

S T A F F R E P O R T

SUBJECT: LAVTA Risk Management Update
 FROM: Beverly Adamo, Director of Administrative Services
 DATE: June 27, 2016

Action Requested
 Information only.

Background

At the Projects and Services Committee meeting held on May 23, 2016, the Quarterly Operations Update was provided to the Committee that included information regarding the number of accidents and claims paid during the third quarter of FY16. During this report, Councilmember Karla Brown requested that LAVTA staff bring back a report regarding accidents that compares past years and industry standards.

Discussion

In April 2000 LAVTA joined California Transit Indemnity Pool (CalTIP), for the purpose of pooling with other transit agencies throughout the state to provide liability and physical damage insurance. Each year, LAVTA receives a Risk Profile Report, and the most recent is included as Attachment 1. The format of the exhibits in this report allows LAVTA to compare our performance to CalTIP peers and to CalTIP as a pool. This is an annual report that was issued in March 2016, and includes program years from FY11 through FY15.

The question was also asked regarding the dollar amount of claims paid to date during FY16. Of the total \$83,332.80 that has been paid during the first ten months of FY16, only \$19,648.07 was paid for occurrences that happened during FY16. The breakdown is as follows:

Actual Date of Occurrence	Total Paid in FY15 (12 months of data)	Total Paid in FY16 (10 months of data)
FY12	\$6,614.11	\$7,235.25
FY13	\$134.94	0
FY14	\$36,471.58	\$12,009.31
FY15	\$19,327.76	\$44,440.17
FY16	N/A	\$19,648.07
TOTAL	\$62,548.39	\$83,332.80

Recommendation
 Information only.

Attachment

- 1) CalTIP Risk Profile Report



RISK PROFILE

The 2016 Risk Profile is based on claims data valued @November 30, 2015 and covers program years from 2010/11 through 2014/15

March 2016

About This Report

The Risk Profile Report is a compilation of exhibits that illustrate various loss trends of the California Transit Indemnity Pool (CalTIP) and its members. This information is used to help develop targeted risk control services to address the risk factors contributing to these loss trends.

The exhibits provide insight about the frequency and severity of losses for individual members as well as the overall frequency and severity averages of the pool. While the format of the exhibits allows members to compare their performance to their CalTIP peers and to CalTIP as a pool, the report is not intended to be used as a punitive tool for those members performing worse than the CalTIP average or worse than any other members.

The loss data used in developing the Risk Profile Report consists of general and auto liability claims valued as of November 30, 2015, for the program years 2010/11 through 2014/15. Certified annual mileage and experience modification factors for same program years are also used for comparisons. The exhibits take into account the following assumptions:

- Incurred losses are capped at the \$1 million CalTIP self-insured retention.
- Occurrences with zero incurred are included in the occurrence count.

Exhibits identifying cause of loss are categorized according to the Public Risk Database Project's (PRDP) loss codes. The data for these exhibits is limited to data provided by York Risk Services Group, Inc. (York) for all Program I and some Program II members. If a Program II member contracts directly with York or a claim exceeding its self-insured retention has been reported to York, these claims are included in the PRDP exhibits. York implemented the PRDP coding process as a condition of the contract with CalTIP. For more information on the PRDP loss coding structure, refer to Appendix - A. For a complete list of definitions, refer to Appendix - B.

This report has been prepared solely for the internal use of CalTIP as a guide in determining risk factors and future risk control services. The supporting data, analysis, descriptions, exhibits, and appendices herein are not necessarily suitable for any other purpose. For questions and comments, please contact Jeff Johnston, Director of Risk Control, **Bickmore** at (800) 541-4591, ext. 1125.

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Mileage

Total Mileage by Member

Total mileage is the sum of revenue vehicle and non-revenue vehicle miles. Revenue vehicle mileage is miles operated or driven by revenue vehicles (i.e., buses or passenger vans). Non-revenue vehicle mileage is miles operated or driven by non-revenue vehicles, meaning any car or service truck.

