

# ***Renewal of Public Liability Insurance***

Committee on Finance

October 21, 2010

# Public Liability Insurance Program Renewal

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	<u>Expiring Program</u>	<u>Renewal Program</u>
<u>Term:</u>	10/27/09-10	10/27/10-11
<u>Limits of Coverage:</u>		
Aviation	\$1.25B	\$1.25B
Non-Aviation	\$1B	\$1B
<u>Terrorism Coverage:</u>		
Aviation War Risk	\$1.25B	\$1.25B
Non-Aviation (TRIPRA)	\$300M	\$300M
<u>Self-Insured Retention:</u>		
Aviation	\$3M	\$3M
Non-Aviation	\$5M	\$5M
Non-Aviation	30% of \$25M	30% of \$25M
Annual Premium:	\$21.5M	Estimated \$21.5M

## 2010 Peer Analysis – Airports

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	<u>PANYNJ</u>	<u>Chicago Aviation Dept.</u>
Gross Operating Revenue (FY'09) (thousands)	\$2,043,091	\$746,744
Number of Airports Operated	5	2
Annual Plane Movements (FY'09)	1,362,613	1,072,709
Annual Passengers (FY'09) (thousands)	101,858	81,487
<b><u>Purchased Limits:</u></b>		
Aviation Liability (Inc. War Risk/Terrorism)	\$1,250,000,000*	\$800,000,000
<b><u>Retention/SIR:</u></b>	<b>\$3,000,000</b>	\$50,000
<b><u>Annual Premium:</u></b> (Inc. War Risk/Terrorism)	<b>\$5,437,903</b>	\$5,000,000

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\* Total limits purchased cover Port Authority airport exposures only.

**Note:** City of Chicago Dept. of Aviation operates Chicago O'Hare International Airport and Chicago Midway International Airport. Other peer entities surveyed include Metro Washington Airport Authority, Denver Dept. of Aviation, and the City of Phoenix Airport System.

## 2010 Peer Analysis – TB&T/Rail

	<u>PANYNJ</u>	<u>MTA</u>
Gross Operating Revenue (FY'09) (thousands)	\$1,115,376	\$6,066,000
Number of Vehicle B&T Crossings	6	9
Annual Vehicle Traffic (FY'09) (thousands)	121,500	290,900
Annual Rail Passengers (FY'09) (thousands)	72,281	1,745,499
<b><u>Purchased Limits:</u></b>		
Non-Aviation Liability	\$1,000,000,000*	\$400,000,000
	<b>Workers Comp Coverage INCLUDED</b>	<b>Workers Comp Coverage EXCLUDED</b>
Terrorism (TRIA)	\$300,000,000	\$400,000,000
<b><u>Retention/SIR:</u></b>	<b>\$5,000,000</b>	<b>\$9,000,000</b>
<b><u>Annual Premium: (Inc. Terrorism)</u></b>	<b>\$11,357,256</b>	<b>\$10,200,000</b>

\* Total limits purchased cover all Port Authority facilities, including the interstate transportation network, port commerce, and development operations. . Limits purchased by the MTA represent the total limit purchased for only TB&T exposures.

**Note:** Other peer entities surveyed include New Jersey Transit and the Delaware River Port Authority.

## 2010 Peer Analysis – Ports

	<u>PANYNJ</u>	<u>Port of Los Angeles</u>
Gross Operating Revenue (FY'09) (thousands)	\$205,861	\$402,224
Number of Port Facilities	6	1
General Cargo in Tons (FY'09) (thousands)	28,241	144,300
<b><u>Purchased Limits:</u></b>		
Non-Aviation Liability	\$1,000,000,000*	\$150,000,000
	<b>Workers Comp Coverage INCLUDED</b>	<b>Workers Comp Coverage EXCLUDED</b>
Terrorism (TRIA)	\$300,000,000	\$150,000,000
<b><u>Retention/SIR:</u></b>	\$5,000,000	\$1,000,000
<b><u>Annual Premium:</u></b> (Inc. Terrorism)	\$4,723,743	\$325,000

\* Total limits purchased cover all Port Authority facilities, including the interstate transportation network, port commerce, and development operations. Limits purchased by the Port of LA represent the total limit purchased for a single exposure type.

**Note:** Other peer entities surveyed include Port of Long Beach and the Port of Seattle.

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<b><u>Self-Insured Retention:</u></b>		
Aviation	\$3M	\$3M
Non-Aviation	\$5M	\$5M
Non-Aviation	30% of \$25M	30% of \$25M
<b>Annual Premium:</b>	\$21.5M	Estimated \$21.5M