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# CITY OF HILLSBORO

## RISK MANAGEMENT ANNUAL REPORT

*FISCAL YEAR 2007-2008*

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CITY OF HILLSBORO



RISK  
MANAGEMENT



City of Hillsboro  
Risk Management Annual Report  
Fiscal Year 2007-2008

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## **RISK MANAGEMENT ANNUAL REPORT**

### **EXECUTIVE SUMMARY**

Presented herein is the City of Hillsboro Risk Management Annual Report, for the fiscal year July 1, 2007 through June 30, 2008.

This report contains summaries of the current insurance program, total cost of risk, and fiscal year's losses for the City of Hillsboro's auto liability, general liability, property damage, and workers compensation exposures. This report is intended to assist departments in recognizing the nature and extent of their losses, and to encourage city departments to continue the implementation and maintenance of effective loss control and prevention programs.

### **STRUCTURE AND MISSION**

Risk Management was created in October of 2006 with the hiring of the first city Risk Manager. Since 2006, Risk has evolved into a separate function within the Administration Department and as of June 30, 2007, consists of the Risk Manager, Safety and Risk Officer, Risk Management Specialist, and Risk Assistant. The Risk Manager reports to the City Manager.

The mission of Risk is "*creating proactive solutions to empower and protect*". We strive to accomplish this mission through the development and implementation of sound risk management techniques including the purchasing of insurance products and the development of safety and loss control programs. We also look to the overall vision of the City Council and City Manager as Risk continues to develop and establish its role within the City. Risk Management's primary activities include:

- Risk Consulting
- Loss Control Programs
- Safety Training and Compliance Audits
- Administration and monitoring of the Third Party Administrator (TPA) for the self insured workers compensation program
- Insurance procurement
- Investigation of property, liability and workers compensation claims

Fiscal Year 2008-09 will be the first year for the City of Hillsboro to operate as a certified self insured employer for its workers compensation exposure. The City was certified by the State of Oregon, Department of Consumer and Business Services effective July 1, 2008.

### **2007-2008 Major Accomplishments:**

- Established a formalized Risk Management/Insurance Program
- Developed a Comprehensive Safety & Loss Control Program
- Obtained State certification as a Self Insured Workers Compensation Employer

## ACKNOWLEDGEMENT

Risk Management would like to thank the City of Hillsboro's Elected Officials, City Manager, Executive Team, Department Managers, Employees and Volunteers for your continued support of Risk Management and your commitment to workplace safety. Those two essential components are what allow us to be successful in the development and implementation of important programs within the City of Hillsboro.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Tami Cockeram", is written over a horizontal line.

Tami Cockeram, ARM  
Risk Manager

Michael Sorensen Safety & Risk Officer  
Tanya Woodson, Risk Management Specialist  
Jan Lindley, Risk Assistant

## COST OF RISK

Cost of Risk is a comparison of the City's expenditures of the risk management program to the City's overall expenditures in the fiscal year 07-08. The cost of a formalized Risk Management program includes paid claims (amounts paid in the fiscal year without regard to the year the claim arose), insurance premiums, safety and loss control programs, and operational and administrative expenses. Since Risk has been in a continuous growth and development stage beginning 2006-07 and into 2007-08, this is not a complete picture of the cost of risk, but rather an indication to be used for comparison in the 2008-09 report.

INSURANCE PROGRAM	FY 07-08
General Liability	\$399,913
Property Insurance	\$219,464
Auto Physical Damage	\$61,459
Excess Crime	\$2,869
DIC Excess	\$5,000
Bonds	\$7,950
Workers Compensation	\$502,130
Self Insurance Claim Payment minus 3rd party recovery	\$29,796
<i>Sub Total</i>	<b>\$1,228,581</b>
OTHER COSTS	
Broker Fees	\$36,000
Consulting Fees	\$0
Administrative	\$234,616
<i>Sub Total</i>	<b>\$270,616</b>
<b>TOTAL</b>	<b>\$1,499,197</b>
*Total City Expenditures:	\$143,058,983
<b>TOTAL COST OF RISK</b>	<b>1.05%</b>

*\*Expenditures do not include Capital Outlay, Debt Service, Contingency or Transfers*

*Administrative cost does not include Safety and Risk Officer, or the Risk Specialist. Both positions will be funded by Risk Management effective July 1, 2008.*

## **RISK MANAGEMENT 2008 PLANNING SESSION**

Annual planning sessions are an important tool used by Risk Management to create a vision of what lies ahead in the upcoming year. By doing so, we place ourselves in a position strategically that better prepares us to incorporate additional opportunities and requests, while maintaining the integrity of the current plan.

The 2008 planning session held on May 18<sup>th</sup> was used as an opportunity to review the activities and accomplishments of the past year and to set goals for the upcoming year. With the past year focused mainly on the completion of projects, we felt it important to discuss in detail how changing to more of a process management focus would require a shift in thinking as we work to accomplish the goals for the upcoming year, and at the same time maintain what was implemented the year prior.

Over the past 15 months, Risk has accomplished 100% of its goals set in the 2007 planning session. Risk also received recognition through National PRIMA for the development and implementation of the Safety and Loss Control Manual. This award was accepted at the National Conference held June 1 – 4 in Anaheim, California.

