

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

October 26, 2006

TO: BOARD OF DIRECTORS
THRU: Larry Rubio, Chief Executive Officer
FROM: Laura Murillo, Director of Human Resources
Jiles Smith, Risk Manager
SUBJECT: Fiscal Year 2006 Workers' Compensation Update

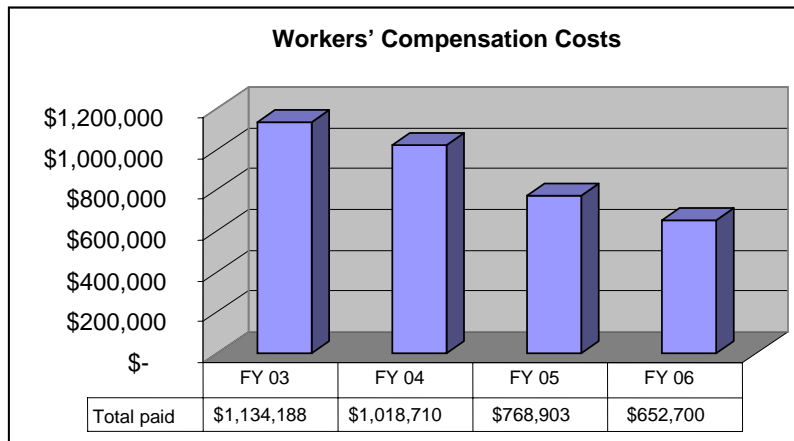
Summary: A marked decrease in workers' compensation costs from FY 2003 to FY 2006 has been realized by the Agency. This was accomplished by having an aggressive Agency safety program and by having no lost work days from March 2004 to May 2006.

As part of the Agency's safety program two main goals were set in FY 2006:

- 1) To incur fewer than 600 new lost workdays
- 2) To incur fewer than 33 new claims

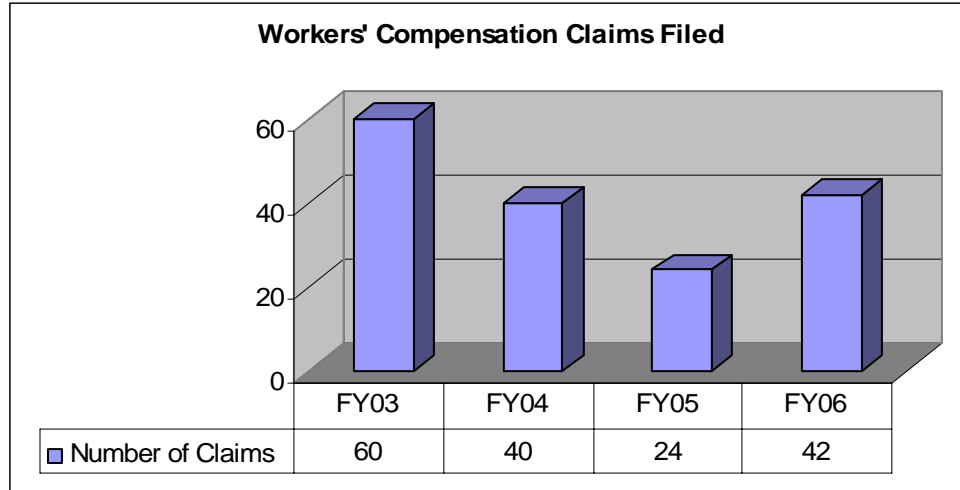
The first goal was reached with one claim in FY 2006 resulting in 51 total lost work days. The second goal was not reached as 42 claims were filed in FY 2006. The increase in new claims can be partly attributed to the threatened Union work stoppage.

To demonstrate the Agency's decrease in workers' compensation costs, the following chart illustrates a 42 percent decrease in costs over the last four fiscal years, resulting in a \$481,488 decrease.



The following chart is an illustration of the number of claims filed between FY 2003 and FY 2006. In FY 2006, 42 claims were filed.

Thirty-six percent of these claims were reported within three months of the Union threaten work stoppage.



Committee Recommendation:

This item was discussed at the Board Budget and Administration and Board Operations Committee meetings of October 4, 2006. The Committees' members unanimously approved recommending this item to the full Board of Directors for their consideration.

Recommendation:

Receive and file.