

DCO

DURHAM
COUNTY

DCO
NC

★ ★ ★ 1881 ★ ★ ★

Risk Management
> FY26 Update and FY27 Priorities

Risk Management Protects the County

Reducing Risk. Controlling Costs. Protecting Operations.

Protecting the County Through Strategic Insurance

Coverage Oversight

- General Liability (incl. law enforcement, auto)
- Workers' Compensation
- Property & Assets
- Cyber & Professional Liability

Financial Protection

- Negotiates renewals & pricing
- Identifies loss trends
- Tracks cost drivers

Claims Governance

- Reviews & approves claims
- Ensures consistency
- Protects County interests

Why it matters: Minimizes financial exposure and stabilizes insurance costs



Reducing Risk Before It Happens: Contract Review

1. Risk Transfer

- Enforces insurance requirements
- Strengthens indemnification language
- Limits County liability

2. Smart Decision Support

- Aligns requirements to risk level
- Reviews scope for exposure
- Advises departments

3. Compliance Assurance

- Verifies COIs
- Flags high-risk vendors/activities

Why it matters: Shifts risk away from the County and prevents costly disputes



Identifying and Managing Emerging Risks

- Identifies operational risks
- Recommends mitigation strategies
- Tracks measurable outcomes

Proactive Risk Management

- Cyber & ransomware
- Climate-related risks
- Regulatory changes
- Social liability trends

Emerging Threats

- Supports business continuity
- Aligns with emergency management
- Strengthens compliance

Continuity & Resilience

Why it matters: Prevents disruptions and protects essential services



FY26 Key Successes

FY26: Delivering Measurable Risk Reduction & Cost Control

Stabilized Insurance Costs

- Reduced total premiums while increasing coverage
- Increased cyber liability to \$10M
- Reduced APD to \$10k deductible, resulting in \$120k in savings

☞ Protected budget and reduced financial volatility

Strengthened Property Valuation Accuracy

- First Appraisal since 2016
- Verified facility assets over \$1.2B
- Provides ACV and reconstructions valuations for the property carrier

☞ Ensured appropriate coverage and avoided financial gaps

Improved Financial Risk Forecasting

- Enhanced reserve accuracy for claims
- Increased visibility into future liabilities
- Rebuilt the actuarial review process to align with the County's fiscal year
- Actual loss data, not modeled projections

☞ Better budgeting and financial planning

Increased Departmental Engagement

- Strengthened partnerships across departments
- Improved risk awareness and collaboration

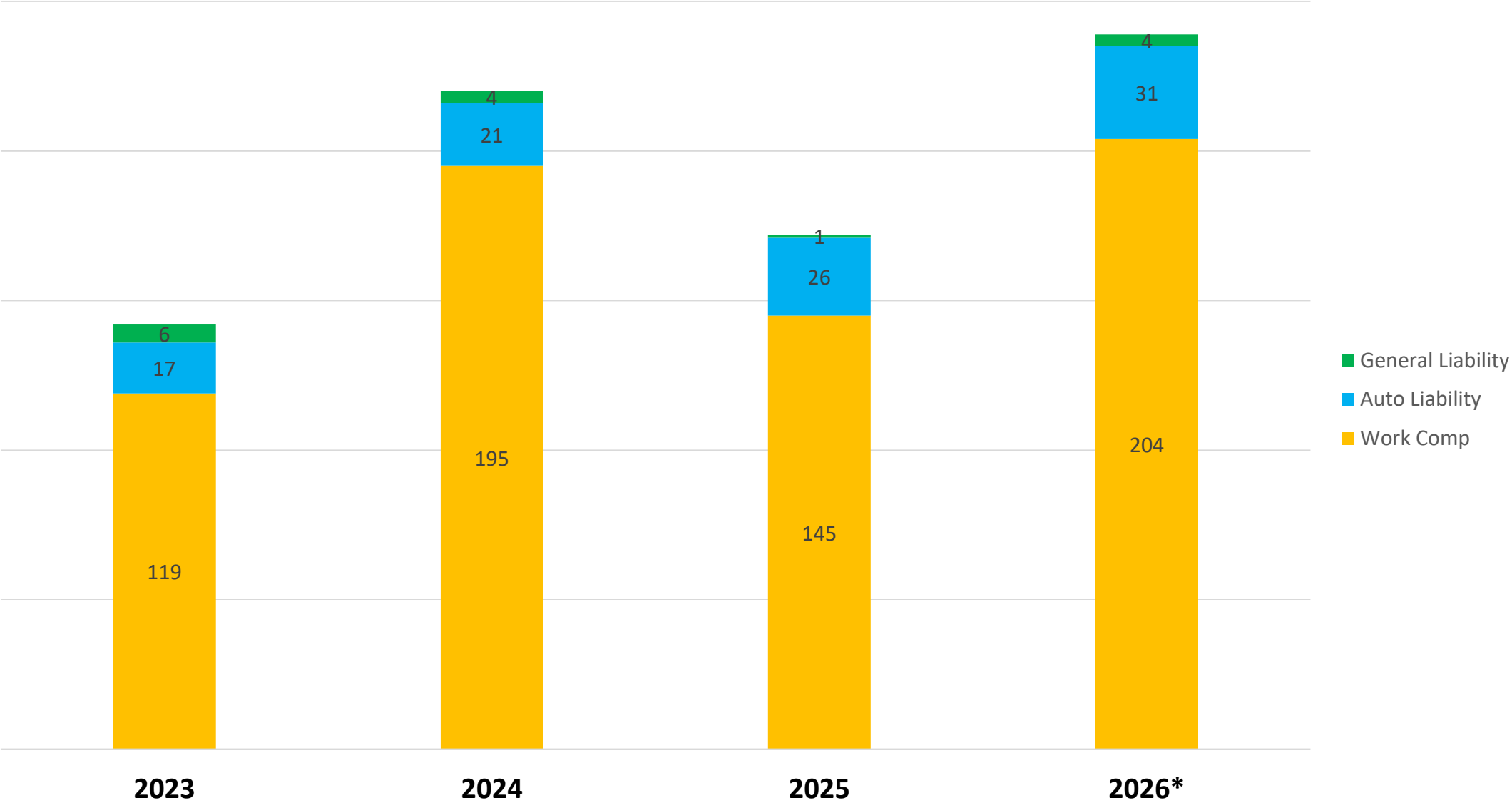
☞ Earlier risk identification and better decisions



