



Information Update – I.P.T.C. 2025 Insurance Policy Renewal Extension

To: Chair and Board of Directors
Through: President and CEO Jennifer Pyrz
From: Brian Clem, Director of Risk and Safety
Date: February 3rd, 2025

BACKGROUND:

I.P.T.C. leadership has committed to providing the I.P.T.C. Board of Directors with a yearly insurance renewal update. I.P.T.C. procures all lines of insurance through a contracted insurance broker currently (Aon) to go to markets for underwriting requested insurance coverage. Historically, renewals covered one year from Jan 1st through Dec 31st each year. For a better alignment of fiscal budgeting, I.P.T.C. staff requested moving the renewal dates to July 1st through June 31st calendar year. With this change, coverage dates needed to be adjusted for brokering a full-year renewal solicitation.

Based on Aon's renewal strategy, they agree to work closely with the incumbent carriers to extend the current lines of coverage for 6 months. During this transition, there was some hesitancy from our property broker, given the recent \$1.4M bus arson fire claim. Aon was able to provide renewal options for IndyGo's property insurance including a 6-month extension for Replacement Cost Value (RCV) and Actual Cash Value (ACV). The second option was for an 18-month policy with both (RCV) and (ACV).

IPTC leadership selected a short-term extension at the current (RCV) and opted into a \$200k credit savings by removing coverage for vehicles in service at BRT stations. Results ended in a property rate increase of 0.21 to 0.23 per dollar. For reference when a tier program (23-24) was needed, the property rate was 0.28. IndyGo's Total Insurable Values for property also increased 22% from \$307M to \$375M.

The remaining lines (Liability, Directors & Officers, Crime, Employment Practices, Cyber) were more favorable due to clean loss history and good carrier relationships. The retained limits liability policy (Munich) increased by 11% and is rated as the number of revenue buses which was up from 213 to 230 (8%). The remaining increase was from the rate, which came in 3-4%. Crime (AIG), Fiduciary (Travelers), Directors, and Officers along with Employment Practices (RSUI) were flat extensions with no increase in premium. Cyber (TMHCC) decreased by 35% mostly because of the current competitive market and policies and procedures I.P.T.C have implemented with cyber-attack safeguards.

Overall, the entire insurance program renewed to \$643,600.53 for 6 months (estimated \$1,287,201.06 annually), making this an estimated 24% increase year over year with most of the increase coming from the property program, given the increase in insured values and recent loss history. Attached in the information item are current lines of coverage and a year-over-year comparison of pricing including the 2025 6-month extension.

RECOMMENDATION:

Receive the report.

I.P.T.C. 2025 Insurance Policy Renewal Extension

Coverage	January 1, 2023-24	January 1, 2024-25	January 1, 2025- July 1, 2025	% Change
Property	Layered Tower Program	Single Carrier - RCV	Single Carrier - RCV	
Total Insured Values	\$ 351,139,477	\$ 306,880,404	\$ 374,856,814	22.15%
Property Rate	\$0.28	\$ 0.21	\$ 0.23	9.12%
Liberty Mutual Premium		\$ 650,000	\$ 433,192	
Great American premium	\$ 522,855			
<i>rate per \$100 of value</i>	\$ 0.15			
RSUI premium	\$ 69,955			
Homeland premium	\$ 99,546			
Hallmark premium	\$ 44,000			
Mitsui premium	\$ 83,967			
Scottsdale premium	\$ 75,289			
Markel premium	\$ 104,119			
Total Premium w/o TRIA	\$ 999,731	\$ 650,000	\$ 433,192	
TRIA Premium (Optional)	Declined	\$ 100,000	\$ 50,000	
Estimated Taxes/Fees	\$9,355	\$ 16,250	\$ 10,829.80	
Total Premium w/ TRIA	Declined	Declined	Declined	
Coverage	January 1, 2023-24	January 1, 2024-25	January 1, 2025- July 1, 2025	% Change
Retained Limits Liability w/ Sexual Abuse Coverage	Munich	Munich	Munich	
Premium	\$302,000	\$309,850	\$173,981	
Surplus Lines Tax	\$7,550	\$7,746	\$4,350	
Total Premium with TRIA	\$312,250	\$320,366	\$178,331	
Crime	AIG	AIG	AIG	
Premium	\$5,594	\$5,594	\$2,774	
Fiduciary	Travelers	Travelers	Travelers	
Premium	\$7,890	\$7,878	\$3,907	
Public Officials - D&O/EPL	RSUI	RSUI	RSUI	
Premium	\$42,440	\$42,440	\$21,348	
Management Liability Premium	\$55,924	\$55,912	\$28,029	
Cyber	Coalition	TMHCC	TMHCC	
Premium	\$12,417.00	\$12,417.00	\$4,049.00	
Total Premium w/o TRIA	\$1,377,622	\$1,035,925.00	\$643,600.53	
		Est. Annual Premium:	\$ 1,287,201.06	24%

End Of Report

Brian Clem
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