The following is a list of significant accomplishments by the Risk Management Team.

### New Hire Orientation

The NHO was initially developed and used as a forum to provide new employees an overview of Risk Management, on-the-job safety, injury reporting, and training on certain general compliance programs. It evolved into a much more comprehensive orientation and added the City Manager, City Records Office, Information Services, Purchasing and Ethics Law. As of July 1, 2008 the NHO will be managed by the Human Resources Department.

### Safety Committees:

The City now has 10 active safety committees. Fifty three committee members have been trained on the OSHA requirements. Risk has accompanied the committees on several facility inspections to assist them in identifying hazards and making recommendations to management for removing hazards from their workplace. The committees are currently drafting their written purpose and goals statements. Risk will continue to work with all committees to help them develop and become more effective.

### Risk Web Pages:

Risk now has both internet and intranet web pages up and running. With our main focus being the safety of employees and financial protection of the organization through insurance, the Risk Management intranet page is comprehensive and includes information on bloodborne pathogens, City volunteers, safety committees, the loss control manual, office ergonomics, all incident reporting forms, emergency action plan data, and articles, links, and fliers to increase the safety awareness of all employees.



#### Panic Button Training:

The Civic Center has a Sonitrol security system that includes panic buttons in various locations. However, employees had yet to be trained on the panic button system. Risk Management met with HPD, Portland Patrol, and Sonitrol to gain an understanding of the system, establish written procedures and partnering with HPD, provide training to employees. A follow up training session, along with an HPD demonstration will be offered this July. Panic buttons have also been installed in other City facilities, such as the Cultural Arts Center and the main Library.

#### Safety Committee Appreciation:

Risk Management is very appreciative of all employees that are dedicated to safety in the workplace. The safety committee members put in extra time to discuss safety concerns, complete facility inspections, research and identify solutions for safety hazards, make recommendations to management and discuss safety with their co-workers. Risk has recognized their efforts by hosting an annual barbeque for all safety committee members. The second annual appreciation barbeque will be hosted this June. Risk has also honored two employees with plaques for their outstanding dedication to safety.

#### Loss Control Manual

The City wide Safety and Loss Control Manual was designed to be used as a tool to assist department managers, supervisors, and employees implement and maintain the safety programs that apply to their work environment. The contents of the manual, which consist of 22 programs, includes employee responsibilities, safety statement from the City Manager, and the written programs and procedures necessary to ensure employee safety, while meeting all federal, state, and local regulatory regulations.

#### Safety School

Risk Management hosted the first annual Safety School at the Civic Center in January 2008. The purpose of the three day event was to provide safety and health training to city employees on various programs in the Safety and Loss Control Manual. Additionally, employees were able to congregate in a central location and ask questions or express any safety related concerns they have encountered.

#### Health and Safety Fair

Risk Management participated in the recent Health and Safety Fair held at the Civic Center. Employees were able to visit our display booth, play a game, win prizes, and ask questions regarding safety and health or the role of Risk Management in the city organization. This year we had nearly 100 employees spin the wheel of safety acronyms for a chance of winning a Safety Grab Bag.

#### Loss Data Analysis

Loss Data Analysis is a process Risk Management uses to illustrate how and where injuries are occurring. We chart and analyze lost time days, monetary expenditures, and the causes and nature of injuries. The goal is to identify trends and develop corrective action recommendations for departmental use. Risk Management has analyzed and presented loss data to both the Fire and Parks departments in 2007.

### Informational/Training Tri-folds

In addition to formal classroom training sessions, Risk Management provides tri-fold handouts for Sewer Back-up situations, Blood Borne Pathogens, Hearing Conservation, and Fire Extinguishers programs. The tri-folds were created to be used as a reference guide to answer common questions or for quick refresher on program components or procedures.

### Self Insurance for Workers Compensation

Effective July 1, 2008 the City became a certified self insured employer for its workers compensation exposure. This was a five month project that included an actuarial study to determine the financial requirements of self insurance, the completion of a comprehensive application, the securing of an Irrevocable Letter of Credit in the amount of \$800,000 specified by the State, RFP and contracting process for a Third Party Administrator (TPA).

With importance being placed on programs that were developed and implemented in 2007-2008, as well as managing the workers compensation self insurance program, the operations of Risk Management will look slightly different in the upcoming year. Although remaining very visible and continuing to work closely with individual departments, Risk will take on a much more process management role, allowing us to update and maintain important programs, fine tune and establish internal processes, and continue to develop and implement needed City wide programs.

The following is a list of goals for the upcoming 2008-2009 year:

Develop and implement the following programs:

- |                                       |                 |
|---------------------------------------|-----------------|
| • Electrical Arc Flash                | October, 2008   |
| • AED Program                         | July, 2008      |
| • Multi Employer Worksite             | August, 2008    |
| • Ergonomics                          | August, 2008    |
| • Updated Material Safety Data System | July, 2008      |
| • Risk Management Manual              | September, 2008 |
| • Compliance Audit System             | September, 2008 |

Supervisor Training from a Risk Management Perspective      January, 2009

- Risk 101
- Insurance & Workers Compensation
- Reporting
- Roles & Responsibilities
- Web Page –Safety
- Hazardous Communication

Along with this list, each member of the Risk team has specific goals that have been identified for them. These individual goals are designed to allow for professional growth in specific areas of expertise.