MEMBER	10/11	11/12	12/13	13/14	14/15	TOTAL ALL YEARS	
Amador	229,275	237,521	234,037	248,595	259,957	1,209,385	
Arcata	120,420	172,100	173,400	107,304	107,500	680,724	
Auburn	60,793	61,716	62,711	64,270	65,814	315,304	
Azusa	115,499	115,839	102,868	111,872	217,927	664,005	
CCCTA	3,265,411	3,290,011	4,268,408	3,384,235	3,433,510	17,641,575	
Culver City	1,742,745	1,759,763	1,880,869	1,805,635	1,811,375	9,000,387	
Dixon	83,576	87,944	82,585	89,861	95,867	439,833	
El Dorado	1,328,318	1,388,723	1,339,612	1,196,962	1,300,674	6,554,289	
Folsom	191,540	194,121	191,778	182,661	145,017	905,117	
Gold Coast	1,979,568	2,104,397	2,183,361	2,380,305	2,486,320	11,133,951	
Golden Empire	4,584,877	4,685,566	4,368,777	4,890,578	3,972,446	22,502,244	
Humboldt	1,200,953	1,173,191	1,212,676	1,292,516	1,296,655	6,175,991	
Lincoln	115,083	109,834	101,656	100,518	103,784	530,875	
Livermore	2,381,140	2,424,358	2,325,925	2,284,645	2,284,895	11,700,963	
Lodi	305,372	351,430	338,257	361,398	386,253	1,742,710	
Mendocino	771,843	750,022	742,464	734,205	765,633	3,764,167	
Monterey-Salinas	3,912,154	4,224,962	3,799,785	3,551,311	3,890,476	19,378,688	
Morongo	740,020	785,504	790,626	832,776	792,330	3,941,256	
Nevada	256,604	253,999	266,733	289,456	327,036	1,393,828	
Omnitrans	12,728,288	13,011,421	12,978,359	12,326,184	12,099,414	63,143,666	
Placer	1,643,977	1,574,626	1,553,781	1,367,881	1,344,753	7,485,018	
Porterville	379,323	374,876	424,588	647,252	665,729	2,491,768	
Riverside	5,423,648	5,589,064	6,014,737	6,156,958	6,782,026	29,966,433	
San Luis Obispo	1,738,343	2,051,525	2,110,033	2,143,335	2,179,191	10,222,427	
Santa Cruz	4,697,597	4,097,455	4,652,447	5,114,453	5,032,075	23,594,027	
Santa Rosa	1,235,892	1,203,993	1,172,572	1,069,177	1,039,082	5,720,716	
Siskiyou	473,572	495,325	524,967	523,376	527,237	2,544,477	
South County	249,749	239,957	214,827	225,893	243,634	1,174,060	
Tahoe	157,441	923,420	904,667	878,736	811,714	3,675,978	
Vacaville	465,033	572,994	605,785	550,172	619,018	2,813,002	
WCCTA	1,897,752	1,919,766	1,878,491	1,899,708	1,893,478	9,489,195	
Whittier	221,039	228,494	242,846	236,262	235,519	1,164,160	
Yolo	2,558,284	2,547,012	2,556,066	2,696,654	2,787,859	13,145,875	
CalTIP Total	57,255,129	59,000,929	60,300,694	59,745,144	60,004,198	296,306,094	

SOURCE - CalTIP annual mileage certification survey results.

Experience Modification Factors - Rural

Experience modifications factors (Xmods) are designed to adjust your CalTIP contributions up or down based on whether your historical claim results have been better or worse than the CalTIP average. Xmods below 1.00 indicate better than average experience. Xmods above 1.00 indicate worse than average experience.

MEMBER	10/11	11/12	12/13	13/14	14/15	
Amador	0.51	0.76	0.84	0.93	0.73	
Arcata	0.61	0.85	0.89	0.79	0.78	
Auburn	0.57	0.66	0.71	0.76	0.75	
Dixon	0.57	0.66	0.71	0.76	0.75	
El Dorado	0.39	0.49	0.56	0.67	0.77	
Folsom	0.50	0.77	0.87	1.09	0.89	
Humboldt	0.66	0.58	0.60	0.66	0.66	
Lincoln	0.56	0.67	0.90	0.95	0.93	
Mendocino	0.44	0.47	0.64	0.72	0.73	
Morongo	0.63	0.77	0.60	0.65	0.64	
Nevada	0.51	0.56	0.62	0.72	0.70	
Placer	0.55	0.55	0.66	0.65	0.63	
San Luis Obispo	0.51	0.63	0.74	0.78	0.88	
Siskiyou	0.45	0.56	0.59	0.66	0.62	
South County	0.54	0.62	0.65	0.74	0.72	
Tahoe	0.59	0.68	0.74	0.79	0.89	

SOURCE - CalTIP experience modification factors calculated by Aon.

Experience Modification Factors - All Other

Experience modifications factors (Xmods) are designed to adjust your CalTIP contributions up or down based on whether your historical claim results have been better or worse than the CalTIP average. Xmods below 1.00 indicate better than average experience. Xmods above 1.00 indicate worse than average experience.

