



January 1, 2019 Property Insurance Renewal

December 4, 2018

BOT Audit, Safety Compliance and
Real Estate Committee

Greater Cleveland Regional Transit Authority



2019 Property Insurance Renewal

- GCRTA Carries an All-Risk Property Insurance Policy; covered perils include Fire, Wind, Flood and collapse, to name a few.
 - Replacement Cost Coverage
 - Protects Real and Personal Property for which GCRTA is responsible
 - Bus Garages, Rail Complex, Rail Stations, Rail and Bus fleet (non-collision only)

2019 Property Insurance Renewal

- Carrier – FM Global, A.M. Best rating of A+XV
 - Blanket Limit: \$500 million , Deductible \$250,000
- Rated on GCRTA's Total Insured Value (TIV)
 - TIV for 1-1-19 is \$1.7 billion
- Premium Credit given by FM for past 5 years due to good loss experience over entire book of business

Premium & Payment Summary

- 2019 Proposed Premium - \$633,985
 - 2.5% rate increase
 - Industry Research indicated market has tightened; increases ranging from 2 – 20%.
 - Net Premium Payment Increased by \$77,139 vs. 2018 due to loss of \$88,082 premium credit
 - Final 2018 Payment - \$556,843 vs. \$633,985
 - 2019 Proposed Payment is 3.9% or \$26,015 under budget