As of June 1, Risk has relocated to the second floor of the Civic Center located next to Human Resources. By moving from the 5<sup>th</sup> floor, and into our own space, this has provided for a more controlled environment for the maintenance of confidential records as required for workers compensation and OSHA programs that include a medical component.

This move has also required that Risk develop day-to-day office procedures for incoming reports and documentation. The hiring of a Risk Assistant and has been instrumental in the development of these procedures. This position will split their time 50/50 between Human Resources and Risk Management, and be the conduit in ensuring that medical documentation is being routed to the appropriate person. This allows both departments to maintain the highest level of confidentiality as required under the HIPAA and Workers Compensation laws.

In summary, Risk has another busy year going into 2008-2009. We look forward to the challenge and feel it is being approached in a well planned and strategic method allowing us to capitalize on efficiency and effectiveness.

**CITY OF HILLSBORO INSURANCE PROGRAM**  
**FISCAL YEAR 07-08**

Coverage	Limits	Deductible	Carrier
General Liability	\$500,000 Occurrence/\$1,500,000 Aggregate	0	CIS
Excess General Liability	\$9,500,000 Occurrence/Aggregate 3x per occurrence limit	0	CIS
Auto Liability	\$5,000,000	0	CIS
Auto Physical Damage	Scheduled	\$250/\$1000	CIS
Property	Scheduled	\$10,000	CIS
Boiler & Machinery	Scheduled or \$50 Million	\$1,000	CIS
Crime	\$50,000 w/in CIS Coverage	\$10,000	CIS
Excess Crime	\$1,000,000 Occurrence	\$1,000	National Union Fire
DIC Excess Earthquake & Flood	\$50,000,000	2% of combined value of "units" damaged subject to a \$5,000 minimum	CIS/RSUI Indemnity
Workers Compensation		Statutory	SAIF Corp
Excess Workers Compensation	Statutory	\$500,000 per claim	Safety National
Volunteer Insurance (secondary)	\$50,000	0	National Union Fire
TULIP	\$1,000,000	\$0	K&K Insurance
Bonds	Limits		Carrier
Finance Director	\$1,000,000		Old Republic
Assistant Finance Director	\$1,000,000		Old Republic
City Recorder	\$50,000		Old Republic
DEQ Inspection	\$1,000		Old Republic
DEQ Inspection	\$1,000		Old Republic
DEQ Inspection	\$1,000		Old Republic

## CLAIMS

### LIABILITY AND PROPERTY CLAIMS

Risk Management oversees the handling of all property, liability and workers compensation claims filed against the City of Hillsboro and its employees. The City is currently insured with CCIS for liability and property exposures and maintains a "self insurance" fund to pay for claims under the insured deductible.

Claims are investigated and evaluated, then either paid or denied based on their merits. Litigated claims are assigned to outside counsel by either CCIS or the Risk Manager. The City works with the attorneys to obtain the most favorable results possible for the City. We are committed to practicing fair and reasonable claims management, while aggressively defending claims without merit.

In addition to managing claims, Risk also works at subrogation, restitution, deductible recovery and self insurance payments for liability and property insurance coverages. In FY 07-08 Risk recovered a total of \$9,786.80 on behalf of the City and paid out \$29,796.27 from the self insurance fund. The majority of those payments were due to damage to vehicles caused by driver. Self insurance claims are not reflected in the following charts.

#### CLAIM SUMMARY

	FY 05-06	FY 06-07	FY 07-08
Auto Liability	8	10	10
Auto Physical Damage	13	21	10
General Liability	17	30	32
Property	2	0	2
Workers Compensation	71	66	67
<b>TOTAL:</b>	<b>111</b>	<b>127</b>	<b>121</b>

	FY 05-06	FY 06-07	FY 07-08
Auto Liability	\$17,954	\$30,455	\$12,064
Auto Physical Damage	\$24,354	\$31,443	\$30,142
General Liability	\$25,639	\$34,191	\$14,024
Property	\$2,127	\$0	\$0
Workers Compensation	\$231,636	\$266,450	\$131,664
<b>TOTAL:</b>	<b>\$301,710</b>	<b>\$362,539</b>	<b>\$187,894</b>

*Note: Total paid as of 6/30/08*

Overall claim count and costs have decreased from the prior fiscal year 06-07. The following tables provide a more detailed look at claims by Department.

