

MANAGEMENT MEMO

SUBJECT: VEHICLE SELF-INSURANCE ASSESSMENT 2002/2003 FISCAL YEAR	NUMBER:
	DATE ISSUED:
REFERENCES: Government Code Sections 11290(a), 16378, 16379 Supersedes Management Memo 01-12	EXPIRES:
	ISSUING AGENCY: 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 2002/03 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, 2001. 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 2002/03 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, 2001). 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) 376-5315 or email at jan.dietz@dgs.ca.gov.



DENNIS D. DUNNE, Chief Deputy Director
Department of General Services

Attachment

ATTACHMENT 1
2002/2003 MOTOR VEHICLE SELF-INSURANCE ASSESSMENT

<i>Department</i>	<i>2001/02 Vehicle Inventory</i>	<i>2001/2002 Vehicle Rate</i>	<i>2001/2002 Premium Requirement</i>	<i>2002/2003 Vehicle Inventory</i>	<i>2002/2003 Vehicle Rate</i>	<i>2002/2003 Premium Requirement</i>
<i>Conservation Corps</i>	528	\$200	\$ 105,603	530	\$229	\$ 121,443
<i>Consumer Affairs</i>	1,073	132	141,533	1,202	131	157,175
<i>Corrections</i>	5,196	189	982,799	5,028	224	1,124,194
<i>DDS</i>	684	160	109,556	771	126	96,878
<i>Distr Ag Association & F&A Boards/Commissions</i>	859	109	93,289	752	140	105,557
<i>EDD</i>	443	150	66,589	454	163	74,189
<i>Fish & Game</i>	2,809	118	332,658	3,005	127	382,557
<i>Food & Agriculture</i>	748	314	235,011	739	305	225,411
<i>Forestry</i>	3,099	141	436,532	3,054	140	427,801
<i>General Services</i>	6,104	251	1,529,487	6,086	213	1,294,357
<i>Highway Patrol</i>	3,930	1,010	3,969,898	3,930	969	3,808,563
<i>Justice</i>	914	298	272,271	999	218	217,575
<i>Lottery</i>	309	377	116,425	239	459	109,725
<i>Mental Health</i>	520	93	48,409	421	129	54,405
<i>Motor Vehicles</i>	426	238	101,213	434	224	97,080
<i>Parks & Recreation</i>	3,753	98	368,742	3,753	83	311,255
<i>Prison Industry Authority</i>	1,072	80	85,760	1,075	80*	86,000
<i>State University</i>	3,279	117	382,142	3,279	110	361,648
<i>Transportation</i>	11,152	544	6,070,659	11,152	501	5,588,740
<i>Water Resources</i>	1,266	147	186,366	1,543	91	139,775
<i>Youth Authority</i>	600	188	113,080	593	159	94,000
<i>All Others</i>	<u>1,685</u>	<u>492</u>	<u>829,544</u>	<u>1,992</u>	<u>378</u>	<u>753,628</u>
<i>Total Inventory, Average Rate, and Assessment</i>	50,449	\$329	\$16,577,566	51,031	\$306	\$15,631,956

* Minimum rate per vehicle = \$80