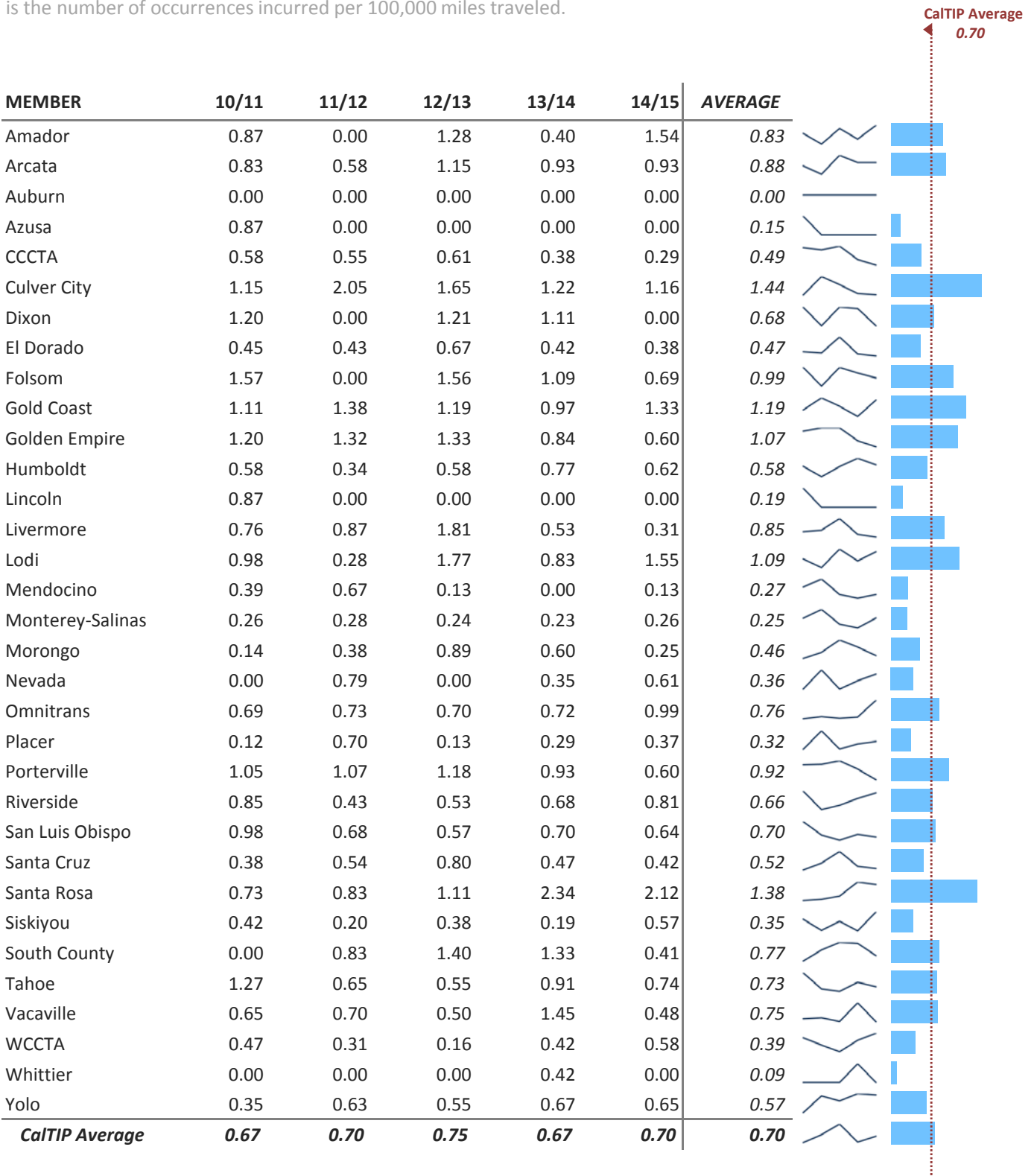
MEMBER	10/11	11/12	12/13	13/14	14/15	
Azusa	1.03	1.01	1.04	1.11	1.20	
CCCTA	0.82	0.74	0.73	0.75	0.78	
Culver City	1.55	1.47	1.80	1.78	1.26	
Gold Coast	1.56	1.50	1.69	1.16	1.27	
Golden Empire	1.09	1.24	1.16	1.27	1.34	
Livermore	1.17	1.00	0.94	0.97	1.10	
Lodi	1.17	1.06	0.94	0.94	0.95	
Monterey-Salinas	0.67	0.64	0.71	0.72	0.64	
Omnitrans	1.24	1.17	1.14	1.09	1.13	
Porterville	1.07	1.04	1.10	1.19	1.22	
Riverside	1.05	1.01	1.02	0.96	1.29	
Santa Cruz	0.72	0.90	0.80	0.91	0.83	
Santa Rosa	0.87	0.81	1.02	1.04	1.05	
Vacaville	0.93	0.94	0.95	1.00	0.89	
WCCTA	0.95	1.05	1.01	1.10	0.94	
Whittier	1.36	1.14	0.97	0.95	0.94	
Yolo	1.10	1.03	1.13	1.11	0.93	

SOURCE - CalTIP experience modification factors calculated by Aon.

Frequency

Number of Occurrences per 100,000 Miles

Frequency is the number of occurrences experienced per mile traveled. It is determined by taking the occurrence count divided by the miles traveled, multiplied by 100,000. The result is the number of occurrences incurred per 100,000 miles traveled.





































NOTE - The overall averages (i.e., last row and last column) are weighted. That is, they are based on the total claims and mileage for all years for all members. They are not calculated by taking an average of the yearly frequencies shown above.

Loss Rate

Incurring Losses per 100,000 Miles

Loss rate is the cost incurred per mile traveled. It is determined by taking the incurred losses (paid losses plus reserves) divided by the miles traveled, multiplied by 100,000. The result is a dollar amount of incurred losses per 100,000 miles traveled.