The background of the slide is a repeating pattern of the Durham County logo, which includes the text 'DURHAM COUNTY' and the year '1881' around a central emblem. The word 'Trends' is centered on the slide in a white, sans-serif font.

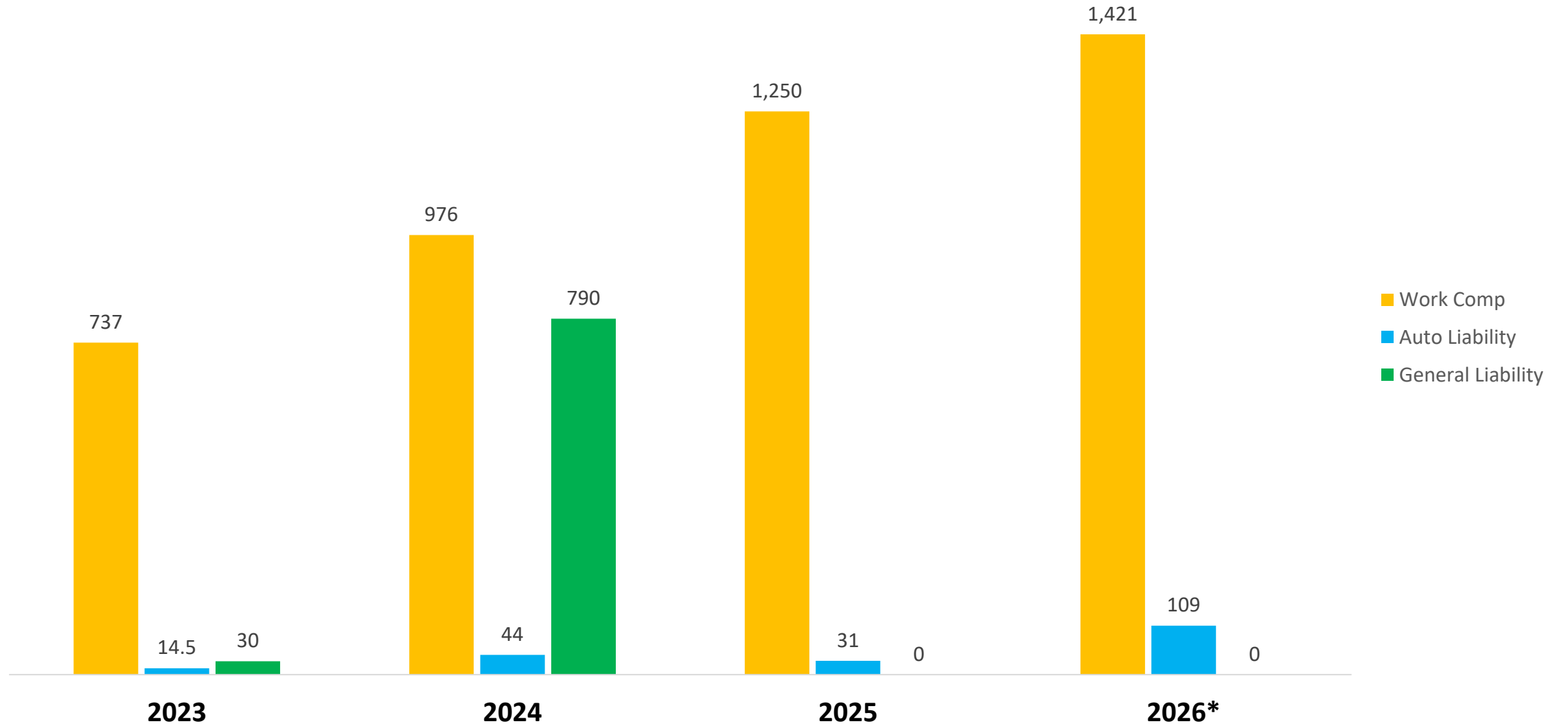
Trends

Claim Count



**2026 still in progress, numbers not final*

Claim Payments (\$K)



**2026 still in progress, numbers not final*

The background of the slide is a repeating pattern of the Durham County logo, which consists of the words "DURHAM COUNTY" above a stylized "DCO" monogram. The monogram features a sunburst design behind the letters. The text and logo are rendered in a light blue color against a darker blue background.

Looking Ahead: Goals and Needs for Risk Management

Additional FTE: Reducing Risk & Controlling Costs in FY27

1. Demand is Outpacing Capacity

- County growth is increasing risk exposure
- Current staffing limits proactive engagement

3. Improves Service & Response Across Departments

- Faster response times
- More consistent risk guidance
- Stronger adoption of best practices

2. Proactive Risk Management Reduces Costs

- Enables early intervention safety efforts
- Expands targeted, data-driven risk strategies

4. Below Peer Staffing Levels

- Comparable agencies support risk with larger teams

This is not a staffing increase — it is a cost containment strategy



Risk Insurance Analyst

Role Responsibilities

Insurance Program Management

- Maintains and optimizes insurance portfolio
- Oversees Certificates of Insurance (COI) process

Risk & Contract Oversight

- Conducts contract and insurance reviews
- Strengthens risk transfer and compliance

Training & Partnership

- Delivers insurance and COI training
- Increases departmental risk awareness

Financial Recovery

- Manages insurance recovery efforts
- Improves claim reimbursement outcomes



