

March 19, 2004

TO: AGENCY HEADS

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SUBJ: Annual Vehicle Incident Report - FY 03

Attached is the 02-03 Vehicle Incident report. The data in this year's report may look different. Agencies continue to report fewer miles driven. And, the property deductible increased July 1, 2002. Fewer vehicle property losses are reported to us. These changes have affected values for vehicle incident frequency, incident rate and overall cost.

Highlights from this year's data show that traffic citations and state vehicle miles driven are down. The overall vehicle incident rate is down. However, citizen complaints are up. Take a look at the enclosed statistics for your agency.

In last year's report we told you about the anticipated effect of the higher deductible. If you use this report to analyze your vehicle trends, comparative analysis is still possible. We have prepared a vehicle analysis process for use by any agency. It is a process in which agencies recalculate their vehicle loss experience adding in their own data. It includes a tool to track under deductible losses. It is posted on our website at <http://www.oregon.gov/DAS/SSD/Risk/VehicleRpt03.shtml>.

Agencies still need to manage the risks associated with driving. Re-enforce the importance of defensive driving. Take advantage of the resources that are available. Compare your programs and vehicle loss experience with similar agencies. And, check out the VIPP Toolkit at <http://www.oregon.gov/DAS/SSD/Risk/VehicleSafety.shtml>.

Next year's report will again be different. How we pay for vehicle collisions will change. New-for-old coverage ends for passenger vehicles. We will no longer provide a new car. Limited Damage Waivers (LDW) will be required for rental vehicles, when available. LDW transfers the risk of physical damage to the rental agency and helps to protect state agencies from deductible costs.

If you have questions about this report or need help with vehicle incidents, call us at (503) 373-RISK.

Attachments

H/Riskdata/ Vehincid.FY03.CoverLtr03