## LIABILITY, AUTO AND PROPERTY CLAIM SUMMARY

DEPARTMENT	FY 05-06		FY 06-07		FY 07-08		\$ TOTAL
	# of Claims	\$ Incurred	# of Claims	\$ Incurred	# of Claims	\$ Incurred	
Administration							
Building							
Capital Planning & Dev							
Economic Development							
Facilities Maintenance	1	\$9,815			1	\$7,500	<b>\$17,315</b>
Finance					1	\$0	<b>\$0</b>
Fire	3	\$3,985	4	\$2,991	6	\$965	<b>\$7,940</b>
Human Resources							
Information Services							
Library							
Parks & Recreation			10	\$18,055	9	\$3,220	<b>\$21,275</b>
Planning							
Police	13	\$34,697	32	\$58,092	19	\$43,358	<b>\$136,147</b>
Public Works	17	\$32,979	14	\$53,295	18	\$223,190	<b>\$309,464</b>
Risk Management							
Water Department	6	\$3,598	1	\$4,130			<b>\$7,728</b>
<b>TOTAL:</b>	<b>40</b>	<b>\$85,074</b>	<b>61</b>	<b>\$136,563</b>	<b>54</b>	<b>\$278,233</b>	<b>\$499,870</b>
Reserve Amount		\$15,000		\$40,474		\$222,004	<b>\$277,478</b>
<b>Total Paid as of 6/30/08</b>		<b>\$70,074</b>		<b>\$96,089</b>		<b>\$56,229</b>	<b>\$222,392</b>

Total claim count and payments to date have decreased from FY 06-07 by 58%. One large claim from the Public Works department has a current reserve of \$200,000 which accounts for 40% of the total claim costs incurred for FY 07-08. Minus that claim, the City had a relatively inexpensive claim year with a total amount paid of \$56,229.

## GENERAL LIABILITY CLAIM SUMMARY BY DEPARTMENT

DEPARTMENT	FY 05-06		FY 06-07		FY 07-08		\$ TOTAL
	# of Claims	\$ Incurred	# of Claims	\$ Incurred	# of Claims	\$ Incurred	
Administration							
Building							
Capital Planning & Dev							
Economic Development							
Facilities Maintenance					1	\$7,500	\$7,500
Finance					1	\$0	\$0
Fire					3	\$0	\$0
Human Resources							
Information Services							
Library							
Parks & Recreation			7	\$12,804	6	\$65	\$12,869
Planning							
Police	3	\$1,513	15	\$28,839	6	\$1,500	\$31,852
Public Works	13	\$24,126	8	\$24,970	15	\$218,637	\$267,733
Risk Management							
Water Department	1	\$0					\$0
<b>TOTAL:</b>	<b>17</b>	<b>\$25,639</b>	<b>30</b>	<b>\$66,613</b>	<b>32</b>	<b>\$227,701</b>	<b>\$319,953</b>

General Liability claims are filed against the City by others when they believe a wrongful act against their person or property was committed by a City employee or agent.

Other than the \$200,000 referenced on the previous table, total liability costs are extremely low with paid to date totaling \$14,024. All departments are doing well in this area.



## AUTOMOBILE LIABILITY SUMMARY BY DEPARTMENT

DEPARTMENT	FY 05-06		FY 06-07		FY 07-08		\$ TOTAL
	# of Claims	\$ Incurred	# of Claims	\$ Incurred	# of Claims	\$ Incurred	
Administration							
Building					1	\$0	
Capital Planning & Dev							
Economic Development							
Facilities Maintenance							
Finance							
Fire	2	\$2,680	2	\$2,991			\$5,670
Human Resources							
Information Services							
Library							
Parks & Recreation			2	\$4,974	2	\$2,134	\$7,108
Planning							
Police	3	\$20,912	4	\$11,134	5	\$8,877	\$40,923
Public Works	2	\$7,686	2	\$18,855	2	\$4,553	\$31,095
Risk Management							
Water Department	1	\$1,675					\$1,675
<b>TOTAL:</b>	<b>8</b>	<b>\$32,953</b>	<b>10</b>	<b>\$37,955</b>	<b>10</b>	<b>\$15,564</b>	<b>\$86,471</b>

This summary reflects those claims filed by others due to damage caused by the City while operating a motor vehicle. Overall claim count has remained the same while paid to date has decreased over 50% from the prior fiscal year.

## AUTOMOBILE PHYSICAL DAMAGE BY DEPARTMENT

DEPARTMENT	FY 05-06		FY 06-07		FY 07-08		\$ TOTAL
	# of Claims	\$ Incurred	# of Claims	\$ Incurred	# of Claims	\$ Incurred	
Administration							
Building							
Capital Planning & Dev							
Economic Development							
Facilities Maintenance	1	\$9,815					\$9,815
Finance							
Fire	1	\$1,305	2	\$0	1	\$965	\$2,270
Human Resources							
Information Services							
Library							
Parks & Recreation			1	\$278	1	\$1,021	\$1,299
Planning							
Police	6	\$10,144	14	\$18,119	7	\$32,982	\$61,246
Public Works	2	\$1,166	3	\$9,569	1	\$0	\$10,736
Risk Management							
Water Department	3	\$1,923	1	\$4,030			\$5,953
<b>TOTAL:</b>	<b>13</b>	<b>\$24,354</b>	<b>21</b>	<b>\$31,996</b>	<b>10</b>	<b>\$34,969</b>	<b>\$91,319</b>

This summary reflects damage to City vehicles caused by vehicle operator or others. The City carries a \$250/\$1,000 comprehensive/collision deductible respectively, so smaller claims are paid out of the self insurance fund and not reflected in the above summary. Risk will begin tracking the deductible amount paid by the self insurance fund and including those numbers in next years report.