CalTIP Average
\$ 11,286

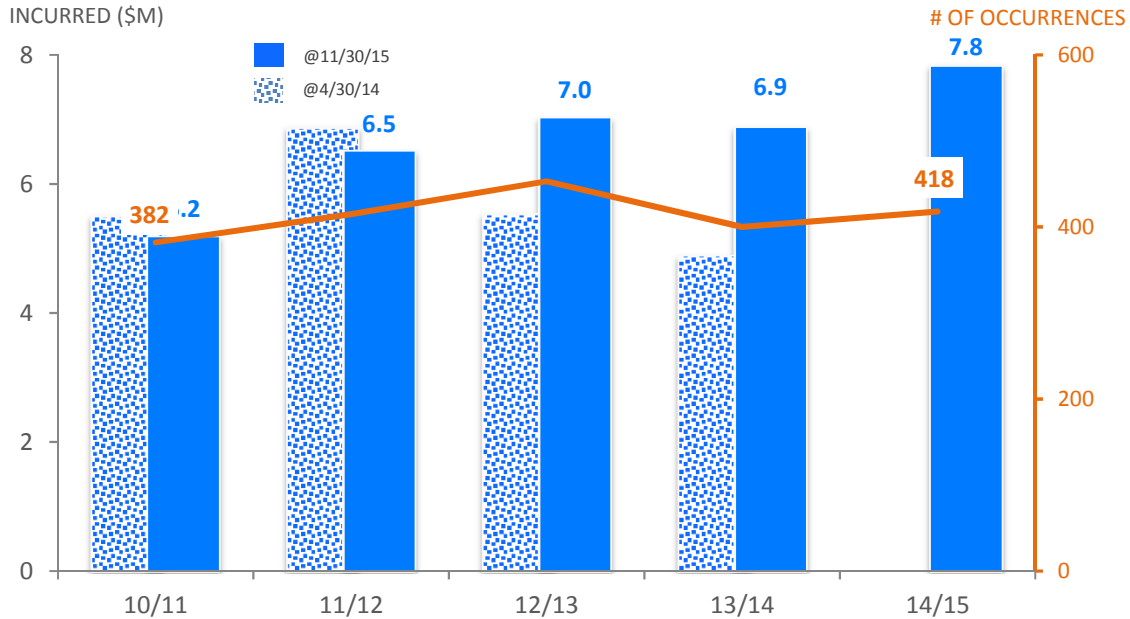
MEMBER	10/11	11/12	12/13	13/14	14/15	AVERAGE	
Amador	\$ 4,387	\$ 0	\$ 1,779	\$ 518	\$ 111,727	\$ 25,298	
Arcata	187	4,043	2,665	1,350	969	2,100	
Auburn	0	0	0	0	0	0	
Azusa	191,461	0	0	0	0	33,303	
CCCTA	4,475	6,353	3,339	31,005	2,706	9,295	
Culver City	3,109	6,756	37,731	17,619	2,563	13,858	
Dixon	596	0	2,396	1,790	0	929	
El Dorado	2,007	3,910	3,600	2,574	16,298	5,675	
Folsom	489	0	695,534	2,880	269	148,099	
Gold Coast	4,368	22,892	11,099	13,223	50,694	21,427	
Golden Empire	4,943	14,679	2,899	2,911	3,048	5,797	
Humboldt	2,841	3,552	979	2,427	26,188	7,425	
Lincoln	44,436	0	0	0	0	9,633	
Livermore	6,392	1,421	5,926	12,440	1,866	5,566	
Lodi	1,732	1,006	1,554	5,719	18,415	6,076	
Mendocino	27,329	1,300	292	0	197	5,960	
Monterey-Salinas	7,916	1,416	1,462	24,395	1,385	6,942	
Morongo	277	733	3,811	1,312	823	1,405	
Nevada	0	3,808	0	0	1,376	1,017	
Omnitrans	8,076	7,164	21,483	16,881	21,846	15,001	
Placer	822	3,155	28	224	9,765	2,646	
Porterville	26,017	9,405	2,581	4,034	757	7,065	
Riverside	11,241	21,634	15,118	19,258	5,031	14,199	
San Luis Obispo	3,089	52,333	1,142	6,893	9,916	14,823	
Santa Cruz	12,579	2,946	2,005	503	18,404	7,445	
Santa Rosa	3,601	12,407	2,973	3,827	383	4,783	
Siskiyou	372	704	491	403	7,339	1,911	
South County	0	14,818	1,198	7,552	4,002	5,531	
Tahoe	14,383	4,968	24,423	12,615	26,751	16,797	
Vacaville	1,544	1,400	380	2,592	3,848	1,976	
WCCTA	54,236	54,292	519	1,453	1,085	22,441	
Whittier	0	0	0	75	0	15	
Yolo	5,933	3,321	2,955	4,282	25,436	8,645	
CalTIP Average	\$ 9,065	\$ 11,039	\$ 11,661	\$ 11,509	\$ 13,050	\$ 11,286	

NOTE - The overall averages (i.e., last row and last column) are weighted. That is, they are based on the incurred losses and mileage for all years for all members. They are not calculated by taking an average of the yearly severities shown above.

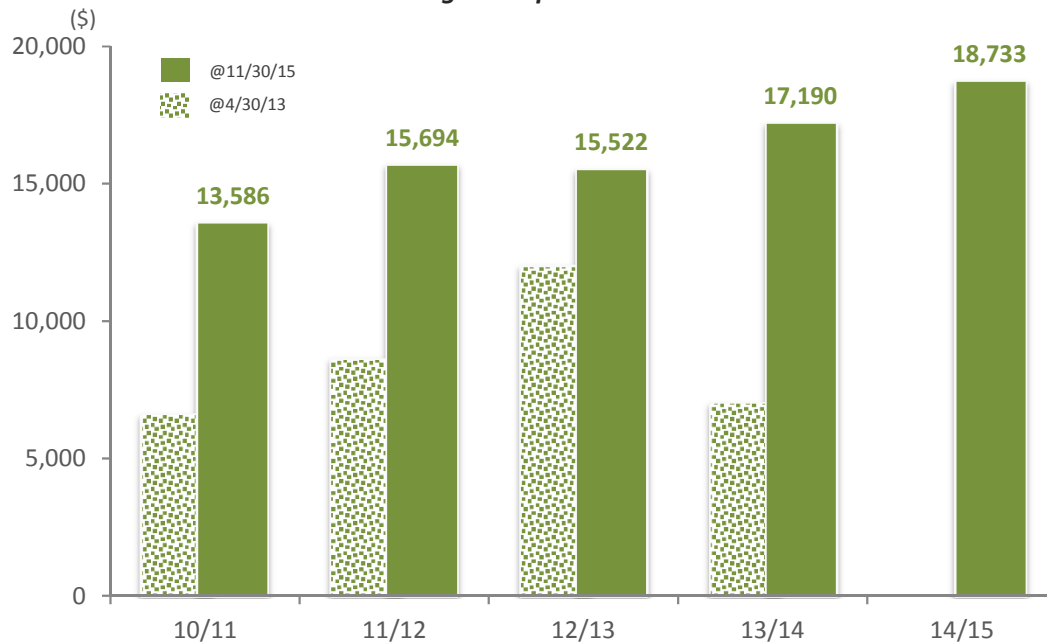
Incurred Losses, Number of Occurrences, and Average Cost per Occurrence (All CalTIP Members Combined)

