

Greater Cleveland Regional Transit Authority

CASUALTY INSURANCE PROGRAM RENEWAL
September 1, 2019

Presented to: Audit, Safety Compliance, and
Real Estate Committee
August 6, 2019



Casualty Insurance Program 9-1-19 Renewal

GCRTA maintains a Casualty Insurance program for protection of assets against catastrophic loss

- Excess Liability (General, Rail, Auto) \$95 million limits, \$5 million Self-Insured Retention
- Excess Workers' Compensation - \$10 million limit, \$750,000 SIR
- Public Officials Liability / EPL - \$5 million limit, \$250k SIR

Casualty Insurance Program 9-1-19 Renewal

- Excess Liability – Largest Program
 - Renewal negotiations still underway
 - Market is hardening across all classes, budgeted for 8% increase, broker cautions could be as high as 15%
 - Quota share program with domestic, London and Bermuda markets
 - Expect final results by August 20th Board meeting

Casualty Insurance Program 9-1-19 Renewal

Program Renews September 1, 2019

- **Excess WC Policy renewal negotiations complete**
- Expiring Premium \$260,806
- Existing carrier, Safety National agreed to flat rate renewal.
- Payroll up slightly so renewal premium is \$261,193
- Increase of only \$387, which is \$20,086 or 7% under budget

Casualty Insurance Program 9-1-19 Renewal

- Public Officials / Employment Practices Liability
Renewal negotiations complete
- Provides liability protection to directors and officers
as well as GCRTA for alleged Wrongful Acts by D&Os,
committee members or employees
- The policy also provides insurance coverage for
employment practices claims (e.g. discrimination,
sexual harassment, wrongful termination)

Casualty Insurance Program 9-1-19 Renewal

- Public Officials / EPL Liability, Cont.
 - Incumbent carrier: AIG (National Union)
 - Expiring Premium \$82,633
 - Renewal premium: \$84,990
 - Increase of \$2,357, which is \$8,281 or 8% under budget
 - We have an option adding a new excess insurer to the program, which we are currently evaluating

Casualty Insurance Program 9-1-19 Renewal

- Will provide final renewal results for all 3 components of the program in a memo to BOT accompanied by Resolution containing final recommendations to be brought to the Board at August 20, 2019 meeting.