## PROPERTY DAMAGE BY DEPARTMENT

DEPARTMENT	FY 05-06		FY 06-07		FY 07-08		\$ TOTAL
	# of Claims	\$ Paid	# of Claims	\$ Paid	# of Claims	\$ Paid	
Administration							
Building							
Capital Planning & Dev							
Economic Development							
Facilities Maintenance							
Finance							
Fire					2	\$0	\$0
Human Resources							
Information Services							
Library							
Parks & Recreation							
Planning							
Police	1	\$2,127					\$2,127
Public Works							
Risk Management							
Water Department	1	\$0					\$0
<b>TOTAL:</b>	<b>2</b>	<b>\$2,127</b>	<b>0</b>	<b>\$0</b>	<b>2</b>	<b>\$0</b>	<b>\$2,127</b>

This summary reflects damage to City property other than vehicles. The City carries a \$10,000 deductible on its property insurance so most claims are either paid out of the self insurance fund or by the department who incurred the loss. Again, Risk will begin tracking all claims paid out of the self insurance fund and information by department will be included in the 08-09 report.

## WORKERS COMPENSATION CLAIM SUMMARY

DEPARTMENT	FY 05-06		FY 06-07		FY 07-08		\$ TOTAL	% OF TOTAL
	# of Claims	\$ Incurred	# of Claims	\$ Incurred	# of Claims	\$ Incurred		
Administration					1	\$1,451	\$1,451	0.18%
Building	1	0	1	\$2,348	1	\$1,494	\$3,842	0.49%
Capital Planning & Dev								
Economic Development								
Facilities Maintenance	1	\$643	2	\$125,910			\$126,553	16.09%
Finance	1	\$9,140					\$9,140	1.16%
Fire	15	\$56,653	13	\$24,937	19	\$156,782	\$238,372	30.31%
Human Resources								
Information Services	1	\$660					\$660	0.08%
Library	1	\$724	3	\$9,938	3	\$1,091	\$11,753	1.49%
Parks & Recreation	3	\$1,687	14	\$30,516	8	\$13,045	\$45,248	5.75%
Planning								
Police	22	\$74,495	25	\$52,067	25	\$42,880	\$169,442	21.54%
Public Works	18	\$35,896	5	\$6,503	5	\$1,928	\$44,327	5.64%
Water Department	6	\$51,351	3	\$42,648	5	\$41,309	\$135,308	17.20%
Non-Employee	2	\$387					\$387	0.05%
<b>TOTAL:</b>	<b>71</b>	<b>\$231,636</b>	<b>66</b>	<b>\$294,867</b>	<b>67</b>	<b>\$259,980</b>	<b>\$786,483</b>	<b>100.00%</b>
<b>Reserve</b>		<b>\$0</b>		<b>\$28,417</b>		<b>\$128,316</b>	<b>\$156,733</b>	
<b>Total Paid as of 6/30/08</b>		<b>\$231,636</b>		<b>\$266,450</b>		<b>\$131,664</b>	<b>\$629,750</b>	

Workers Compensation claims are relatively stable. A couple of note worthy exceptions are Parks and Recreation which has experienced a significant decrease in claim count and claim cost, and also Public Works who went from 18 claims in FY 05-06 to five relatively inexpensive claims in both FY 06-07 and FY 07-08. Each department contributing less then 6% of total claim costs. The most important components in keeping employees safe and workers compensation claims down is providing a safe work environment that includes recognized hazards, proper personal protective equipment (PPE) and ongoing training. Claim cost can also be significantly reduced by bringing injured workers back to light duty/modified duty as soon as possible.

## TIME LOSS CLAIMS BY DEPARTMENT

DEPARTMENT	FY 05-06		FY 06-07		FY 07-08		\$ TOTAL	% OF TOTAL
	# TL claims	\$ Paid	# TL claims	\$ Paid	# TL claims	\$ Paid		
Administration								
Building								
Capital Planning & Dev								
Economic Development								
Facilities Maintenance			2	\$94,002			\$94,002	31.82%
Finance	1	\$4,291					\$4,291	1.45%
Fire	8	\$34,340	3	\$4,006	9	\$39,681	\$78,027	26.41%
Human Resources								
Information Services								
Library			1	\$757			\$757	0.26%
Parks & Recreation			6	\$9,995	2	\$1,843	\$11,838	4.01%
Planning								
Police	9	\$41,531	5	\$5,841	7	\$7,276	\$54,648	18.50%
Public Works	4	\$10,076	3	\$1,177	1	\$352	\$11,605	3.93%
Risk Management								
Water Department	1	\$29,065	2	\$8,910	2	\$2,319	\$40,294	13.64%
<b>TOTAL:</b>	<b>23</b>	<b>\$119,303</b>	<b>22</b>	<b>\$124,688</b>	<b>21</b>	<b>\$51,471</b>	<b>\$295,462</b>	<b>100.00%</b>

This summary shows the number of time loss claims and the associated costs by department. The amount paid does not include medical expenses but may have some disability award money included. Risk was unable to distinguish between the two using the reports provided by the current insurance carrier.

