

**MEMORANDUM**

**NTC-C 17-2025**

**Subject: Niagara Transit Commission Insurance Program Detail - Shared Services Report**

**Date: May 20, 2025**

**To: Niagara Transit Commission Board**

**From: Donna Pasto, Risk Management Program Manager, Niagara Region**

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The purpose of this Memo is to provide the Niagara Transit Commission (NTC) Board with the following:

- an update concerning NTC insurance renewal effective January 1, 2025
- general information regarding NTC first- and third-party claims

**Insurance Renewal Update**

As part of the shared services arrangement, Staff in Niagara Region's Legal Services Division secure insurance on behalf of NTC as well as oversee claims and risk management.

In Q4 2024, Staff completed and submitted the necessary applications, questionnaires, and asset schedules to NTC's current Broker/Insurer for quotation purposes for the upcoming January 1, 2025 transit policy renewal.

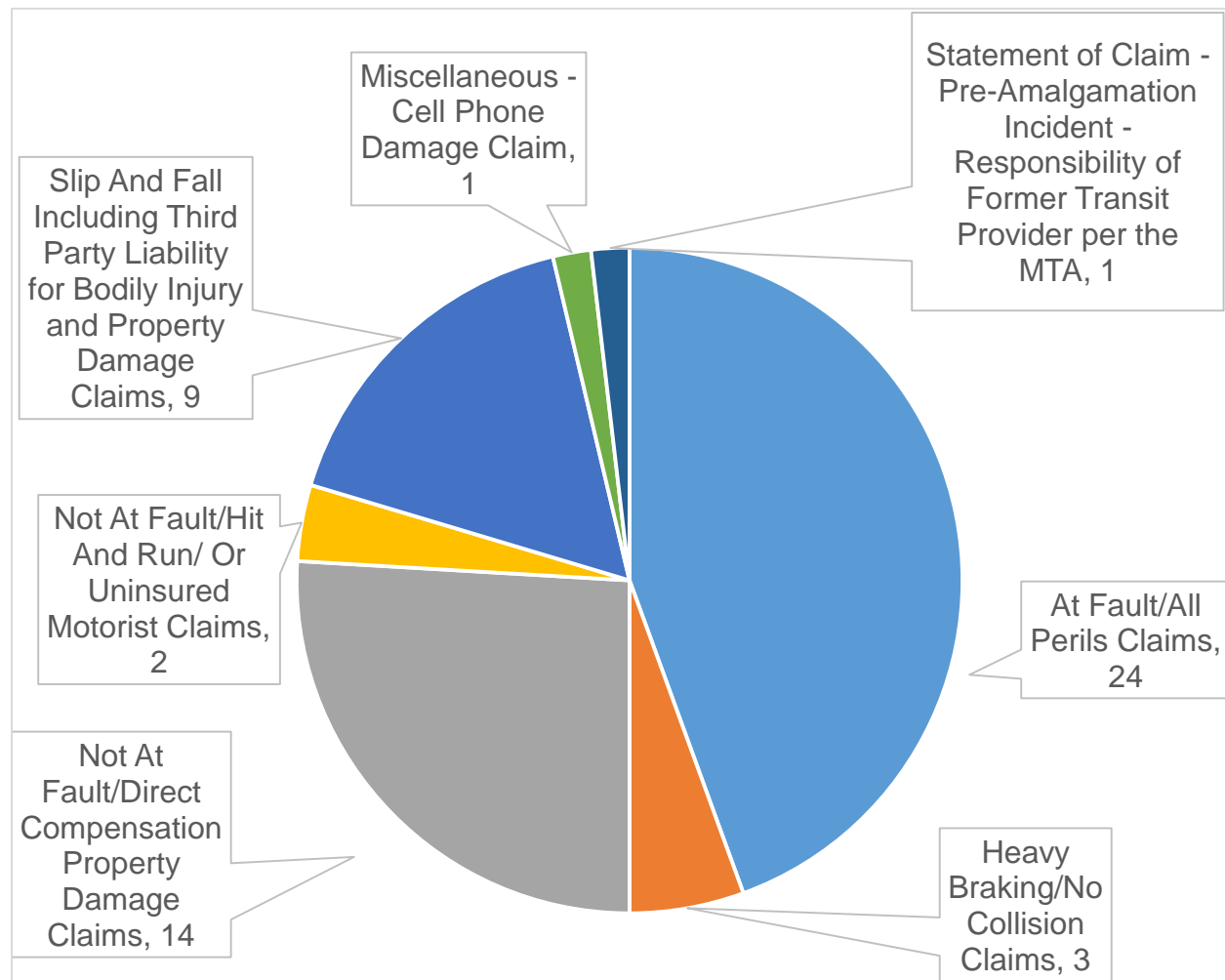
Upon receipt and review of the renewal insurance terms for the January 1, 2025 policy term, Staff confirmed the quotation to be for comparable transit operation coverages, limits, and deductibles as the expiring term. Based upon the current market and the underwriting material supplied by NTC (which included updated fleet assets, NTC claim loss runs for the past two years as well as claim loss runs for previous transit operations), Staff considered the overall premium increase to be reasonable.