Incurred losses are capped at \$1 million per occurrence. Claims with zero incurred are included. Average cost per occurrence is the incurred losses divided by number of occurrences.

Incurred Losses and Number of Occurrences



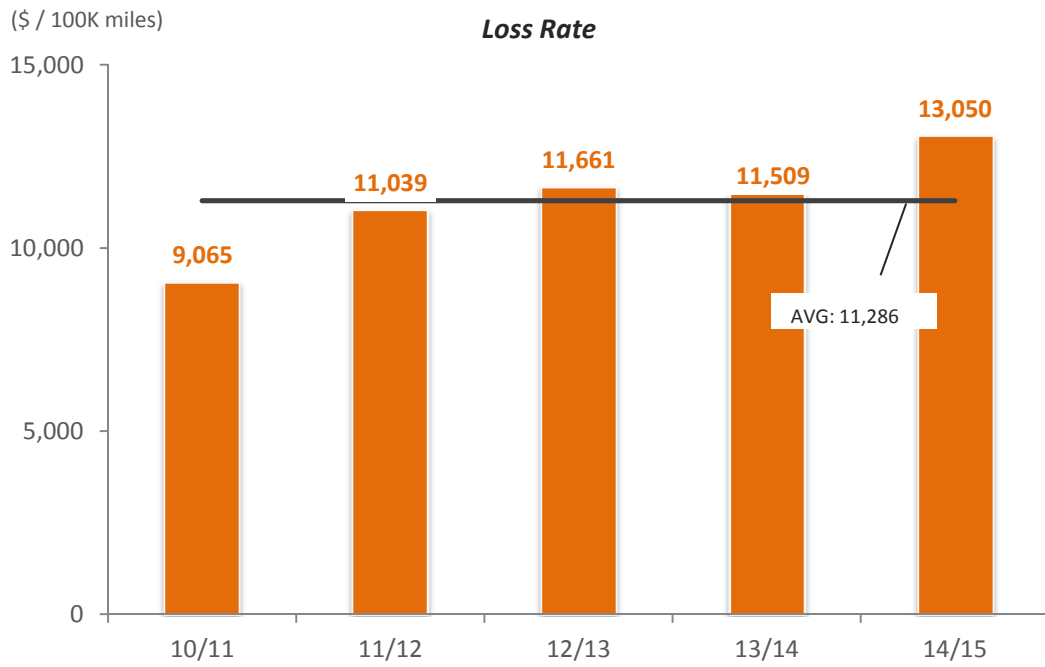
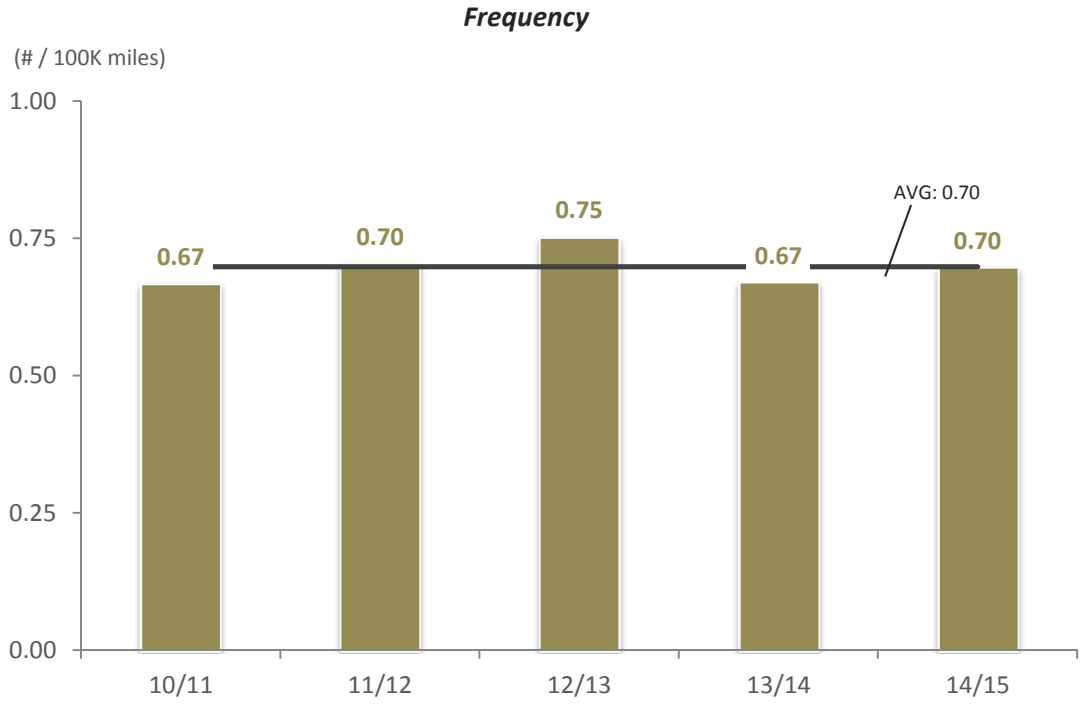
Average Cost per Occurrence