It is important to note that time loss payments represent 47% of total paid claim costs for the last 3 fiscal years. Reducing time loss days will significantly reduce the total cost of claims.



## TIME LOSS DAYS BY DEPARTMENT

DEPARTMENT	FY 05-06	FY 06-07	FY 07-08	TOTAL	% of TOTAL
	TL Days	TL Days	TL Days		
Administration					
Building					
Capital Planning & Dev					
Economic Development					
Facilities Maintenance		180		180	13.62%
Finance	40			40	3.03%
Fire	150	32	269	451	34.11%
Human Resources					
Information Services					
Library		19		19	1.44%
Parks & Recreation		194	16	210	15.89%
Planning					
Police	89	45	33	167	12.63%
Public Works	81	10	4	95	7.19%
Risk Management					
Water Department	97	41	22	160	12.10%
Non-Employee					
<b>TOTAL:</b>	<b>457</b>	<b>521</b>	<b>344</b>	<b>1322</b>	<b>100.00%</b>

This summary shows the number of total time loss days by department. There is a direct correlation between the number of time loss days and total claim costs. It is obvious that departments understand this correlation and are working diligently to return their employees back to work as allowed by the treating physician. Studies show that returning employees back to light/modified duty as soon as possible shortens the recovery time and gets employees back to their regular job at a much faster rate.

## **SAFETY AND STATISTICS**

The Risk Management Department continually strives to create proactive solutions to prevent or eliminate workplace injuries and illnesses from occurring. It is our philosophy that we can promote occupational safety by building good working relationships with all levels of the organization to ensure safety and regulatory compliance standards throughout the city. To accomplish this task, Risk Management provides written Loss Control Programs with employee safety training, supports departmental safety committees, and works with the individual work groups while they perform their jobs in the field, at their plants or shops, or in the office environment.

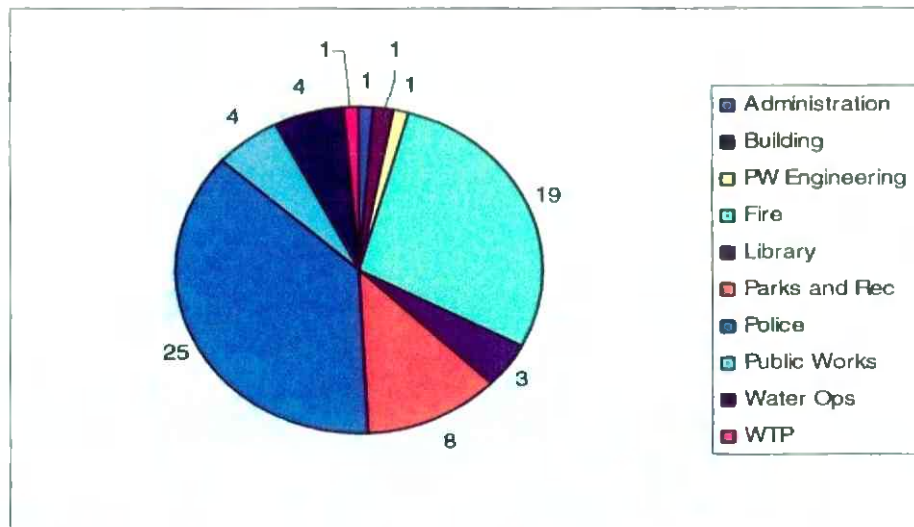
### **Accomplishments:**

Risk Management completed several major accomplishments throughout FY 07-08:

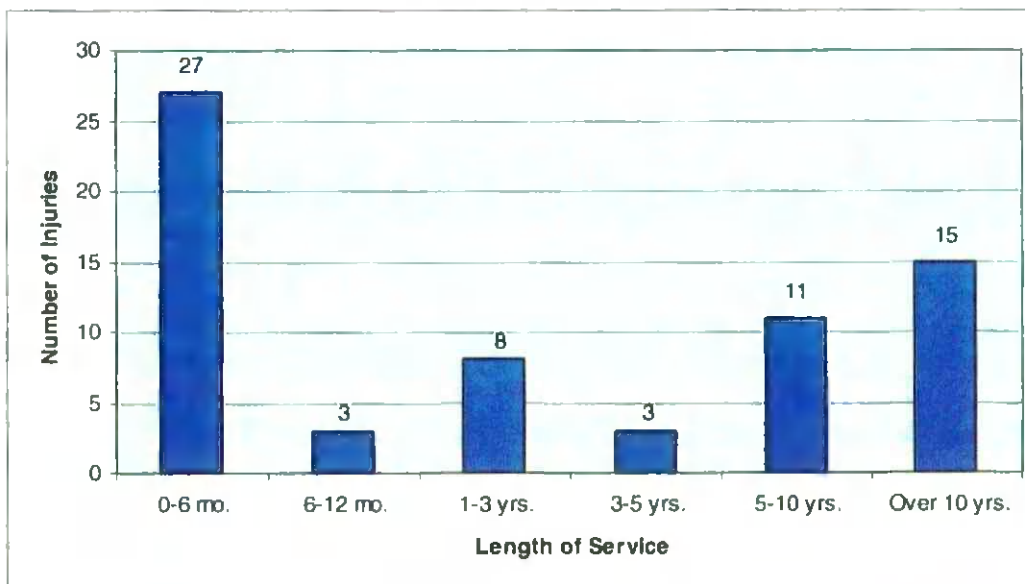
- Created and implemented the City Wide Safety and Loss Control Manual and provided safety training to almost 450 employees;
- Hosted the First Annual Safety School at the Civic Center where approximately 200 employees participated in 28 safety and health sessions during the three day event;
- Participated in the 2007 Health and Wellness Fair where employees were able to spin the "Wheel of Safety Acronyms" in attempt to win a safety prize;
- Received the Prima 2007 Achievement Award for the Safety and Loss Control Manual.

