

Risk Management

Department Summary

		FY 2003 Actual	FY 2004 Adopted Budget	FY 2004 Current Budget	FY 2005 Adopted Budget
Appropriated Risk Management Fund Balance	\$	268,157	1,326,220	2,368,815	3,232,237
Dental: Employee & County contributions		1,069,626	1,255,000	1,255,000	1,293,119
General Fund Transfer: Other		2,500,000	1,000,000	1,000,000	1,000,000
Health: Insurance premiums		11,853,345	15,360,000	15,360,000	15,327,784
Interest Income		253,036	250,000	250,000	150,000
Other Sources		490,176	0	0	75,000
Revenue Totals	\$	16,434,340	19,191,220	20,233,815	21,078,140
Personnel Services	\$	182,709	189,548	189,548	241,163
Non-personnel operating costs		67,998	105,472	210,472	158,012
Claims and Natural Disasters		1,275,549	1,210,000	2,259,060	1,672,853
Dental Insurance		1,097,284	1,255,000	1,333,535	1,303,119
Health Insurance		13,186,958	15,462,500	15,462,500	16,776,864
Other Insurance Premiums (non-health)		623,842	968,700	778,700	926,129
Expenditure Totals	\$	16,434,340	19,191,220	20,233,815	21,078,140
Number of FTEs		3.00	3.00	3.00	4.00

Department Description

The Finance Department is responsible for managing the Risk Management Internal Service Fund, which is used to pay for the administration and claims for Workers' Compensation, liability and property insurance and health and dental premiums for employees and retirees. The Risk Management Fund supports an ongoing effort to identify and control

exposures so that operations and services are uninterrupted. Finance's Risk Management division is responsible for protecting physical, financial and human resources by reducing losses sustained through accidents, lawsuits or other occurrences that could jeopardize the County's financial integrity. When losses cannot be prevented, Risk Management's efforts ensure that the impact on County operations and finances is as minimal as possible.

Risk Management

List of Major Services

Safety training and inspection
Claims management and litigation support
Risk identification and control

Highlights

During the next three years, the Finance Department's Risk Management division will focus on the following:

Disaster Response and Recovery Planning

Planning for a catastrophe, whether natural or man-made, can make a tremendous difference in mitigating the loss of life and property. Risk Management will continue efforts to formalize disaster plans from each department into a coordinated Countywide Business Continuity Plan

Continued monitoring and development of the Owner Controlled Insurance Programs (OCIP)

An OCIP is a financial tool to consolidate and handle construction risks of County facilities. The successful FY04 referenda for schools and library construction increased the opportunities for the use of OCIP. Also, the Raleigh Convention Center Task Force has authorized a feasibility study of using OCIP for the Center's construction costs; if an OCIP proceeds, Risk Management will monitor the OCIP administration.

Policy Review

Risk Management will review the County's policies related to safety and liability, including those for blood-borne pathogens, fleet safety and accommodation under the *American with Disabilities Act*.

Employee Training

Wake County's favorable claims experience is due primarily to the fact that there are many experienced employees who have a good understanding of their risks and how to manage them. However, these demographics are beginning to change as long-term employees begin to retire. This transition creates an exposure that will be addressed through job-specific training, including training required by OSHA and training necessitated by any policy changes resulting from Risk Management's policy review.

Automating Exposure Identification and Statistical Information

The Safety Officer performs periodic, documented inspections of all premises and follows up on the correction of identified problems. Automating some of these processes could facilitate this work; accordingly, Risk Management is exploring the possibility of automating the tracking of employee training and immunizations, site inspections, and other related work.