

This program centralizes the payment of healthcare costs for those who are eligible and opt-in to coverage. These include full-time employees and their eligible family members, as well as eligible retirees under age 65. It provides the funding and administration for all City employee-related healthcare, disability and life-insurance benefit programs. Healthcare coverage includes medical, dental, vision, Teledoc, and Express Scripts. Healthcare plans and out-of-pocket costs are negotiated in the contracts of union personnel and reviewed on an annual basis for non-union personnel.

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### Goal(s):

To provide conscientious, cost-effective administration of the employee benefit programs.

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### Measurable Budget Year Objectives and Long Range Targets:

- Provide funding on a timely basis for payment of all health benefit claims, administrative fees, and insurance premiums.
- Monitor claim's costs closely to ensure the budget is aligned with ongoing forecasted expenses.
- Expand the City's Wellness Program to improve personal health awareness.
- Ensure enrolled family members and retirees are eligible for healthcare coverage through periodic audits.
- Collect active employee and retiree premiums on a timely basis.
- Expand ergonomics awareness to reduce muscular-skeletal injuries.
- Work with BSI, unions, and healthcare providers to evaluate different options for providing cost-effective and quality healthcare.
- Manage Stop Loss excess insurance program.
- Monitor the number of cases and costs related to COVID-19 for tracking and awareness purposes.