



Meeting Date: June 16, 2026

Consent Agenda: 2026-2027 Virginia Risk Sharing Association Insurance Policy Renewal

BACKGROUND:

Every year, GRTC must renew insurance policies for Boiler/Machinery Breakdown, Fidelity/ Crime, Workers Compensation, Property and Miscellaneous Items. GRTC currently has coverage for the listed policies through Virginia Risk Sharing Association (VRSA). VRSA is a group self-insurance pool in the Commonwealth of Virginia that provides claims services to 480 Virginia local political subdivisions. VRSA is governed by a Members' Supervisory Board comprised of eight elected or appointed officials from member jurisdictions and the executive director of the Virginia Municipal League.

Definition of Coverages:

Boiler & Machinery provides protection for losses arising out of the operation of boilers, pressure vessels, mechanical equipment, or electrical equipment. Covers loss to boiler and machinery itself, damage to other property, and business interruption. The limit of boiler coverage is typically the same as your highest valued building.

Fidelity/Crime provides protection from loss of money and other negotiable securities due to acts such as theft or embezzlement by employees and volunteers.

Workers' Compensation protects employees and their dependents in the case of work-related injuries or diseases. Benefits for lost wages, related medical expenses and certain scheduled benefits for specific losses as set forth in the Virginia Workers' Compensation Act.

Property protects property such as buildings, contents and equipment from losses caused by fire, wind, and other perils except those specifically excluded. Coverage is on a blanket basis, allowing coverage up to the full limit of the policy.

Miscellaneous Items provides protection for mobile or specialized equipment such as graders and bulldozers as well as tools, sporting equipment and fine arts.

HIGHLIGHTS:

- The renewal premium reflects several factors that impacted on the overall cost of coverage this year. Property values increased by **3%**, resulting in a corresponding adjustment to our property values.
- GRTC received a **5% premium credit** for achieving a **100% score on the Risk Management Assessment**, which helped offset a portion of the increase.
- Total workers' compensation payroll increased by **3.69%**, contributing to higher compensation premiums. A significant factor in the renewal increase was the change in the

Workers' Compensation Experience Modification Factor (MOD), which increased from **1.05 to 1.22**. This increase had a direct impact on workers' compensation costs.

- Overall, GRTC had favorable risk management performance and that did generate a premium savings of about \$4400.00 compared to last year.

Coverages with VRSA: FY25 and FY26 proposals:

Coverages	Limits	Premium – FY26	Premium – FY27
Property	\$40,000,000.00	\$114,177.00	\$118,172.00
Environmental Impairable Liability	(State Stat Limit)	Included	Included
Misc. Items	\$ 511,150.00	\$ 458.00	\$ 1,034.00
Boiler/Machinery Equipment Breakdown	\$ 250,000.00	\$ 4,802.00	\$ 4,943.00
Fidelity /Crime	\$ 25,000.00	\$ 309.00	\$ 318.00
Worker's Compensation	\$ 1,000,000.00 (State Stat Limit)	\$668,335.00	\$659,170.00
Total		\$788,081.00	\$783,637.00

RECOMMENDATION:

GRTC staff request that the Board of Directors approve the CEO renewing policies with VRSA for Property, Boiler & Machinery Equipment Breakdown, Miscellaneous Items and Workers' Compensation in the amount of \$783,637.00.

Ellen Robertson, Secretary
GRTC Board of Directors

Date