This report reviews the Lehigh County Authority 2015 Risk Management Report. Our program effort has been designed to maintain a high safety awareness among employees, ensure a safe work environment by recognizing and reducing work hazards and maintain reasonable insurance cost. Employee training programs are outlined within this report.
# Meet the 2016 LCA Safety Team

## Distribution and Collection Team
- James Yoachim - Leader
- Bill Brogan
- Mike Walter
- Andrew Werley
- Michael Cawley

## Water Filtration Plant Team
- Tim Carlson - Leader
- Mike Brunovsky
- Gretchen Schleppy
- Mike Walter
- George Lill
- Dave Adams
- Ryan Sirak

## Wastewater Treatment Plant Team
- Steve Stahlberg - Leader
- Bob Keenan
- Mark Kudera
- Joe Thompson
- Mike Walter
- Bob Adams
- Mike Brunovsky

## LCA Suburban Team
- Bob Argust - Leader
- Tim Geiger
- Tony Oswald
About Risk Management

The Risk Management division is responsible for managing the Authorities property and casualty risks and coordinating the Authorities safety programs.

Our mission is to:

• Promote a safe and healthy work environment by performing regular site and equipment inspections.
• Reduce costs related to accidents and injuries.
• Protect the resources and assets of the Authority.
RISK CONTROL

- **Immunization Program** - 4 employees from the suburban facility and 57 employees from the city facilities participated in this program.

- **Safety Shoe Program** - All employees that are subjected to wear safety shoes have monies appropriated for purchase of shoes.

- **Fire Extinguisher Inspection** - All facilities fire extinguishers are inspected every year. If any fail to pass inspection they are replaced promptly.

- **Site Inspection** - All facilities are inspected by the RM team, for areas of potential high risk. Linda Poole, Sr. Risk Control Consultant, Delaware Valley Compensation Trust, inspected our facilities. No citation issued. Overall, the system inspection indicated at LCA continues to provide a safe working environment.

- **Accident, Property, Liability Reports** - 10 Workers compensation claims, 2 lost time (less than 10 days), 4 property and 23 liability claims.

- **Safety Incentive program** - Provide weekly safety talks. Near miss reports very helpful and used to enhance safety. We purchased a safety lantern for each employee for their safety efforts.
RISK CONTROL

- **Safety Program** – Traditional training programs and formats were utilized during the year. DVD, videotapes, CD’s, and tailgate weekly talks continue to provide the most effective training participation and results. Ongoing training efforts focused on:
  - Confined Space Entry
  - Trenching and Shoring
  - Personal Protective Equipment
  - Defensive Driving
  - First Aid Training
  - Fork Lift Training
  - Tailgate Talks
  - Backhoe Safety
AREAS OF EXPOSURE

- **Legal, General and Automobile Liability** - Purchased from Pennsylvania Intergovernmental Risk Management Association (PIRMA, a local government risk pool). Insurance provider is H.A. Thomson Company.

- **Property Insurance** - Purchased from our broker Murray Securus. Insurance provider is CNA Insurance Company. Authority asset values set at $343,612,506.

- **Workers' Compensation** - The Workers' Compensation is purchased from Delaware Valley Workers Compensation Trust (DVWCT).

- **Pollution Liability Insurance** - Purchased from Greenwich Insurance Company
### 2015 Annual Report
### Insurance Cost Trend

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Annual</td>
<td>% Change</td>
<td>Annual</td>
<td>% Change</td>
</tr>
<tr>
<td></td>
<td>Premium</td>
<td>from Prior-yr</td>
<td>Premium</td>
<td>from Prior-yr</td>
</tr>
<tr>
<td><strong>PIRMA Pool:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Liability</td>
<td>$50,773</td>
<td>5.31%</td>
<td>$196,699</td>
<td>287.41%</td>
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<tr>
<td>Auto Liability &amp; Comprehensive Damage</td>
<td>$11,406</td>
<td>0.88%</td>
<td>$45,339</td>
<td>297.50%</td>
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<tr>
<td>Public Officials Liability</td>
<td>$10,548</td>
<td>-3.98%</td>
<td>$26,391</td>
<td>150.20%</td>
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<tr>
<td>Property</td>
<td>$108,330</td>
<td>-1.77%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract with City</td>
<td></td>
<td></td>
<td>$20,000</td>
<td>0%</td>
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<tr>
<td><strong>Total PIRMA</strong></td>
<td>$181,057</td>
<td>1.20%</td>
<td>$288,429</td>
<td>59.30%</td>
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<tr>
<td><strong>Other Insurance Costs:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property - Murray Securus</td>
<td></td>
<td></td>
<td>$197,193</td>
<td>82.03%</td>
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<tr>
<td>Worker's Compensation</td>
<td>$25,176</td>
<td>26.09%</td>
<td>$83,555</td>
<td>231.88%</td>
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<tr>
<td>Pollution Liability (PTP &amp; WWTP)</td>
<td>$8,191</td>
<td>6.34%</td>
<td>$7,822</td>
<td>-4.50%</td>
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<tr>
<td>Employee Dishonesty Bond</td>
<td>$540</td>
<td>0.75%</td>
<td>$700</td>
<td>29.63%</td>
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<tr>
<td>Treasurer Bonds</td>
<td>$200</td>
<td>0.00%</td>
<td>$200</td>
<td>0.00%</td>
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<tr>
<td><strong>Total Other Insurance</strong></td>
<td>$34,107</td>
<td>20.70%</td>
<td>$289,470</td>
<td>748.71%</td>
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<tr>
<td><strong>Grand Total</strong></td>
<td>$215,164</td>
<td>1.44%</td>
<td>$577,899</td>
<td>168.59%</td>
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</table>
# Lehigh County Authority Risk Management

