

# MANAGEMENT MEMO

<b>SUBJECT:</b> <b>VEHICLE SELF-INSURANCE ASSESSMENT</b> <b>2001/2002 FISCAL YEAR</b>	<b>NUMBER:</b> <b>01-12</b>
<b>REFERENCES:</b> Government Code Sections 11290(a), 16378, 16379 Supersedes Management Memo 00-03	<b>DATE ISSUED:</b> <b>06/12/01</b> <b>EXPIRES:</b> <b>06/12/02</b> <b>ISSUING AGENCY:</b> Department of General Services

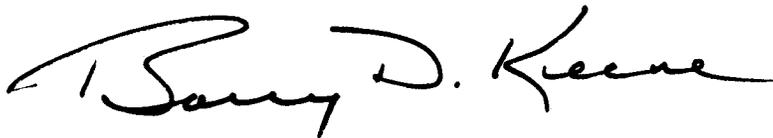
The State Motor Vehicle Insurance Account (SMVIA) is funded through assessments charged to state agencies that own vehicles. Under self-insurance, the participation of a large group of state agencies helps to ease dramatic increases or decreases in assessments (or contributions to the fund). This assessment reflects the projected amount to be expended for the 2001/02 fiscal year to pay claim settlements and administrative expenses such as adjusting and defense costs.

There are two categories of owning state agencies: those that own more than 300 vehicles, and those that own less than 300 vehicles. Those departments that own more than 300 vehicles are rated on their own claim experience for the last five calendar years ending December 31, 2000. Those departments owning less than 300 vehicles, and whose experience would not be credible on a stand-alone basis, are grouped together and experience-rated as though they were one entity (listed as *All Others*).

Attachment 1 reflects the 2001/02 fiscal year motor vehicle self-insurance assessments for the 21 large owning departments and the All Other group. The assessments determined for the large owning departments are based solely on loss experience and are not subject to modification once the assessment has been made. The All Other assessment is distributed to departments in this group using the last reported vehicle inventory from the Office of Fleet Administration (June 30, 2000). Therefore, there is a charge made on a *per vehicle* basis for the "All Others" group, unlike the larger owning departments. However, since the rates are based on past claims experience, there are no adjustments due to vehicle fluctuation.

Attachment 1 also includes last year's premiums, as well as vehicle inventories and vehicle rates for those departments that wish to use this information for comparison purposes and/or to distribute its assessment internally.

For further information regarding the vehicle self-insurance assessments, please call Jan Dietz, Office of Risk and Insurance Management, at (916) 322-8970 or email at [jan.dietz@dgs.ca.gov](mailto:jan.dietz@dgs.ca.gov).



Barry D. Keene, Director  
 Department of General Services

Attachment

**ATTACHMENT 1**  
**2001/2002 MOTOR VEHICLE SELF-INSURANCE ASSESSMENT**

<i>Department</i>	<i>2000/01 Vehicle Inventory</i>	<i>2000/2001 Vehicle Rate</i>	<i>2000/2001 Premium Requirement</i>	<i>2001/2002 Vehicle Inventory</i>	<i>2001/2002 Vehicle Rate</i>	<i>2001/2002 Premium Requirement</i>
<i>Conservation Corps</i>	508	\$195	\$98,860	528	\$200	\$105,603
<i>Consumer Affairs</i>	1,198	\$113	135,580	1,073	132	141,533
<i>Corrections</i>	5,121	\$173	887,415	5,196	189	982,799
<i>DDS</i>	658	\$151	99,303	684	160	109,556
<i>Distr Ag Association &amp; F&amp;A Boards/Commissions</i>	830	\$109	90,637	859	109	93,289
<i>EDD</i>	427	\$144	61,339	443	150	66,589
<i>Fish &amp; Game</i>	1,888	\$180	339,761	2,809	118	332,658
<i>Food &amp; Agriculture</i>	642	\$397	254,846	748	314	235,011
<i>Forestry</i>	2,992	\$159	475,828	3,099	141	436,532
<i>General Services</i>	5,879	\$269	1,584,261	6,104	251	1,529,487
<i>Highway Patrol</i>	3,966	\$1,027	4,074,245	3,930	1,010	3,969,898
<i>Justice</i>	913	\$292	266,150	914	298	272,271
<i>Lottery</i>	238	\$521	123,944	309	377	116,425
<i>Mental Health</i>	492	\$105	51,547	520	93	48,409
<i>Motor Vehicles</i>	402	\$219	88,011	426	238	101,213
<i>Parks &amp; Recreation</i>	1,476	\$264	388,927	3,753	98	368,742
<i>Prison Industry Authority</i>	1,031	\$80*	82,480	1,072	80*	85,760
<i>State University</i>	2,930	\$127	371,444	3,279	117	382,142
<i>Transportation</i>	10,345	\$571	5,902,439	11,152	544	6,070,659
<i>Water Resources</i>	1,260	\$157	197,624	1,266	147	186,366
<i>Youth Authority</i>	602	\$181	109,223	600	188	113,080
<i>All Others</i>	<u>1,628</u>	<u>\$524</u>	<u>853,009</u>	<u>1,685</u>	<u>492</u>	<u>829,544</u>
<b><i>Total Inventory, Average Rate, and Assessment</i></b>	<b>45,426</b>	<b>\$364</b>	<b>\$16,536,873</b>	<b>50,449</b>	<b>\$329</b>	<b>\$16,577,564</b>

\* Minimum rate per vehicle = \$80