Business Impact

Proactive Risk Reduction

- Earlier identification of risks
- Fewer incidents and claims

Cost Containment

- Improved claim recovery
- Reduced long-term liability costs

Operational Efficiency

- Faster COI processing and contract review
- Improved department response times

Stronger Compliance

- Consistent application of insurance requirements
- Reduced audit and legal exposure

Investment & Market Benchmark

Proposed Salary Range:

👉 \$78K – \$85K

Market Comparison:

- Office of State Auditor: \$58K – \$102K
- City of Durham: \$66K – \$102K
- UNC Health: \$63K – \$103K

Positioned competitively to attract qualified talent

This role is the engine that allows us to scale proactive risk management—reducing claims, improving recovery, and protecting County resources.



FY27 Priorities: Expanding Proactive Risk Management

1. Build Capacity

- Onboard Risk Analyst
- Expand proactive support

2. Reduce Risk Exposure

- Expand risk assessments across departments
- Target high-risk trends

3. Strengthen Safety Culture

- Launch employee safety engagement initiatives (Safety Carnival, quarterly Safety Challenges, etc.)
- Increase behavioral safety awareness
- Rewards and Recognition Program

4. Enhance Data & Insights

- Implement claims & insurance dashboards
- Improve leadership reporting

These initiatives shift the County from reactive response to proactive risk prevention, reducing long-term costs and improving operational resilience.



The background of the slide is a repeating pattern of Durham County logos. Each logo consists of a stylized 'DCO' monogram and a shield. The shield features a sunburst design with the year '1881' at the bottom. The text 'DURHAM COUNTY' is positioned above the shield. The entire pattern is rendered in a light blue color against a darker blue background.

Questions