## INJURY STATISTICS

### NUMBER OF INJURIES BY DEPARTMENT

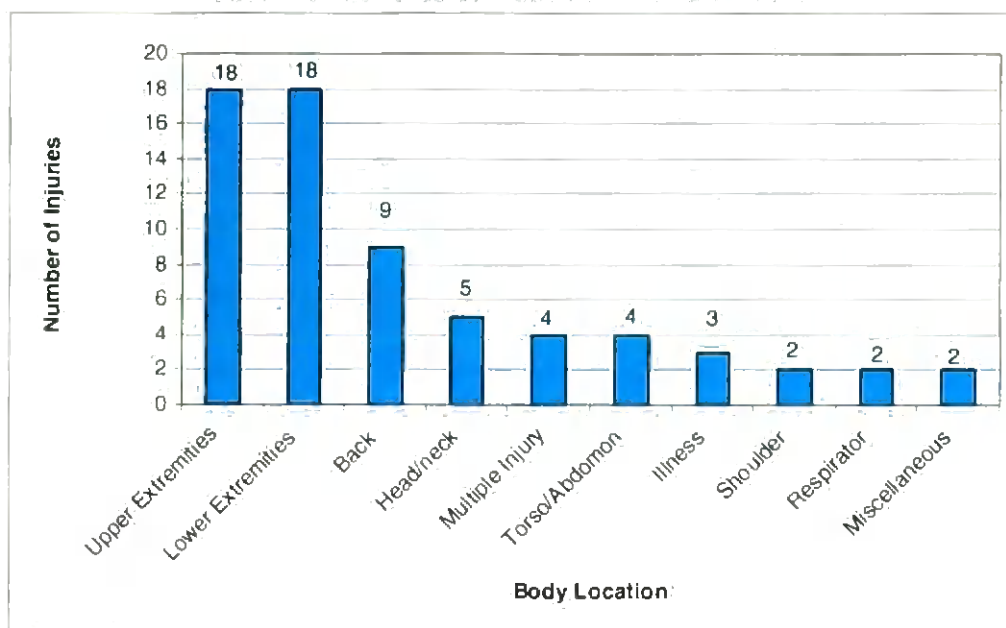


### NUMBER OF INJURIES BASED ON LONGEVITY



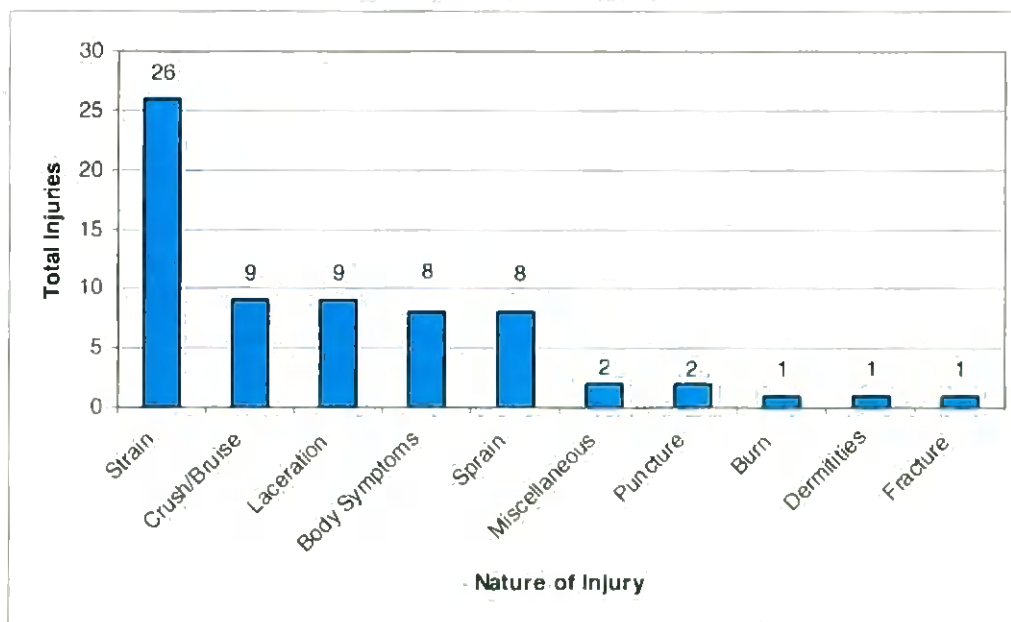
As illustrated by the chart, 40% of the injuries are occurring in the first 6 months of employment. From 6 months to 5 years, the numbers decline significantly, and then increase again after 5 years, accounting for almost 39% of injuries.

