

Fleet Risk Management Basics

April 16, 8:45-9:45am
Room: Kilimanjaro 3 & 4

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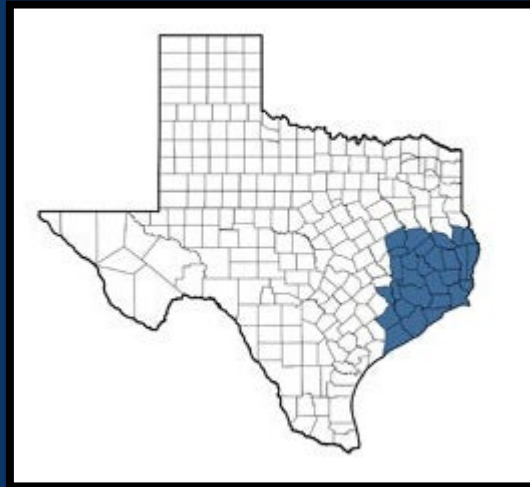
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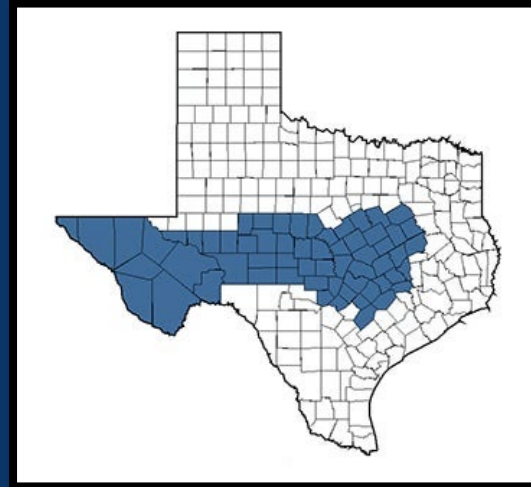
About Us