The insurance premium quoted for January 1, 2025 to January 1, 2026 is \$1,964,615 (inclusive of non-recoverable 8% PST where applicable) compared to last term's premium of \$1,909,151 (an approximate 3% overall increase). Through the General Manager, Staff obtained NTC approval to bind coverage as quoted effective January 1, 2025 and confirmed the premium quoted is accommodated within the 2025 budget.

## Claim Trends and Claim/Risk Management

In 2024, there were approximately 54 incidents (both first- and third-party claims) reported to date by NTC or by way of online submission form or notification from a third-party. High level detail of such incidents is charted below as follows:

### 2024 Claims Breakdown

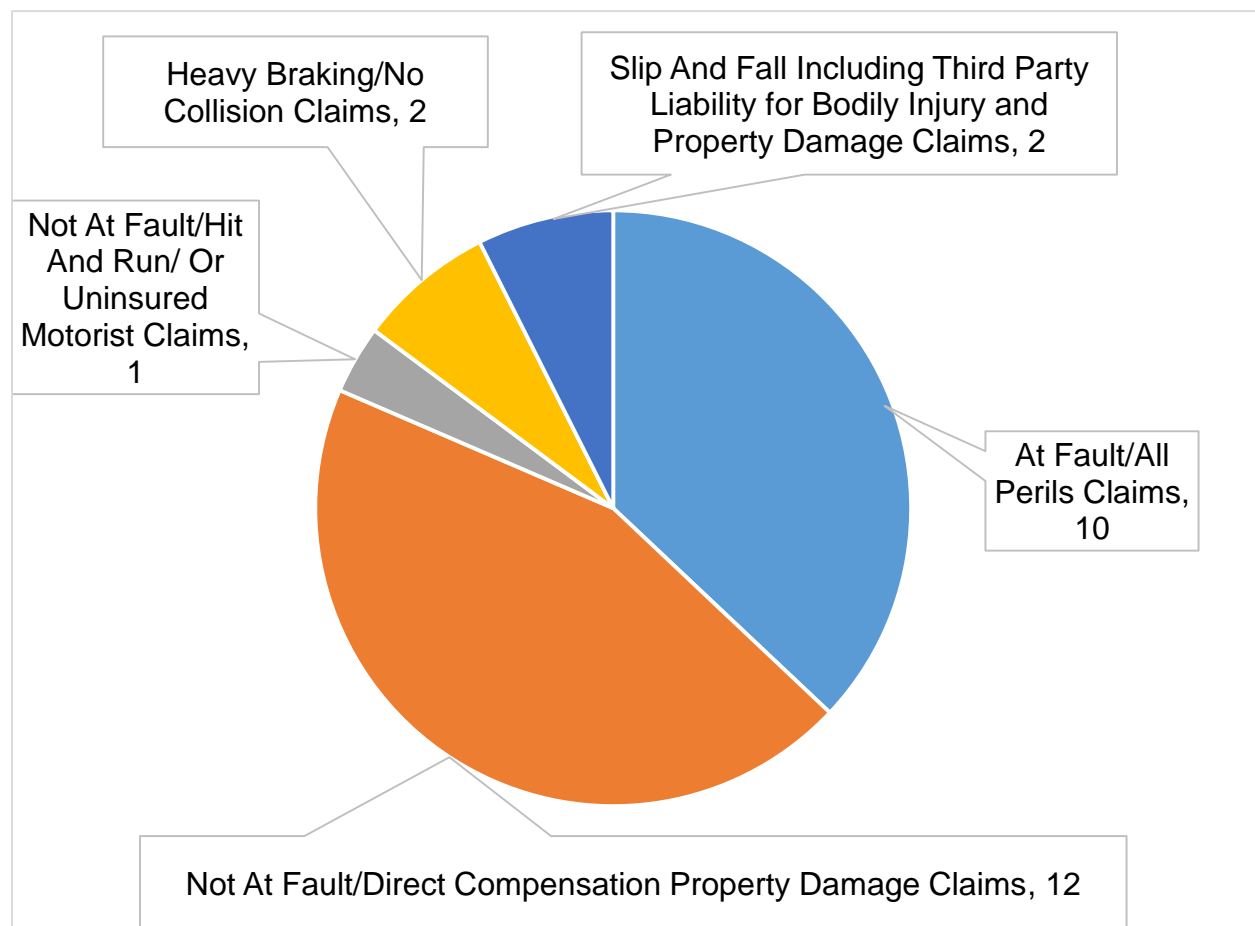


**\*\* Note: At Fault and Not at Fault** under Ontario's "No Fault" Insurance – an insured is no longer able to sue a third party for damages – resulting in no money exchanged between insurers with each party dealing directly with their own insurance company for reimbursement of damages.

Staff wish to highlight that many of the claims received were At Fault (24). However, the majority were minor in nature for e.g. bus mirror contact with third party vehicle. There were a low number of heavy braking incidents received (3 claims). However, while the frequency for heavy braking may be low, as reported previously these types of claims may have the potential to be more substantive in nature.

In 2025, there have been 27 incidents reported to date by NTC or by way of online submission or notification from a third party. High level details of such incidents are as follows:

2025 Claims as of April 17, 2025



In general, the greatest exposure for claims arising from transit operations relate primarily to passenger injury and often do not involve a collision, e.g., passenger falls while disembarking the bus.

Through ongoing communication with NTC, Staff continue to explore other industry best practices or mitigation strategies to improve upon transit operations going forward as budget and resources allow which include early and detailed documentation of all the particulars surrounding any alleged incident, continuous driver operator training and education.

### **Deductible Levels, Reserves and Premium Savings**

As reported to NTC previously, the undeveloped loss experience data for this relatively new entity does not afford a sufficient basis to conclude that higher deductibles would significantly drive down premium costs.

As NTC's insurance program and claims history data matures, future consideration can be given to the potential benefits of increasing deductibles. Staff can consider engaging the services of an actuarial consultant to review claims loss data history and trends to help facilitate future insurance program changes.

### **Other Pertinent Reports**

NTC-C 8-2024 Niagara Transit Commission Insurance Program Detail- Shared Services Report [Niagara Transit Committee Agenda Package](https://pub-ntc.escribemeetings.com/FileStream.ashx?DocumentId=199)  
(<https://pub-ntc.escribemeetings.com/FileStream.ashx?DocumentId=199>)

Respectfully submitted and signed by

*Donna Pasto*

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**Donna Pasto, CRM**  
**Risk Management and Insurance Program Manager**