Frequency and Loss Rate

All CalTIP Members Combined

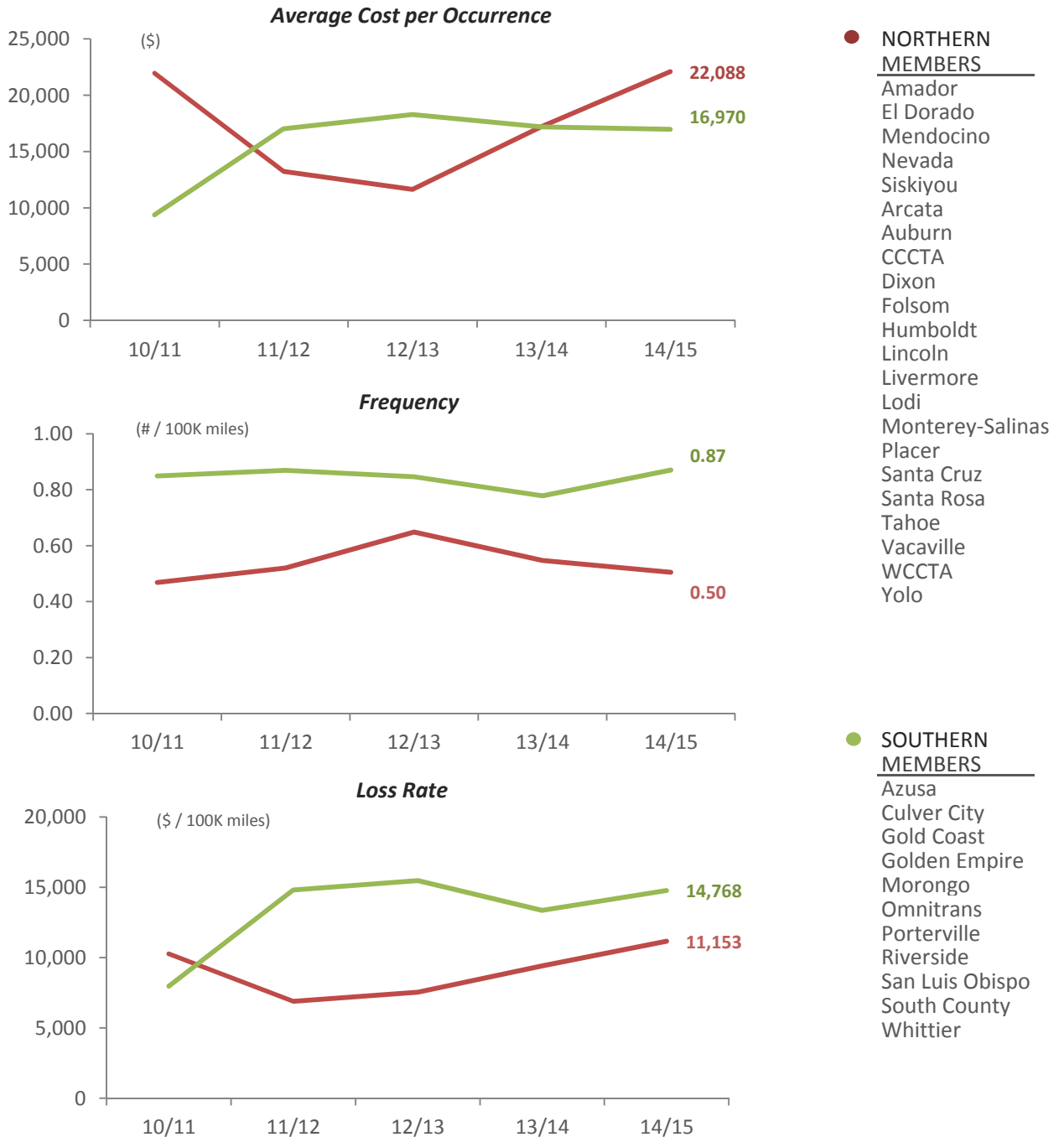
Frequency is the occurrence count divided by the miles traveled, multiplied by 100,000. Loss rate is the incurred losses (paid losses plus reserves) divided by the miles traveled, multiplied by 100,000.



Average Cost per Occurrence, Frequency, and Loss Rate

All CalTIP Members Combined by Region

CalTIP members are assigned to Northern or Southern California based on the county in which they primarily operate and the California Institute for Public Risk Analysis's (CIPRA's) division of counties into Northern and Southern California.