Rosa Brown



Regions 3, 4,
5, 6, and 7



Regions 6,
12, 13, 15, 18,
and 19



Charles Hueter

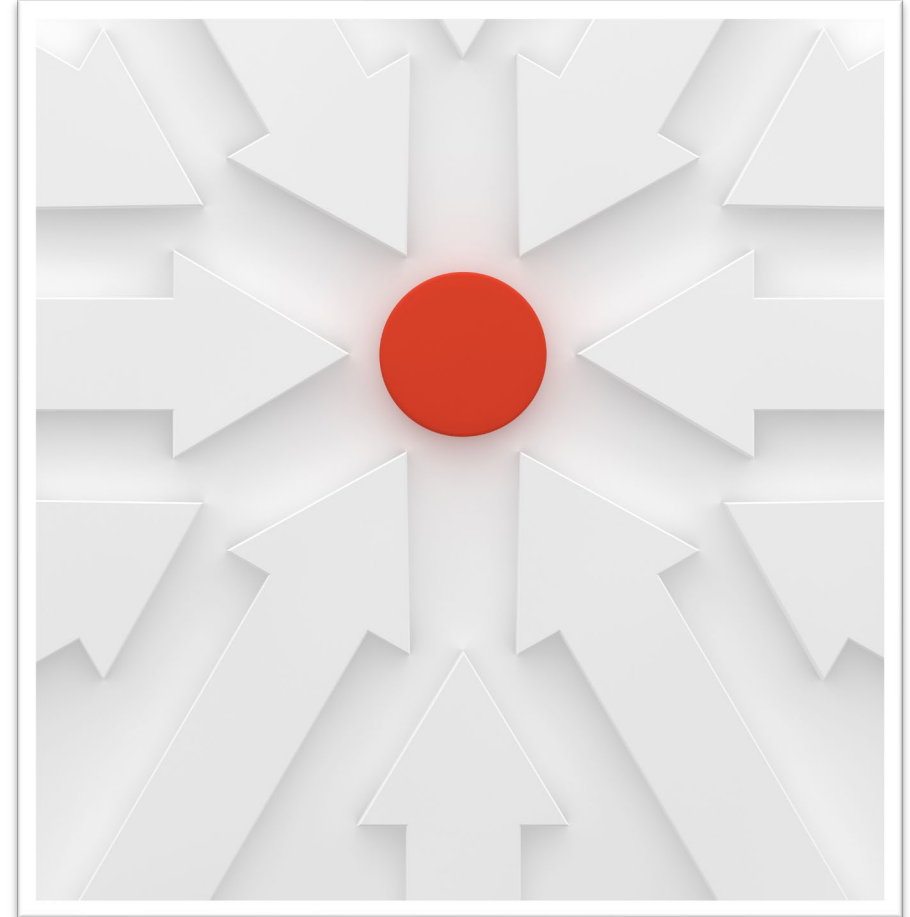
Let's Break the Ice

Any Eclipse Day stories to share?



Today's Objectives

- Review auto coverage
- Why engage in risk management?
- What makes schools unique regarding liability, exposures, & operations
- Assessing your auto risks
- Global auto market trends & the impact to members
- Emerging risks for your radar
- What can you do about the challenges



Auto Coverage Review

- What is AL/COMP/COLL/CAT?
- Who is covered?
- “What is a motor vehicle?”
- Real-life examples
- Deductibles & "small" damage
- Swim well in your pool, submit claims on time!

AUTOMOBILE LIABILITY & PHYSICAL DAMAGE COVERAGE AGREEMENT Table of Contents

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Fleet Risk Management

- Why do we need to make this A Thing?
 - "a district bus struck a student in a crosswalk"
 - "our new band trailer was vandalized"
 - "a school sedan on a business trip got t-boned"
 - "most of our fleet was damaged by hail"
- Prevention is better than mitigation
- Critical assets need management
- Your white fleet, passenger vehicles, & trailers are all part of this



What Do You Say?

How comfortable are you with this risk management stuff?

1. Very, like the back of my hand!
2. Sorta, like my neighbor's 2hr old tuna salad?
3. Nope, like giving my keys to a 15-year-old!



Schools Are Special!

- TX Tort Claims Act limits liability (also see Marcy Barker's presentation today)
- TX Attorney General opinion H-602 (1975) on PIP & UM/UIM
- 15 passenger vans?
- CTE student coverage



Schools Are Special!

- School buses, CDL training, difficult hours, road trips, minor passengers
- High visibility
- Emergency vehicles (if applicable)
- Mobile equipment
- Community expectations & funding via taxes



Assessing Auto Risk

- Fleet size
- Fleet age
- Fleet composition
- Geography



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What Do You Say?

How often does your organization's vehicle inventory change?

