

# RISK MANAGEMENT FUND

## Fund Summary

		<b>FY 2005 Actual</b>	<b>FY 2006 Adopted Budget</b>	<b>FY 2006 Current Budget</b>	<b>FY 2007 Adopted Budget</b>
Claims and Natural Disasters	\$	1,808,570	1,926,143	3,926,143	2,025,000
Dental Insurance		1,343,705	1,446,906	1,454,380	1,565,400
Health Insurance: Active Employees		15,804,592	19,765,000	19,765,000	20,796,278
Health Insurance: Retirees		2,269,656	2,580,000	2,580,000	2,468,000
Insurance Premiums (Non-health)		634,733	797,427	798,360	785,668
Non-personnel Operating Costs		124,591	182,879	197,697	197,598
Personnel Services		239,593	260,445	260,445	279,683
<b>Total Expenditures</b>	\$	<b>22,225,440</b>	<b>26,958,800</b>	<b>28,982,025</b>	<b>28,117,627</b>
Appropriated Risk Management Fund Balance	\$	0	1,899,894	1,923,119	3,107,949
Employee and County Share of Dental Premiums		1,363,246	1,446,906	1,446,906	1,565,400
Employee, Retiree and County Share of Health Premiums		16,122,301	20,274,000	20,274,000	20,796,278
General Fund Transfer		2,000,000	3,133,000	5,133,000	2,468,000
Interest Income		176,985	150,000	150,000	125,000
Other Sources		382,873	55,000	55,000	55,000
<b>Total Revenues</b>	\$	<b>20,045,405</b>	<b>26,958,800</b>	<b>28,982,025</b>	<b>28,117,627</b>
<b>Number of FTEs</b>		<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>

## Fund Purpose and Goals

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.

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## List of Major Services

- Safety training and inspection
- Claims management and litigation support
- Risk identification and control
- OSHA Recording Keeping and Reporting
- Creating and Maintaining Insurance Standards for Vendors Working with Wake County

## 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 Program (OCIP)

An OCIP is a financial tool used to consolidate and handle construction risks of new facilities. The City of Raleigh is utilizing an OCIP on the construction of the new Raleigh Convention Center and parking deck. Wake County Risk Management is providing resources and program oversight to the City of Raleigh for the duration of construction of these facilities and through project closeout.

### 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 under-

standing of their risks and how to manage them. However, these demographics are beginning to change as long-term employees 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, such as Workplace Violence Prevention. Additionally, we will provide training to teach departments how to document labor and resources for reimbursement by FEMA in the event of a disaster.

### 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 will facilitate this work; accordingly, Risk Management will issue an RFP for a Risk Management Information System and support that will automate the tracking of employee training and immunizations, site inspections, and other related work.