## INJURIES BASED ON BODY LOCATION



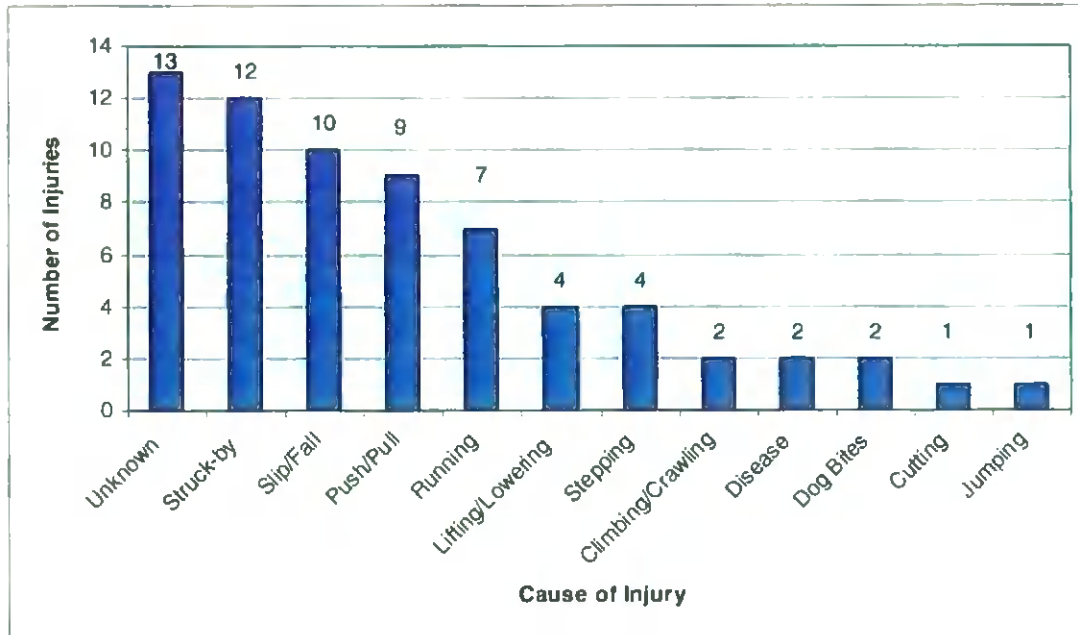
The upper extremities, particularly the hands and fingers account for 27% of claims, while injuries to the knees and ankles account for a majority of the lower extremity claims. Injuries to the back, head and neck account for 21% and the remainder of injuries and illnesses make up 25%

## NATURE OF INJURIES



Almost 39% of claims are caused by strains. The most affected body parts for strain injuries include knees, legs and back, while crush/bruise injuries and lacerations account for 27% of injuries to the hands and fingers.

## CAUSES OF INJURIES



The "unknown" column consists of injuries where the definitive cause was not known or loss data analyzed did not provide enough information to categorize in other columns. Struck-by and Slip/Falls injuries account for 33% of injuries this fiscal year.

## STATISTICS SUMMARY

During FY 07-08 the City of Hillsboro experienced 67 injury related claims. The charts listed below outline the losses by department, longevity, body location, causes and nature of injuries. Risk Management analyzes the reactive information to assist us in determining where improvements in the Loss Control Program can be made. Such improvements may include employee training, program modifications, engineering and administrative controls or better Personal Protective Equipment. The goal is to create proactive solutions to prevent reoccurrence to city employees or other entities that perform work within the city service area.

Risk Management has created a list of program goals for FY 08-09 that will complete the existing Safety and Loss Control Manual and enhance other programs and procedures currently in place throughout the city. The following is a list of goals for the upcoming 2008-2009 year:



Develop and implement the following programs:

- Electrical Arc Flash
- AED Program
- Multi Employer Worksite
- Ergonomics

Other endeavors Risk Management will undertake include updating the electronic Material Safety Data Sheet (MSDS) Management System to assist in ensuring OSHA compliance, while providing employees with a more versatile tool to manage their chemical and Hazard Communication efforts.

In addition, Risk Management is in the process of developing a Compliance Audit System based the programs and procedures that apply to the city. The system will consist of department tours and site observations, employee interviews, and training and program record checks. The audit system will allow each department to monitor and measure safety program implementation and maintenance to ensure the necessary program components are active and that all employees understand their role and responsibilities required of each program.

Finally, Risk Management will be hosting "Supervisor Training from a Risk Management Perspective". The curriculum of this training will include such topics as injury reporting, insurance & workers compensation, manager's roles and responsibilities for ensuring employee safety and navigating the Risk Management website for various forms and other Risk Management related information.

## **QUESTIONS**

Thank you for taking the time to review the 2007-08 Risk Management Report. Should you have questions regarding the contents within, please feel free to contact anyone on the Risk Management Team.

End of Report