1. Every other year or longer.
2. Once or twice a year.
3. Every few months
4. I don't know, and you've got me curious.



Global Auto Coverage Market

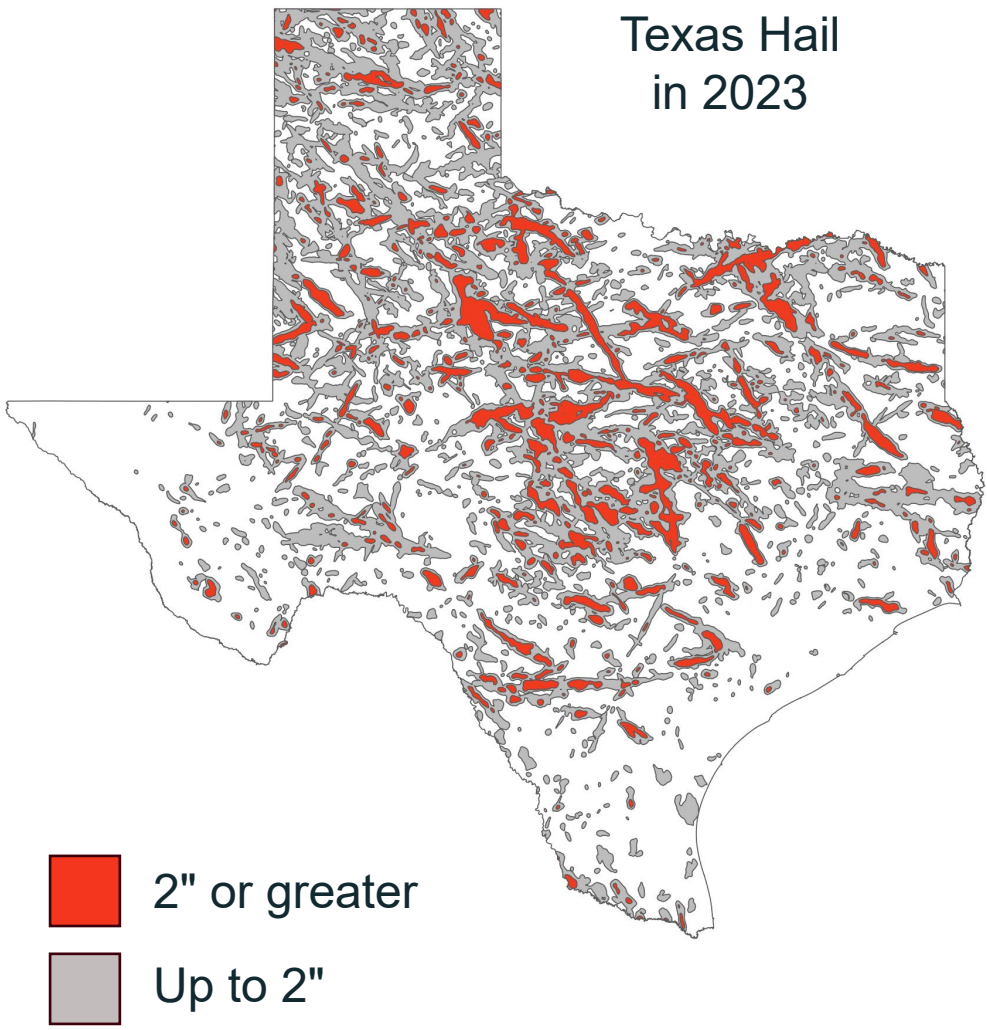


- Overall trends
- Factors driving the trends
- Climate and hail
- Reinsurance plays a role
- Special considerations for Texas & public schools