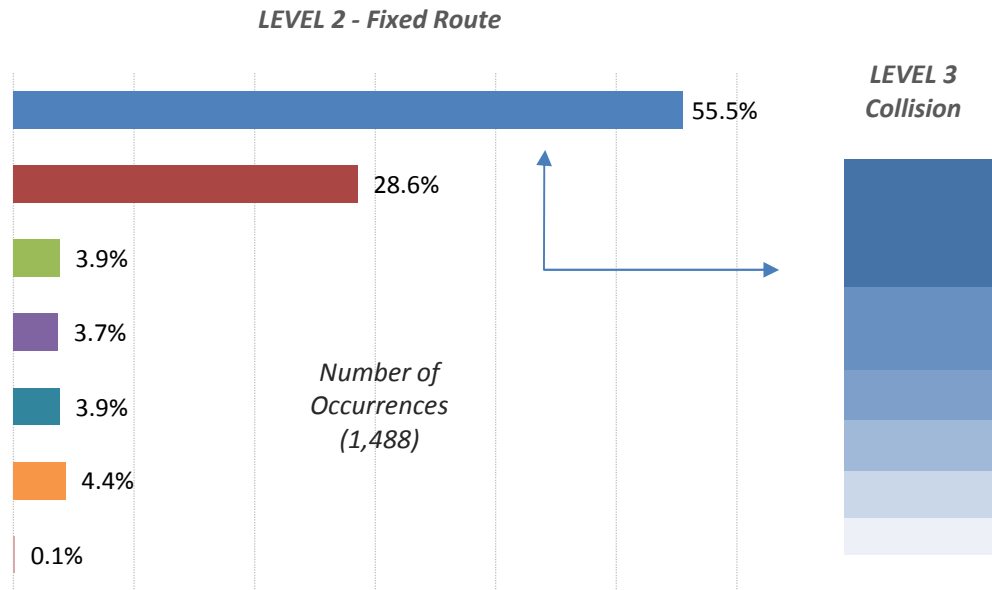


- **NORTHERN MEMBERS**
 - Amador
 - El Dorado
 - Mendocino
 - Nevada
 - Siskiyou
 - Arcata
 - Auburn
 - CCCTA
 - Dixon
 - Folsom
 - Humboldt
 - Lincoln
 - Livermore
 - Lodi
 - Monterey-Salinas
 - Placer
 - Santa Cruz
 - Santa Rosa
 - Tahoe
 - Vacaville
 - WCCTA
 - Yolo
-
- **SOUTHERN MEMBERS**
 - Azusa
 - Culver City
 - Gold Coast
 - Golden Empire
 - Morongo
 - Omnitrans
 - Porterville
 - Riverside
 - San Luis Obispo
 - South County
 - Whittier

Number of Occurrences by Cause of Loss

PRDP Loss Codes - Levels 2 & 3 - Collision

This exhibit illustrates in detail the Level 3 cause of loss codes corresponding to occurrences coded to 'Public Transit' and 'Fixed Route' in Levels 1 and 2, respectively. The 1,488 occurrences represent 81% of CalTIP's total occurrences managed by York Risk Services Group, Inc. for the program years 10/11 through 14/15.



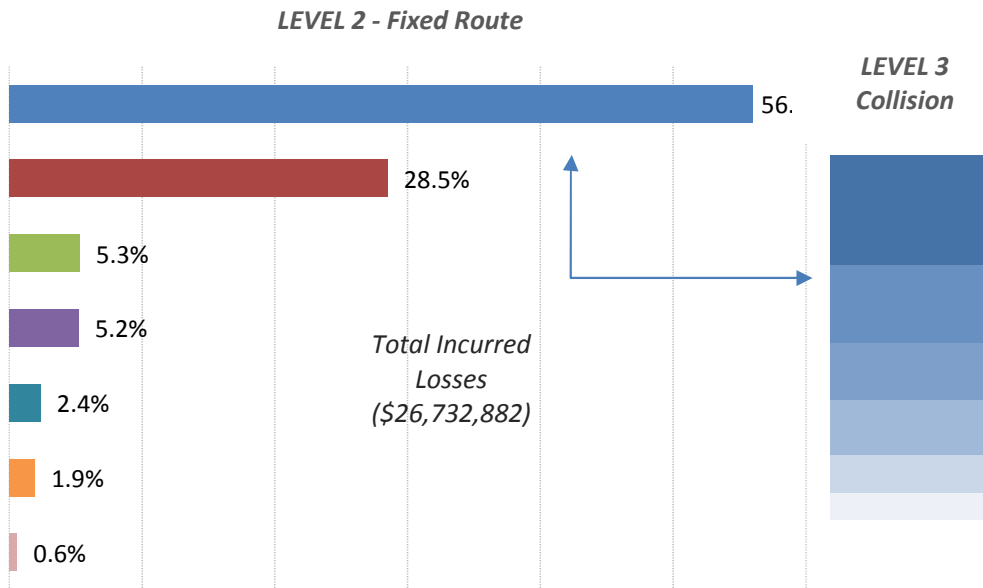
# Occurrences by LEVEL 2 Fixed Route			# Occurrences by LEVEL 3 Collision		
	#	%		#	%
● Collision	791	53%	■ Collision: side impact: transit veh. pas	255	32%
● Passenger thrown:	407	27%	■ Collision: solo or with other object	164	21%
● Pedestrian hazards	55	4%	■ Collision: transit veh. rearends other v	101	13%
● Access to disabled	53	4%	■ Collision: side impact: other veh. passi	100	13%
● Other passengers	55	4%	■ Collision: vehicles at angle	95	12%
● Drainage	62	4%	■ Collision: other veh. rearends transit v	72	9%
● Passenger hit: while on-board	2	0%	■ Collision: on-coming traffic	4	1%
Equipment	42	3%			
Crime	10	1%			
Defamation	8	1%			
(blank)	2	0%			
Lighting	1	0%			
	1,488			791	

NOTE - Truncated code descriptions shown above are as they appear in claims database. "Blank" codes associated with Program II member claims managed by York Risk Services Group, Inc. under contract separate from CalTIP.