## 5-Year Expense History

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<th></th>
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<tbody>
<tr>
<td>Immunizations</td>
<td>$3,250</td>
<td>$192</td>
<td>$90</td>
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<td>Safety Shoes</td>
<td>$11,646</td>
<td>$8,573</td>
<td>$1,520</td>
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<td>Fire Extinguishers</td>
<td>$1,867</td>
<td>$5,500</td>
<td>$1,140</td>
<td>$735</td>
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<td>Safety Training &amp; Equipment</td>
<td>$52,900</td>
<td>$33,233</td>
<td>$310</td>
<td>$100</td>
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<tr>
<td>Luncheon/Incentive</td>
<td>$461</td>
<td>$4,200</td>
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<td>$1,100</td>
<td>$1,057</td>
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<td>CDL Drug &amp; Alcohol Tests</td>
<td>$1,145</td>
<td>$1,354</td>
<td>$220</td>
<td>$221</td>
<td>$218</td>
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<td>RM and Safety Training Salary</td>
<td>$70,432</td>
<td>$90,417</td>
<td>$10,900</td>
<td>$8,745</td>
<td>$8,884</td>
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<td><strong>Total</strong></td>
<td>$141,701</td>
<td>$143,469</td>
<td>$14,180</td>
<td>$12,101</td>
<td>$12,881</td>
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# LCA Vehicle Incident and Claim History

<table>
<thead>
<tr>
<th>Year</th>
<th>Suburban # of Incidents</th>
<th>City # of Incidents</th>
<th>Combined # of Incidents</th>
<th>Combined Cost</th>
<th>Suburban Cost</th>
<th>City Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>$75</td>
<td>$75</td>
<td>-</td>
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<tr>
<td>2011</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>$728</td>
<td>$728</td>
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<tr>
<td>2012</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>$5,420</td>
<td>$5,420</td>
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<td>2013</td>
<td>1</td>
<td>4</td>
<td>5</td>
<td>$3,326</td>
<td>$267</td>
<td>$3,059</td>
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<tr>
<td>2014</td>
<td>2</td>
<td>5</td>
<td>7</td>
<td>$15,086</td>
<td>$3,376</td>
<td>$11,710</td>
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<tr>
<td>2015</td>
<td>2</td>
<td>7</td>
<td>9</td>
<td>$6,709</td>
<td>$5,862</td>
<td>$847</td>
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</table>
Vehicle Incident Reports and Insurance Claims
as of December 31, 2015

![Graph showing vehicle incident reports and insurance claims from 2010 to 2015. The graph displays the claims in dollars and the number of claims. The data is categorized by suburb, city, and combined. The highest claims occurred in 2013.](image)
Accomplishments for 2015
Risk Management Team

- Have four individual safety teams function as one.
- Updated the Health and Safety Manual
- Processing 10 workers compensation claims, 2 lost time claims, 4 restricted duty claims, 4 property claims and 23 liability claims
- Received $6,000 rebate for high performance rating from DVIT
- Updated the Emergency Response Plan (ERP) for all facilities.
- Held a tabletop exercise to test ERP
- Decrease self-insurance cost
- Installation of racks and shelving for PPE in the storage area of the Water Filtration Plant
- Add more safety training for employees
- Continue to upgrade old safety equipment throughout LCA
- Created a process for safe unloading of all chemicals at the WFP.
LOOKING FORWARD TO 2016
GOALS

- Decrease self-insurance cost
- Eliminate Workers Compensation claims
- Eliminate security issues at City Wastewater Treatment Plant
- Add more online safety training for employees
- Inspect suburban facilities for security upgrades
- Continue to upgrade old safety equipment throughout LCA
- Install electronic safety signs in each facility (Days without reportable accident)
QUESTIONS?