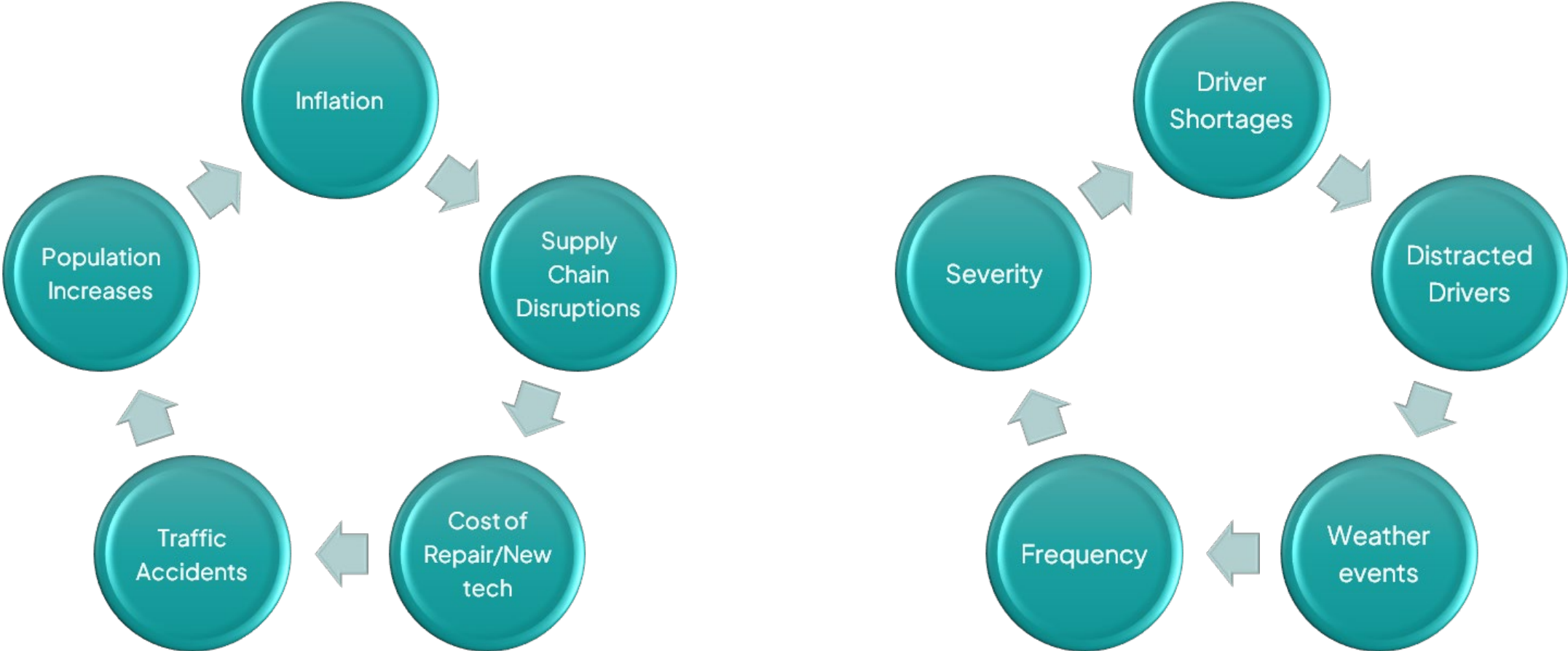
A Few Words About Hail

- Since 2017, 20% (1,077) of all our APD events
- Since 2017, 18% (\$7.6 million) of all our APD incurred losses

	2021	2022	2023
Average hail APD claim incurred	\$6,263	\$11,861	\$20,186
% increase over previous year	26%	89%	70%



What's increasing your rates?



A Few Words About Distractions

- Distracted driving in 2022:
3,308 deaths & 289,310 injuries
- Drivers in the south more likely to use devices than most regions
- Instant video apps
- Notifications, notifications, notifications



What Do You Say?

How would you rate the auto risks in your area?

1. *All Quiet on the Western Front*
2. *Groundhog Day*
3. *The Good, the Bad, and the Ugly*
4. *Catch Me If You Can*
5. *Mad Max: Fury Road*



Emerging Risks and Trends

- Self-driving & driver assistance tools
- Artificial Intelligence
- New safety features, spread unevenly
- BEVs/EVs - coverage-specs-infrastructure-training
- Everyone wants to be a Texan
- More litigation
- Anyone can be a news reporter now



What Can We Do About It?



- Engage your coverage provider
- TASB RMF consultants for training, program review, hazard surveys, driver observations
- Be data curious, run claims history
- Investigate collisions, find root causes, & adjust
- Engage others like TAPT

What Can We Do About It?



- Plan calendar & coverage cycles
- Prepare for some big numbers
- Update vehicle & trailer logs
- Know your deductible
- Can you take on additional risk?
- Be proactive, so we predict & prevent
- Follow the insurance market
- Be a better risk

What Do You Say Now?

Are you more comfortable with this risk management stuff?

1. Yes, I have good ideas to take back to work.
2. Sorta, I might need to call my carrier...
3. No, but now I've got better questions to ask!



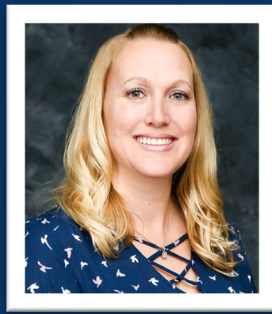
Any Questions?

- www.tasbrmf.org
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- QR Code for Fund Training News or InsideRM Newsletter



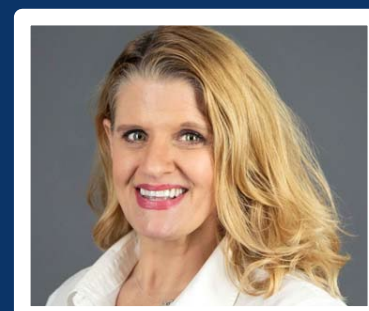
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Thank You!