Incurred Losses by Cause of Loss

PRDP Loss Codes - Levels 2 & 3 - Collision

This exhibit illustrates in detail the Level 3 cause of loss codes corresponding to occurrences coded to 'Public Transit' and 'Fixed Route' in Levels 1 and 2, respectively. The \$26.7 million incurred represents 84% of CalTIP's total incurred on occurrences managed by York Risk Services Group, Inc. for the program years 10/11 through 14/15.



	\$	%
● Collision	14,932,524	56%
● Passenger thrown:	7,589,110	28%
● Access to disabled	1,421,400	5%
● Pedestrian hazards	1,392,323	5%
● Drainage	629,037	2%
● Other passengers	517,740	2%
● Equipment	160,019	1%
● Crime	42,085	0%
● Defamation	34,962	0%
● Passenger hit: while c	8,429	0%
● (blank)	3,934	0%
● Lighting	959	0%
Total	26,732,522	

	\$	%
■ Collision: solo or with other object	4,212,126	28%
■ Collision: vehicles at angle	2,980,227	20%
■ Collision: transit veh. rearends other v	2,236,748	15%
■ Collision: side impact: transit veh. pas	2,117,878	14%
■ Collision: other veh. rearends transit v	1,478,318	10%
■ Collision: on-coming traffic	1,034,950	7%
■ Collision: side impact: other veh. passi	872,277	6%
Total	14,932,524	

NOTE - Truncated code descriptions shown above are as they appear in claims database. "Blank" codes associated with Program II member claims managed by York Risk Services Group, Inc. under contract separate from CalTIP.

Appendix – A

PRDP Loss Codes

York Risk Services Group, Inc. (York) uses a four-level, hierarchical loss coding system authored by the Public Risk Database Project (PRDP). The four-levels of codes are organized in a drill-down hierarchy. About 80% of CalTIP’s claims managed by York are coded to ‘Public Transit’ in Level 1 and ‘Fixed Route’ in Level 2. For this reason, the exhibits examining PRDP loss codes focus only on these two levels: ‘Public Transit’ and ‘Fixed Route’ (see illustration below).

LEVEL 1

- Administration
- Paratransit
- Premises and Facilities
- Public Transit
- Roadways, Bridges and Tunnels
- Vehicle Operations (Non-Transit)

LEVEL 2 (for Public Transit)

- Charter
- Fixed route
- Heavy rail
- Paratransit
- Ride share/van pool

LEVEL 3

(for Public Transit, Fixed route)

- Access to disabled
- Collision: on-coming traffic
- Collision: other veh. rearends transit v
- Collision: side impact: other veh. passi
- Collision: side impact: transit veh. pas
- Collision: solo or with other object
- Collision: transit veh. rearends other v
- Collision: vehicles at an angle
- Crime
- Defamation
- Drainage
- Environmental hazards
- Equipment
- Lighting
- Other passengers
- Passenger hit: while on-board transit v
- Passenger thrown: while alighting from t
- Passenger thrown: while boarding transit
- Passenger thrown: while transit veh. mov
- Passenger thrown: while transit veh. sta
- Passenger thrown: while transit veh. sto
- Pedestrian hazards

Appendix – B

Definitions

Average Cost per Occurrence is determined by dividing the value of total incurred losses (paid losses plus reserves) by the number of occurrences. The result is a dollar amount reflecting the average cost per occurrence.

Experience Modification Factors (Xmods) are designed to adjust an individual member's CalTIP contributions up or down based on whether its historical loss experience has been better or worse than the CalTIP average. Xmods below 1.00 indicate better than average experience. Xmods above 1.00 indicate worse than average experience.

Frequency is the number of occurrences experienced per mile traveled. It is determined by taking the occurrence count divided by the miles traveled, multiplied by 100,000. The result is the number of occurrences incurred per 100,000 traveled.

Incurred Losses are the paid losses plus case reserves on each occurrence.

Loss Rate is the cost incurred per mile traveled. It is determined by taking the incurred losses (paid losses plus reserves) divided by the miles traveled, multiplied by 100,000. The result is a dollar amount of incurred losses per 100,000 miles traveled.

Mileage is the sum of revenue vehicle and non-revenue vehicle miles as reported on the annual mileage certification survey. Revenue vehicle mileage is miles operated or driven by revenue vehicles (i.e., buses or passenger vans). Non-revenue vehicle mileage is miles operated or driven by non-revenue vehicles, meaning any car or service truck.

Public Risk Database Project (PRDP) is a data warehouse containing public entity risk management information. When it was first developed, data suppliers provided loss data according to PRDP specifications, which included a four-level hierarchical loss coding system. These codes are now used by York for all Program I and some Program II members. If a Program II member contracts directly with York or a claim exceeding its self-insured retention has been reported to York, these claims are included in the PRDP exhibits.