



HYLANT

INSURANCE PROPOSAL

City of Ann Arbor

PRESENTED BY:

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JANUARY 23, 2025

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Executive Summary

February 3rd, 2026

Hylant is pleased to present the 2026 Property and Casualty (P/C) insurance renewal results for the City of Ann Arbor. This renewal proposal includes the following coverages:

- Public Entity Liability and Excess
- Property
- Cyber

As discussed at our renewal strategy meeting on November 5th, rates are starting to find some relief across some lines. The current marketplace for casualty coverage for municipalities is very selective on new business with carriers adhering to very strict underwriting guidelines and information, specifically training programs for law enforcement. Many carriers have limited appetite for insuring the dams, for both property and casualty lines.

The Chubb property renewal is a flat renewal, even with a 3% increase in values. We were also able to obtain higher deductible option for wind/hail and water damage of \$100k that would alter the renewal to be a 2% decrease. The Garage GL and lead excess were marketed heavily last year and renewed with slight increase with the incumbent carriers. We are still waiting for the \$5M x \$5M excess liability quote from Starstone for the parking garage at 650 S Forest.

Hylant has obtained options for higher Cyber Risk insurance limits as reflected in the Cyber proposal.

We have received the renewal quote from Old Republic for the lead public entity liability layer and await quotations for the excess layers.

Given the challenges in the current insurance marketplace, the proposed insurers reserve the right to change the terms of proposed coverage until coverage is formally bound. Prior to binding, significant claim activity specific to the City of Ann Arbor or loss/risk development among municipalities in general could result in the insurers modification of cost/coverage.

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Executive Summary

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Outlined below is a high-level summary of the 2025 renewal terms:

Public Entity Liability and Excess

Your public entity liability program was marketed in 2023, and your lead layer was moved to Old Republic. Old Republic had the most competitively priced program offering \$5m limit excess of a \$1m SIR. In 2024, Old Republic added an aggregate retention option to the program which was renewed in 2025. For this year's renewal, 2026, Old Republic initially indicated a rate increase of 10-15% and we did market this layer to several other carriers. We have received positive feedback from one specific carrier and we are waiting for their formal quotation. Old Republic's renewal quote has been received and they are quoting a 14% premium increase which is inclusive of the City's exposure increases. They are also agreeable to offering a lower SIR option of \$750K per occurrence for your consideration, and they have offered an option to move allocated expenses inside the limit.

Regarding the excess layers, you currently have \$5m x 5m with Gemini, and the \$10m x 10m layer with Allied World. We are waiting for renewal quotes from these carriers. We have marketed these layers to other carriers and are also waiting for optional quotes.

Property

The City's property insurance was marketed in 2022 and the coverage was moved to Chubb. Chubb had the most competitive option, maintaining coverage on the dams and not applying a sublimit to wind claims. The per occurrence deductible was raised to \$100,000.

For 2024 the rate increase was under 6%, For the 2025 renewal a 5.84% rate was applied at expiring terms. As mentioned, Chubb is offering a flat renewal even with values increasing by 3%. They will alter the renewal to be a 2% decrease if a higher water deductible is chosen.

Network Security & Privacy (Cyber Liability)

The City's Cyber Risk insurance was marketed extensively in 2022 and 2023, with Cowbell providing the most competitive coverage terms and pricing. For the renewal this was marketed, and we were able to leverage alternate quotes to push for significant premium relief.

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Executive Summary

(continued)

Thank you for the opportunity to provide these quotations on your behalf. We look forward to continuing to provide insurance and risk management service, needs and advice.

Sincerely,

Kim Cassey
Rob Nugent
Collin Telman
JPaul Dixon

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Premium Summary

City of Ann Arbor Renewal Premium Summary

	Renewal Date	RENEWAL 2025 / 2026	RENEWAL 2026 / 2027	Increase	AM Best Rating
Public Entity Liability - Primary x SIR	1-Mar	Old Republic	Old Republic		A++
Limit		\$ 5,000,000	\$ 5,000,000		
Self-Insured Retention Each Occurrence		\$ 1,000,000	\$ 1,000,000		
Self-Insured Retention Aggregate		\$ 1,500,000	\$ 1,500,000		
Aggregate Stop Limit		\$ 2,000,000	\$ 2,000,000		
<u>Exposure data</u>					
Fleet Power Unit Count		291	294	1.03%	
WC Payroll		\$ 77,401,545	\$ 77,401,545	0.00%	
General Fund Budget		\$ 141,676,697	\$ 147,404,671	4.04%	
Operation Budget		\$ 564,804,279	\$ 638,467,788	13.04%	
Premium		\$ 542,264	\$ 620,744	14.47%	
Excess Liability - \$5M x \$5M x SIR	1-Mar	Gemini	Gemini		A+
Limit		\$ 5,000,000	\$ 5,000,000		
Premium		\$ 271,959	\$ 307,449	13.05%	
Excess Liability - \$10M x \$10M x SIR	1-Mar	AWAC	AWAC		A
Limit		\$ 10,000,000	\$ 10,000,000		
Premium		\$ 351,575	\$ 409,488	16.47%	
TOTAL PUBLIC ENTITY LIABILITY PREMIUM		\$ 1,165,798	\$ 1,337,681	14.74%	
Property	1-Mar	Chubb	Chubb		A++
TIV - including scheduled dams		\$ 819,656,275	\$ 854,452,701	4.25%	
Policy limit		\$ 400,000,000	\$ 400,000,000	0.00%	
Deductible		\$ 100,000	\$ 100,000		
Deductible - dams		\$ 250,000	\$ 250,000		
Rate (per '00)		0.094	0.090	-4.07%	
Premium		\$ 771,000	\$ 771,000	0.00%	
Cyber Liability	1-Mar	Cowbell (Palomar Excess and Surplus Ins.Co.)	Cowbell (Palomar Excess and Surplus Ins.Co.)		A++
Limit		\$ 5,000,000	\$ 5,000,000		
Deductible		\$ 175,000	\$ 175,000		
Ransomware		\$ 5,000,000	\$ 5,000,000		
Premium		\$ 178,783	\$ 172,330	-3.61%	
Total March Policies		\$ 2,115,581	\$ 2,281,011	7.82%	

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The following insurance companies have an appetite for Public Entity business and were approached for the 2026 P/C Insurance Renewal.

Casualty (Public Entity Liability and Excess)

- Lead Layer:
 - Old Republic Lead – quote received
 - Obsidian Specialty – reviewing submission
 - Safety National – requires the excess WC to quote Liability
 - Munich – cannot compete with target pricing
 - Genesis – reviewing submission
 - Chubb – no longer writing public entity
- Excess Liability:
 - Gemini Insurance – waiting on renewal quote
 - Allied World – waiting on renewal quote
 - Axis – reviewing submission
 - Genesis – reviewing submission
 - Munich – reviewing submission
 - Markel – reviewing submission
 - Navigators / Hartford – reviewing submission
 - Lexington – reviewing submission
 - Great American – reviewing submission
 - Bowhead – reviewing submission
 - Arch – reviewing submission
 - Palomar – reviewing submission
 - Euclid – reviewing submission
 - Ambridge – reviewing submission
 - Aurenity – reviewing submission

Property

- Chubb - quoted
- Cincinnati – quoted
- Starstone – quote pending



Cyber Liability Insurance

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Cyber Liability

- Cowbell – quoted
- Resilience - quoted

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